

**POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)  
Validated 2022 Performance Scorecard**

Objective/Measure	Component		Weight	Rating System	Target	PSALM Submission		GCG Validation		Supporting Documents	Remarks																																
	Formula				2022	Actual	Rating	Actual	Rating																																		
<b>SO 1</b>	<b>Reduced Financial Obligation (FO)</b>																																										
FINANCE SM 1	Amount of Net Reduction in FO	Previous Year's FO - Current Year's FO	30%	Actual / Target	P 23.778 Billion	P25.98 Billion	-	P25.98 Billion	30%	<ul style="list-style-type: none"> <li>Reduction in Financial Obligation Reports as of 31 Dec 2021 and 31 Dec 2022</li> <li>Justification for the correction of the 2022 target from P31.78 Billion to P23.78 Billion.</li> <li>Email communication with DOF re 2022 Borrowing of PSALM dated 25 May 2023</li> </ul>	<p>PSALM's Total FO is composed of its Debts (A) and IPP Lease Obligations (B).</p> <table border="1"> <thead> <tr> <th rowspan="2">Currency</th> <th colspan="2">P Equivalent</th> </tr> <tr> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>DEBTS (A)</b></td> </tr> <tr> <td>JPY</td> <td>16.324</td> <td>-</td> </tr> <tr> <td>PHP</td> <td>133.049</td> <td>164.760</td> </tr> <tr> <td>USD</td> <td>114.890</td> <td>99.801</td> </tr> <tr> <td colspan="3"><b>IPP LEASE OBLIGATIONS (B)</b></td> </tr> <tr> <td>PHP</td> <td>0.354</td> <td>0.315</td> </tr> <tr> <td>USD</td> <td>90.630</td> <td>64.389</td> </tr> <tr> <td><b>TOTAL FO</b></td> <td><b>355.247</b></td> <td><b>329.285</b></td> </tr> <tr> <td><b>DECREASE</b></td> <td></td> <td><b>25.982</b></td> </tr> </tbody> </table> <p>For 2022, PSALM's commitment was to reduce its FO by P25.98 Billion. However, in its letter dated 24 April 2023, PSALM requested for a reconsideration of revision of the approved target as "the target of P31.78 Billion was overstated by P8.0 Billion with the inadvertent inclusion of the projected MKA allocation from the National Government (NG) in the computation of the target." PSALM provided a recalculation of the revised target of P23.778, as well as an email confirmation with the DOF.</p> <p>The following are the forex rate as of 31 December 2021:                      1US\$ = P50.774                      1JP¥ = P0.4413</p>	Currency	P Equivalent		2021	2022	<b>DEBTS (A)</b>			JPY	16.324	-	PHP	133.049	164.760	USD	114.890	99.801	<b>IPP LEASE OBLIGATIONS (B)</b>			PHP	0.354	0.315	USD	90.630	64.389	<b>TOTAL FO</b>	<b>355.247</b>	<b>329.285</b>	<b>DECREASE</b>		<b>25.982</b>
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"Upholding a Transparent and Responsive GOCC Sector for the Filipino People"

