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NEA: P1.6-B allotted for sitio electrification in 2021

The National Electrification Administration (NEA) recently presented its P3.9-billion budget for fiscal year 2021 as recommended by the Department of Budget and Management (DBM) wherein P1.6 billion is allotted for the energization of over a thousand "sitios."

During the House Committee on Appropriations' deliberation on the proposed budget of the Department of Energy and its attached agencies for 2021 on Monday, September 7, NEA Administrator Edgardo Masongsong said that this is based on the 2021 National Expenditure Program (NEP).

Of the P3.9-billion corporate operating budget, P1.8-billion will be subsidized by the national government while the remaining P2.1-billion will be sourced from the internally generated funds of the agency.

The P1.8-billion state subsidy is broken down as follows: P1.6 billion is appropriated for the sitio electrification projects and P200 million for the Electric Cooperatives Emergency and Resiliency Fund (ECERF).

Masongsong said the P1.6-billion subsidy will only electrify 1,085 sitios next year. He also disclosed that there are some 12,000 sitios or 1.7 million households across the country that still need to be energized.

"For total electrification by 2022, we need more or less P15 billion. That is why we requested P7.5 billion for sitio electrification for 2021 but the (DBM-approved) level is only about P1.6 billion," the NEA chief said.

As of June 30, 2020, the NEA and the 121 electric cooperatives (ECs) have energized 123,726 sitios or 84 percent of the targeted 147,989 sitios. The rural electrification program contributed to the provision of electricity to 13.85 million consumer connections nationwide to date.

Meanwhile, the DBM-recommended corporate budget will allow the NEA to work on the following targets: energization of 1,085 sitios; connection of additional 400,000 consumers; reduction of system loss to 12 percent; collection efficiency of 97.23 percent; release of P500 million loans to ECs; and continued realization of a net margin for the year. ###

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