

M i n u t e s   o f   t h e


# 42<sup>nd</sup> AGMA

**ANNUAL GENERAL MEMBERSHIP ASSEMBLY**

13,20,27 JULY 2024

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**SAMAR I ELECTRIC COOPERATIVE, INC.**



# **Minutes of the 1<sup>st</sup> Session**

of the Three Sequential Sessions of

## 42<sup>nd</sup> Annual General Membership Assembly

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Samar I Electric Cooperative, Inc. (SAMELCO I)

MINUTES OF THE FIRST OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I), HELD ON JULY 13, 2024 AT THE GANDARA MUNICIPAL GYMNASIUM IN GANDARA, SAMAR

<b>PRESENT:</b>		
SAMELCO I Board of Directors:		
Oscar B. Tabaranza	-	President
Leonardo B. Piczon, Jr.	-	Vice-President
Editha S. Serrato	-	Secretary
Melinda G. Briones	-	Treasurer
Engr. Ruben T. Palma	-	Member
Atty. Edson G. Piczon	-	Ex-Officio Member/ General Manager

**1,285 Member-Consumer-Owners**

<b>Guest</b>		
Mr. Alfredo Delector	-	Municipal Administrator of Gandara, Samar and Former SAMELCO I Board of Director

**Item No. (1) CALLING THE MEETING TO ORDER**

At 1:00 o'clock in the afternoon, President Tabaranza called the meeting to order.

**Item No. (2) READING OF NOTICE OF MEETING**

President Tabaranza instructed Secretary Serrato to read the Notice of Meeting.

Director Serrato confirmed that the Notice of Meeting was delivered through the following means: personal delivery (pahibaro) to the MCOs on June 24, 2024, in compliance with the required notice period (not earlier than 10 days and not more than 25 days before the assembly); publication on SAMELCO I's official Facebook page; broadcast over local media; and recorida (mobile public announcement)

She also noted that the Notice included copies of the Articles of Amendments and the proposed Amended By-Laws of SAMELCO I.

**Item No. (3) DETERMINATION OF QUORUM**

President Tabaranza asked Secretary Serrato to report on the number of registered MCOs to verify quorum.

Director Serrato reported the following:

<b>TOTAL REGISTRATION DURING THE 1<sup>st</sup> OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> AGMA (July 13, 2024 @ 1:00 PM)</b>		
	-	<b>1,285</b>
<b>TOTAL MEMBERSHIP TO DATE FOR DISTRICT III (as of July 12, 2024)</b>		
	-	<b>13,880</b>
<b>PERCENTAGE</b>		
	-	<b>9.26%</b>

In accordance with **Section 4, Article III** of SAMELCO I's By-Laws, *"A quorum for the transaction of business at all meetings of the members of a Cooperative having more than 1,000 members shall be five percent (5%) of all members or 100, whichever is less."*

Director Serrato confirmed that a quorum was present. President Tabaranza acknowledged the quorum and proceeded to the next agenda item.

**Item No. (4) READING AND APPROVAL OF THE 41<sup>st</sup> AGMA AND 3<sup>rd</sup> SECA MINUTES**

President Tabaranza requested Director Serrato to read the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA.

Director Serrato started reading the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA which was held virtually through Facebook Live at Red Iron Hotel, Calbayog City on July 29, 2023.

Mr. Quintin Guindatuan, MCO from Brgy. Diaz, Gandara moved to dispense with the reading of the Minutes, stating that copies had already been distributed to the MCOs prior to the assembly. The motion was duly seconded by Ms. Amabel Diaz, an MCO from Brgy. Maduruto, Matuguinao.

There being no objection, President Tabaranza declared the motion approved.

Subsequently, Ms. Rustica Mendiola, an MCO from Brgy. Burabod II, Gandara, moved for the approval of the minutes of the 41<sup>st</sup> AGMA. The motion was seconded by Ms. Vivencia Cepriano, an MCO from Brgy. Ngoso, Gandara.

With no objections raised, President Tabaranza declared the minutes of the 41<sup>st</sup> AGMA approved.

President Tabaranza then inquired if there was any unfinished business. Secretary Serrato responded in the negative.

**Item No. (5) APPROVAL OF AGENDA**

President Tabaranza proceeded to the next item—the approval of the agenda.

Secretary Serrato read the proposed agenda items:

1. Approval of the Amended By-Laws of SAMELCO I
2. Emergency CAPEX – 20 MVA Carayman Substation and 69 kV Sub-Transmission Line
3. Congressional Franchise Application

Ms. Stephanie Brozas, an MCO from Brgy. Caugbusan, Gandara, moved for the approval of the agenda, which was duly seconded by Mr. Buenaventura Nueva, an MCO from Brgy. Rawis, Gandara.

There being no objection, President Tabaranza declared the agenda approved. He then turned the floor over to the General Manager to deliver his report and the 4<sup>th</sup> SECA.

**Item No. (6) PRESENTATION OF THE 2023 ANNUAL REPORT AND 4<sup>TH</sup> SECA**

General Manager Atty. Edson G. Piczon presented the 2023 Annual Report and the 4<sup>th</sup> Special Electric Cooperative Assembly (SECA). The key highlights of his report are as follows:

- SAMELCO I maintained its **Triple A Categorization** for the seventh consecutive year.
- SAMELCO I achieved a new milestone by achieving **Mega Large** status in 2023.
- SAMELCO I received several awards, including recognition during the NEA Golden Dagtab Awards and plaques from PHILRECA's 44<sup>th</sup> PAGMM Awards from the Wires.

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- Achieved a 99.76% Average Collection Efficiency for the year 2023.
- According to the External Audit Report, the Cooperative received an Unqualified Opinion regarding its financial position as of December 31, 2023 and 2022, and its financial performance and cash flows for the years then ended.
- Recorded a Net Margin of ₱72,296,502.38 in 2023.
- Achieved 104.02% or 81,103 Total Household Connection and a Total Membership of 79,525 for 2023.
- Reported on various institutional activities, including the 49th Founding Anniversary celebration (May 27, 2023), tree planting, observance of National Women's Month, Lineworkers' Appreciation Day, and the National Simultaneous Line Clearing Activity, among others.
- Conducted Corporate Social Responsibility (CSR) events such as a Bloodletting Activity and Gift-Giving Programs.
- Held District Elections for District I (Tinambacan District) on June 24, 2023, and District IV (Tarangnan and Pagsanghan) on June 25, 2023.
- Reported on the 41st AGMA and 3rd SECA, conducted through a hybrid format (online and face-to-face) on July 4, 2023, at Red Iron Hotel, Calbayog City.
- SAMELCO I Board of Directors attended a total of 11 trainings and seminars, while employees participated in 48 trainings and seminars in 2023.
- Constructed a total of 25.262 km of three-phase lines, 10.545 km of single-phase lines, and 46.43 km of open secondary lines.
- Power Reliability for 2023 remained within the required thresholds, having a System Average Interruption Frequency Index (SAIFI) of 11.09 interruptions per customer year, and a System Average Interruption Duration Index (SAIDI) of 270.37 minutes per customer per year.
- Achieved 6.72% Average System Loss, well within the 10.25% threshold.
- Installed 146 units of transformers.
- Completed 2,441 job orders, 2,445 meter replacements, and 792 meter clustering activities.
- Outlined key service improvements for MCOs, including: free 30-meter service drop initiative, Hatag Kahayag Program, One-Stop-Shop Caravans, simplification of job order requirements, ongoing coordination with LGUs and the BFP, Electricians' Summit and LGU coordination meetings, launch of 24/7 hotline and weekend collection services during disconnection activities, deployment of Power Rangers to island municipalities (Sto. Niño, Tagapul-an, and Almagro), introduction of online transaction systems, among others.
- Reported on infrastructure and customer service improvements, including: establishment of North and South Area Offices, repair and installation of air conditioning in the Consumer

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Lounge at the headquarters, provision of free Wi-Fi at the Capoocan Collection Center and Headquarters, expansion and renovation of the Capoocan Collection Office, formation of a Regular Clearing Team, procurement of new boom trucks and maintenance vehicles, ongoing construction of a 20 MVA substation and 69 kV sub-transmission line.

- Shared updates on renewable energy initiatives: Net Metering Program, construction of a new 1 MW solar power plant and 3 MW solar power plant, and rehabilitation of the Ton-ok Mini Hydro Power Plant.
- Reported the energization of 10 sitios under the Sitio Electrification Program (SEP) funded through the GAA 2021, with construction beginning on June 10, 2024. An additional 20 sitios have been proposed to NEA for SEP 2024 GAA.
- Secured the following Generation and Power Supply Agreements: 12 MW EPSA with FDC Misamis Power Corporation, 4 MW Short-Term PSA with KEPCO, 14 MW Long-Term PSA under CSP 2024-2033, and 14 MW Long-Term PSA under CSP 2024-2033.
- Unveiled the new official seal/logo of SAMELCO I during its 50th Golden Founding Anniversary on May 28, 2024.
- Presented conceptual designs for the proposed New Cooperative Administrative Building and the MCO Multi-Purpose Building.

