

**[ NEA, May 08, 2014 ]**

**GUIDELINES ON THE CONDUCT OF DISTRICT ELECTIONS FOR  
ELECTRIC COOPERATIVES**

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**ARTICLE I. GENERAL PROVISIONS**

**Section 1. Applicability.** – These guidelines shall govern the elections of the Board of Directors of all electric cooperatives in the Philippines.

**Section 2. Definition of Terms.** – As used in this Guidelines the following words or terms have the following meanings unless a different meaning clearly appears in the context.

- 2.1 *Election* refers to the process of choosing a director in a district through secret balloting to represent its members in the cooperative Board of Directors.
- 2.2 *Board of Directors* is the body composed of representatives elected in every district to promulgate policies, rules and regulations necessary for the operation of the electric cooperative.
- 2.3 *Voter* refers to a bonafide member-consumer of the cooperative who possesses all the qualifications to vote.
- 2.4 *Resident* refers to a bonafide member of a district who has been residing therein for not less than one (1) year immediately preceding the elections.
- 2.5 *Juridical person* refers to any firm, corporation, association or local government unit.
- 2.6 *Joint Membership* refers to a husband and a wife who applies for a joint membership and avail the services of the EC subject to their compliance with the existing EC by-laws.
- 2.7 *Member-Consumer* refers to a person, either natural or juridical, adhering to the principles set forth under Presidential Decree No. 269, as amended by Presidential Decree No. 1645 and Republic Act No. 10531, and in the Articles of Incorporation and By-Laws of the EC of which he/she is entitled to all the rights and privileges thereof.
- 2.8 *Master list of Member-Consumers* is a roster of bonafide members indicating the address, membership certificate number or official receipt number, status of membership whether single or joint or juridical, and the date and resolution number under which the said membership was approved.
- 2.9 *Voting Center* refers to the designated place where the election of the Board of Directors of the cooperative will be conducted.

- 2.10 *Election Precinct* refers to the designated place in the voting center where the member-consumers of the cooperative within a designated territory will register and cast their votes.
- 2.11 *Screening Committee (SC)* refers to a body composed of the following: the Engineering or Technical Services Department Manager, the Finance or OSD Manager as members and Member Services or the Institutional Services Department Manager as Chairman, for purposes of reviewing the official records and final screening of the qualification requirements of candidates.
- 2.12 *District Election Committee (DECOM)* shall mean a body composed of three (3) members which shall exercise supervision and control of the election of the Board of Directors in particular districts in the electric cooperative.
- 2.13 *Precinct Election Committee (PECOM)* is a body of three (3) members deputized by the DECOM to take charge of the registration and voting in the precinct.

**Section 3. Date of Election.** – It shall be the responsibility of the Board of Directors to call, schedule and provide appropriation for, by an appropriate Board Resolution, the conduct of a regular district election. Such resolution shall be passed in not less than 90 days nor more than 120 days before the Annual Meeting of the cooperative as provided for in the By-Laws. A copy of the Resolution shall be submitted to NEA, within 2 weeks after the Board Meeting.

- 3.1 In not less than (30) days, but not more than sixty (60) days before the Annual Meeting of the cooperative as provided for in the By-Laws, elections shall be held for districts where the terms of office of the incumbent board members as fixed by the By-laws are due to expire. The thirty (30) day period shall be reckoned from the date of the last elections scheduled for the year.
- 3.2 A Special Election shall be called by the Board, by an appropriate Board Resolution, to fill any vacancy due to death, incapacity, resignation, disqualification and other similar causes, if the unexpired term shall be two (2) years or more. A duly-elected director under this provision shall serve only the unexpired portion of the term. However, if the remaining term is less than two (2) years, the Board, by a majority vote, shall appoint through a Resolution the successor to the vacant position from among the nominees submitted by the Multi-Sectoral Electrification Advisory Council (MSEAC) or designate a caretaker from among the incumbent members of the Board of Directors or a NEA-designated independent director.
- 3.3 The Board shall pass the Resolution calling the Special Election not later than (5) days after the vacancy occurs, to be held in not less than twentyfive (25) days but not more than thirty-five (35) days after the vacancy. The same master list of Member-Consumers used in the immediately preceding regular election shall be used.
- 3.4 Instead of electing all the directors annually, the by-laws may provide that each year half of them or one-third of them, or a number as near thereto as possible, shall be elected on a staggered term basis to serve two-year or three-year terms, as the case may be.

