

NATIONAL POWER CORPORATION Interim Performance Scorecard

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks
Description	Formula	Weight	Data Reference If applicable	2013	Actual	Rating*	Score	Rating	
MFO 1: Supply of Electricity in Missionary Areas									
Quality 1: Percentage of Readiness of Existing Plants (Equivalent Availability Factor)	$\frac{\sum(\text{Dependable Cap} \times \text{Period Hours} - \text{Losses}) + \sum(\text{Rated Cap} \times \text{Period Hours} - \text{Deactivated Shutdown Hours}) - a^1}{\text{Total Capacity}}$	4%	Based on Annual Operating Reports	69.23%	64.52%	3.73%	64.52%	3.73%	NPC Monitoring Report of Performance Targets (Revised) for Supply of Electricity in Missionary Areas as approved by Mr. Danilo S. Sedilla (Vice President, SPUG). Per NPC, Missionary areas cover 298 plants (from 302). Actual EAF is computed by using the formula composed of "available hours" which refer to the plant's designated operating hours as budgeted per year, and "period hours" which refer to 8,760 hours per year (365 days x 24 hours).
Quality 2: Percentage of Expected Power Interruption (Forced Outage Rate)	$\frac{\sum(\text{Forced Outage Hours}) + \sum(\text{Operating Hours} + \text{Forced Outage Hours})}{\text{Total Capacity}}$	5%	Based on Annual Operating Reports	0.649%	0.284%	5%	0.284%	5%	Per NPC, each plant prepares a "Daily Operation Report" (DOR) which is later consolidated into a "Monthly Operation Report" (MOR). Such reports detail the plant's Net Heat Rate (Btu/kWh), Production Cost (P/kWh), Equivalent Availability Factor and Forced Outage Rate.
Quality 3: Plant Operation Efficiency (Net Heat Rate in Btu/kWh)	$\frac{\sum(\text{Diesel Fuel Consumption}) \times \text{Ave Diesel Fuel Heating Value} + \sum(\text{Bunker Fuel Consumption}) \times \text{Ave Bunker Fuel Heating Value}}{\sum(\text{Net Heat Rate})}$	5%	Based on Annual Operating Reports	10,788	10,813	4.99%	10,813	4.99%	These details are encoded by each plant's designated officer into a website database maintained by NPC.

*As revised/recalculated in NPC Board Resolution No. 2014-15

a) Industry recognized formula from the North American Reliability Commission

b) Compliant with Net Heat Cap Regulation by the ERC

c) Refueling of old generating plants in 2013 (14 units; 8.4 MW) and 2014

Performance Measures			Targets	Accomplishment		CGO-B Validation			Supporting Documents	Remarks
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	Generation)- b\									
Quality 4: Plant Operational Efficiency (Production Cost in P/KWh)- c\	$\frac{\sum[\text{Fuel} + \text{PS} + \text{MOOE} + \text{Depreciation}] + \sum(\text{Gross Generation})}{\text{Generation}}$	3%	Based on Annual Operating Reports	15.99	15.21	3%	15.21	3%	NPC Monitoring Report of Performance Targets (Revised) for Supply of Electricity in Missionary Areas as approved by Mr. Danilo S. Sedilla (Vice President, SPUG)	
Quality 5a: Collection Efficiency w/ ARMM Customers	Total Collections + Total Accounts Receivable	5%	Based on 2013 Collection of Receivables (with ARMM customers)	46.28%	49.16%	5%	49.16%	5%	NPC Monitoring Report of Performance Targets for Collection Efficiency	Validated the supporting documents.
Quality 5b: Collection Efficiency w/o ARMM Customers		5%	Based on 2013 Collection of Receivables (without ARMM customers)	93.88%	96.52%	5%	96.52%	5%		ARMM Customers refer to BASUTA (Basilan, Sulu, Tawi-tawi).

