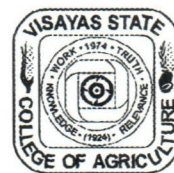


VISAYAS STATE COLLEGE OF AGRICULTURE

Baybay, Leyte, Philippines

Office of the President



3 April 2001

MEMORANDUM CIRCULAR NO. 33

Series of 2001

T O: **All Concerned**

R E: **Electric Billing**

Based on the review conducted of the electric consumption and billing to consumers, the following are our findings:

1. Electric consumption of non-ViSCAN residents and businesses is 5% and another 5% for other offices and agencies in campus (ATI, VFES, ViFARD, PCC).
2. For the month of January 2001, the power consumption of dormitories and student cottages represented 10% of the total college usage.
3. Non-ViSCANS are unofficially granted the 100 kwh free similar to the ViSCA faculty and staff resulting to a loss of P84,000.00. The computed amount is for one (1) year only.
4. Relatives/outsideers are living in the apartments/cottages of staff on leave or has already retired, thus increasing use of energy and water.
5. Only P3.60 of the current energy charge of P3.7982 was billed and the PPA was not included in the billing of business concessionaires thus the college lost in Y2000 the amount of P117,526.72.

In view of this, this Office takes the following actions:

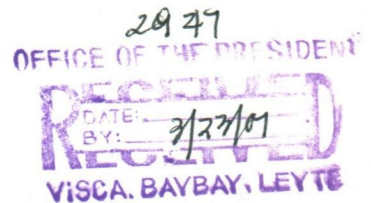
1. All concerned residents are hereby reminded that only ViSCA faculty and staff (plantilla and non-plantilla positions) are entitled to the 100 kwh free. This privilege shall be extended to COA employees living in campus. However, the PPA shall be paid based on total kwh consumption.
2. In the case of ViSCA personnel who are on leave, the 100 kwh free can only be granted if the sub-leasee is an employee of ViSCA and has been granted the privilege to reside by the College President. Hence, relatives (not the immediate family members) of those employees who are on leave are not covered.
3. Unpaid charges (PPA and energy rate difference of P0.1982) of concessionaires for Year 2000 shall be collected in 12 equal monthly installments.
4. Projects under the revolving funds (RF 161 and 163) and non-ViSCA offices and facilities (government or private) shall pay the corresponding charges including PPA effective January 2001.

The Office of the Vice President is hereby directed to monitor the accurate billing and collection especially the arrearages. Moreover, the office shall see to it that the provisions of this memorandum shall be complied with.

For strict compliance.


PACIENCIA P. MILAN
President

cc: OVPA



Visayas State College of Agriculture
Baybay, Leyte

OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION

March 23, 2001


Dr. Paciencia P. Milan
President
ViSCA, Baybay, Leyte

Dear Madam President:

After reviewing the findings and suggestions of the Financial and Management Officer (FMO), I would like to submit to your office the draft memorandum based from the report submitted by the FMO and the revised electric billing format for your approval. The previous suggestions and comments of COA for ViSCA's electric billing format have been retained. The paper size of the bill has been adjusted to only one-half of the short bond paper size instead of the suggested smaller size, because based on the experiences that our Office have encountered, even with the whole page bill, some ViSCA residents have lost their copies and would request again for another copies of their bills. Hence, it is advisable not to reduce any further the paper size for the electric bill.

Thank you very much.

Very truly yours,


NERELITO P. PASCUAL
Vice President for Administration

Visayas State College of Agriculture
Baybay, Leyte

STATEMENT OF ACCOUNT
Electric Bill 2001

BILLING NUMBER		TYPE		DUE DATE		DISCONNECTION DATE			
NAME/ADDRESS									
From		To		Reading		KWH Used	Excess (ViSCA staff only)	Rate/ kwh	Amount
Mo.	Day	Mo.	Day	Present	Previous				
<i>Please pay this bill on or before the due date to avoid payment of penalty of 2% per month of delay (a fraction of 1 month delay is considered 1 month).</i>								PPA	
								Others (EC)	
								TOTAL	

Prepared by: _____

Reviewed by: _____

Billing in Charge

Visayas State College of Agriculture
Baybay, Leyte

STATEMENT OF ACCOUNT
Electric Bill 2001

BILLING NUMBER		TYPE		DUE DATE		DISCONNECTION DATE			
NAME/ADDRESS									
From		To		Reading		KWH Used	Excess (ViSCA staff only)	Rate/ kwh	Amount
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								Others (EC)	
								TOTAL	