**Section 4. Postponement of Election.** – When for any serious cause such as violence, terrorism, loss or destruction of election paraphernalia or records and *force*

*majeure*, the holding of a free, honest and orderly election shall become impossible, the DECOM shall in its discretion, postpone the election in the District concerned. Such decision shall be subject to affirmation of the NEA representative, if any, supervising the actual conduct of election. In no case shall the postponement of election extend to more than twenty (20) days within which the Board with the confirmation of NEA shall reset the holding of the election. Conduct of such election shall be covered by the prescriptive period in the posting/sending of notices, and in the filing of additional Certificate(s) of Candidacy, if any, as provided for in Sections 6 and 12 hereof. Unless any or all of the members of the District and Precinct Election Committees as originally constituted shall have withdrawn, the same members shall supervise and control the conduct of the re-scheduled elections. In case of withdrawal, their alternates shall act in their stead; otherwise, the NEA shall appoint new members of the DECOM. As in a Special Election, the same Master List shall be used.

**Section 5. Failure of Election.** – If the Board fails or refuses to call and hold the election as mandated by the By-Laws or as prescribed in Section 3 hereof, the National Electrification Administration, in the exercise of its supervisory and oversight functions over electric cooperatives shall have the right to call and conduct the election for and in behalf of the cooperative.

If in the conduct of said election, the total number of Member-Consumers who registered in the form provided for (Member-Consumers' register) fails to meet the quorum requirement of one hundred (100) or five per centum (5%) of the Member-Consumers whichever is less, the same shall be deemed a failure of election. In such case, the Board shall schedule another election to be held not more than thirty (30) days after the failed election. However, in case of a lone candidate, one vote shall suffice.

**Section 6. Notice of Regular Election.** – Written notices stating the purpose, place, date and time of the election and the deadline for filing of Certificate of Candidacy shall be posted in strategic places within the voting district not less than twenty (20) days before the date of the election. The same written notice shall be delivered either personally, by mail or through e-mail to each member of the concerned DECOM. Print and/or broadcast media may also be availed of, if necessary.

## **ARTICLE II - ELIGIBILITY TO RUN AND CERTIFICATE OF CANDIDACY**

**Section 7. Qualifications of a Director and an Officer.** – Pursuant to Section 26-B of PD 269, as amended by R.A. 10531, a candidate's integrity, experience, education, competence and probity shall be considered in determining whether he/she shall be fit and proper as a director or an officer of the EC. The following shall be the minimum qualifications, thus:

- 7.1 He or she is a Filipino citizen;
- 7.2 He or she is a graduate of a four (4)-year course;
- 7.3 He or she should be between twenty-one (21) years old and seventy (70) years old on the date of election;
- 7.4 He or she is of good moral character; which may be established with the submission of a clearance or certificate from any of the following:
  - 7.4.1 Barangay where the candidate resides;
  - 7.4.2 National Bureau of Investigation;

7.4.3 Philippine National Police; or

7.4.4 Leader of the religious sect where the candidate is affiliated.

- 7.5 He or she is a member of the EC in good standing for the last five (5) years immediately preceding the election or appointment and shall continue to be a member in good standing during his or her incumbency;

A member of good standing shall mean that said member:

7.5.1 Must have no unsettled or outstanding obligations to the cooperative during his membership in the cooperative whether personal or through commercial or industrial connections of which he or she is the owner/co-owner;

