

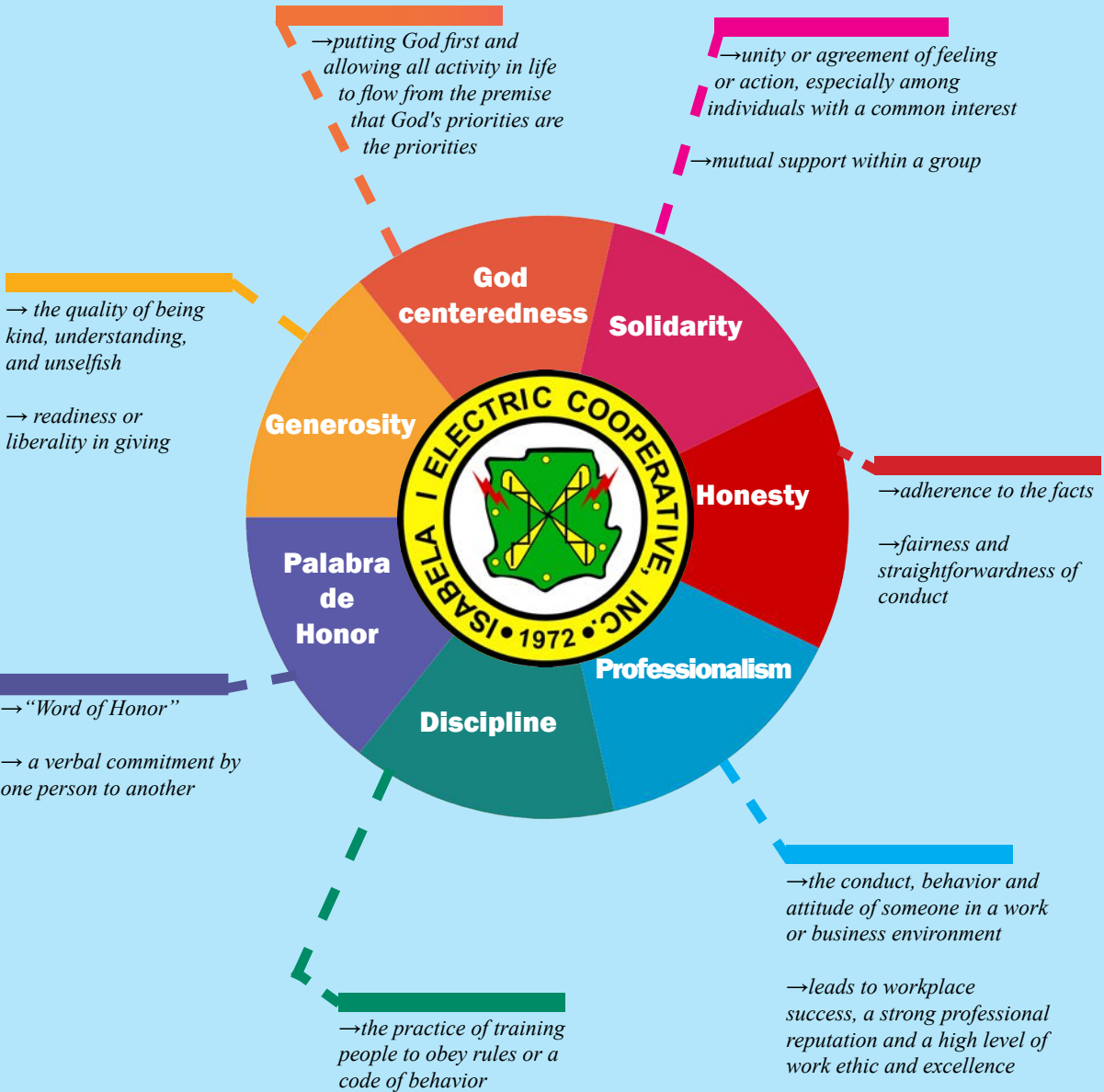
2019
ANNUAL
REPORT

MCOs
Member-Consumer-Owners
ISELCO-I
PHILRECA

*United and Committed
in Impacting the Nation*



CORE VALUES





MESSAGE

I congratulate Isabela I Electric Cooperative, Inc. (ISELCO 1) for the publication of this annual report.

Annual report is one of the more valuable materials which proves the capabilities of any organization like the ECs, in confronting the challenges that come their way. This shows how ECs maximize their strengths and address their weaknesses to perform better.

As the country has been confronted with an increasing vulnerability not just to climate change but to new threats such as the Corona Virus disease (COVID 19), the ECs are required to make a paradigm shift. This is in order to quickly adapt to the New Normal environment, and continuously fulfill their mandate to be catalysts of progress in the countryside through the Rural Electrification Program (REP).



The exemplary performance of ISELCO I in implementing the REP for so many years is its shield in facing the numerous tests during this crucial time. I commend ISELCO I for maintaining its Triple A categorization for the past five years as specifically reflected in its achievement in good payment status with its power providers, 116 % accomplished connections and below the cap system loss at 10.53%. These are clear illustrations of the cooperative's solid commitment and determined position to provide the best service that the Member-Consumer-Owners (MCOs) truly deserve.

However, ISELCO I must not be complacent. Bigger and more complex issues beset the industry. These shall serve as driving forces for ISELCO I to surpass its past accomplishments. It is encouraged to innovate and keep at pace with the current industry standards which will help the cooperative be equipped and become positive contributors to nation-building.

In this time of pandemic when you cannot gather, this Cooperative Report, in addition to other platforms such as the use of internet, social media, television, radio, video conferencing facilities using fiber optic cable as formats for blended MCO information and education campaign, will be an essential tool to inform all your stakeholders on the current status of the cooperative. May this be an inspiration for everyone to work hard and in solidarity in order to sustain and protect the legacies of the RE Program for future generations.

All the best for ISELCO I and *Mabuhay!*



EDGARDO R. MASONGSONG
Administrator



Republic of the Philippines
PROVINCE OF ISABELA
City of Ilagan

Office of the Governor



MESSAGE

Congratulations to your continued success in the rural electrification service delivery by attaining an overall performance rating of AAA given by the National Electrification Administration with a collection efficiency of 97.12% covering 220,991 household connections, energizing 100% of the 502 barangays, thus serving as engine of economic growth and development from the remote farming communities to growing suburbs across the municipalities of Alicia, Angadanan, Cabatuan, Cordon, Echague, Jones, Luna, Ramon, Reina Mercedes, San Agustin, San Guillermo, San Isidro, San Mateo and the cities of Santiago and Cauayan, Isabela.

I envisioned every Isabeleño to bask in the glow of well-lit streets and brighter homes, radiating hope and optimism in facing the fresh wave of challenges in the new normal. We cannot trumpet the gains we have achieved thus far, if we cannot even provide for our people's most basic social services including access to safe and reliable electricity. I remain steadfast in my commitment to fully energize the entire province down to the smallest barangay, so that in our relentless pursuit of progress, nobody is left behind.

The uninterrupted power supply is crucial to keep people connected at home and to run life-saving equipment in hospitals during the implementation of the month-long Luzon-wide Enhanced Community Quarantine (ECQ). As one of the frontliners to address the impact of ECQ, the Isabela I Electric Cooperative Incorporated (ISELCO-I) ensures stable power supply amidst the COVID-19 pandemic. No power outage has been reported during the ECQ, kudos to the quick response mechanisms of our warriors of light - the men and women of ISELCO-I.

The evolving COVID-19 challenges is causing far-reaching economic hardships for consumers, businesses and communities all over the world. As we brace ourselves in the new normal, may you find more reasons to deliver quality service to critical loads such as hospitals and medical facilities, government offices, basic utility service providers and small businesses while maintaining your commitment to all member-consumers and communities you serve.

I am counting on your usual support and close coordination to continue keeping the lights on during these challenging times.

(Sgd.) RODOLFO T. ALBANO III
Governor

Nagkaisa para sa Isabela



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



ISABELA I ELECTRIC COOPERATIVE, INC. – **ISELCO I**
Victoria, Alicia, Isabela

Isang malugod na pagbati sa mga kababayan kong Sundalo ng Pailaw ng ISELCO I!

Allow me to extend my deepest gratitude and congratulations for almost half a century of service in lighting up the homes and streets of Isabela. Isabela has been my hometown and I could not be more proud of having a team of dedicated people who are literally giving a brighter future for everyone.

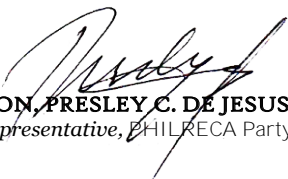
I give my sincerest appreciation for the perseverance of the board members, management team, employees, stakeholders, and most importantly, the member-consumer-owners, in championing sustainable rural development through rural electrification.

ISELCO I has indeed achieved great heights through the leadership of General Manager Eng'r Virgilio L. Montano. Your commitment is a reminder of the true essence of leadership—serving our people and communities first and foremost. I would also like to extend my gratitude to the employees of ISELCO I for being loyal Warriors of Light through and through.

Above all, I would like to recognize the member-consumer-owners of ISELCO I for being the very reason why our movement exists and continue to flourish. Total rural electrification would not be possible without the perseverance of electric cooperatives like ISELCO I, guided by the trust of its member-consumer-owners.