Prepared by: _____

Reviewed by: _____

Billing in Charge

VISAYAS STATE COLLEGE OF AGRICULTURE

Baybay, Leyte

FMO/Budget Office

March 1, 2001

Dr. Paciencia P. Milan
College President
ViSCA

Dear Dr. Milan:

I wish to submit a report regarding the power expenditures of the college. Based on the review of the LEYECO billings, there are factors considered contributory to the increase in the 2000 cost of power expenses. While the total power consumption in 2000 decreased by .48% compared to 1999, the total cost increased by 8.46% amounting to P774,530.25. This is due to the following:

	<u>1999</u>	<u>2000</u>	<u>Increase(Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Demand charge	88,368.00	173,952.00	85,584.00	96.85
Energy charge	7,608,053.39	7,571,414.93	(36,638.46)	(.48)
PPA Adjustment	1,462,927.69	2,188,512.40	725,584.71	49.60

The demand charge has been considerably increased due to a big registered demand in the months of February, August and September. I inquired from Engr. Encierto and according to him rotten underground electric wiring and/or strong winds affect this. The energy charge per kwh of P3.7928 had been the existing rate since December 1997. Moreover, the PPA charge per kwh is continually increasing every month at an average rate of 12% for the last three (3) months. Please see the details in Annex A.

In CY 2000, ViSCA households (including casual/contractual employees) accounted for 19% of the total consumption, 1% for non-ViSCAn, 4% for businesses and 76% for ViSCA. Starting January 2001, the PPO reported meter readings of other ViSCA dormitories and facilities. The dormitories account for 10% of the total energy consumption for the month, 1% for ViSCA-operated projects, 5% for attached agencies (VFES, ATI, VIFARD and PCC), and 57% for ViSCA facilities and offices (See Annex B).

Upon review of the monthly report of consumptions of households, and businesses, there are some issues that need to be resolved relative to billing:

1. The energy rate/kwh that LEYECO is charging to ViSCA is P3.7928/kwh since December 1997 while ViSCA bills the users only P3.60/kwh. The LEYECO rate in October and November 1997 was even higher at P3.8643 and P3.8453, respectively.
2. ViSCA faculty and employees (plantilla and non-plantilla) are given 100 kwh free of charge but in the billing to users, non-ViSCAn (ATI employees and outsiders) is also afforded the same.
3. The PPA was not included in the billing of concessionaires and households.
4. The 100 kwh free is granted for those on leave and whose apartment/cottage is left to an outsider

For 2000, using the energy rate (ER) and PPA rates charged by LEYECO the subsidy/losses amounted as follows:

Households: 1 st 100 Kwh Free – 223,829 kwh x (ER+PPA)	P1,098,744.85
Excess - 153,101 kwh x PPA rate	<u>201,563.68</u>
Total Subsidy	<u>P1,300,308.53</u>
Non-ViSCAn (If not given the 100kwh free)	Total Charges P 108,239.00
	Actual Billing <u>24,238.80</u>
	Losses <u>P 84,000.20</u>
Businessses	Total Charges P 437,552.32
	Actual Billing <u>320,025.60</u>
	Losses <u>P 117,526.72</u>

It is suggested that the administration shall decide whether or not to collect from the concessionaires and non-ViSCAns the unpaid PPA and ER difference for the past two years.

I am recommending an alternative format for billing. The college can save in a year, even if it is minimal, around P3,200.00. The number of billings (400) is based on the assumption that dormitories and other ViSCA-operated projects shall be billed (see attached photocopy of list). The above amount was computed as follows:

Current Form (3 copies - Short)

Number of forms required = $400 \times 3 \times 12 / 500$	28.8 reams
Cost of paper	28.8 x 95.25
Reproduction cost	28.8 x 82.25
Total	<u>P2,743.20</u> <u>2,368.80</u> <u>P5,112.00</u>

Proposed Form (Long – 3 forms in 1 sheet)

Number of forms required = 400 x 12/500	9.6 reams
Cost of paper	9.6 x 111.25
Reproduction cost	9.6 x 83.50
	<u>801.60</u>
Total	<u>P1, 869.60</u>
Savings	<u>P3, 242.40</u>

I am attaching the documents for your reference and appropriate action.

Very truly yours,


NORMA V. CALA
F M O