

**POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)
Performance Scorecard**

Component			Target	Submission		CGO-B Validation		Supporting Documents	Remarks																							
Objective/Measure	Formula	Wt.	2015	Actual	Rating	Score	Rating																									
SO 1	Reduced Financial Obligation (FO)																															
FINANCIAL SM 1	Amount of net reduction in FO	Previous Year's FO - Current Year's FO	30.00%	PhP55.89 Billion (Reduction from PhP582.20 Billion to PhP 526.31 Billion) Forex Used: 2014 Year-end rate (PhP 44.617 = US\$1)	PhP54.58 Billion (Reduction from PhP582.20 Billion to PhP 527.63 Billion) Forex Used: 2014 Year-end rate (PhP 44.617 = US\$1)	29.30%	PhP54.58 Billion (Reduction from PhP582.20 Billion to PhP 527.63 Billion) Forex Used: 2014 Year-end rate (PhP 44.617 = US\$1)	29.30%	<ul style="list-style-type: none"> PSALM's Report on SM 1 2015 COA Audit Report 	PSALM's Total FO is composed of its Debts (A) and IPP Lease Obligations (B).																						
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By using the 2014 FOREX rate, PSALM targeted to reduce its FO from ₱582.20 Billion in 2014 to ₱526.31 Billion in 2015 or by ₱55.89 Billion. Based on GCG's evaluation, PSALM reduced its FO in 2015 by ₱54.58																																

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										Billion or 97.66% of ₱55.89 Billion. Thus, PSALM achieved 29.30% for this indicator. The following are the applicable forex as of 31 December 2014: 1US\$ = ₱44.6170 1JPY = ₱0.3706 1EUR = ₱54.3390 1KRW = ₱0.0406																				
SO 2 Ensured Strong Financial Performance																														
SM 2	Collection efficiency (CE) for current power sales	$\frac{\text{Collections from Current Power Sales}}{\text{Current Power Sales}}$	10.00%	95%	97.30% ₱24.44 Billion ₱25.11 Billion	10.00%	97.33% ₱24.44 Billion ₱25.11 Billion	10.00%	<ul style="list-style-type: none"> PSALM's Collection Efficiency Report as of 31 December 2015 PSALM's 2015 COA Audit Report, Notes to Financial Statements 	CE increased by 1.64% from 95.66% in 2014 to 97.30% in 2015. The formula used for CE-current power sales is: $\frac{\text{Collection from current customers} + \text{credit memo for power purchase discount (PPD)} + \text{Technical credit memos}}{\text{Total power sales} + \text{Debit Memo}}$ Computation is as follows (In ₱-Billion): <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Region</th> <th>Collection</th> <th>Billing</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Luzon</td> <td>5.20</td> <td>5.22</td> <td>99.62</td> </tr> <tr> <td>Visayas</td> <td>2.31</td> <td>2.33</td> <td>99.14</td> </tr> <tr> <td>Mindanao</td> <td>16.93</td> <td>17.56</td> <td>96.41</td> </tr> <tr> <td>TOTAL</td> <td>24.44</td> <td>25.11</td> <td>97.33</td> </tr> </tbody> </table>	Region	Collection	Billing	%	Luzon	5.20	5.22	99.62	Visayas	2.31	2.33	99.14	Mindanao	16.93	17.56	96.41	TOTAL	24.44	25.11	97.33
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SM 3	Percentage share of overhead expenses on total income	$\frac{[(\text{PS} + \text{MOOE}) - \text{Bad Debts}]}{\text{Total Income}}$	7.50%	3%	1.49% ₱0.394 Billion ₱26.445 Billion	7.50%	1.49% ₱0.395 Billion ₱26.445 Billion	7.50%	<ul style="list-style-type: none"> PSALM's 2015 COA Audit Report, Statement of Comprehensive Income Computation is as follows (In ₱-Billion): <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>PS</td> <td>0.159</td> </tr> <tr> <td>MOOE</td> <td>1.362</td> </tr> <tr> <td>Less: Bad Debts</td> <td>(1.126)</td> </tr> <tr> <td></td> <td>0.395</td> </tr> <tr> <td>Income</td> <td>26.445</td> </tr> <tr> <td>%</td> <td>1.49%</td> </tr> </tbody> </table>	Particulars	Amount	PS	0.159	MOOE	1.362	Less: Bad Debts	(1.126)		0.395	Income	26.445	%	1.49%							