General Manager Piczon closed his report by thanking all stakeholders who contributed to SAMELCO I's achievements and appealed for the continued support of the Member-Consumer-Owners.

Before proceeding to the next item of business, Officer-in-Charge Internal Auditor Estephania Guia Z. Erencio, CPA, presented the Mechanics for Voting on matters to be decided by the General Assembly.

## **Item No. (7) NEW BUSINESS**

### **First Agenda: Approval of the Amended By-Laws of SAMELCO I**

President Tabaranza informed the body that General Manager Atty. Edson G. Piczon would present the proposed amendments to the By-Laws of SAMELCO I.

General Manager Piczon began by stressing the need to amend the Cooperative's existing By-Laws, noting that several provisions are outdated and no longer aligned with current laws and regulations set by the National Electrification Administration (NEA).

He then presented a side-by-side comparison of the existing provisions and the proposed amendments, providing justifications for each revision. The Articles of Amendment were attached to the minutes as "Annex A."

After the presentation, President Tabaranza asked if there was a motion to approve the proposed amendments to the By-Laws as presented.

Ms. Marilyn Oliva, an MCO from Brgy. Diaz, Gandara, moved for the approval of the Amended By-Laws. The motion was duly seconded by Ms. Denise Magbutay, an MCO from Brgy. Minda, Gandara.

President Tabaranza reminded the assembly that approval of the Amended By-Laws requires an affirmative vote by the majority of MCOs present. He then called upon the Voting Committee,  
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composed of the following: SAMELCO I OIC Internal Auditor, SAMELCO I OIC Member Services Division (MSD) Manager, Board Secretary, and MCOO President. The Committee was instructed to facilitate the voting process and to submit a report immediately thereafter.

The MCOs present were asked to express their vote by raising their hands. A significant majority raised their hands in favor of the proposed Amended By-Laws.

The Committee then asked if there were any members opposed to the amendments. No hands were raised. The Voting Committee reported a **unanimous** vote in favor of the Amended By-Laws.

President Tabaranza officially reported to the assembly that the members from District III (Gandara, San Jorge, and Matuguinao), who participated in the first of the three sequential AGMA sessions held at the Gandara Municipal Gymnasium, voted unanimously in favor, with a total of **1,285** registered MCOs in attendance.

However, President Tabaranza emphasized that the final result of the voting shall be declared only after the second and third sequential AGMA sessions, scheduled for July 20 and July 27, 2024, respectively. The majority vote across all three sessions will determine the official outcome.

**AGMA RESOLUTION No. 01-2024**  
**A RESOLUTION APPROVING THE AMENDED BY-LAWS OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Second Agenda: Construction of Emergency CAPEX – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City**

President Tabaranza invited Engr. Sandy T. Montero, Engineering Department Manager, to present the proposed construction of the Emergency Capital Expenditure (CAPEX) Project – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City.

Engr. Montero emphasized the urgency of the project, citing critical substation loading issues. According to guidelines from the Energy Regulatory Commission (ERC), electric cooperatives are required to plan capacity augmentation when a power transformer reaches 70% of its rated capacity.

He provided an overview of SAMELCO I's existing substation capacities and the forecasted loading status. As of May 2024, the substation loading levels are as follows:

- |   |              |   |        |
|---|--------------|---|--------|
| • | Palanas Cara | - | 69.9%  |
| • | San Agustin  | - | 92.5%  |
| • | Capoocan     | - | 103.9% |

Engr. Montero pointed out that both San Agustin and Capoocan substations have already exceeded the 70% threshold. This overloading poses a serious risk to the stability and reliability of the power supply.

To address this issue, the Emergency CAPEX Project seeks to construct a new 20 MVA Substation and 69 kV Sub-Transmission Line at a total cost of **₱76,241,752.70**. The project is intended to redistribute the load among the substations, reduce overloading, and enhance overall system capacity. This will help minimize the risk of power outages and improve the reliability and stability of electricity service to the Member-Consumer-Owners (MCOs).

Engr. Montero further explained that the project is aligned with regulatory requirements and will support the Cooperative's operational efficiency by ensuring a more robust and sustainable power supply.

Following the presentation, President Tabaranza called for a motion to approve the construction of the Emergency CAPEX – 20 MVA Substation and 69 kV Sub-transmission Line in Brgy. Carayman, to be funded through the Reinvestment Fund for Sustainable CAPEX (RFSC).

Mr. Rene Vencio, an MCO from Brgy. San Jose de Panaugan, Gandara, moved for a resolution approving the Emergency CAPEX Project. The motion was duly seconded by Mr. Ruben Bandilla, an MCO from Brgy. Bungliw, San Jorge.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 02-2024**  
**A RESOLUTION APPROVING THE EMERGENCY CAPEX – 20 MVA SUBSTATION**  
**AND 69 KV SUB-TRANSMISSION LINE IN BRGY. CARAYMAN, CALBAYOG CITY**

**Third Agenda: Congressional Franchise Application**

President Tabaranza once again invited General Manager Atty. Edson G. Piczon to present the matter concerning SAMELCO I's Congressional Franchise Application.

General Manager Piczon informed the assembly that the Cooperative's existing franchise is set to expire in 2030. Based on an advisory issued by the National Electrification Administration (NEA), the recommended period for filing the application for franchise renewal is next year. He stressed the importance of filing early to ensure uninterrupted electricity service to the Member-Consumer-Owners (MCOs).

He further explained that early renewal will allow SAMELCO I to navigate the legislative process with sufficient time for review and approval, helping to maintain regulatory compliance and uninterrupted operations.

To facilitate this, General Manager Piczon sought the formal support and approval of the General Assembly for the filing of SAMELCO I's Congressional Franchise Renewal Application.

President Tabaranza then asked for a motion to approve the said application.

Mr. Ramil Barocaboc, an MCO from Brgy. Burabod II, Gandara, moved for the approval of the Application for Congressional Franchise of SAMELCO I and for the issuance of a formal request to the Philippine Congress to grant the renewal of the franchise. The motion was duly seconded by Mr. Anito Lumtao, an MCO from Brgy. Peñaplata, Gandara.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 03-2024**  
**A RESOLUTION APPROVING THE APPLICATION FOR CONGRESSIONAL**  
**FRANCHISE OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Item No. (8) OPEN FORUM**

President Tabaranza officially opened the floor for the Open Forum.

An MCO from Brgy. Pizzara, Gandara inquired about the purpose of the reconnection fee charged by the Cooperative. General Manager Atty. Edson G. Piczon responded that the reconnection fee is used to recover the costs associated with service restoration, which include labor, fuel expenses, and overtime compensation for linemen tasked with processing reconnection orders.

Ms. Estrella Alvarez, an MCO from Brgy. Barruz, Matuguinao, raised a concern regarding the replacement of a newly installed transformer in Matuguinao with an older unit. General Manager Piczon referred the matter to Engr. Jose Balomaga, Area 3 Supervisor. Engr. Balomaga explained that, at the time, there was a shortage of transformers in stock, necessitating the temporary use of an older unit. He assured the assembly that SAMELCO I now has sufficient inventory and that a new transformer will be installed within the month.

Several MCOs also voiced concerns about the accuracy of their electricity meter readings. In response, Ms. Divina Gracia Balite, Supervisor of the Meter Reading and Billing Collection Division (MRBCD), addressed the issue. She provided clarifications and outlined measures being taken to ensure accurate and transparent billing for all consumers.

Additional concerns were raised regarding deteriorating or damaged utility posts in various areas. Engr. Balomaga acknowledged that SAMELCO I had previously encountered supply constraints for utility posts but confirmed that the Cooperative now has adequate inventory. He assured the attendees that replacement of the affected posts will be scheduled and implemented promptly.

**Item No. (9) ADJOURNMENT**

Ms. Lilian Piczon, an MCO from Brgy. Minda, Gandara, moved to adjourn the Open Forum. The motion was duly seconded by Mr. Arvin Bentillo, an MCO from Brgy. Buenavista, San Jorge. It was also announced that any remaining concerns or inquiries may be directed to SAMELCO I's 24/7 Hotline via call or text, a decision that received unanimous approval.


There being no further matters to discuss, President Tabaranza declared the second of three sequential sessions of the 42nd Annual General Membership Assembly adjourned at 3:30 in the afternoon.