Performance Measures			Targets	Accomplishment	CGO-B Validation		Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating	
Quantity 1a: Completed Capacity Additions – Lease (in MW)	Σ(Nameplate Ratings of Leased or Commissioned Generation Capacity)	7%	Based on Test & Commissioning Report	47.3	51.9	7%	51.9	7%	NPC List for Lease of Generating Sets for Various SPUG Plants/Areas Per NPC list, completed capacity additions by lessors in various plants/areas in 2013, are as follows: (1) Monark Equipment Corporation – 40.9 MW (2) Hastings Motor Corporation – 6 MW (3) DMCI Power Corporation – 5 MW
Quantity 1b: Completed Capacity Additions – Commissioned (in MW)		3%		8.4	6.0	2.14%	6.0	2.14%	NPC- Power Engineering Services Project Status and Evaluation/ Assessment for Capacity Addition (Gensets Commissioned) for various SPUG areas Per NPC, ten (10) Diesel Engine Generator Sets (D/G) are already in commercial operation (6 MW), (based on commissioning reports); as follows: (1) 3-x-600-kW-Basco-DPP (Batanes) (2) 1 x 600 kW Casiguran DPP (Aurora) (3) 1 x 600 kW Lubang DPP (Occidental, Mindoro) (4) 1 x 600 kW Kalamansig DPP (Sultan Kudarat)

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score			Rating
Transmission Line				N/A	N/A	N/A	N/A	N/A	(5) 1 x 600 kW Power Barge 109 (Tablas, Island) (6) 3 x 600 kW Power Barge 116 (Siquijor)	
Subtransmission Line				N/A	N/A	N/A	N/A	N/A		
Financial 1: Net Operating Income/(Loss) without UCME (Financial Sustainability) (in P Billion)	Net Operating Revenue (w/o UCME) - Total Operating Expenses	15%	Based on 2013 Results of Operations	(5.823)	(4.939)	15%	(4.939)	15%	SPUG Net Operating Loss w/o UCME	Validated per submitted supporting document.
Financial 2: Amount Allowed for Recovery from ERC-approved Cost Recovery	Σ (Actual Approved Amounts (SAGR + GRAM + ICERA +	5%	Based on ERC Approval of NPC Petitions	11.498	12.476	5%	12.476	5%	Tariff electricity Division/Revenue Management Department – Schedule of	Validated per submitted supporting document.

Performance Measures			Targets	Accomplishment		CGO-B Validation			Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference <i>if applicable</i>	2013	Actual	Rating*	Score	Rating			
Mechanisms (SAGR, GRAM, ICERA, UCME and UCME True Up) (in P Billion)	SARR + UCME + UCME True-Up]]								Approved Recovery for BSC as signed by VP U.C. Mendiola, Jr. (NPC Corporate Affairs Group)		
Subtotal of Weights:		57%				55.86%		55.86%			
MFO 2: Supply of Electricity in the Main Grid											
Quality 1: Percentage of Readiness of Existing Plants (Equivalent Availability Factor)									NPC Report for MFO2: Contribute to the Supply of Electricity in the Main Grid – Operation and Management of Undisposed Plants as signed by VP K. S. Celino (NPC Performance Engineering Services Group)	Actual EAF per undisposed plants under Operation and Management Contract, are as follows:	
										Plants	Actual EAF (%)
										PB 101	98.08%
										PB 102	96.54%
										PB 103	95.99%
										PB 104	92.17%
										AGUS I and II	90.77%
										AGUS IV and V	90.72%
										AGUS VI and VII	86.91%
										PULANGI IV	94.31%
								ANGAT	99.84%		
									Weighted Average based on allocated Rated Capacity (RC) per Plant	92.92%	
	$\Sigma(\text{Available Hours}) + \text{No of Plants} \times \text{Period Hours}$	3%	Based on PSALM Rating	84.35%	92.92%	3%	92.92%	3%			