I stand with my ISELCO I family in continuously seeking new ways to improve our service and further contribute to rural development. Let us continue to ensure that our member-consumer-owners will get the best service that they deserve. Let us always remember our thrust: UNITED WE STAND, WE STAND UNITED!

In behalf of PHILRECA, congratulations to my ISELCO I family. *Isang karangalan makasama kayo sa layuning makatulong sa bansa at sa mga komunidad. Mabuhay ang ISELCO I! Mabuhay and One EC MCO Movement!*



HON. PRESLEY C. DE JESUS
Representative, PHILRECA Party-List

*2019
Departmental
Accomplishment Reports*

THE OFFICE OF THE GENERAL MANAGER



The Cooperative once again sustained great milestone in terms of electricity distribution. **With the committed service of the Board of Directors, the leadership within by the General Manager & CEO, Engr. Virgilio L. Montano, the efficient work of its employees which drives in providing an excellent quality service, and ever-supportive member-consumer-owners (MCOs), created another corner of success.**

The success of Cooperative collaborates with the satisfaction of the MCOs. For the 4th consecutive time, a rating of Triple A for Mega Large Electric Cooperative was given by the National Electrification Administration (NEA), the highest rating bestowed upon an EC.

AWARDS RECEIVED

ISELCO-I achieved tremendous awards given by the National Electrification Administration (NEA) during the celebration of its 50th Year Anniversary on August 8, 2019.

GOLDEN DAGITAB AWARD

Award given to Isabela I Electric Cooperative, Inc. for its exemplary performance in all aspects of the electric cooperative's operations thus garnering 100% level in the 2018 EC Overall Assessment with a Triple A Category



PARAMOUNT ACHIEVEMENT AWARD

Award given to Isabela I Electric Cooperative, Inc. for showing exemplary performance as a Triple A category EC in the pursuit of total electrification and sustainable rural development, and for being a committed partner of NEA, PHILRECA, and the One EC-MCO Movement

4 YEARS OF POWER HOUSE EXCELLENCE AWARD

Award given to Isabela I Electric Cooperative, Inc. for its consistently exhibiting an exemplary performance as a Triple A category EC in the last four years and for being a formidable partner of NEA, PHILRECA, and the One EC-MCO Movement

EXTRA MILE AWARD

Award given to Isabela I Electric Cooperative, Inc. for implementing a model CSR Project through the Lifeline Income Augmentation, and or being active in delivering the goals of NEA, PHILRECA and One EC-MCO Movement

ADVOCACY EXCELLENCE AWARD

Award given to Isabela I Electric Cooperative, Inc. for being strong instrument in carrying out the goals of NEA, PHILRECA, and the One EC-MCO Movement

ACE OF ECs AWARD

Award given to Isabela I Electric Cooperative, Inc. for implementing the Member-Consumer Empowerment Program that is aimed to uplift the lives of the MCOs and to carry out the goals of NEA, PHILRECA, and the One EC-MCO Movement

SPECIAL CITATION TO ISELCO-I

Award given to Isabela I Electric Cooperative, Inc. for producing a NEA-EC-MCO Solidarity Dance video that stood out among the other videos submitted by

electric cooperatives in Luzon due to its overall quality and production value in celebrating the 50 years of rural electrification program in the country

ABOVE AND BEYOND AWARD

Award given to Isabela I Electric Cooperative, Inc. for establishing a Drive Through Payment Center, and for attaining the goals of NEA, PHILRECA, and One EC-MCO Movement

Also, the year 2019 is remarkable for its fruitful existence, proved by the huge awards given by the San Miguel Energy Corporation (SMEC) on November 15, 2019.

ISANG DEKADA (LOYALTY AWARD 2009-2019)

Award given to Isabela I Electric Cooperative, Inc. for rendering 10 years of loyalty with the San Miguel Energy Corporation (SMEC)

MOST OUTSTANDING CUSTOMER

Award given to Isabela I Electric Cooperative, Inc. for having the highest energy purchases and consistently met its financial commitments for the year 2019

PROMPT PAYOR

Award given to Isabela I Electric Cooperative, Inc. for being able to consistently meet its prompt payment deadline for the year 2019

TOP 3 IN ENERGY SALES

Award given to Isabela I Electric Cooperative, Inc. for having generated the highest energy sales for the year 2019

These various achievements show that ISELCO-I stood out to reach triumph despite inevitable challenges along the way; these mirror the result of exceptional dedication, persistence, and perseverance of the Cooperative as a whole. The Management, Board of Directors, and employees were one with the implementation of program and activities that geared towards empowerment of member-consumer-owners.

Through the headship of Engr. Virgilio L. Montano, the cooperative has been strengthened through ups and downs, overcame ultimatum, and combined motivation and gratefulness to finish the line of race for success. With his caliber leadership, his journey as a GM & CEO didn't just last in his home cooperative. He was also appointed as the Project Supervisor/ Acting General Manager of the Nueva Vizcaya Electric Cooperative, Inc. (NUVELCO) on July 17, 2019. For this, he was awarded by NEA for his exemplary leadership shown as General Manager of ISELCO-I and for being an outstanding Warrior of Light upholding the advocacy of NEA, PHILRECA, and One EC-MCO Movement.

Year 2019 is a fulfillment of great victories for the Cooperative, and these were not made possible if not for the unrelenting willpower and firm sense of purpose of ISELCO-I. The succeeding years will be more promising knowing that the Cooperative is unstoppable in carrying out its calling for every member-consumer-owner it serves.

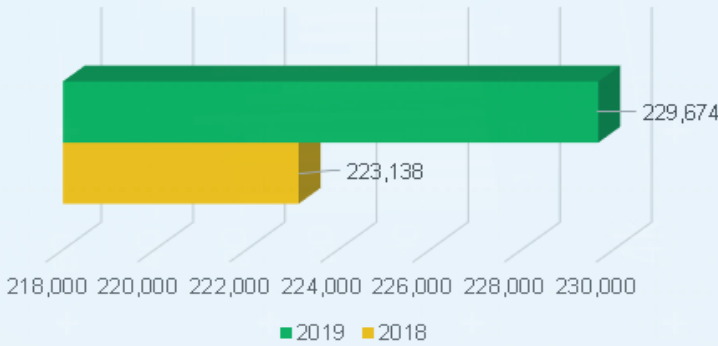


INSTITUTIONAL SERVICES DEPARTMENT

Year **2019** entails **victorious** realization of ISELCO-I's goals and aspirations marked by the **sundry accomplishments** both inside and outside of the Cooperative's business operations.

This mirrors the spirit of **solidarity and commitment** of the Board of Directors, management, and employees.

COMPARISON ON TOTAL MEMBERSHIP PER MUNICIPALITY/CITY (2018 & 2019)



On membership recruitment, as of December 2019, the Cooperative recorded **6,536 additional new members** approved by the Board of Directors as an **upturn on ISELCO-I's service capacity** is reflected on the status of its membership for the year, having an **increase rate of 2.56%**, as compared to 2018.

MEMBERSHIP PER TOWN/CITY FOR 2018 & 2019

NORTH AREA							
Year	ALICIA	ANGADANAN	CABATUAN	CAUAYAN CITY	LUNA	REINA MERCEDES	SAN GUILLERMO
2018	21,168	9,282	10,372	35,668	4,921	5,748	4,124
2019	21,762	9,471	10,575	36,768	5,014	5,961	4,215

SOUTH AREA								
Year	CORDON	ECHAGUE	JONES	RAMON	SANTIAGO CITY	SAN AGUSTIN	SAN ISIDRO	SAN MATEO
2018	11,263	20,983	12,439	13,340	44,446	3,270	6,779	19,291
2019	11,611	21,980	12,627	13,765	45,913	3,309	6,947	19,712

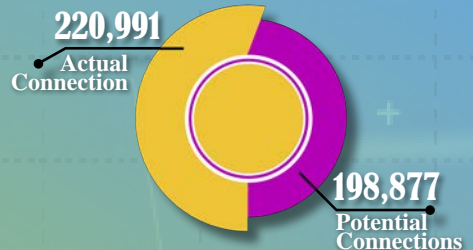
STATUS OF ELECTRIFICATION as of December 2019



15 Municipalities/
Cities



502 Barangays





The organization of Member-Consumer-Owners (MCOs) through the Member-Consumer-Owners Program for Empowerment (MCOPE) continued in order to intensify participation and inclusion of MCOs to Cooperative activities. The municipality of San Agustin was the last municipality organized which, as well as its five (5) barangays under ISELCO-I's franchise which was held on 8 October 2019.