**I HEREBY CERTIFY to the correctness of the above quoted minutes of the meeting.**

  
**EDITHA S. SERRATO**  
Secretary


**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
President

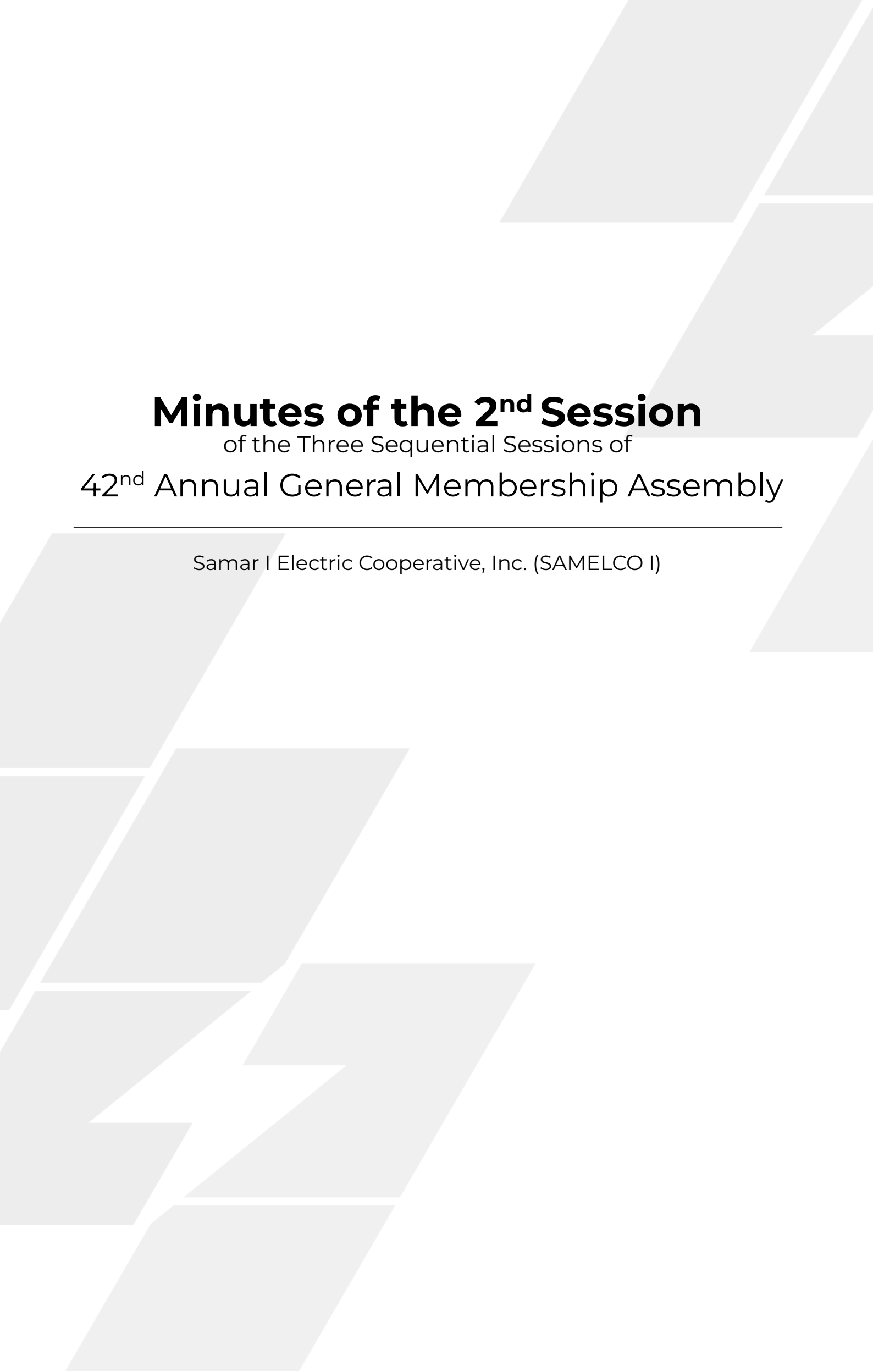
  
**LEONARDO B. PICZON JR.**  
Vice President

  
**MELINDA G. BRIONES**  
Treasurer

  
**ENGR. RUBEN T. PALMA**  
Member

  
**ATTY. EDSON G. PICZON**  
General Manager

Minutes of the Three Sequential Sessions of the 42<sup>nd</sup> Annual General Membership Assembly



# **Minutes of the 2<sup>nd</sup> Session**

of the Three Sequential Sessions of

## **42<sup>nd</sup> Annual General Membership Assembly**

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Samar I Electric Cooperative, Inc. (SAMELCO I)



MINUTES OF THE SECOND OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I), HELD ON JULY 20, 2024 AT THE TARANGNAN COVERED COURT IN TARANGNAN, SAMAR

<b>PRESENT:</b>		
SAMELCO I Board of Directors:		
Oscar B. Tabaranza	-	President
Leonardo B. Piczon, Jr.	-	Vice-President
Editha S. Serrato	-	Secretary
Melinda G. Briones	-	Treasurer
Engr. Ruben T. Palma	-	Member
Atty. Edson G. Piczon	-	Ex-Officio Member/ General Manager

**966 Member-Consumer-Owners**

<b>Guest</b>		
Hon. Arnel R. Tan	-	Vice Mayor, Municipality of Tarangnan

**Item No. (1) CALLING THE MEETING TO ORDER**

At 1:00 o'clock in the afternoon, President Tabaranza called the meeting to order.

**Item No. (2) READING OF NOTICE OF MEETING**

President Tabaranza instructed Secretary Serrato to read the Notice of Meeting.

Director Serrato confirmed that the Notice of Meeting was delivered through the following means: personal delivery (pahibaro) to the MCOs on July 1, 2024, in compliance with the required notice period (not earlier than 10 days and not more than 25 days before the assembly); publication on SAMELCO I's official Facebook page; broadcast over local media; and recorida (mobile public announcement)

She also noted that the Notice included copies of the Articles of Amendments and the proposed Amended By-Laws of SAMELCO I.

**Item No. (3) DETERMINATION OF QUORUM**

President Tabaranza asked Secretary Serrato to report on the number of registered MCOs to verify quorum.

Director Serrato reported the following:

<b>TOTAL REGISTRATION DURING THE 2<sup>nd</sup> OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> AGMA (July 20, 2024 @ 1:00 PM)</b>		
	-	<b>966</b>
<b>TOTAL MEMBERSHIP TO DATE FOR DISTRICT III (as of July 19, 2024)</b>	-	<b>7,800</b>
<b>PERCENTAGE</b>	-	<b>12.38%</b>

In accordance with **Section 4, Article III** of SAMELCO I's By-Laws, "A quorum for the transaction of business at all meetings of the members of a Cooperative having more than 1,000 members shall be five percent (5%) of all members or 100, whichever is less."

Director Serrato confirmed that a quorum was present. President Tabaranza acknowledged the quorum and proceeded to the next agenda item.

#### **Item No. (4) READING AND APPROVAL OF THE 41<sup>st</sup> AGMA AND 3<sup>rd</sup> SECA MINUTES**

President Tabaranza requested Director Serrato to read the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA.

Director Serrato started reading the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA which was held virtually through Facebook Live at Red Iron Hotel, Calbayog City on July 29, 2023.

Ms. Laila Quiatzon, MCO from Brgy. Poblacion E, Tarangnan, moved to dispense with the reading of the Minutes, stating that copies had already been distributed to the MCOs prior to the assembly. The motion was duly seconded by Ms. Roselle Gabiana, MCO from Brgy. Balonga-as, Tarangnan.

There being no objection, President Tabaranza declared the motion approved.

Subsequently, Mr. Florencio Progella, MCO from Brgy. Balonga-as, Tarangnan, moved for the approval of the minutes of the 41<sup>st</sup> AGMA. The motion was seconded by Ms. Delia Bagacay, MCO from Tarangnan.

With no objections raised, President Tabaranza declared the minutes of the 41<sup>st</sup> AGMA approved.

President Tabaranza then inquired if there was any unfinished business. Secretary Serrato responded in the negative.

#### **Item No. (5) APPROVAL OF AGENDA**

President Tabaranza proceeded to the next item, the approval of the agenda.

Secretary Serrato read the proposed agenda items:

4. Approval of the Amended By-Laws of SAMELCO I
5. Emergency CAPEX – 20 MVA Carayman Substation and 69 kV Sub-transmission Line
6. Congressional Franchise Application

Ms. Marife Haris, MCO from Brgy. Poblacion E, Tarangnan, moved for the approval of the agenda, which was duly seconded by Ms. Nora Leopardas, MCO from Brgy. Catan-agan, Tarangnan.

There being no objection, President Tabaranza declared the agenda approved. He then turned the floor over to the General Manager to deliver his report and the 4<sup>th</sup> SECA.