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									Power Barges 101-103	<table border="1"> <tr> <td>Unified Leyte</td> <td>160</td> <td>80%</td> <td>10%</td> </tr> <tr> <td>TOTAL</td> <td>256</td> <td></td> <td>17.5%</td> </tr> </table>	Unified Leyte	160	80%	10%	TOTAL	256		17.5%																																					
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SM 6	Percent of excluded assets disposed	$\frac{\Sigma \text{ Excluded assets disposed}}{\text{Target excluded assets for disposal}}$	3.00%	100% (Cebu, Panay, Aplaya, GenSan, Palinpinon, and Bohol)	30% (Panay and Gensan) Declaration of highest bidder only	0.90%	30% (Panay and Gensan) Declaration of highest bidder only	0.90%	<ul style="list-style-type: none"> BAC- Disposal Resolution No. 2016-01-01 	<p>This is based on the following graduated scale:</p> <table border="1"> <tr> <td>Project Stages</td> <td>%</td> </tr> <tr> <td>Turnover</td> <td>100%</td> </tr> <tr> <td>Issuance of Notice of Award</td> <td>95%</td> </tr> <tr> <td>Declaration of highest bidder</td> <td>90%</td> </tr> <tr> <td>Submission of bids</td> <td>80%</td> </tr> </table> <p>Upon evaluation, only Panay and General Santos had a declaration of highest bidder in 2015. The rest were all failed biddings.</p> <p>Below are the distribution of weights on each excluded assets: [(Qty/6) x Grade x 3%]</p> <table border="1"> <thead> <tr> <th>Asset</th> <th>Qty</th> <th>Grade</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>Cebu</td> <td>1</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Panay</td> <td>1</td> <td>90%</td> <td>0.45%</td> </tr> <tr> <td>Aplaya</td> <td>1</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>General Santos</td> <td>1</td> <td>90%</td> <td>0.45%</td> </tr> <tr> <td>Palinpinon</td> <td>1</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Bohol</td> <td>1</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>TOTAL</td> <td>6</td> <td></td> <td>0.90%</td> </tr> </tbody> </table>	Project Stages	%	Turnover	100%	Issuance of Notice of Award	95%	Declaration of highest bidder	90%	Submission of bids	80%	Asset	Qty	Grade	Weight	Cebu	1	0%	0%	Panay	1	90%	0.45%	Aplaya	1	0%	0%	General Santos	1	90%	0.45%	Palinpinon	1	0%	0%	Bohol	1	0%	0%	TOTAL	6		0.90%			
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SM 7	No. of strategic plan for real estate assets formulated	N/A	3.00%	1 (Board-approved Strategic Plan for Real Estate Assets)	1	3.00%	1	3.00%	<ul style="list-style-type: none"> Strategic Plan for Real Estate Assets PSALM Board Resolution 2015-1110-06 	Approved by the Board on 10 November 2015.																																							
SO 4 Provided Reliable Power Supply																																																	
SM 8	Forced Outage Hours (FOH) of plants under OMA with NPC	FOH per unit per year (FOH as defined under OMA Performance Standards for Operating Plants)	4.00%	24 hours per unit per year	Less than 24 FOH: 18 Units More than 24 hours but less than 84 hours FOH: 1 Unit More than 84 hours: 2 Units	3.60%	Less than 24 FOH: 18 Units More than 24 hours but less than 84 hours FOH: 1 Unit More than 84 hours: 2 Units	3.60%	<ul style="list-style-type: none"> FOH Monitoring Report for CY 2015 	<p>This is based on the following graduated scale: (Number of hours)</p> <table border="1"> <thead> <tr> <th>From</th> <th>To</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>-</td> <td>24</td> <td>100%</td> </tr> <tr> <td>24.01</td> <td>35.00</td> <td>96%</td> </tr> <tr> <td>35.01</td> <td>47.99</td> <td>92%</td> </tr> <tr> <td>48.00</td> <td>59.99</td> <td>88%</td> </tr> <tr> <td>60.00</td> <td>71.99</td> <td>84%</td> </tr> <tr> <td>72.00</td> <td>83.99</td> <td>80%</td> </tr> <tr> <td>84.00</td> <td>And