ORGANIZED MEMBER-CONSUMER-OWNERS (MCO)

Municipal Level – San Agustin

Chairman : Cornelio Dayag
 Vice Chairman : Michael Tomas
 Secretary : Marieta Paquiz
 Treasurer : Rubelyn Tacama
 Auditors : Lewelyn Santos
 Robert G. Almazan



Brgy. Masaya Centro, San Agustin

Chairman : Frederick C. Sabado
 Vice Chairman : Myrna G. Solbelino
 Secretary : Raechel Ann R. Damgasin
 Treasurer : Angeles T. Estavillo
 Auditors : Marieta V. Paquiz
 Polly C. Gabriel
 Adviser : Romeo Pascual

Brgy. Masaya Norte, San Agustin

Chairman : Marivic A. Arellano
 Vice Chairman : Modesto T. Lorenzo
 Secretary : Alberto A. Lorenzo
 Treasurer : Clarissa E. Lui
 Auditors : Rubelyn T. Tacama
 Cornelio S. Dayag
 Adviser : Moises Bartolome

Brgy. Masaya Sur, San Agustin

Chairman : Robert G. Almazan
 Vice Chairman : Generoso U. Bobier
 Secretary : Vilmar R. Manibog
 Treasurer : Mario A. Ariem
 Auditors : Severino A. Bautista
 Arman Jaypee L. Almazan
 Adviser : Bartolome Martin

Brgy. Nemmatan, San Agustin

Chairman : Charles R. Andres
 Vice Chairman : Cornelio D. De Gracia
 Secretary : Judith A. Erese
 Treasurer : Lou T. Santos
 Auditors : Roderick R. Agustin
 Gerry C. Paulino
 Adviser : Santos Leaño

Brgy. Santos, San Agustin

Chairman : Michael B. Tomas
 Vice Chairman : Dominador Culang
 Secretary : Robie May M. Juan
 Treasurer : Edena W. Agbayani
 Auditors : Eliaser P. Lucero, Jr.
 Eddie T. Castillo
 Adviser : Joji Sarandi



Serving the MCOs as far as to the sitios is an unrelenting duty of the Cooperative. Continuous Sitio Electrification Program (SEP) Project was implemented in Brgy. Bannawag Norte, Santiago City, and Purok 3 & 4, Bantug, Ramon, Isabela on July 15, and December 17, 2019, respectively. SEP is a government-funded project that aims to energize sitios/puroks in the countryside, especially in the remote rural areas.



www.facebook.com/ISELCOI

The Cooperative ensures the regular release of information to MCOs through its official organ - Silaw ti Isabela, ISELCO-I Facebook Page, and radio program dubbed as "ISELCO-I Hour" monthly aired at four (4) stations with the following schedule:



www.ISELCOUno.com

- Bombo Radyo DZNC 801 KHZ
1st Saturday of the month (11:45 AM-12 NN)
- DWDY AM 1107 KHZ
2nd Friday of the month (3:30-4:00 PM)
- DWSI 864 KHZ Sonshine Radio
3rd Friday of the month (3:30-4:00 PM)
- DWMX Sweet Radio 97.7 KHZ
4th Friday of the month (3:30-4:00 PM)



In order to fortify barangay electricians and disconnection crew regarding the Cooperative's operations, programs and activities, an assembly meeting was held on March 2, 2019 at the Arthur Hall, ISELCO-I, Victoria, Alicia, Isabela.

Corporate Social Responsibility (CSR) of the Cooperative reflects its unwavering commitment to offer services beyond electricity distribution. For the year, the Cooperative showed benevolence to MCOs through various CSR activities.



Donation of medicines to Bombo Radyo's "Bombo Medico" Program

Feeding Program in cooperation with Echague National High School at Villa Campo, Echague, Isabela benefitting around 70 pupils



Outreach Program at Rumang-ay Elementary School, Rumang-ay, Echague, Isabela



Mortuary Assistance of Php 3,000.00 for the bereaved family of deceased MCOs





Medical and
Dental Mission
in cooperation
with SMC
Global Power
Holdings
Corporation



Maintaining an up-to-date database of MCOs is a continuous activity of the ISD, hence, the sanitation of MCO master list was completed in the different barangays of Cauayan City, Reina Mercedes, Cabatuan, Luna, Jones, San Agustin, Santiago City, Cordon, Ramon, Angadanan, and San Guillermo.



With the aim to further improve services of the Cooperative, various steps had been executed by the Cooperative such as purchase of lot for Echague Branch Office, Jones Branch Office, Alicia Branch Office & Sub-station located at Paddad, Alicia, Isabela; procurement of brand new generators for the branch offices of Ramon, Angadanan, Echague, Cabatuan, Jones, and SCADA; and repaint of the ISELCO-I Headquarters at Victoria, Alicia, Isabela.



To ensure the well-being of the Cooperative's employees, an annual medical and dental check-up was done on June 2019 spearheaded by the Cooperative Physician, Dr. Rhea Cez Javier-Miguel, Cooperative Dentist, Dr. Joan Mae De Jesus, and Cooperative Nurse, Ms. Frances Michelle P. Salazar.



Installation of First Aid Kit in every office and sub-station was also executed as part of the health and wellness program in order to promote safety to employees as well as to member-consumer-owners.

Regarded as the best asset of the Cooperative, employees of ISELCO-I underwent at least two seminars for the year. The following were some of the seminars conducted:

- Orientation on Utility Billing Management System
- Financial Management/Literacy Seminar
- Seminar on Health Awareness
- Orientation-Seminar on the Employees' Code of Discipline, Basic Safety, Consumer Relations, and Values Enhancement
- MCOPE Orientation Seminar



The Consumer Education Program for schools during Brigada Eskwela also continued. Check-up on schools' electrical wirings were done through the area offices and some donations were handed over as part of the Cooperative's advocacy.



Implementation of Best Practices never ends, thus, ISELCO-I never ceased to allow its sister electric cooperatives to have their benchmarking activities in the Cooperative. This activity enriches not only business operations, but even ties between cooperatives.

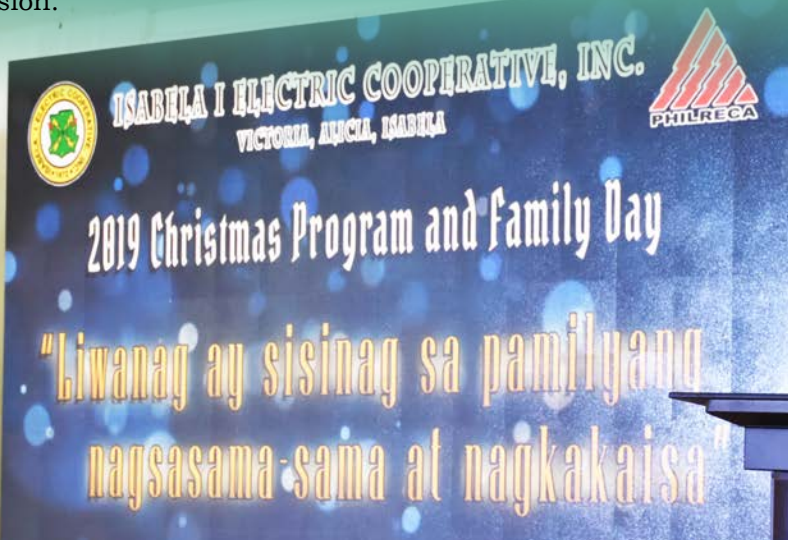
Birthday tokens were as well given to Local Government Offices, Barangay Captains, and ISELCO-I employees, likewise, complimentary greetings/congratulatory messages in the form of tarpaulins and certificates were given to employees and employees' children who received achievements, such as passing the board exam and licensure exam.

The 2019 Annual General Membership Assembly (AGMA) held on February 9, 2019 was a remarkable stint for the Cooperative as 37,546 member-consumer-owners across ISELCO-I's coverage area gathered at the APEC-MCO Multi-Purpose Building, Victoria, Alicia, Isabela. Mr. Edgardo R. Masongsong, National Electrification Administration (NEA) Administrator, graced the event as the Guest of Honor and similarly administered the oath-taking of the newly elected Board of Directors in five districts: Dir. Nelson V. Agruda (San Mateo), Dir. Sharon S. Gervacio (San Isidro), Dir. Analisa B. Lantican (Alicia), Dir. Perlita S. Sibalon (Echague), and Dir. Mark Lester R. Cadelina (Cabatuan/Luna).





On March 30, 2019, the Cooperative successfully celebrated its 47th Founding Anniversary with the theme, “Mga Hamon na Pinagtagumpayan, Nabuong Katatagan, Tuluy-Tuloy na Kahusayan.” This special celebration brought delight to employees as different departments showcased their talents to win the title for the ISELCO-I Got Talent competition. Employees who have reached 35, 30, 25, 20, and 15 years of service in the Cooperative were honored by being awarded each a plaque of recognition and token. Meanwhile, the Cooperative’s Legal Counsel, Hon. Nicasio B. Bautista III who is the Presiding Judge of Regional Trial Court – Branch 21 of Santiago City, and Engr. Inocencio C. Castañeda, the last surviving incorporator of ISELCO-I, received recognition during the occasion.



Christmas celebration in the Cooperative for the year seemed to be simple yet remarkable. In order to promote greater camaraderie and encouragement among employees, parlor games, group presentations, and raffle draws were done. Updates on the “Adopt a family Program” were also presented by each department to show the impact of the program to their chosen families as part of empowering and blessing the MCOs.

ISELCO-I also served as venue for various regional activities such as celebration of National Electrification Administration's 50th Founding Anniversary, whereby regional competitions for painting, photography, video-making, and song-writing were held on July 13, 2019. Winners of the different categories were as follows:



Clicks of Gold (Photography Contest)
CAGAYAN II ELECTRIC COOPERATIVE, INC.

Golden Strokes (Painting Competition)
NUEVA VIZCAYA ELECTRIC COOPERATIVE, INC.

HimigRE (Himig Rural Electrification - Songwriting Contest)
CAGAYAN I ELECTRIC COOPERATIVE, INC.