#### **Item No. (6) PRESENTATION OF THE 2023 ANNUAL REPORT AND 4<sup>TH</sup> SECA**

General Manager Atty. Edson G. Piczon presented the 2023 Annual Report and the 4<sup>th</sup> Special Electric Cooperative Assembly (SECA). The key highlights of his report are as follows:

- SAMELCO I maintained its **Triple A Categorization** for the seventh consecutive year.
- SAMELCO I achieved a new milestone by achieving **Mega Large** status in 2023.
- SAMELCO I received several awards, including recognition during the NEA Golden Dagitab Awards and plaques from PHILRECA's 44<sup>th</sup> PAGMM Awards from the Wires.

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- Achieved a 99.76% Average Collection Efficiency for the year 2023.
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- Achieved 104.02% or 81,103 Total Household Connection and a Total Membership of 79,525 for 2023.
- Reported on various institutional activities, including the 49th Founding Anniversary celebration (May 27, 2023), tree planting, observance of National Women's Month, Lineworkers' Appreciation Day, and the National Simultaneous Line Clearing Activity, among others.
- Conducted Corporate Social Responsibility (CSR) events such as a Bloodletting Activity and Gift-Giving Programs.
- Held District Elections for District I (Tinambacan District) on June 24, 2023, and District IV (Tarangnan and Pagsanghan) on June 25, 2023.
- Reported on the 41st AGMA and 3rd SECA, conducted through a hybrid format (online and face-to-face) on July 4, 2023, at Red Iron Hotel, Calbayog City.
- SAMELCO I Board of Directors attended a total of 11 trainings and seminars, while employees participated in 48 trainings and seminars in 2023.
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and Headquarters, expansion and renovation of the Capoocan Collection Office, formation of a Regular Clearing Team, procurement of new boom trucks and maintenance vehicles, ongoing construction of a 20 MVA substation and 69 kV sub-transmission line.

- Shared updates on renewable energy initiatives: Net Metering Program, construction of a new 1 MW solar power plant and 3 MW solar power plant, and rehabilitation of the Ton-ok Mini Hydro Power Plant.
- Reported the energization of 10 sitios under the Sitio Electrification Program (SEP) funded through the GAA 2021, with construction beginning on June 10, 2024. An additional 20 sitios have been proposed to NEA for SEP 2024 GAA.
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- Unveiled the new official seal/logo of SAMELCO I during its 50th Golden Founding Anniversary on May 28, 2024.
- Presented conceptual designs for the proposed New Cooperative Administrative Building and the MCO Multi-Purpose Building.

General Manager Piczon closed his report by thanking all stakeholders who contributed to SAMELCO I's achievements and appealed for the continued support of the Member-Consumer-Owners.

Before proceeding to the next item of business, Officer-in-Charge Internal Auditor Estephanie Guia Z. Erencio, CPA, presented the Mechanics for Voting on matters to be decided by the General Assembly.

#### **Item No. (7) NEW BUSINESS**

##### **First Agenda: Approval of the Amended By-Laws of SAMELCO I**

President Tabaranza informed the body that General Manager Atty. Edson G. Piczon would present the proposed amendments to the By-Laws of SAMELCO I.

General Manager Piczon began by stressing the need to amend the Cooperative's existing By-Laws, noting that several provisions are outdated and no longer aligned with current laws and regulations set by the National Electrification Administration (NEA).

He then presented a side-by-side comparison of the existing provisions and the proposed amendments, providing justifications for each revision. The Articles of Amendment were attached to the minutes as "Annex A."

After the presentation, President Tabaranza asked if there was a motion to approve the proposed amendments to the By-Laws as presented.

Mr. Rio Reballos, MCO from Brgy. Poblacion E, Tarangnan, moved for the approval of the Amended By-Laws. The motion was duly seconded by Mr. Francisco Bienes, MCO from Brgy. Poblacion E, Tarangnan.

President Tabaranza reminded the assembly that approval of the Amended By-Laws requires an affirmative vote by the majority of MCOs present. He then called upon the Voting Committee,

composed of the following: SAMELCO I OIC Internal Auditor, SAMELCO I OIC Member Services Division (MSD) Manager, Board Secretary, and MCOO President. The Committee was instructed to facilitate the voting process and to submit a report immediately thereafter.

The MCOs present were asked to express their vote by raising their hands. A significant majority raised their hands in favor of the proposed Amended By-Laws.

The Committee then asked if there were any members opposed to the amendments. No hands were raised. The Voting Committee reported a **unanimous** vote in favor of the Amended By-Laws.

President Tabaranza officially reported to the assembly that the members from District IV (Tarangnan and Pagsanghan), who participated in the second of the three sequential AGMA sessions held at Tarangnan Covered Court, Tarangnan, Samar, voted unanimously in favor, with a total of **966** registered MCOs in attendance.

However, President Tabaranza emphasized that the final result of the voting shall be declared only after the third sequential AGMA session, scheduled for July 27, 2024, respectively. The majority vote across all three sessions will determine the official outcome.

**AGMA RESOLUTION No. 01-2024**  
**A RESOLUTION APPROVING THE AMENDED BY-LAWS OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Second Agenda: Construction of Emergency CAPEX – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City**

President Tabaranza invited Engr. Sandy T. Montero, Engineering Department Manager, to present the proposed construction of the Emergency Capital Expenditure (CAPEX) Project – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City.

Engr. Montero emphasized the urgency of the project, citing critical substation loading issues. According to guidelines from the Energy Regulatory Commission (ERC), electric cooperatives are required to plan capacity augmentation when a power transformer reaches 70% of its rated capacity.

He provided an overview of SAMELCO I's existing substation capacities and the forecasted loading status. As of May 2024, the substation loading levels are as follows:

•	Palanas Cara	-	69.9%
•	San Agustin	-	92.5%
•	Capoocan	-	103.9%

Engr. Montero pointed out that both San Agustin and Capoocan substations have already exceeded the 70% threshold. This overloading poses a serious risk to the stability and reliability of the power supply.

To address this issue, the Emergency CAPEX Project seeks to construct a new 20 MVA Substation and 69 kV Sub-Transmission Line at a total cost of ₱76,241,752.70. The project is intended to redistribute the load among the substations, reduce overloading, and enhance overall system capacity. This will help minimize the risk of power outages and improve the reliability and stability of electricity service to the Member-Consumer-Owners (MCOs).

Engr. Montero further explained that the project is aligned with regulatory requirements and will support the Cooperative's operational efficiency by ensuring a more robust and sustainable power supply.

Following the presentation, President Tabaranza called for a motion to approve the construction of the Emergency CAPEX – 20 MVA Substation and 69 kV Sub-transmission Line in Brgy. Carayman, to be funded through the Reinvestment Fund for Sustainable CAPEX (RFSC).

Ms. Laura Samaro, an MCO from Brgy. Dapdap, Pagsanghan, moved for a resolution approving the Emergency CAPEX Project. The motion was duly seconded by Ms. Janett Llantos, another MCO from Brgy. Poblacion E, Tarangnan.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 02-2024**  
**A RESOLUTION APPROVING THE EMERGENCY CAPEX – 20 MVA SUBSTATION**  
**AND 69 KV SUB-TRANSMISSION LINE IN BRGY. CARAYMAN, CALBAYOG CITY**

**Third Agenda: Congressional Franchise Application**

President Tabaranza once again invited General Manager Atty. Edson G. Piczon to present the matter concerning SAMELCO I's Congressional Franchise Application.

General Manager Piczon informed the assembly that the Cooperative's existing franchise is set to expire in 2030. Based on an advisory issued by the National Electrification Administration (NEA), the recommended period for filing the application for franchise renewal is next year. He stressed the importance of filing early to ensure uninterrupted electricity service to the Member-Consumer-Owners (MCOs).

He further explained that early renewal will allow SAMELCO I to navigate the legislative process with sufficient time for review and approval, helping to maintain regulatory compliance and uninterrupted operations.

To facilitate this, General Manager Piczon sought the formal support and approval of the General Assembly for the filing of SAMELCO I's Congressional Franchise Renewal Application.

President Tabaranza then asked for a motion to approve the said application.

Ms. Rona Doza, an MCO from Brgy. Lahong, Tarangnan, moved for the approval of the Application for Congressional Franchise of SAMELCO I and for the issuance of a formal request to the Philippine Congress to grant the renewal of the franchise. The motion was duly seconded by Ms. Minda Lucañas, an MCO from Brgy. Camba. Viejo, Tarangnan.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 03-2024**  
**A RESOLUTION APPROVING THE APPLICATION FOR CONGRESSIONAL**  
**FRANCHISE OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Item No. (8) OPEN FORUM**

President Tabaranza officially opened the floor for the Open Forum.

An MCO from Tarangnan inquired about the sudden increase in their electric bill. The concern was referred to Engr. Jose Balomaga, Area Supervisor for Area 3, and Ms. Divina Gracia Balite,

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Supervisor of the Meter Reading and Billing Collection Division (MRBCD), who were tasked to inspect and verify the accuracy of the consumer's electric meter.