7.5.2 An unsettled or outstanding obligation is an account which has not been paid within seven (7) days after the due date. "Due date" shall refer to the date of receipt of the obligation: Provided, That in the case of power bills, it shall refer to the ninth (9th) day reckoned from receipt thereof. For incumbent member of the Board who will seek re-election, unsettled or outstanding obligation includes power bills, cash advances, disallowances (including NEA audit findings) and materials and equipment issuances. At any given time during his membership in the cooperative, he or she must be totally free of any unsettled or outstanding indebtedness and/or disallowances with the EC

- 7.6 Has not been apprehended for electric pilferage;

A mere apprehension of electric pilferage by the EC, even without conviction for such offense by any court, shall constitute a valid ground for disqualification. The word "apprehension" should be taken in the strict context as used in Republic Act No. 7832, otherwise known as "Anti- Electricity and Electric Transmission Lines or Materials Pilferage Act of 1994," which means that a person is caught in flagrante delicto for violating the provision of the said Act;

- 7.7 Has not been removed for cause as director or an employee from any EC; In general, removal or termination of service from the EC is caused by a grave offense or violation/s of policies, rules and regulations. A former director or employee with a record of termination/removal for cause from public office or for just cause as defined in Article 282 of the Labor Code as amended, shall not be qualified to be elected or appointed as director of an EC.

- 7.8 He or she is an actual resident and member-consumer in the district that he or she seeks to represent for at least two (2) years immediately preceding the election; and

- 7.9 He or she has attended at least two (2) Annual General Membership Assemblies (AGMA) for the last five (5) years immediately preceding the election or appointment.

- 7.10 For a qualified government employee, he/she must present a written Certification from his/her Department Secretary/Regional Director/Local Chief Executive or his duly authorized representative allowing him/her to run and sit as director at the time of his/her filing of Certificate of Candidacy;

7.11 An EC Director or Officer, in order to remain as such must continue to possess all the qualifications and none of the disqualifications throughout his/her term or tenure of office. To this end, no EC Director shall be allowed to stay in a hold-over capacity if he/she fails to meet all the qualifications or is deemed disqualified.

**Section 8. Disqualifications of a Director and Officer.** – Pursuant to Section 26-B of PD 269, as amended by R.A. 10531, any person shall be ineligible to be elected or be appointed as member of the Board of Directors or officers of an EC if:

- 8.1 Such person or his or her spouse holds any public office. For the purpose of disqualification, a person holding an elective position or an appointive position with a salary grade of sixteen (SG 16) or higher or its equivalent shall not be eligible to be elected as member of the Board of Directors or Officers of an EC;
- 8.2 Such person or his or her spouse has been a candidate in the last preceding local or national elections;
- 8.3 Such person has been convicted by final judgment of a crime involving moral turpitude;
- 8.4 Such person has been terminated from public office/government employment or private employment for just cause as defined in Article 282 of the Labor Code.

For this purpose, termination from public office shall mean removal;

- 8.5 Such person is related within the fourth civil degree of consanguinity or affinity to any member of the EC Board of Directors, General Manager, Department Manager, NEA-appointed Project Supervisor (PS) or Acting General Manager (AGM) and its equivalent or higher position; and
- 8.6 Such person is employed by or has financial interest in a competing enterprise or a business selling electric energy or electrical hardware to the cooperative or doing business with the EC including, but not limited to, the use or rental of poles.

For this purpose, “*doing business*” shall refer to the transactions related not only to the core or main line of business of the EC, but also those which in any way affect the management and operation of the EC.

- 8.7 Incumbent GM and employees of electric cooperatives are not allowed to run as member of the board of another cooperative.
- 8.8 The disqualification of one of the spouse shall mean the disqualification of the other.

**Section 9. Ineligibility of representatives of Juridical Person.** – Representative of juridical persons shall not be eligible to be candidates for Board member. However, the said juridical person is entitled to only one (1) vote.

**Section 10. One Member One Vote Policy.** – A Member-Consumer shall be entitled to only one vote, regardless of the number of connections. For joint membership, only one member shall be entitled to vote.

**Section 11. Certificate of Candidacy.** – No qualified member of the cooperative shall be elected as member-consumer of the Board unless he/she filed a verified Certificate of Candidacy.