Kwentong Dagitab (EC Video Documentary Competition)
ISABELA I ELECTRIC COOPERATIVE, INC.

Other gatherings held in the Cooperative were the Regional Orientation-Seminar and Planning Workshop on EC's MCOs Organization, Northeast Luzon Electric Cooperatives Association, Inc. (NELECA) regular meetings, Regional Philippine Association of ISD Managers (PHILAIM) meetings, Regional Organization and Planning of League of Electric Cooperative Information and Communication Officers Nationwide (LEXICON) Officers, Safety Officers, and ETSD Managers.





The Cooperative also observed EC activities nationwide, hence, the Solidarity Run for a cause on May 1, and National Electrification Awareness Month (NEAM) 2019 Tree Planting and Line

Clearing on August 30.

One of the highlights of 2019 was the May National Elections which marked another history for ISELCO-I and other Electric Cooperatives in the country as the ISELCO-I BOD President and PHILRECA President, Hon. Presley C. De Jesus, won a seat at the House of Representatives through PHILRECA Party-List. This historical event sparked hope and future to the 121 ECs in the country aiming for a more sustained, reliable, and holistic impact to 13 million Filipino homes and businesses.



INTERNAL AUDIT DEPARTMENT

The **Internal Audit Department** in the year 2019 **participated proactively in supporting the management** toward the goal of achieving Cooperative's improved operations as well as **enhancing the existing business processes** by evaluating the effectiveness of governance, risk management and control processes of the Cooperative.



As the business environment has experienced a rapid and revolutionary change with extensive impact to organizations, internal auditing has gained its important role in the governance of the organization. Economic changes, increasing dependence on technology, new market and product opportunities, increasing regulation, changing workplace behavior and the pace of organizational change are contributing to the increased velocity of emerging risk that can threaten business stability.

As the Cooperative migrate to the new system, the Internal Audit Department assisted in reconciling the consumers account before transferring the balances from Electric Billing and Collection System to Utility Billing Management System to ensure the accuracy of data in the new system.

The Department continuously maintained its independence and objectivity when faced into some issues that affects the operational and financial aspect of the organization, and avoiding impartiality and impropriety in discharging the duties of internal auditors.

The Financial Audit Division assessed the compliance of the Cooperative with existing financial regulations and controls by analyzing account balances and reconciling any abnormal balances therein. It ensured that the transactions are legitimate by verifying and checking the attached documents especially when it comes to transactions involving disbursements. Spot cash counts were conducted in all branches, to check if the cash was properly handled by the custodian or cashiers.

Monitoring of certain transactions were done to avoid redundancy and repetition in its recording. Monthly bank reconciliations were also performed to see if there are any differences between the ending balances of the bank and book records and proposed corresponding adjusting entries to reconcile the balances and to avoid substantial variances in the cash balance.

Meanwhile, the Operation Audit Division during the FY 2019 completed several activities and issued significant audit reports that have the potential to make the Cooperative operations more effective and efficient. Through team effort, the division was able to review and assess various business processes and procedures specifically with the Disconnection and Reconnection Procedures, Procurement Policies, Gasoline Issuances and other processes. Part also of this is the issuance of reports to the concerned department to improve current practices, as well as continuous monitoring in order to ensure compliance and adherence with policies, best practices and industry standards. In addition, they also regularly conducted inspection and inventory of all the properties, supplies and deliveries to guarantee that all assets are being safeguarded.

The division was also instrumental in achieving the coop's goals and objectives as the technical auditor unceasingly conducts inspection of line maintenance and construction and as well as validation of clearing operations to ensure that our member-consumer-owners receives high quality electric service.

Consistent with the Cooperative's mission and vision, the Internal Audit Department will continue to perform an independent, objective and impartial activities designed to add value and to improve the Cooperative's operation.

MANAGEMENT INFORMATION SERVICES, CORPORATE PLANNING, and ENERGY TRADING SERVICES DEPARTMENT

The work of **Management Information Services, Corporate Planning, and Energy Trading Services Department** varies from providing reliable, secure, and easily accessible **Information Technology (IT) systems and infrastructure** to meet the business and service needs of the Cooperative and its MCOs to providing **accurate and correct data of contestable customers and reliable bilateral contract quantity nominations** for the Wholesale Electricity Spot Market (WESM).

The Department commits to delivering high quality electric service to the MCOs at its least cost through a state of the art IT systems and infrastructure.

2019 was another productive year for the Cooperative in relation to its annual programs and targets, to ensure its efficient operation.

Eighty percent (80%) of the operational systems are already in place. Added to this, these systems are continuously improved and updated, to respond to the needs and demands of the dynamic industry. In 2018, it reported that the wireless area network which was used for quite a long time in the billing and collection has been replaced by a fiber optic connection in all areas, to hasten the process of billing and collection. This year, additional fiber optic connections were installed, particularly at Reina Mercedes Substation.

As regards the android meter reading system and gadgets of our meter readers, additional features which include Global Positioning System (GPS) monitoring were provided.

In order to better facilitate the member-consumer-owners' (MCOs) requests and complaints, a new system was developed and introduced – the Customer's Satisfaction Survey. This ensures that all requests and complaints of MCOs will be acted upon, based on the timeline approved by the Energy Regulatory Commission (ERC). Requests and complaints received and acted upon are being monitored by the National Electrification Administration; hence, summary of which are being sent to NEA every month.

Relative to Energy Trading Services, MCOs benefited from the direct trading of our energy requirements with the Wholesale Electricity Spot Market (WESM). The Cooperative saved the amount of Php 56,344,520.37 from the energy purchased which resulted to a reduced electricity rate.

Meanwhile, the Management Information Services Division continues to monitor and evaluate the following, for the efficient operation of all the Departments in particular and the Cooperative in general: Fiber Optic Network Connectivity, Android Meter Reading System, Billing and Collection Management System, Member and Consumers Management, Complaints Monitoring, Online Telling, Teleconferencing, Accounting System, VOIP Phone System, Asset Management System, Website and Hosting, Bandwidth Management.

Regular routine activities of the department such as repair and maintenance of computers in the coverage area, monitoring of the billing and collection system, monitoring of communication system, and uploading and downloading of collections from the BAYAD

CENTERS have been also undertaken.



A utility pole stands in the center of the frame, with a dense network of power lines crisscrossing the sky. The background is a vibrant sunset, transitioning from a deep orange at the bottom to a dark purple at the top. The silhouette of a tree is visible at the bottom of the image.

NORTH AREA OPERATION MANAGEMENT DEPARTMENT

For the fiscal year 2019, the **North Area Operation Management Department** executed programs to advance the services in terms of system loss reduction, improvement of system reliability, collection efficiency and consumers' satisfaction.

The figures below reflect the accomplishments of the North Area Operation Management Department on different aspects of the Cooperative's business operations:

A. FINANCIAL ASPECT

COLLECTION OFFICE	POWER BILL COLLECTION	RECONNECTION FEE
1. Alicia Branch Office	PHP 297,901,415.73	PHP 1,737,486.00
2. Angadanan Branch Office	PHP 92,352,458.12	PHP 108,120.00
3. Cabatuan Branch Office	PHP 198,907,912.22	PHP 405,630.00
4. Cauayan City Branch Office	PHP 1,011,380,912.31	PHP 2,120,360.00
5. Luna Sub-Office	PHP 133,745,984.26	PHP 116,960.00
6. Reina Mercedes Sub-Office	PHP 83,595,966.41	PHP 598,360.00
7. San Guillermo Sub-Office	PHP 32,443,591.65	PHP 90,630.00
TOTAL COLLECTION	PHP 1,850,328,240.60	PHP 5,177,546.00

B. TECHNICAL ASPECT

Replacement of defective/old kWh meter	2,440 meters
Clearing of power line	323.45 kms
Pole metering & clustering of kWh meter	5,415 meters
Transformer load management	637 dist. transformers
Apprehended consumer	12 consumers
Feeder load balancing	145 feeders
Pole grounding installation	407 ground rods
Upgrading of Line	98 lines
Monitoring of disconnected/pulled out kWh meter	88 meters
Inventory of streetlights	24,050 street lights
Replacement of rotten pole	366 poles
Replacement of rotten crossarm	167 crossarms
Installation of fuse cut out dist. transformer	64 cut outs
Installation of lateral line fuse cut outs	52 cut outs
Installation of compression connectors	5,775 connectors

Pole insertion	259 poles
Pole inspection	5,320 poles
kWh meter inspection	18,551 connections
New consumer connection/service dropping	3,137 consumers
Replacement of defective dist. transformer	72 dist. transformers
Installation of additional dist. transformer	42 dist. transformers
Installation of separate transformer	51 sep. transformer
Relocation of pole	92 poles

C. INSTITUTIONAL ASPECT

a. Complaints received and acted	3,530 complaints acted
b. Request received and acted	2,484 requests acted
c. Application processed	3,880 applications
d. Housewiring Inspected	42,621 inspected
e. Disconnected consumer	426 disconnected
f. Demand letters issued	162 letters
g. Papremyo sa Resibo Winners	2,484 winners





SOUTH AREA OPERATION MANAGEMENT DEPARTMENT

With the advent of the new technology and innovations, the year **2019 had been more prolific and advantageous** as to the operations and accomplishments of the Cooperative, particularly on the strategies of the **Area South Operation and Management Department.**

The continuous implementation of programs set by the department incessantly improved the cooperative's reliability, collection efficiency and consumers' satisfaction. Among of these are:

The adoption of flexi-time during lunch break and extended services during Saturdays and holidays to all branch offices to cater member-consumer-owners (MCOs) who cannot pay during regular office hours;

The continuous operations of the Batal and Garit Drive-thru Collection Office and other Bayad Centers designated to every town/municipality within the coverage area of the Department to serve MCOs who cannot directly proceed to branch offices for their payments; and

The conduct of "Papremyo Sa Resibo" every month as an incentive to the cooperative's prompt payors.