Another MCO raised a concern regarding the ongoing power outage in Libucan Island. General Manager Atty. Edson G. Piczon responded, explaining that a feasibility study will be conducted to explore viable options for restoring and improving electricity access in the area. The study will assess whether to construct a permanent distribution post or install a submarine cable connecting Tigdaranao to Libucan Island. GM Piczon also mentioned plans to meet with Congressman Stephen James Tan to discuss the issue and seek legislative support. Additionally, the Cooperative is currently awaiting proposals from potential investors interested in developing renewable energy solutions that may offer a long-term solution for the island's electricity needs.

Ms. Marisa Jumagdao, an MCO from Tarangnan, along with several other MCOs, also raised concerns about the sudden spike in their electricity bills or consumption levels. GM Piczon addressed these concerns by explaining that possible causes include inaccurate meter readings by personnel or meter malfunctions, which may require inspection and calibration.

Lastly, Ms. Merly Salinas, an MCO from Brgy. Balugo, Tarangnan, reported that a damaged and deteriorating electric post in their area requires urgent replacement.

**Item No. (9) ADJOURNMENT**

Ms. Judith Adona, MCO from Brgy. Camba. Viejo, Tarangnan, moved to adjourn the Open Forum. The motion was duly seconded by Ms. Darlene Lominoque, MCO from Brgy. Gallego, Tarangnan. It was also announced that any remaining concerns or inquiries may be directed to SAMELCO I's 24/7 Hotline via call or text, a decision that received unanimous approval.

There being no further matters to discuss, President Tabaranza declared the second of three sequential sessions of the 42nd Annual General Membership Assembly adjourned at 3:23 in the afternoon.

***I HEREBY CERTIFY to the correctness of the above quoted minutes of the meeting.***

  
**EDITHA S. SERRATO**  
Secretary


**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
President

  
**LEONARDO B. PICZON JR.**  
Vice President

  
**MELINDA G. BRIONES**  
Treasurer

  
**ENGR. RUBEN T. PALMA**  
Member

  
**ATTY. EDSON G. PICZON**  
General Manager

# **Minutes of the 3<sup>rd</sup> Session**

of the Three Sequential Sessions of

## 42<sup>nd</sup> Annual General Membership Assembly

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Samar I Electric Cooperative, Inc. (SAMELCO I)

MINUTES OF THE THIRD OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I), HELD ON JULY 27, 2024 AT THE CKC ASSUMPTION PROVINCE GYMNASIUM IN CALBAYOG CITY, SAMAR

**PRESENT:**

SAMELCO I Board of Directors:

Oscar B. Tabaranza	-	President
Leonardo B. Piczon, Jr.	-	Vice-President
Editha S. Serrato	-	Secretary
Melinda G. Briones	-	Treasurer
Engr. Ruben T. Palma	-	Member
Atty. Edson G. Piczon	-	Ex-Officio Member/ General Manager

**2,465 Member-Consumer-Owners**

**Guests**

Engr. Ernesto O. Silvano, Jr.	-	NEA Deputy Administrator for Technical Services Project Supervisor of SAMELCO I
Hon. Stephen James T. Tan	-	Representative, 1st District of Samar
Hon. Raymund C. Uy	-	Mayor, Calbayog City

**Item No. (1) CALLING THE MEETING TO ORDER**

At 1:00 o'clock in the afternoon, President Tabaranza called the meeting to order.

**Item No. (2) READING OF NOTICE OF MEETING**

President Tabaranza instructed Secretary Serrato to read the Notice of Meeting.

Director Serrato confirmed that the Notice of Meeting was delivered through the following means: personal delivery (pahibaro) to the MCOs on July 8, 2024, in compliance with the required notice period (not earlier than 10 days and not more than 25 days before the assembly); publication on SAMELCO I's official Facebook page; broadcast over local media; and recorida (mobile public announcement)

She also noted that the Notice included copies of the Articles of Amendments and the proposed Amended By-Laws of SAMELCO I.

**Item No. (3) DETERMINATION OF QUORUM**

President Tabaranza asked Secretary Serrato to report on the number of registered MCOs to verify quorum.

Director Serrato reported the following:

<b>TOTAL REGISTRATION DURING THE 3<sup>rd</sup> OF THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> AGMA (July 27, 2024 @ 1:00 PM)</b>	-	<b>2,465</b>
<b>TOTAL MEMBERSHIP TO DATE FOR DISTRICTS I, II, V, VI and Island Towns (Almagro/Sto. Niño/Tagapul-an) (July 27, 2024)</b>	-	<b>58,995</b>
<b>PERCENTAGE</b>	-	<b>4.18%</b>

In accordance with **Section 4, Article III** of SAMELCO I's By-Laws, "A quorum for the transaction of business at all meetings of the members of a Cooperative having more than 1,000 members shall be five percent (5%) of all members or 100, whichever is less."

Director Serrato confirmed that a quorum was present. President Tabaranza acknowledged the quorum and proceeded to the next agenda item.

**Item No. (4) READING AND APPROVAL OF THE 41<sup>st</sup> AGMA AND 3<sup>rd</sup> SECA MINUTES**

President Tabaranza requested Director Serrato to read the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA.

Director Serrato started reading the minutes of the 41<sup>st</sup> AGMA and 3<sup>rd</sup> SECA which was held virtually through Facebook Live at Red Iron Hotel, Calbayog City on July 29, 2023.

Mr. Dave Tabaranza, MCO from Calbayog District moved to dispense with the reading of the Minutes, stating that copies had already been distributed to the MCOs prior to the assembly. The motion was duly seconded by Mr. Alberto Labasbas, MCO from Tinambacan District

There being no objection, President Tabaranza declared the motion approved.

Ms, Elviza Lopez, MCO from Calbayog District moved for the approval of the minutes of the 41<sup>st</sup> AGMA. The motion was seconded by Ms. Rosemarie Cañada, an MCO from Calbayog District.

With no objections raised, President Tabaranza declared the minutes of the 41<sup>st</sup> AGMA approved.

President Tabaranza then inquired if there was any unfinished business. Secretary Serrato responded in the negative.

**Item No. (5) APPROVAL OF AGENDA**

President Tabaranza proceeded to the next item, the approval of the agenda.

Secretary Serrato read the proposed agenda items:

- 7. Approval of the Amended By-Laws of SAMELCO I
- 8. Emergency CAPEX – 20 MVA Carayman Substation and 69 kV Sub-transmission Line
- 9. Congressional Franchise Application

Ms. Florence Fortaleza, MCO from Calbayog District, moved for the approval of the agenda, which was duly seconded by Ms. Bernadette Bedio, MCO from Oquendo District.

There being no objection, President Tabaranza declared the agenda approved. He then turned the floor over to the General Manager to deliver his report and the 4<sup>th</sup> SECA.

**Item No. (6) PRESENTATION OF THE 2023 ANNUAL REPORT AND 4<sup>TH</sup> SECA**

General Manager Atty. Edson G. Piczon presented the 2023 Annual Report and the 4<sup>th</sup> Special Electric Cooperative Assembly (SECA). The key highlights of his report are as follows:

- SAMELCO I maintained its **Triple A Categorization** for the seventh consecutive year.
- SAMELCO I achieved a new milestone by achieving **Mega Large** status in 2023.
- SAMELCO I received several awards, including recognition during the NEA Golden Dagitab Awards and plaques from PHILRECA’s 44<sup>th</sup> PAGMM Awards from the Wires.