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating		
Quality 2: Percentage of Expected Power Interruption (Forced Outage Rate)	$\frac{\sum(\text{Forced Outage Hours}) + \sum(\text{Forced Outage Hours} + \text{Service Hours})}{\text{Total Hours}}$	3%	Based on PSALM Rating	0.354%	0.251%	3%	0.251%	3%	Actual FOR per undispersed plants under Operation and Management Contract, are as follows:	
									Plants	Actual FOR (%)
									PB 101	1.310%
									PB 102	0.070%
									PB 103	0.000%
									PB 104	0.000%
									AGUS I and II	0.000%
									AGUS IV and V	0.000%
									AGUS VI and VII	1.060%
									PULANGI IV	0.020%
ANGAT	0.040%									
									Weighted Average based on allocated Rated Capacity (RC) per Plant	0.251%
Quality 3: Plant Operation Efficiency (Net Heat Rate in Btu/kWh)	$\frac{\sum(\text{Fuel Consumption w/Generation} \times \text{Ave Fuel Heating Value}) + \sum[\text{Net Generation (net of station use)}]}{\text{Total Net Generation}}$	3%	Based on PSALM Rating	9,240.39	9,290	2.98%	9,290	2.98%	Net Heat Rate (NHR) as a measure of efficiency is applicable only to the Power Barges 101-104 (i.e., for its fuel consumption) As validated per NPC's supporting documents, actual NHR per plant are as follows:	

Performance Measures			Targets	Accomplishment	CGO-B Validation		Supporting Documents	Remarks															
Description	Formula	Weight	Data Reference <i>if applicable</i>	2013	Actual	Rating*	Score	Rating															
									<table border="1"> <thead> <tr> <th>Plants</th> <th>Actual NHP (B/kWh)</th> </tr> </thead> <tbody> <tr> <td>PB 101</td> <td>9,464.91</td> </tr> <tr> <td>PB 102</td> <td>9,283.46</td> </tr> <tr> <td>PB 103</td> <td>9,419.52</td> </tr> <tr> <td>PB 104</td> <td>9,024.69</td> </tr> <tr> <td>Weighted Average based on allocated Rated Capacity (RC) per Plant</td> <td>9,290.05</td> </tr> </tbody> </table>	Plants	Actual NHP (B/kWh)	PB 101	9,464.91	PB 102	9,283.46	PB 103	9,419.52	PB 104	9,024.69	Weighted Average based on allocated Rated Capacity (RC) per Plant	9,290.05		
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Weighted Average based on allocated Rated Capacity (RC) per Plant	9,290.05																						
Quality 4: Plant Operational Efficiency (Production Cost in P/kWh)									<p>Copy of PSALM Corporation report for Operating Results of Owned and Operated Plants and Mindanao Generation</p> <p>As validated per NPC's supporting documents, actual POE per plant are as follows:</p> <table border="1"> <thead> <tr> <th>Hydro Plants</th> <th>Actual POE (B/kWh)</th> </tr> </thead> <tbody> <tr> <td>Agus I & II</td> <td>0.6017</td> </tr> <tr> <td>Agus IV and V</td> <td>0.6417</td> </tr> <tr> <td>Agus VI and VII</td> <td>0.3959</td> </tr> <tr> <td>Pulangui</td> <td>0.4279</td> </tr> <tr> <td>Angat</td> <td>0.3048</td> </tr> <tr> <td>Average</td> <td>0.4744</td> </tr> </tbody> </table>	Hydro Plants	Actual POE (B/kWh)	Agus I & II	0.6017	Agus IV and V	0.6417	Agus VI and VII	0.3959	Pulangui	0.4279	Angat	0.3048	Average	0.4744
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Average	0.4744																						
4a	Hydro Plants (Angat, Agus-Pulangi)	$\frac{\Sigma(\text{Fuel Expense} + \text{Personnel Services} + \text{MOOE} + \text{Head Office Allocation}) + \Sigma(\text{Energy Sales})}{\text{Production Cost}}$	3%	Based on Annual Operating Reports	0.5	0.4724	3%	0.4744	<p>NPC- Resource Management Service Report on Plant Operational Efficiency as signed by Sr. Department Manager Manuel Luis B. Plofino</p>														