Manpower of the department is striking inevitably with the joint-force strengths, skills, characters, such as diligence and being dauntless, of field workers to achieve sustainable accomplishments under the technical aspect, and active neophyte office personnel equipped with endless knowledge that creates a huge impact in the accomplishments and operations under the financial and institutional aspects.



A. FINANCIAL ASPECT

COLLECTION OFFICE	POWER BILL COLLECTION	RECONNECTION FEE
1. Jones Branch Office	PHP 114,448,822.88	PHP 538,410.00
2. San Agustin Sub-Office	PHP 22,470,559.59	PHP 53,860.00
3. Santiago City Branch Office	PHP 981,922,120.51	PHP 1,247,500.00
4. Cordon Sub-Office	PHP 111,532,383.57	PHP 379,380.00
5. Echague Branch Office	PHP 308,632,145.48	PHP 577,760.00
6. San Isidro Sub-Office	PHP 59,359,219.26	PHP 185,990.00
7. San Mateo Branch Office	PHP 253,161,437.20	PHP 474,573.00
8. Ramon Branch Office	PHP 168,542,375.82	PHP 301,680.00
TOTAL COLLECTION	PHP 2,020,069,064.31	PHP 3,759,153.00

B. TECHNICAL ASPECT

1. Transformer Load Management	6,689
2. Length of lines cleared (kms)	645.8
3. Pole metering/clustering of old kWh meter	2699
4. Installation of neutral line	25
5.Reconductoring of undersized wire primary and secondary line	149
6. Upgrading of lines (span)	291
7. Street light inventory	38762
8. Patrol lines (pole inspected)	4857
9. Accomplishment reports	442
10. OTHER ACCOMPLISHMENTS :	
a. Thermal scanning	61
b. Replacement of rotten poles/cross arm	283
c. Service dropping of new consumers	2151
d. Inspection/replacement of broken insulator	2116
e. Disconnection of delinquent consumers	2469
f. Reconnection of kWh meter	3811
g. Monitored disconnected kWh meter	1566
h. Pole grounding	339
i. No. of defective transformer replaced/installed	456
j. No. of poles erected/installed (including rotten poles replaced)	492
11. No. of defective kWh meters replaced	3571
12. No. of kWh meters clustered	4092
13. No. of kWh meters inspected	9363
14. No. of reports submitted	410
15. No. of consumers apprehended	135

C. INSTITUTIONAL ASPECT

a. No. of disconnected houses	138,175
b. No. of complaints received	17,868
c. No. of complaints acted	18,283
d. No. of inspected HW Installation	5890
e. No. of consumers' load inspected	2006
f. No. of pole inventoried	10,912
g. No. of turn on order released	5226
h. No. of applicants attended (PMES)	3402
i. Papremyo sa Resibo	133

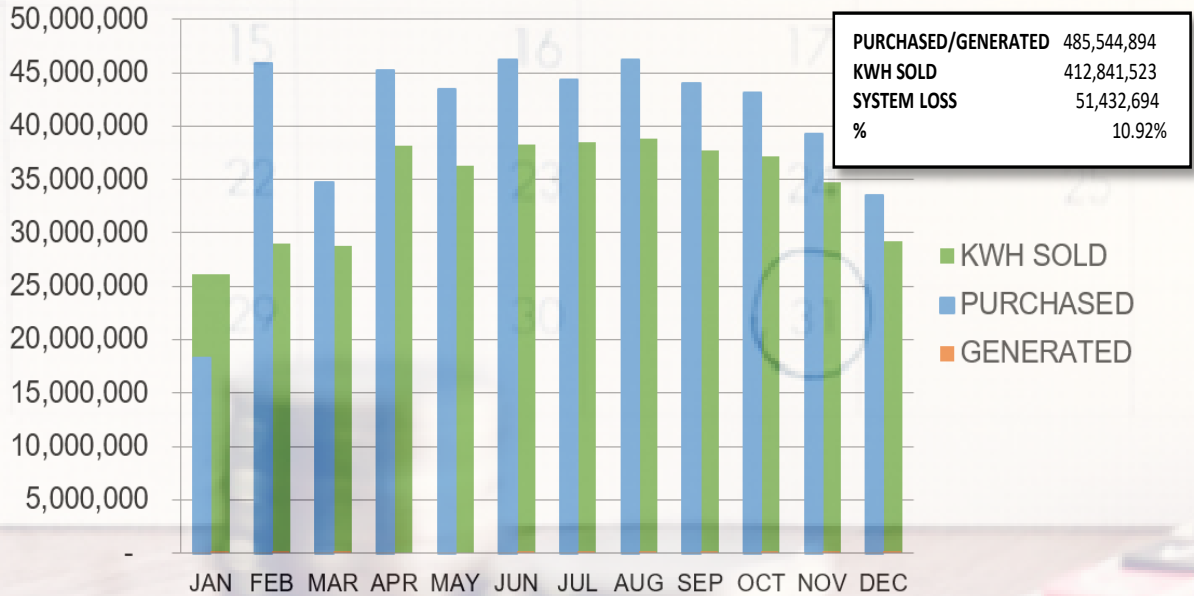
FINANCE SERVICES DEPARTMENT

In consistence with its function in planning and controlling the financial resources of the Cooperative, the **Finance Services Department** ensures that **funds are effectively and efficiently utilized**, and as the **lifeblood of the organization**, it ensures that there are enough funds to finance the operations.



The financial aspect of Isabela I Electric Cooperative, Inc. for the year 2019.

2019 KWH GENERATED / PURCHASED & SOLD CHART



2019	PURCHASED	GENERATED	TOTAL	KWH SOLD
JANUARY	18,251,727	188,984	18,440,711	26,143,699
FEBRUARY	45,889,999	190,159	46,080,158	28,964,712
MARCH	34,741,520	141,367	34,882,887	28,753,250
APRIL	45,189,307	-	45,189,307	38,199,081
MAY	43,499,879	-	43,499,879	36,343,814
JUNE	46,204,490	66,957	46,271,447	38,290,985
JULY	44,335,289	95,760	44,431,049	38,466,795
AUGUST	46,220,252	90,497	46,310,749	38,865,198
SEPTEMBER	44,067,562	91,606	44,159,168	37,725,543
OCTOBER	43,099,138	62,421	43,161,560	37,183,405
NOVEMBER	39,283,041	161,278	39,444,319	34,694,723
DECEMBER	33,532,150	141,512	33,673,662	29,210,319
TOTAL	484,314,352	1,230,542	485,544,894	412,841,523

2019 COLLECTION AND REVENUE CHART

2019	COLLECTION	REVENUE
JANUARY	360,395,280.00	275,249,140.58
FEBRUARY	269,600,460.79	294,007,244.18
MARCH	314,475,238.76	307,692,994.42
APRIL	354,578,383.44	422,457,448.40
MAY	445,667,394.11	404,189,902.39
JUNE	362,006,716.51	381,212,460.73
JULY	423,318,633.34	418,356,783.05
AUGUST	407,107,716.98	381,006,000.41
SEPTEMBER	364,062,394.88	342,222,004.44
OCTOBER	376,143,352.71	326,931,564.64
NOVEMBER	312,679,594.82	328,034,874.74
DECEMBER	290,334,133.48	279,352,140.57
	4,280,369,299.82	4,160,712,558.55

On the financial aspect of the cooperative's operation, the concerns are the power Payables with San Miguel Energy Corporation (SMEC) and National Grid Corporation of the Philippines (NGCP). We were able to avail the Prompt Payment Discount (PPD) and Collection Efficiency Discount (CED) upon full payment of power bills on the 10th of the month.

Billing Period	Prompt Payment Discount	Collection Efficiency Discount
Dec.26 to Jan. 25, 2019	2,648,598.15	4,622,007.48
Jan. 26 to Feb. 25, 2019	2,687,728.07	5,904,222.09
Feb. 26 to Mar. 25, 2019	3,697,952.58	7,209,507.08
Mar. 26 to Apr. 25, 2019	6,376,658.70	4,455,208.62
Apr. 26 to May 25, 2019	7,158,112.77	4,803,116.08
May 26 to June 25, 2019	4,808,267.01	5,044,950.41
June 26 to July 25, 2019	3,897,664.33	3,266,323.89
July 26 to Aug. 25, 2019	3,680,018.52	5,368,115.04
Aug. 26 to Sept. 25, 2019	3,483,132.69	5,134,167.60
Sept. 26 to Oct. 25, 2019	3,118,680.05	5,186,403.96
Oct. 26 to Nov. 25, 2019	4,019,478.55	4,959,175.54
Nov. 26 to Dec. 25, 2019	4,044,900.33	3,482,059.50
TOTALS	49,621,191.75	59,435,257.29

DELIO I. SAMULDE AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Members of
ISABELA I ELECTRIC COOPERATIVE, INC.
Victoria, Alicia, Isabela

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ISABELA I ELECTRIC COOPERATIVE, INC.** which comprise the statement of financial position as at December 31, 2019 and 2018 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **ISABELA I ELECTRIC COOPERATIVE, INC.** as at December 31, 2019 and 2018 and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Cooperative in accordance with the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

BUREAU OF
INTERNAL REVENUE
RECEIVED
JUN 15 2020
CITY OF MAKATI

In preparing the financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperatives financial reporting process.