- Achieved a 99.76% Average Collection Efficiency for the year 2023.
- According to the External Audit Report, the Cooperative received an Unqualified Opinion regarding its financial position as of December 31, 2023 and 2022, and its financial performance and cash flows for the years then ended.
- Recorded a Net Margin of ₱72,296,502.38 in 2023.
- Achieved 104.02% or 81,103 Total Household Connection and a Total Membership of 79,525 for 2023.
- Reported on various institutional activities, including the 49th Founding Anniversary celebration (May 27, 2023), tree planting, observance of National Women's Month, Lineworkers' Appreciation Day, and the National Simultaneous Line Clearing Activity, among others.
- Conducted Corporate Social Responsibility (CSR) events such as a Bloodletting Activity and Gift-Giving Programs.
- Held District Elections for District I (Tinambacan District) on June 24, 2023, and District IV (Tarangnan and Pagsanghan) on June 25, 2023.
- Reported on the 41st AGMA and 3rd SECA, conducted through a hybrid format (online and face-to-face) on July 4, 2023, at Red Iron Hotel, Calbayog City.
- SAMELCO I Board of Directors attended a total of 11 trainings and seminars, while employees participated in 48 trainings and seminars in 2023.
- Constructed a total of 25.262 km of three-phase lines, 10.545 km of single-phase lines, and 46.43 km of open secondary lines.
- Power Reliability for 2023 remained within the required thresholds, having a System Average Interruption Frequency Index (SAIFI) of 11.09 interruptions per customer year, and a System Average Interruption Duration Index (SAIDI) of 270.37 minutes per customer per year.
- Achieved 6.72% Average System Loss, well within the 10.25% threshold.
- Installed 146 units of transformers.
- Completed 2,441 job orders, 2,445 meter replacements, and 792 meter clustering activities.
- Outlined key service improvements for MCOs, including: free 30-meter service drop initiative, Hatag Kahayag Program, One-Stop-Shop Caravans, simplification of job order requirements, ongoing coordination with LGUs and the BFP, Electricians' Summit and LGU coordination meetings, launch of 24/7 hotline and weekend collection services during disconnection activities, deployment of Power Rangers to island municipalities (Sto. Niño, Tagapul-an, and Almagro), introduction of online transaction systems, among others.
- Reported on infrastructure and customer service improvements, including: establishment of North and South Area Offices, repair and installation of air conditioning in the Consumer Lounge at the headquarters, provision of free Wi-Fi at the Capoocan Collection Center

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and Headquarters, expansion and renovation of the Capoocon Collection Office, formation of a Regular Clearing Team, procurement of new boom trucks and maintenance vehicles, ongoing construction of a 20 MVA substation and 69 kV sub-transmission line.

- Shared updates on renewable energy initiatives: Net Metering Program, construction of a new 1 MW solar power plant and 3 MW solar power plant, and rehabilitation of the Tonok Mini Hydro Power Plant.
- Reported the energization of 10 sitios under the Sitio Electrification Program (SEP) funded through the GAA 2021, with construction beginning on June 10, 2024. An additional 20 sitios have been proposed to NEA for SEP 2024 GAA.
- Secured the following Generation and Power Supply Agreements: 12 MW EPSA with FDC Misamis Power Corporation, 4 MW Short-Term PSA with KEPCO, 14 MW Long-Term PSA under CSP 2024-2033, and 14 MW Long-Term PSA under CSP 2024-2033.
- Unveiled the new official seal/logo of SAMELCO I during its 50th Golden Founding Anniversary on May 28, 2024.
- Presented conceptual designs for the proposed New Cooperative Administrative Building and the MCO Multi-Purpose Building.

General Manager Piczon closed his report by thanking all stakeholders who contributed to SAMELCO I's achievements and appealed for the continued support of the Member-Consumer-Owners.

Before proceeding to the next item of business, Officer-in-Charge Internal Auditor Estephania Guia Z. Erencio, CPA, presented the Mechanics for Voting on matters to be decided by the General Assembly.

#### **Item No. (7) NEW BUSINESS**

##### **First Agenda: Approval of the Amended By-Laws of SAMELCO I**

President Tabaranza informed the body that General Manager Atty. Edson G. Piczon would present the proposed amendments to the By-Laws of SAMELCO I.

General Manager Piczon began by stressing the need to amend the Cooperative's existing By-Laws, noting that several provisions are outdated and no longer aligned with current laws and regulations set by the National Electrification Administration (NEA).

He then presented a side-by-side comparison of the existing provisions and the proposed amendments, providing justifications for each revision. The Articles of Amendment were attached to the minutes as "Annex A."

After the presentation, President Tabaranza asked if there was a motion to approve the proposed amendments to the By-Laws as presented.

Ms. Edna Magan, MCO from Tinambacan District, moved for the approval of the Amended By-Laws. The motion was duly seconded by Mr. Ranny Corsiga, MCO from Oquendo District.

President Tabaranza reminded the assembly that approval of the Amended By-Laws requires an affirmative vote by the majority of MCOs present. He then called upon the Voting Committee, composed of the following: SAMELCO I OIC Internal Auditor, SAMELCO I OIC Member



Services Division (MSD) Manager, Board Secretary, and MCOO President. The Committee was instructed to facilitate the voting process and to submit a report immediately thereafter.

The MCOs present were asked to express their vote by raising their hands. A significant majority raised their hands in favor of the proposed Amended By-Laws.

The Committee then asked if there were any members opposed to the amendments. Two (2) MCOs raised hands. The Committee then reported a **MAJORITY** vote in favor of the Amended By-Laws.

OIC Internal Auditor Estephania Guia Z. Erencio reported to the assembly the official results of the voting on the approval of the Amended By-Laws of SAMELCO I conducted across the three sequential sessions of AGMA:

- During the first of three sequential sessions of the 42<sup>nd</sup> AGMA held in Gandara, a total of 1,285 MCOs registered. The result of the voting was a **UNANIMOUS** vote in favor of the Amended By-Laws.
- At the second of three sequential sessions of the 42<sup>nd</sup> AGMA held in Tarangnan, there were 966 registrants, and the voting also resulted in a **UNANIMOUS** vote in favor of the Amended By-Laws.
- In the third of three sequential sessions of the 42<sup>nd</sup> AGMA held in Calbayog City, 2,465 MCOs registered, and the result of voting showed a **MAJORITY** vote in favor of the Amended By-Laws.

President Tabaranza reiterated the report and, there being no objection, declared that the majority of the Member-Consumer-Owners (MCOs) present during the three (3) sequential sessions of the 42<sup>nd</sup> AGMA voted in favor of the approval of the Amended By-Laws of SAMELCO I.

**AGMA RESOLUTION No. 01-2024**  
**A RESOLUTION APPROVING THE AMENDED BY-LAWS OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Second Agenda: Construction of Emergency CAPEX – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City**

President Tabaranza invited Engr. Sandy T. Montero, Engineering Department Manager, to present the proposed construction of the Emergency Capital Expenditure (CAPEX) Project – 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City.

Engr. Montero emphasized the urgency of the project, citing critical substation loading issues. According to guidelines from the Energy Regulatory Commission (ERC), electric cooperatives are required to plan capacity augmentation when a power transformer reaches 70% of its rated capacity.

He provided an overview of SAMELCO I’s existing substation capacities and the forecasted loading status. As of May 2024, the substation loading levels are as follows:

- |   |              |   |        |
|---|--------------|---|--------|
| • | Palanas Cara | - | 69.9%  |
| • | San Agustin  | - | 92.5%  |
| • | Capoocan     | - | 103.9% |

Engr. Montero pointed out that both San Agustin and Capoocan substations have already exceeded the 70% threshold. This overloading poses a serious risk to the stability and reliability of the power supply.

To address this issue, the Emergency CAPEX Project seeks to construct a new 20 MVA Substation and 69 kV Sub-Transmission Line at a total cost of ₱76,241,752.70. The project is intended to redistribute the load among the substations, reduce overloading, and enhance overall system capacity. This will help minimize the risk of power outages and improve the reliability and stability of electricity service to the Member-Consumer-Owners (MCOs).

Engr. Montero further explained that the project is aligned with regulatory requirements and will support the Cooperative's operational efficiency by ensuring a more robust and sustainable power supply.

Following the presentation, President Tabaranza called for a motion to approve the construction of the Emergency CAPEX – 20 MVA Substation and 69 kV Sub-transmission Line in Brgy. Carayman, to be funded through the Reinvestment Fund for Sustainable CAPEX (RFSC).

Mr. Ursicino Anquilan, an MCO from Oquendo District, moved for a resolution approving the Emergency CAPEX Project. The motion was duly seconded by Mr. Aquilino Bongoyan, Jr., another MCO from Oquendo District.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 02-2024**  
**A RESOLUTION APPROVING THE EMERGENCY CAPEX – 20 MVA SUBSTATION**  
**AND 69 KV SUB-TRANSMISSION LINE IN BRGY. CARAYMAN, CALBAYOG CITY**

**Third Agenda: Congressional Franchise Application**

President Tabaranza once again invited General Manager Atty. Edson G. Piczon to present the matter concerning SAMELCO I's Congressional Franchise Application.

General Manager Piczon informed the assembly that the Cooperative's existing franchise is set to expire in 2030. Based on an advisory issued by the National Electrification Administration (NEA), the recommended period for filing the application for franchise renewal is next year. He stressed the importance of filing early to ensure uninterrupted electricity service to the Member-Consumer-Owners (MCOs).

He further explained that early renewal will allow SAMELCO I to navigate the legislative process with sufficient time for review and approval, helping to maintain regulatory compliance and uninterrupted operations.

To facilitate this, General Manager Piczon sought the formal support and approval of the General Assembly for the filing of SAMELCO I's Congressional Franchise Renewal Application.

President Tabaranza then asked for a motion to approve the said application.