Performance Measures			Targets	Accomplishment	CGO-B Validation		Supporting Documents		Remarks
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating	
4b Power Barges (PB-101 thru 104)				13.97	12.3173		12.3176		
									Power Barges
									Actual POE (P/W)
									PB 101
									PB 102
									PB 103
									PB 104
									Average
Quantity 1: Processed IPP Contract Billings (in terms of number of processing days for billings of energy delivered)	N/A	3%	N/A	12	9	3%	9	3%	NPC- Resource Management Service Report on Plant Operational Efficiency as signed by Sr. Department Manager Manuel Luis B. Plofino
Quantity 2: Cleaning of Book of Accounts of PSALM and NPC (In PBillion)	N/A	10%	N/A	6.202	6.2	10%	6.2	10%	PSALM Annual Scorecard for FY 2013
									As of 31 December 2013, NPC accomplished cleaning of books with PSALM for the following accounts: (1) Property Accounts (Retained at NPC's Temporary Registry) – P3.22 Billion cleaned (NPC JV reference H000095006; H000095071; H000095075; H000095084; S000096228; MA13052309; MB13122414; MA13122440; MD13122436) (2) Assets In Trust with NPC/Trust Liability to

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks		
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating			
									PSALM – P2.98 Billion reconciled. (PSALM reference JVs - JEV000000244, JEV000000245, JEV000000246 & JV12040661-03)		
Subtotal of Weights:		25%				24.98%		24.98%			
MFO 3: Management of Dams and Watershed											
Quantity 1: Reforestation of Open Areas (in hectares)	Actual Areas Reforested	3%	Based on Certification by Barangays & LGUs Concerned	200	498	3%	498	3%	<p>NPC Watershed Management Department. Accomplishments as signed by Manager E.A. Umali</p> <p>Copies of Certifications by Barangays and LGUs concerned</p>	<p>According to Mr. E. A. Umali (Manager, NPC-WMD), NPC presents evidence to ERC (e.g. certification by Barangays and LGUs concerned) as proof and part of its subsequent filing of petition to the ERC.</p> <p>The ERC requires these documents for its progress monitoring of NPC's Comprehensive Watershed Management Plan (covering five years, including prior year).</p>	
										UC-EC Funded	
										Watershed	Area (has.)
	Buhí-Barit Bamboo Plantation	20									

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating	
									Total Area Rehabilitated
									498
Quantity 2: Mandatory Dam Inspection	No of Inspections Conducted	5%	Based on Certification by PSALM	10	10	5%	10	5%	<p>NPC Report on Dams Management as signed by Manager Romualdo Ma. T. Beltran</p> <p>Copies of Inspection Reports</p> <p>Dam inspection reports, as prepared by NPC and other members of the TWG on 1st and 2nd semesters of 2013, are as follows:</p> <p>(1) Ambuklao Dam - inspection conducted by representatives from NPC Dams Management Department (NPC-DMD), SN Aboitiz Power Group - Benguet, Inc. (SNAPBI) and PSALM;</p> <p>(2) Angat Dam - inspection conducted by NPC-DMD;</p> <p>(3) Binga Dam - inspection conducted by representatives from NPC-DMD, SNAPBI and PSALM;</p> <p>(4) Caliraya and Lumot Dams/Dykes - inspection conducted by NPC-DMD;</p> <p>(5) San Roque Dam - inspection conducted by NPC-DMD.</p> <p>Per NPC, no certification is issued by PSALM (as indicated under the data reference column) since as a member of the Technical Working Group (TWG), PSALM also signs-off the inspection reports of Ambuklao and Binga dams.</p>