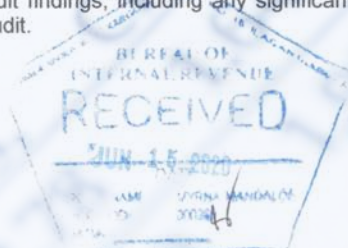
Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 27 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

DELIO I. SAMULDE & ASSOCIATES, CPAs



DELIO I. SAMULDE

Managing Partner

CPA Cert. No. 107411

PTR No. 8160255MG issued at Makati City on 1/27/2020

TIN 223-837-688(*Individual*)

TIN 243-774-610 (*Partnership*)

BOA Accreditation No. 2446 valid until February 3, 2023

BIR Accreditation No. 07-000144-02-2019 valid until March 19, 2022

NEA Accreditation No. 2016-06-0035 valid until June 28, 2022

February 27, 2020

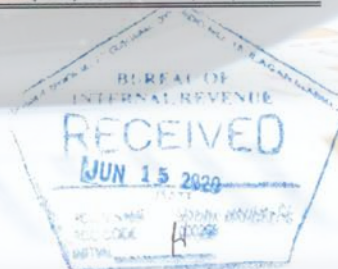
Makati City



ISABELA I ELECTRIC COOPERATIVE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018

	Notes	2019	2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment-net	5 P	957,524,472 P	864,562,300
Construction works in progress	6	90,191,842	113,503,165
Restricted Funds	8	45,266,975	33,013,546
Other non-current assets	7	53,903,880	43,360,360
		1,146,887,169	1,054,439,371
CURRENT ASSETS			
Cash and cash equivalents	9	323,855,847	213,661,988
Trade and other receivables	10	483,453,514	522,396,471
Inventories	11	45,675,459	42,610,739
Other current assets	12	51,211,291	38,197,406
		904,196,111	816,866,604
TOTAL ASSETS	P	2,051,083,280 P	1,871,305,975
MEMBERS' EQUITY AND LIABILITIES			
MEMBERS' EQUITY			
Members' Contributions	13 P	4,842,220 P	4,336,212
Donated capital	14	1,028,676,189	1,035,759,970
Members' Contributed Capital	15	1,089,770,013	995,653,703
Revaluation increment		19,272,848	19,272,848
Cumulative earnings	16	(1,204,272,872)	(1,141,599,772)
		938,288,398	913,422,961
NON-CURRENT LIABILITIES:			
Long-term borrowings	17	196,438,499	184,389,540
Consumers deposit	19	60,889,468	38,495,417
Retirement & Gratuity Payable	26	144,871,436	106,927,191
		402,199,403	329,812,148
CURRENT LIABILITIES			
Trade and other payables	20	566,385,986	503,550,448
Short-term Loans	18	114,163,600	94,628,495
Current portion on long-term borrowings	17	30,045,893	29,891,922
		710,595,479	628,070,866
TOTAL EQUITY AND LIABILITIES	P	2,051,083,280 P	1,871,305,975

See notes to the financial statements



ISABELA I ELECTRIC COOPERATIVE, INC.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

		2019	2018
REVENUE			
Pass Through Revenues			
Generation Charges	21	P 2,463,865,330	P 2,209,172,982
Transmission Charges	21	457,398,032	453,072,238
System Loss Charges	21	365,758,617	337,947,096
Total Pass through charges		3,287,021,978	3,000,192,317
Coop Revenues			
Distribution	21	245,726,713	219,651,381
Supply	21	114,691,296	105,441,352
Metering	21	80,114,915	74,192,438
Total Coop Revenues		440,532,924	399,285,172
NET ENERGY SALES		3,727,554,902	3,399,477,488
COST OF SERVICE	22	(3,297,084,128)	(2,959,465,071)
GROSS PROFIT		430,470,773	440,012,418
OTHER REVENUE	23	38,690,206	30,505,106
DISTRIBUTION COST	24	(167,305,951)	(141,500,738)
GENERAL AND ADMINISTRATIVE EXPENSES	25	(194,776,971)	(191,682,067)
OPERATING INCOME		107,078,057	137,334,718
NON-OPERATING INCOME	23	4,114,473	16,648,288
DEPRECIATION EXPENSES		(73,015,069)	(72,403,473)
FINANCE COST		(15,705,041)	(11,271,836)
NON OPERATING EXPENSES		-	(9,212,085)
NET INCOME BEFORE INCOME TAX		22,472,420	61,095,613
Income Tax Expense - Current		(9,643,924)	(9,784,155)
Income Tax Expense - Deferred			
NET INCOME FOR THE YEAR	P	12,828,496	P 51,311,458

See notes to the financial statements



ISABELA I ELECTRIC COOPERATIVE, INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	Notes	2019	2018
MEMBERS CONTRIBUTION			
Balance, beginning	P	4,336,212	P 3,890,762
Additional contribution during the year		506,007	445,450
Balance, end		4,842,220	4,336,212
DONATED CAPITAL			
Balance beginning of the year		1,035,759,970	1,065,982,875
Donations(adjustments) received during the year		(7,083,780)	(30,222,906)
Balance end of the year		1,028,676,189	1,035,759,970
MEMBERS' CONTRIBUTED CAPITAL			
Balance, beginning	P	995,653,703	P 907,124,427
Additional contribution during the year		94,116,309	88,529,276
Balance, end		1,089,770,013	995,653,703
REVALUATION INCREMENT			
Balance, beginning		19,272,848	23,245,126
Reclassification		-	(3,972,278)
Balance, end		19,272,848	19,272,848
CUMULATIVE EARNINGS (LOSS)			
Balance beginning of the years		(1,141,599,772)	(1,220,358,374)
Correction of prior years errors	16	(75,501,596)	27,447,145
Net income for the year		12,828,496	51,311,458
Balance end of the year		(1,204,272,872)	(1,141,599,772)
TOTAL EQUITY	P	938,288,398	P 913,422,961

See notes to the financial statements



ISABELA I ELECTRIC COOPERATIVE, INC.