Ms. Eladia Pandong, an MCO from Tinambacan District, moved for the approval of the Application for Congressional Franchise of SAMELCO I and for the issuance of a formal request to the Philippine Congress to grant the renewal of the franchise. The motion was duly seconded by Mr. Leonardo Labro, an MCO from Sta. Margarita District.

There being no objection, President Tabaranza declared the motion approved.

**AGMA RESOLUTION No. 03-2024**  
**A RESOLUTION APPROVING THE APPLICATION FOR CONGRESSIONAL**  
**FRANCHISE OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**Item No. (8) OPEN FORUM**

President Tabaranza officially opened the floor for the Open Forum.

Ms. Eleen Lim, an MCO from Calbayog City, raised a valid concern regarding the proposed integration of the three island municipalities, Sto. Niño, Almagro, and Tagapul-an, with Sta. Margarita to form District VI, as provided under Section 8, Article IV of the Amended By-Laws. She recommended the creation of a separate District VII to ensure fair and equitable representation for the island municipalities.

General Manager Atty. Edson G. Piczon acknowledged the merit of Ms. Lim's suggestion, stating that ideally, the three island municipalities should be represented as a distinct district. However, he explained that the creation of an additional district would entail additional operational costs, including the election of a new Board Director, expenses that are not currently included in the NEA-approved Cash Operating Budget (COB).

As a temporary solution, the island municipalities were grouped with Sta. Margarita due to its relatively smaller coverage area, allowing for administrative feasibility under current constraints.

GM Piczon also clarified that NEA Guidelines require consistency in the agenda across all sequential sessions of Annual General Membership Assemblies (AGMAs), and as such, new amendments cannot be introduced mid-process.

He assured the assembly that the Cooperative will allocate funds in the 2025 COB to support the establishment of an additional district. This step will address the representation concerns raised and ensure more inclusive and balanced governance moving forward.

**Item No. (9) ADJOURNMENT**

Ms. Mariane Serrato, MCO from Tinambacan District, moved to adjourn the Open Forum. The motion was duly seconded by Mr. Ricardo Tarrayo, MCO from Calbayog District. It was also announced that any remaining concerns or inquiries may be directed to SAMELCO I's 24/7 Hotline via call or text, a decision that received unanimous approval.

There being no further matters to discuss, President Tabaranza declared the third of three sequential sessions of the 42nd Annual General Membership Assembly adjourned at 3:54 in the afternoon.

***I HEREBY CERTIFY to the correctness of the above quoted minutes of the meeting.***

  
**EDITHA S. SERRATO**  
Secretary

**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
President

  
**LEONARDO B. PICZON JR.**  
Vice President

  
**MELINDA G. BRIONES**  
Treasurer

  
**ENGR. RUBEN T. PALMA**  
Member

  
**ATTY. EDSON G. PICZON**  
General Manager

Minutes of the Three Sequential Sessions of the 42<sup>nd</sup> Annual General Membership Assembly

# ANNEX A

---

Samar I Electric Cooperative, Inc. (SAMELCO I)

# ARTICLES OF AMENDMENT

TO WHOM THIS MAY CONCERN:

These Articles of Amendment of the existing Articles of Incorporation of the Samar I Electric Cooperative, Inc. or SAMELCO I, with office address at Brgy. Carayman, Calbayog City, Samar, Philippines, was duly approved and adopted during the Special General Membership Assembly held on January 27, 2024 at SAMELCO I Headquarters, Brgy. Carayman, Calbayog City, to wit:

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## I. Amendments to SAMELCO I's Articles of Incorporation

### a. Title:

**From:** Articles of Incorporation of the Samar Electric Cooperative, Inc.

**To: Amended** Articles of Incorporation of the **Samar I Electric Cooperative, Inc.**

### b. Preamble:

**From:** That we, the undersigned, all of whom are of legal age, Filipino citizens and residents of the Philippines, have this day voluntarily associated ourselves together for the purpose of forming a non-stock, non-profit membership electric cooperative under the laws of the Republic of the Philippines, more particularly under Republic Act No. 6038, as repealed by Presidential Decree No. 269.

**To:** That we, the undersigned, all of whom are of legal age, Filipino citizens and residents of the Philippines, have this day voluntarily associated ourselves together for the purpose of forming a non-stock, non-profit **members-consumers-owners owned** electric cooperative under the laws of the Republic of the Philippines, more particularly under Republic Act 6038, Presidential Decree No. 269, **as amended by Republic Act 10531.**

### c. First Section: Name of Cooperative

**From:** Samar Electric Cooperative, Inc.

**To: Samar I Electric Cooperative, Inc. or SAMELCO I**

### d. Second Section:

**From:** That this Cooperative is formed primarily for the purpose of supplying, promoting and encouraging the fullest use of electric service for its members on an area coverage basis, pursuant to the provisions of Republic Act No. 6038 as repealed by Presidential Decree No. 269.

**To:** That the Cooperative is formed primarily for the purpose of supplying, promoting and encouraging the fullest use of electric service **to** its members on an area coverage basis, pursuant to the provisions of Republic Act 6038, Presidential Decree No. 269, **as amended by Republic Act 10531.**

### e. Third Section: Address of the cooperative

**From:** That the Cooperative shall have its principal office at the City of Calbayog;

**To:** That the Cooperative shall have its principal office at **Brgy. Carayman**, Calbayog City.

**f. Fourth Section:**

**From:** That the term for which said cooperative is to exist is Fifty (50) years, from and after the date of Incorporation.

**To:** That the term for which said cooperative is to exist is Fifty (50) years **from and upon the filing of the Amended Articles of Incorporation and the Certification by the Administrator pursuant to Section 34 of PD 269.**

**g. Sixth Section:**

**From:** That membership in this cooperative shall be opened to any person, firm, association, corporation or body politic or subdivision thereof, qualified under the By-Laws and rules prescribed by the Cooperative in the Municipalities and barrios of Sta. Margarita, Gandara, and Tarangnan, Province of Samar and the barrios of and the City of Calbayog, and of any additional area, which may hereafter be serviced by the Cooperative;

**To:** That membership in this cooperative shall be opened to any person, firm, association, corporation or body politic or subdivision thereof, qualified under the By-Laws and rules prescribed by the Cooperative in the Municipalities and barrios of Sta. Margarita, Gandara, **San Jorge, Matuguinao, Pagsanghan, Tarangnan, and the island Municipalities and barrios of Sto. Nino, Almagro and Tagapul-an**, Province of Samar and the barrios of and the City of Calbayog, **including the Districts of Oquendo and Tinambacan** and of any additional area, which may hereafter be serviced by the Cooperative;

Other than the afore-stated provisions and amendments, no other amendment was made on the Articles of Incorporation.


This is being executed in compliance to Section 27 of Presidential Decree No. 269, as amended.

IN WITNESS WHEREOF, I have hereunto affixed my signature this **2 february 2024** at SAMELCO I Headquarters, Brgy. Carayman, Calbayog City, Samar, Philippines.

Executed and Acknowledged by:

  
**OSCAR B. TABARANZA**  
President

Attested by:

  
**EDITHA S. SERRATO**  
Secretary

Signed in the presence of:

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Witness

# **AGMA RESOLUTIONS**

42<sup>nd</sup> Annual General Membership Assembly

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Samar I Electric Cooperative, Inc. (SAMELCO I)



Samar I Electric Cooperative, Inc.  
Brgy. Carayman, Calbayog City  
Email Address: [samelco\\_1@yahoo.com](mailto:samelco_1@yahoo.com)

**EXCERPTS FROM THE MINUTES OF THE THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I) HELD ON JULY 13, 2024 IN GANDARA, SAMAR; JULY 20, 2024 IN TARANGNAN, SAMAR; AND JULY 27, 2024 IN CALBAYOG CITY, SAMAR**

**AGMA RESOLUTION NO. 01-2024**

**A RESOLUTION APPROVING THE AMENDED BY-LAWS OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**WHEREAS**, there is a need to amend the existing SAMELCO I By-Laws due to numerous outdated provisions which are already inconsistent with the prevailing laws and regulations of the National Electrification Administration;

**WHEREAS**, SAMELCO I complied with the notice requirement for the conduct of the Annual General Membership Assembly (AGMA) through various delivery methods: personal delivery of the Notice or "pahibaro" to the MCOs on June 24, 2024, July 1, 2024, and July 8, 2024, respectively, for each of the three sequential sessions, which is not earlier than 10 days and not more than 25 days; published the notice in SAMELCO I's Facebook accounts; local broadcast media; and conducted recorida;

**WHEREAS**, the Articles of Amendments and proposed Amended By-Laws were attached to the Notice for the Member-Consumer-Owners (MCOs) to review prior to the conduct of the AGMA;

**WHEREAS**, the proposed amendments were discussed during the AGMA, with detailed explanations provided for each respective amendment;

**WHEREAS**, the proposed amendments to the By-Laws have been reviewed and voted on by the MCOs present during the three sequential sessions of the 42<sup>nd</sup> Annual General Membership Assembly (AGMA) held on July 13, 2024 in Gandara, Samar; July 20, 2024 in Tarangnan, Samar; and July 27, 2024 in Calbayog City, Samar;

**WHEREAS**, the Voting Committee reported the following results from each of the three sequential session of the 42<sup>nd</sup> AGMA:

The number of registrants during the **FIRST OF THREE SEQUENTIAL SESSIONS** of the 42<sup>nd</sup> AGMA held in Gandara is **1,285**. The result of voting yielded a **UNANIMOUS** vote in favor of the approval of the Amended By-Laws.

