

Federation of International Cable T.V. And Telecommunications Association of the Philippines

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October 5, 2018

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NATIONAL ELECTRIFICATION ADMINISTRATION (NEA)

57 NIA Road, Government Center, Diliman, Quezon City

Re: NEA Memorandum No. 2018-055 – Standard Joint Pole Agreement and Pole Rental Rate

Dear Sir,

Greetings!

The undersigned is the National Chair of the Federation of International Cable TV and Telecommunications Association of the Philippines (FICTAP for brevity). FICTAP is composed of several hundred medium, small and micro cable TV operators and Value Added Service (VAS) providers throughout the country. FICTAP was formed for the purpose of protecting the interests and ensuring the growth of the cable TV, VAS and telecommunications industries and the subscribing public.

Recently, we received information regarding NEA Memorandum No. 2018-055 – Standard Joint Pole Agreement and Pole Rental Rate which provided among others that "The pole rental rate is now four hundred and twenty pesos only (Php 420.00) per cable position per pole per annum.". Due to the nature of our industry, pole access, pole attachments and rental rates are very grave concerns of our Federation. Therefore, FICTAP through the undersigned is most respectfully submitting this letter to register our strongest objection to the said NEA Memorandum No. 2018-055, on the following grounds:

- 1. The said NEA Memorandum and pole rental rate was drafted without the knowledge and participation of other stakeholders such as FICTAP
- 2. FICTAP was not invited to the public hearings / consultations held for the drafting of the said NEA Memorandum and pole rental rate if there was any
- 3. That the pole rental rate of Php 420.00 per cable position per pole per annum is too prohibitive and does not take into account the quality, condition and location of the poles and of the size, paying capability and situation of the attaching entities and consumers
- 4. That the basis for the pole rental rate of Php 420.00 is not provided, much less explained

- 5. That the basis for the pole rental rate of Php 420.00 is not advantageous to the attaching entities and consumers
- 6. That as players in a regulated industry, Electric Cooperatives should not be allowed to engage in double, triple or quadruple recovery of the costs associated with the poles, particularly for the non-profit cooperatives
- 7. That the subscribers of the cable TV operators, VAS providers and telco companies are likewise subscribers of the Electric Cooperatives and thus they have to pay two, three or even four times for the same poles
- 8. That the high pole rental rate of Php 420.00 will severely endanger the cable TV, VAS and TELCO industries, to the considerable detriment of the industry players, their employees and families and the subscribing public

At this point it is worth noting that FICTAP and other stakeholders have been working tirelessly for the past 2 decades to deliver quality entertainment, information, education and communication services to the public, all the while contributing to the coffers of the Electric Cooperatives, other pole owners and the government, and it would be a grave injustice and tragedy if the survival of our Federation and other stakeholders would be imperiled by the said NEA Memorandum No. 2018-055 and pole rental rate of Php 420.00 -thus, we implore your kind office to reconsider the same and schedule a dialogue to give us an opportunity to air our side.

Hoping for your kind consideration.

Truly Yours,

Estrellita Juliano- Tamano, MBA

MILLINE

National Chair

cc:

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OFFICE OF THE SPEAKER OF THE HOUSE
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