Performance Measures			Targets	Accomplishment	CGO-B Validation				Supporting Documents	Remarks
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating		
										For Caliraya, Lumot and San Roque Dams, PSALM is not part of the TWG since these dams are under IPP contracts. Moreover, the PSALM- IPP Contracts Administration Department (Manager Arnold Francisco) confirmed that dam monitoring is not defined under the functions of the said department. The same is true for Angat Dam, which is under PSALM-Asset Valuation and Disposal Department.
									Draft Emergency Action Plan Issue 2 (Dam Safety Review of Caliraya and Lumot Dams) dated February 2014 as submitted by Engineering and Development Corporation of the Philippines (EDCOP)	According to Mr. Romualdo Ma. T. Beltran (Manager, NPC-DMD), both the EAP and NPC Dams Safety Manual are not supposed to be submitted to NWRB; thus no certification was issued and presented by NPC as its supporting document (NWRB Certification is indicated under the Data Reference Column).
Quantity 3: Completed Emergency Action Plan (EAP) for Flood Mitigation	Based on Target Deliverables	5%	Based on Certification by NWRB	1 - EAP for Caliraya & Corporate Dams Safety Manual Update	100%	5%	100%	2.5%	(Issue 1 is dated 13 December 2013) NPC-DMD Dam Safety Program (2013 version) as approved by PCEO Ma. Gladys Cruz-Sta. Rita	As of 31 December 2013, the EAP for Caliraya draft is completed (Issue 1), however, it is still pending for finalization (i.e., for vetting by a consultant, then to be endorsed to NDRMC, LGU, PAGASA).

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference if applicable	2013	Actual	Rating*	Score	Rating		
Timeliness 1: Eco-Tourism for Angat and Caliraya and Joint Venture	N/A	2%	Based on MANCOM Approval	Due Diligence Plan/ Business Plan for Angat	1- Report (Eco-tourism Concept Framework for Angat Watershed Preservation)	2%	1- Report (Eco-tourism Concept Framework for Angat Watershed Preservation)	0%	NPC Watershed Management Department Accomplishments as signed by Manager E.A. Umali Copy of Angat Watershed Reservation's Ecotourism Framework as signed and endorsed by NPC- WMD Manager Emmanuel A. Umali	Per Mr. E.A. Umali (Manager, NPC-WMD), the Eco-tourism Framework for Angat Watershed Preservation was presented and declared as approved by NPC-MANCOM on 28 January 2014.
Subtotal of Weights:		15%				15%		10.5%		
General Administrative Support and Services										
Employee Productivity and Competency										
Quantity 1: Employee Wellness	$\Sigma(\text{Days of Filed Sick Leaves}) + \text{Total No of Employees}$	1%	Based on Average Sick Leave	2.23	2.035	1%	2.035	1%	NPC Human Resources Department (HRD) Report on Average Sick Leaves by NPC Employees as signed by VP Lorna T. Dy (Admin and Finance)	Validated per submitted supporting document.

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Description	Formula	Weight	Data Reference, if applicable	2013	Actual	Rating*	Score	Rating	
									Report on Sick Leaves Availled in CY 2013 as signed by Manager E.C. Leona (CBD)
Quantity 2: No of officials/staff trained per relevant programs				43.33%	115.13%		115.13%		Validated submitted supporting documents. Target % for 2013 is based on total target number of 1,044 participants (72 out of 144 in managerial level; 258 out of 859 in supervisory level; 714 out of 1,427 in rank& file level. Total no. of participants 2,430 as of 30 June 2013)
2a Managerial	Σ(Actual No of Personnel Trained) + Σ(Personnel Scheduled for Training) per Relevant Program	1%	Based on NPC Training Plan Accomplishment Report	50%	200.00%	1%	200.00%	1%	
2b Supervisory				30%	106.59%		106.59%		
2c Rank & File				50%	109.66%		109.66%		
Timeliness 1: Timely Procurement of goods and services (in days)	Processing days from date of advertisement	1%	N/A	90	90	1%	87	1%	Validated submitted supporting documents.
Subtotal of Weights:		3%				3%		3%	
TOTAL OF WEIGHTS:		100%				98.84%		94.34%	