STATEMENT OF CASH FLOW

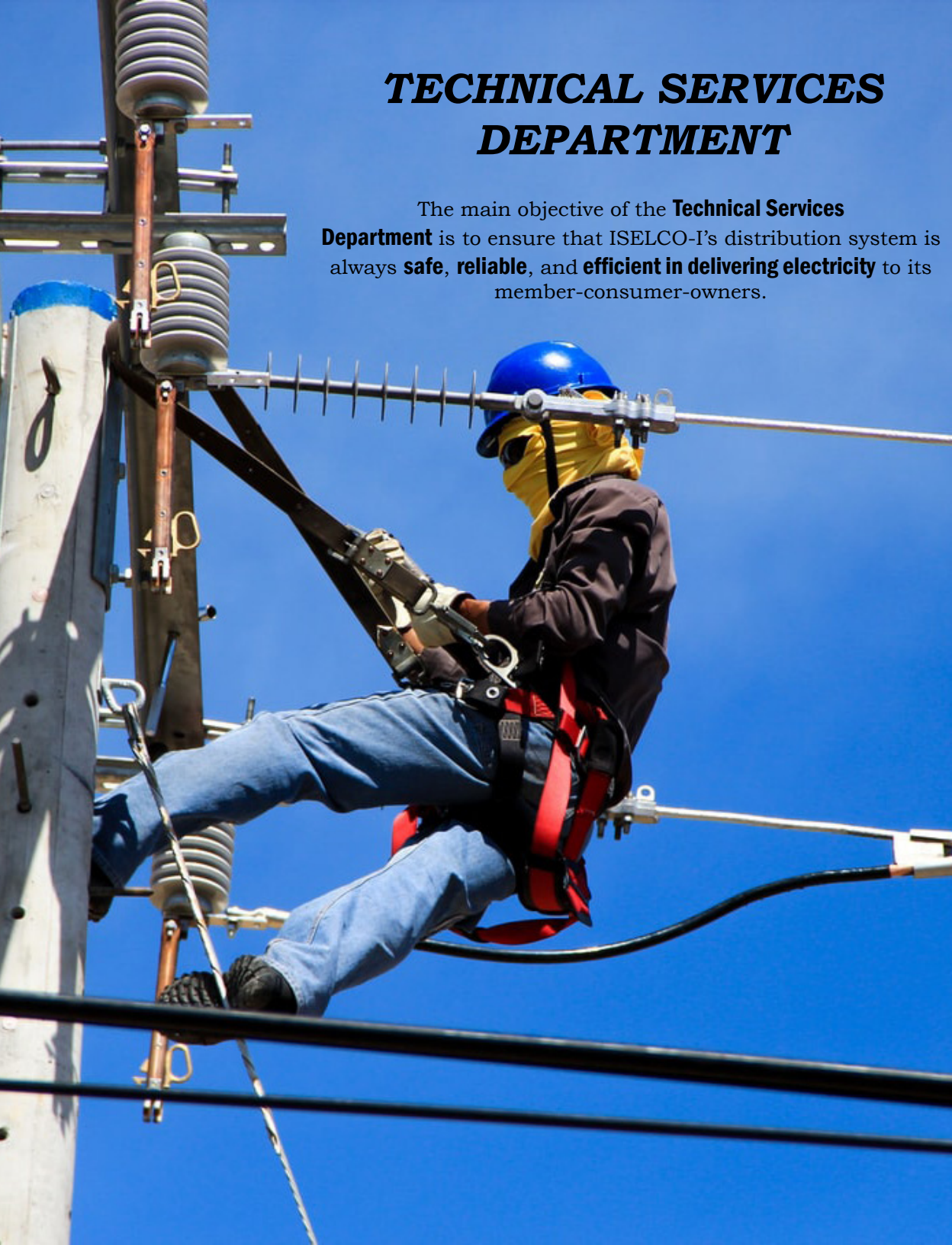
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
OPERATING ACTIVITIES		
Net income (loss)	P 12,828,496	P 51,311,458
<i>Adjustments to reconcile net income to net cash provided by operations</i>		
Depreciation	73,015,069	72,403,473
Uncollectible Accounts	-	3,413,892
Income from Government Grant	(4,533,970)	(4,019,727)
Correction of errors	(75,501,596)	27,447,145
Operating cash flows before working capital changes	5,807,999	150,556,241
Decrease (Increase) In:		
Trade and other receivables	38,942,957	(116,076,638)
Inventories	(3,064,720)	13,697,226
Other current assets	(13,013,885)	37,429,736
Increase (Decrease) In:		
Trade and other payables	62,835,537	71,500,425
Short Term Loans	19,535,104	8,457,755
Current portion on long-term debts	153,970	(1,658,575)
Net cash provided by operating activities	111,196,963	163,906,171
INVESTING ACTIVITIES		
Decrease (Increase) In:		
Property, plant and equipment	(165,977,241)	(177,135,890)
Construction work in progress	23,311,323	(12,640,429)
Restricted Fund	(12,253,429)	18,299,299
Other non-current assets	(10,543,521)	(18,375,401)
Net cash provided by investing activities	(165,462,867)	(189,852,420)
FINANCING ACTIVITIES		
Increase (Decrease) In:		
Membership contributions	506,007	445,450
Donated capital	(2,549,810)	(26,203,179)
Provision for reinvestment	94,116,309	88,529,276
Revaluation increment	-	(3,972,278)
Long-term borrowings	12,048,960	(24,044,616)
Consumers deposit	22,394,051	1,679,477
Retirement & Gratuity Payable	37,944,245	(86,366,801)
Net cash provided by financing activities	164,459,762	(49,932,672)
NET INCREASE (DECREASE) IN CASH	110,193,859	(75,878,922)
CASH BALANCE BEGINNING OF THE YEAR	213,661,988	289,540,911
CASH BALANCE END OF THE YEAR	P 323,855,847	P 213,661,988

See notes to the financial statements

TECHNICAL SERVICES DEPARTMENT

The main objective of the **Technical Services Department** is to ensure that ISELCO-I's distribution system is always **safe, reliable, and efficient in delivering electricity** to its member-consumer-owners.



For the year, the Department created its annual Distribution Development Plan to guide the Cooperative in determining the necessary infrastructure projects to meet the future power requirement in the franchise area brought about by the foreseen economic development due to industrialization and commercialization.

The Asset Management Division conducted system modelling and updating that provides perspective on distribution system's current situation, likewise, conducted simulations, forecast and studies to come up with the most effective, cost efficient and most viable project to improve distribution system's efficiency and meet its required system capacity. After the needed projects were determined, the Network Management Division performed the implementation of said projects.

In 2019, the Technical Services Department implemented system improvement projects like line upgrading, reconductoring, line conversion and installation of line reclosers to improve system reliability. Further, construction and installation of additional electrical facilities for the additional 20MVA power transformer in Reina Mercedes Substation was started to relieve the load of the existing 5MVA power transformer. The substation was expected to deliver sufficient power in the municipality of Reina Mercedes and City of Cauayan.

Under the Network Division, SCADA (Supervisory Control and Data Acquisition) System was monitored closely. This new technology improves the electrical system and provide a more efficient, safe and reliable supply of power to MCOs. It aims to continually improve the distribution's service reliability and efficient electricity to every residential, commercial and industrial sector.

The installation of the Fiber Optic Cable made it easier to transmit data from every substation to the central control system at the Main Office. In total, there are nine (9) substations in place, seven (7) of which are now SCADA operated which include: Batal,





Cordon, San Fermin, District 1, Cabatuan, Prenza, and Garit Sur. Moreover, the SCADA integration of the Reina Mercedes Substation is on-going and expected to be fully functional for the first quarter of 2020.

Another major accomplishment of the Department is the upgrading of substations and distribution lines. The division in-charge continuously upgraded the electrical devices, equipment. and conducted line maintenance. Poles have been replaced and installed including their respective electrical equipment

and devices such as reclosers, fault indicators, cut-outs and sectionalizers were installed to ensure safety and reliability of the system, as well as to improve electrical lines for a well-managed and better operation.

The Department forecasted the load growth of ISELCO-I's coverage area, thus, it is on the process of constructing and upgrading more substations to meet the power requirements of its MCOs for the coming years. One of these is located in Reina Mercedes which is currently under construction making it from 5MVA to 20MVA and will improve the reliability of electric distribution service as well as decrease the distribution technical loss.

With all these accomplishments, ISELCO-I will constantly provide a better way of delivering an efficient and reliable electricity to MCOs.



5MVA to 20MVA
SUBSTATION

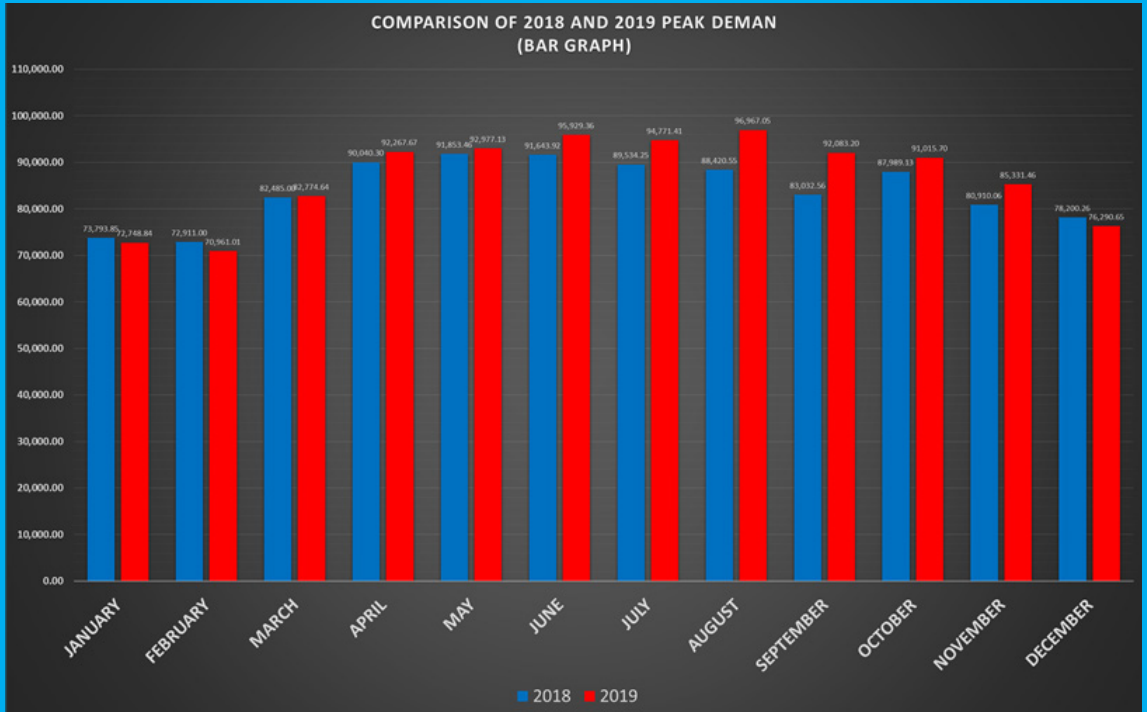
REINA MERCEDES,
ISABELA



UPGRADING OF
DISTRIBUTION LINES



COMPARISON OF 2018 AND 2019 PEAK DEMAND AND ENERGY PURCHASE



RELIABILITY INDEX TABLE

MONTH	2018		2019	
	SAIDI	MAIFI	SAIDI	MAIFI
January			8.17	0.78
February			6.34	0.53
March	0.55	1.82	9.86	1.23
April	6.29	2.34	22.50	1.32
May	7.09	2.95	53.02	3.10
June	1.77	2.83	29.32	1.69
July	11.54	3.58	22.05	0.96
August	20.98	1.96	18.94	1.82
September	14.22	3.93	10.50	2.54
October	14.07	2.01	27.06	1.54
November	20.66	2.15	21.64	1.35
December	17.07	1.25	6.19	0.78