The number of registrants during the **SECOND OF THREE SEQUENTIAL SESSIONS** of the 42<sup>nd</sup> AGMA held in Tarangnan is **966**. The result of voting yielded a **UNANIMOUS** vote in favor of the approval of the Amended By-Laws.

The number of registrants during the **THIRD OF THREE SEQUENTIAL SESSIONS** of the 42<sup>nd</sup> AGMA held in Calbayog City is **2,465**. The result of voting yielded a **MAJORITY** vote in favor of the approval of the Amended By-Laws.

**WHEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED**, that the MCOs of SAMELCO I convened during the 42<sup>nd</sup> Annual General Membership Assembly, hereby **APPROVE** the Amended By-Laws of Samar I Electric Cooperative, Inc.

**RESOLVED FINALLY**, to furnish the National Electrification Administration (NEA) a copy of this resolution for information.



**UNANIMOUSLY APPROVED**


I hereby **CERTIFY** to the correctness of the foregoing resolution

  
**EDITHA S. SERRATO**  
*Secretary*

**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
*President*

  
**LEONARDO B. PICZON JR.**  
*Vice President*

  
**MELINDA G. BRIONES**  
*Treasurer*

  
**ENGR. RUBEN T. PALMA**  
*Member*

  
**ATTY. EDSON G. PICZON**  
*General Manager*

**EXCERPTS FROM THE MINUTES OF THE THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I) HELD ON JULY 13, 2024 IN GANDARA, SAMAR; JULY 20, 2024 IN TARANGNAN, SAMAR; AND JULY 27, 2024 IN CALBAYOG CITY, SAMAR**

## **AGMA RESOLUTION NO. 02-2024**

**A RESOLUTION APPROVING THE EMERGENCY CAPITAL EXPENDITURE (CAPEX) PROJECT FOR THE CONSTRUCTION OF A 20 MVA SUBSTATION AND 69 KV SUB-TRANSMISSION LINE IN BARANGAY CARAYMAN, CALBAYOG CITY**

**WHEREAS**, Samar I Electric Cooperative, Inc. (SAMELCO I) is mandated to provide continuous, stable, and reliable electricity service to its Member-Consumer-Owners (MCOs) within its franchise area;

**WHEREAS**, pursuant to the guidelines of the Energy Regulatory Commission (ERC), capacity augmentation must be planned when transformer loading reaches 70% of rated capacity;

**WHEREAS**, as of May 2024, both the San Agustin and Capoocan Substations have significantly exceeded the ERC's 70% threshold, threatening system stability and power reliability;

**WHEREAS**, to address this urgent situation, SAMELCO I proposes an Emergency CAPEX Project for the construction of a 20 MVA Substation and a 69 kV Sub-Transmission Line in Barangay Carayman, Calbayog City, with a total cost of ₱76,241,752.70, based on Board-approved resolutions covering:

- Construction of the 20 MVA Substation, including a 69 kV switching station (electrical and civil works);
- Construction of the 69 kV Sub-Transmission Line from the new substation to the National Grid Corporation of the Philippines (NGCP) connection point, including labor, poles, and line hardware & materials;

**WHEREAS**, the total project cost will be sourced from the Restricted Fund for Sustainable CAPEX (RFSC);

**WHEREAS**, the project aims to redistribute load, reduce overloading, and enhance overall system capacity and reliability;

**WHEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED**, that the MCOs of SAMELCO I convened during the 42<sup>nd</sup> Annual General Membership Assembly, hereby APPROVE the Emergency CAPEX Project for the Construction of a 20 MVA Substation and 69 kV Sub-Transmission Line in Brgy. Carayman, Calbayog City, at a total cost of ₱76,241,752.70, to be funded through the Restricted Fund for Sustainable CAPEX (RFSC);

**RESOLVED FURTHER**, that the Board of Directors and Management of SAMELCO I are hereby authorized to undertake all necessary steps for implementation, including the filing of required applications with the Energy Regulatory Commission (ERC);

**RESOLVED FINALLY**, to furnish the National Electrification Administration (NEA) a copy of this resolution for information.

**UNANIMOUSLY APPROVED**


I hereby **CERTIFY** to the correctness of the foregoing resolution

  
**EDITHA S. SERRATO**  
*Secretary*

**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
*President*

  
**LEONARDO B. PICZON JR.**  
*Vice President*

  
**MELINDA G. BRIONES**  
*Treasurer*

  
**ENGR. RUBEN T. PALMA**  
*Member*

  
**ATTY. EDSON G. PICZON**  
*General Manager*





Samar I Electric Cooperative, Inc.  
Brgy. Carayman, Calbayog City  
Email Address: [samelco\\_1@yahoo.com](mailto:samelco_1@yahoo.com)

**EXCERPTS FROM THE MINUTES OF THE THREE SEQUENTIAL SESSIONS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEMBERSHIP ASSEMBLY (AGMA) OF THE MEMBER-CONSUMER-OWNERS (MCOs) OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I) HELD ON JULY 13, 2024 IN GANDARA, SAMAR; JULY 20, 2024 IN TARANGNAN, SAMAR; AND JULY 27, 2024 IN CALBAYOG CITY, SAMAR**

## **AGMA RESOLUTION NO. 03-2024**

**A RESOLUTION APPROVING THE APPLICATION FOR CONGRESSIONAL FRANCHISE OF SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)**

**WHEREAS**, Samar I Electric Cooperative, Inc. (SAMELCO I) is a non-stock, non-profit, and service-oriented electric cooperative, regulated by the National Electrification Administration (NEA), and has been engaged in the distribution of electricity in the 1st District of Samar for over 50 years;

**WHEREAS**, SAMELCO I's current congressional franchise is set to expire on January 9, 2030, and under Republic Act No. 9136 (Electric Power Industry Reform Act of 2001), the authority to grant or renew franchises for electric power distribution is vested exclusively in the Congress of the Philippines;

**WHEREAS**, in preparation for the expiration of its franchise and to ensure uninterrupted operations and continued service delivery, SAMELCO I seeks to formally initiate its application for a new congressional franchise;

**WHEREAS**, the cooperative has consistently maintained a Triple A category, the highest performance rating awarded by the National Electrification Administration (NEA), for seven consecutive years since 2017, reflecting excellence in financial, institutional, and technical performance;

**WHEREAS**, the cooperative also maintains good standing in its financial obligations, particularly with the National Power Corporation (NPC) and other stakeholders in the energy sector, demonstrating sound fiscal management and operational sustainability;

**WHEREAS**, in accordance with cooperative governance and transparency, the application for franchise renewal was presented to and approved by the Member-Consumer-Owners (MCOs) during the 42<sup>nd</sup> Annual General Membership Assembly (AGMA), held in three sequential sessions on July 13, 2024 in Gandara, Samar; July 20, 2024 in Tarangnan, Samar; and July 27, 2024 in Calbayog City, Samar

**WHEREAS**, the collective and favorable vote of the MCOs in these sessions affirms strong support for SAMELCO I's application for congressional franchise renewal;

**WHEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED**, that the Member-Consumer-Owners of Samar I Electric Cooperative, Inc. (SAMELCO I), convened during the 42<sup>nd</sup> Annual General Membership Assembly, hereby APPROVE the cooperative's application for congressional franchise;

**RESOLVED FURTHER**, that the Board of Directors and Management of SAMELCO I are hereby authorized to prepare, file, and pursue the application for Congressional Franchise before the House of Representatives, the Senate of the Philippines, and all other relevant government agencies;

**RESOLVED FINALLY**, to furnish the National Electrification Administration (NEA) a copy of this resolution for information and appropriate action.

**UNANIMOUSLY APPROVED**


I hereby **CERTIFY** to the correctness of the foregoing resolution

  
**EDITHA S. SERRATO**  
*Secretary*

**ATTESTED BY:**

  
**OSCAR B. TABARANZA**  
*President*

  
**LEONARDO B. PICZON JR.**  
*Vice President*

  
**MELINDA G. BRIONES**  
*Treasurer*

  
**ENGR. RUBEN T. PALMA**  
*Member*

  
**ATTY. EDSON G. PICZON**  
*General Manager*