up</td> <td>0%</td> </tr> </tbody> </table> <p>Below are the distribution of weights of the functional units on each score: [(No. of Units/21 x Score x 4%)]</p> <table border="1"> <thead> <tr> <th>No. of Units</th> <th>Score</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>18</td> <td>100%</td> <td>3.43%</td> </tr> <tr> <td>1</td> <td>92%</td> <td>0.17%</td> </tr> <tr> <td>2</td> <td>0%</td> <td>0.00%</td> </tr> <tr> <td>21</td> <td></td> <td>3.60%</td> </tr> </tbody> </table>	From	To	Score	-	24	100%	24.01	35.00	96%	35.01	47.99	92%	48.00	59.99	88%	60.00	71.99	84%	72.00	83.99	80%	84.00	And up	0%	No. of Units	Score	Weight	18	100%	3.43%	1	92%	0.17%	2	0%	0.00%	21		3.60%
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INTERNAL PROCESS	SO 5 Improved Customer's Relation and Service Delivery										
	SM 9	Average satisfaction rating on frontline services	$\frac{\Sigma \text{ Survey Rating}}{\text{Total no. of customers surveyed}}$	2.00%	\geq Satisfactory Rating	Service Quality Index: 4.38 "Satisfied" Rating Range: 3.50-5.00	2.00%	Service Quality Index: 4.38 "Satisfied" Rating Range: 3.50-5.00	2.00%	<ul style="list-style-type: none"> DAP Final Report on 2015 Customer Satisfaction Survey for PSALM 	PSALM tapped the services of Development Academy of the Philippines (DAP) to administer its Customer Satisfaction Survey. The survey had a total of 23 respondents, consisting of technical staff (11) and management level personnel (12). This is 60.53% of the target respondents spread in 14 different companies/bidders. Based on a survey report prepared by DAP, stakeholders deemed the services of PSALM as satisfactory with a Service Quality Index (SQI) of 4.38 out of 5
	Sub-total			32.00%			27.00%		27.00%		
	SO 6 Adopted Effective and Efficient Financial Management System and Operational Standards										
	SM 10	Universal Charge (UC) remittance efficiency of collecting entities	$\frac{\Sigma \text{ UC Actual Remittance}}{\text{Total UC Collection}}$	4.00%	97%	98.46% ₱22.996 Billion ₱23.355 Billion	4.00%	98.46% ₱22.996 Billion ₱23.355 Billion	4.00%	<ul style="list-style-type: none"> 2015 Remittance Efficiency Report prepared by Universal Charge Administration Department (UCAD) 	Validated with internal documents.
	SM 11	No. of business process enhancement program/project implemented	Σ Actual no. of Business Process Implemented	3.00%	2 (Expanded CAS, CSC-approved SPMS)	1 (CSC-approved SPMS)	1.50%	1 (CSC-approved SPMS)	1.50%	<ul style="list-style-type: none"> PSALM's Report on SM 11 CSC Letters 	Validated with internal documents.
	Sub-total			7.00%			5.50%		5.50%		

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LEARNING AND GROWTH	SO 7	Enhanced competency and skills of employees									
	SM 12	Development of a Competency Framework	N/A	4.00%	Board-approved Competency Framework	Board-approved Competency Framework	4.00%	Board-approved Competency Framework	4.00%	<ul style="list-style-type: none"> Secretary's Certificate on PSALM Board Resolution No. 2015-1110-01 	Approved by the Board on 10 November 2015.
	SO 8	Ensured Employee Welfare									
	SM 13	Percentage of authorized leave entitlement availed by PSALM employees	Actual leave <u>Availment</u> (No. of employees x 8 days)	2.00%	90%	90.19%	2.00%	90.19%	4.00%	<ul style="list-style-type: none"> Secretary's Certificate on PSALM Board Resolution No. 2015-1110-01 	Validated with internal documents.
		<i>Sub-total</i>		6.00%			6.00%		6.00%		
	TOTAL		100.00%			92.80%		92.80%			