

**[CDA MEMORANDUM CIRCULAR NO. 2010-10,
October 26, 2010]**

**PROCEDURAL GUIDELINES IN THE CONDUCT OF REFERENDUM
OF ELECTRIC COOPERATIVES (EC'S) REGISTERED WITH THE
NATIONAL ELECTRIFICATION ADMINISTRATION (NEA) UNDER
P.D. 269, AS AMENDED, WHICH OPT TO REGISTER WITH THE
COOPERATIVE DEVELOPMENT AUTHORITY (CDA) AS PROVIDED
IN ARTICLE 127, 128, AND 134 (2) OF REPUBLIC ACT 9520**

SECTION 1. Legal Basis – Pursuant to Articles 127, 128 and 134 (2) Chapter XVII of Republic Act No. 9520, otherwise known as the Philippine Cooperative Code of 2008, the following are the "Procedural Guidelines in the Conduct of Referendum for Electric Cooperatives (ECs) Registered with the National Electrification Administration (NEA) under P.D. 269, as amended, which Opt to Register with the Cooperative Development Authority (CDA).

SECTION 2. Title – This guidelines shall be known as the "Procedural Guidelines in the Conduct of Referendum for Electric Cooperatives (ECs) Registered with the National Electrification Administration (NEA) under Presidential Decree 269, as amended which Opt to Register with the Cooperative Development Authority as provided in Articles 127, 128 and 134 (2) of Republic Act No. 9520".

SECTION 3. Definition of Terms - The following terms shall be defined as follows in order to govern and have a uniform interpretation as mentioned in these guidelines;

a. Ad-Hoc Election Committee – refers to a body created by the member-consumers petitioners for the purpose of conducting a Member-Initiated Referendum composed of not less than 3 but not more than 5 designated member-consumers in good standing in every district, whose functions shall be limited to the distribution of survey forms, conduct of referendum, canvass and reporting the result of the referendum to the General Assembly or to the Board of Directors, whichever is applicable.

b. Certificate of Registration – refers to the documents issued by the Authority under its official seal evidencing the registration of granting juridical personality to an Electric Cooperative and entitlement to the rights and privileges under the Code.

c. Code – refers to Republic Act No. 9520 otherwise known as the Philippine Cooperative Code of 2008.

d. Cooperative Development Authority (CDA) or Authority - refers to government agency created under Republic Act No. 6939, mandated to undertake development, registration, regulation and supervision of all cooperatives under the Code.

e. Electric Cooperative or "EC" – refers to one organized for the primary purpose of undertaking power generation, utilizing renewable energy sources, including hybrid

systems, acquisition and operation of sub-transmission or distribution to its household members.

f. Member-Consumer – refers to a person either natural or juridical, adhering to the principles set forth in the Code and in the Articles of Cooperation and By-Laws of the Electric Cooperative of which he/she is entitled to all the rights and privileges thereof.

g. Member-Consumer in Good Standing – refers to a regular member who is updated in the payment of monthly bills, has complied with all the requisites for membership, possesses all the qualifications and none of the disqualifications provided in the Cooperative by-laws as ascertained by the Board of Directors.

h. National Electrification Administration or NEA - refers to a government agency created under Presidential Decree No. 269 as amended, which was mandated to coordinate and implement the Rural Electrification Program of the government.

i. Referendum – refers to a mechanism of securing and the approval of the general membership of an Electric Cooperative on issues affecting its registration, operation and management.

j. Registration – refers to the operative act of the Authority granting juridical personality to an Electric Cooperative and is evidenced by a Certificate of Registration issued by the Authority.

SECTION 4. Purpose – The primary purpose of the Guidelines is to facilitate the proper conduct of referendum among Electric Cooperatives registered with the National Electrification Administration (NEA), as amended, which opt to register with CDA as provided in Article 127, 128 and 134 (2) of the Code.

SECTION 5. Procedures – The following are the procedures in the conduct of Referendum:

A. Referendum initiated by the Board of Directors - The BOD shall undertake the following steps:

1. Issue Notice of Referendum thirty (30) days before the conduct of the referendum indicating the following:

- a. Date of Referendum

- b. Mode of the Conduct of Referendum which may either be:

- (a) Survey Form;

- (b) Assembly Meetings in the respective districts
which maybe simultaneous or sequential

2. Posting/Publication of Notice of Referendum shall be done not later than thirty (30) days prior to the scheduled conduct of referendum.

3. Identification of Members in Good Standing based on the qualification and disqualification as provided in the By-laws.

4. Provision of Referendum Questionnaire Forms to qualified Members to vote whether to register or not to register with the Authority within fifteen (15) days prior to the date of referendum.