MONTH	NCP (KW)		ENERGY (KWH)		NCP % INCREASE % (DECREASE)	ENERGY % INCREASE % (DECREASE)
	2018	2019	2018	2019		
January	73,793.85	72,748.84	30,870,934	31,701,593	-1.42%	2.69%
February	72,911.00	70,961.01	30,595,769	31,719,394	-2.67%	3.67%
March	82,485.00	82,774.64	33,910,576	34,661,134	0.35%	2.21%
April	90,040.30	92,267.67	40,866,894	44,762,904	2.47%	9.53%
May	91,853.46	92,977.13	43,489,812	43,376,108	1.22%	-0.26%
June	91,643.92	95,929.36	45,758,352	46,066,285	4.68%	0.67%
July	89,534.25	94,771.41	41,345,458	44,208,587	5.85%	6.92%
August	88,420.55	96,967.05	42,864,620	46,094,893	9.67%	7.54%
September	83,032.56	92,063.20	38,906,890	43,958,100	10.90%	12.98%
October	87,989.13	91,015.70	42,002,038	42,994,508	3.44%	2.36%
November	80,910.06	85,331.46	31,090,996	39,200,641	5.46%	26.08%
December	78,200.26	76,290.65	34,105,874	33,461,094	-2.44%	-1.89%

Maximum Demand 2018: 91,853.46

Maximum Demand 2019: 96,967.05

Average Growth Rate: 3.13%

SUBSTATION	SUBSTATION MONTHLY ENERGY (KWH) 2018											
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
ALICIA	4,998,027	5,164,655	5,321,859	6,236,389	6,906,069	7,255,640	6,516,113	6,838,072	6,331,016	6,771,906	3,504,946	4,343,203
CABATUAN	2,754,872	2,674,682	3,023,552	3,757,709	3,660,354	3,781,313	3,394,585	3,531,728	3,247,723	3,643,929	3,466,212	3,729,852
CORDON	3,884,196	3,580,486	4,218,866	4,792,132	6,073,295	6,897,464	5,847,215	5,747,111	4,728,521	4,797,174	3,895,983	4,015,930
PRENZA	2,616,876	2,395,384	3,370,083	4,299,379	3,407,923	3,275,892	3,221,256	3,196,243	2,994,917	3,803,157	1,420,920	1,380,707
SANTIAGO NGCP	2,840,487	2,910,790	3,476,534	4,331,198	4,888,119	5,129,702	4,432,261	4,657,379	4,317,800	4,513,344	2,672,653	2,897,693
REINA MERCEDES	1,989,105	1,866,861	2,093,390	2,241,797	1,823,057	1,941,557	1,720,689	1,936,249	1,690,399	1,785,267	3,300,656	3,643,933
DISTRICT 1	2,857,580	2,930,481	2,816,216	3,753,581	4,697,789	4,832,655	4,433,412	4,668,513	4,289,206	4,458,735	3,355,987	3,620,548
BATAL	5,418,042	5,680,926	5,517,546	6,305,873	7,216,515	7,628,877	6,938,939	7,250,412	5,390,345	5,030,529	4,700,193	5,375,169
SAN FERMIN	3,511,750	3,381,524	4,072,569	5,066,836	4,796,701	5,005,222	4,840,994	5,008,613	4,408,226	5,041,290	3,317,635	3,245,564
GARIT									1,578,777	2,156,707	1,675,812	1,853,336
TOTAL ENERGY	30,870,934	30,595,769	33,910,576	40,866,894	43,489,812	45,758,352	41,345,458	42,864,620	38,906,890	42,002,038	31,090,996	34,105,874

SUBSTATION	SUBSTATION MONTHLY ENERGY (KWH) 2019											
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
ALICIA	4,045,901	4,037,616	4,190,821	5,258,759	5,211,906	5,645,994	5,341,880	5,563,410	5,152,288	4,831,456	4,562,628	4,172,582
CABATUAN	3,514,340	3,544,848	3,779,749	4,730,823	4,718,966	5,114,227	4,799,954	4,463,898	4,153,509	3,839,863	3,621,635	3,158,529
CORDON	3,729,546	3,893,738	3,918,371	5,120,896	5,085,326	5,685,468	5,494,028	5,501,899	4,997,199	4,741,267	4,337,810	3,855,083
PRENZA	1,304,914	1,366,988	1,429,368	1,832,904	1,786,904	1,868,788	1,889,439	2,032,037	1,842,892	1,738,098	1,580,612	1,296,866
SANTIAGO NGCP	2,728,926	2,988,863	3,105,035	3,944,279	3,357,516	3,201,212	3,359,886	3,445,671	3,429,117	3,805,628	3,412,214	2,651,942
REINA MERCEDES	3,277,406	3,277,406	3,727,811	5,062,564	4,945,573	5,100,502	4,892,446	5,105,109	4,723,888	4,669,283	4,062,511	3,489,979
DISTRICT 1	3,331,138	3,186,055	3,717,049	3,891,276	3,675,601	4,109,299	3,882,363	3,952,507	3,909,526	4,044,027	3,582,480	3,156,047
BATAL	4,998,196	5,189,214	5,506,340	7,349,176	7,074,844	7,498,634	7,012,086	6,444,104	6,388,742	6,259,148	5,663,629	5,492,539
SAN FERMIN	2,920,855	2,945,527	3,446,222	5,244,723	5,151,310	5,265,312	5,242,900	6,025,647	6,014,199	5,999,432	5,470,080	4,379,968
GARIT	1,850,373	1,781,071	1,840,405	2,337,504	2,388,072	2,565,879	2,593,606	3,600,811	3,346,740	3,076,266	2,927,032	1,827,530
TOTAL ENERGY	31,701,593	31,719,394	34,661,134	44,762,904	43,376,108	46,066,285	44,208,587	46,094,893	43,958,100	42,994,508	39,200,641	38,461,094

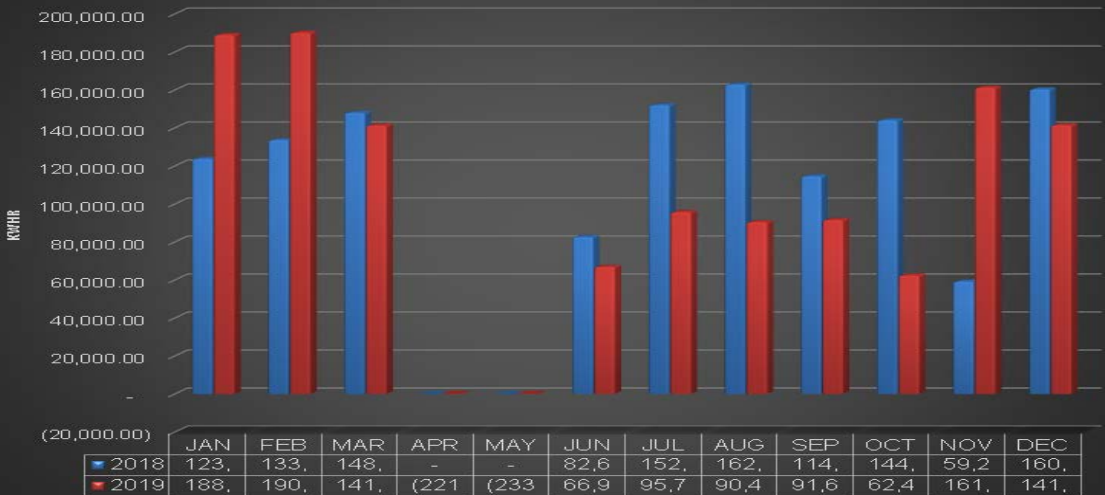
TOTAL OF LINE UPGRADING and EXPANSION

PROJECT	LENGTH OF DISTRIBUTION LINES (KMS)						
	69KV	DC	3-PH	2-PH	1-PH	OS	UB
UPGRADING		0.042	1.023	0.144	6.894	22.819	1.797
EXPANSION			0.996		8.101	0.810	0.120
CONVERSION			2.352	13.674	0.323		
TOTAL	0.000	0.042	4.371	13.818	15.318	23.629	1.917

TRANSFORMER REPORT FOR THE YEAR 2019

TRANSFORMER RATING	DISTRIBUTION		SOLE USER
	INSTALLED	REPLACED	INSTALLED
10 KVA			28
15 KVA	14	24	40
25 KVA	20	29	63
37.5 KVA	13	27	32
50 KVA	6	31	88
75 KVA		4	26
100 KVA		1	19
167 KVA			24
250 KVA			12
333 KVA			3

MINI-HYDRO ELECTRIC POWER PLANT KWH GENERATED



KWH PER MONTH

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District IX - Jones/San Agustin



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General Manager & CEO/
Ex-Officio Member

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Manager, Area Operation Management
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Data Protection Officer and
Consultant on Special Issues

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Angadanan Branch Office/
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ATTY. RIZA O. LIM
Legal Consultant

BAYAD CENTERS



RURAL BANK OF SAN MATEO

RURAL BANK OF ALICIA



Vision

An excellent power service distributor in the archipelago focused on bringing delight to our member-consumer-owners



Mission

To deliver high quality electric service responsive to the changing consumer's demand