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<b>SO 2</b>	<b>Ensured Strong Financial Performance</b>																									
SM 2	Collection Efficiency (CE) for Current Power Sales	Collections From Current Power Sales + Current Power Sales	10%	Actual / Target	90%	94.60% ₱19.934 Billion ₱21.071 Billion	-	94.60% ₱19.934 Billion ₱21.071 Billion	10%	<ul style="list-style-type: none"> <li>Collection Efficiency Report – Current (as of 31 Dec 2022)</li> <li>Summary of collection Efficiency Report per Grid for 2022</li> </ul>	Breakdown of collection per region is as follows (In ₱ Billions): <table border="1"> <thead> <tr> <th>Grid</th> <th>Coll.</th> <th>Billing</th> </tr> </thead> <tbody> <tr> <td>Luzon</td> <td>2.181</td> <td>2.181</td> </tr> <tr> <td>Vis.</td> <td>5.382</td> <td>5.382</td> </tr> <tr> <td>Mind.</td> <td>12.371</td> <td>13.508</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>19.934</b></td> <td><b>21.071</b></td> </tr> </tbody> </table> The majority of the total unpaid billings amounting to ₱1.137 Billion for the year, pertains to the Mindanao Grid.	Grid	Coll.	Billing	Luzon	2.181	2.181	Vis.	5.382	5.382	Mind.	12.371	13.508	<b>TOTAL</b>	<b>19.934</b>	<b>21.071</b>
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SM 3	Amount of Delinquent/Overdue Accounts Collected																									
FINANCE	a. Problematic Accounts	∑ Actual Collection	2%	Actual / Target	₱ 7.106 Million	₱ 797.49 Million	-	₱ 797.49 Million	2%	<ul style="list-style-type: none"> <li>Summary of Collections as of 31 December 2022</li> <li>Updated Universe of Outstanding Receivables as of 31 January 2023 – Power</li> <li>Updated Universe of Outstanding Receivables as of 31 December 2022 – IPPA</li> <li>Updated Universe of Outstanding Receivables as of 30 September 2022 – Other Receivables</li> <li>Report on Collections from RA for CY 2022</li> </ul>	Details: <table border="1"> <thead> <tr> <th>(in ₱ Billions)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Power Receivables</td> <td>100.60</td> </tr> <tr> <td>Receivables from IPPA</td> <td>596.11</td> </tr> <tr> <td>Other Receivables</td> <td>100.78</td> </tr> <tr> <td><b>Total</b></td> <td><b>797.49</b></td> </tr> </tbody> </table>	(in ₱ Billions)	Total	Power Receivables	100.60	Receivables from IPPA	596.11	Other Receivables	100.78	<b>Total</b>	<b>797.49</b>					
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b. Non-Problematic/Clean Accounts	∑ Actual Collection	3%	Actual / Target	₱ 0.26 Billion	₱ 0.57 Billion	-	₱ 0.57 Billion	3%	<ul style="list-style-type: none"> <li>Report on Collections from RA for CY 2022</li> </ul> PSALM collected ₱570.69 Million from its Power Customers, surpassing the approved target by ₱310 Million.																	

Objective/Measure		Component			Target	PSALM Submission		GCG Validation		Supporting Documents	Remarks													
		Formula	Weight	Rating System	2022	Actual	Rating	Actual	Rating															
FINANCE	SM 4	Percentage Share of Overhead Expenses to Total Income	(PS + MOOE) -Bad Debts + Total Income	5%	Actual / Target	25.48% <u>₱1,572 Billion</u> ₱6,171 Billion	6.41% <u>₱1,546 Billion</u> ₱24,124 Billion	-	5.55% <u>₱1,546 Billion</u> ₱27,930 Billion	5%	<ul style="list-style-type: none"> <li>Percentage Share of Overhead Expense to Total income for the period ended 21 December 2022</li> <li>PSALM Statement of Comprehensive Income for the period ended 21 December 2022</li> <li>2022 COA Audited Statement Comprehensive Income</li> </ul>	Details are as follows: (In ₱ Billions) <table border="1"> <thead> <tr> <th></th> <th>Projected</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Income</td> <td>6.17</td> <td>27.93</td> </tr> <tr> <td>Overhead Expenses (Net of Bad Debts)</td> <td>1.57</td> <td>1.55</td> </tr> <tr> <td>% Share of overhead expenses to total income</td> <td>25.48%</td> <td>5.55%</td> </tr> </tbody> </table>		Projected	Actual	Income	6.17	27.93	Overhead Expenses (Net of Bad Debts)	1.57	1.55	% Share of overhead expenses to total income	25.48%	5.55%
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SM 5	Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs)	$\frac{\sum \text{UC Actual Remittance}}{\sum \text{Total UC Collection}}$	7%	Actual / Target	98%	99.98% <u>₱19,056 Billion</u> ₱19,059 Billion	-	99.98% <u>₱19,056 Billion</u> ₱19,059 Billion	7%	<ul style="list-style-type: none"> <li>Percentage of Remittance to PSALM over UC Collected by Collecting Entities as of 31 December 2022</li> </ul>	(In ₱ Millions) <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Total Remittance</td> <td>19,056,345,302.74</td> </tr> <tr> <td>Total Collections</td> <td>19,059,416,228.52</td> </tr> <tr> <td>Remittance Efficiency</td> <td>99.98%</td> </tr> </tbody> </table>	Particulars	Amount	Total Remittance	19,056,345,302.74	Total Collections	19,059,416,228.52	Remittance Efficiency	99.98%					
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	Formula				2022	Actual	Rating	Actual	Rating															
SM 6	Percentage of UC-ME Disbursed to NPC and RE Developers																							
FINANCE	a. Percentage of UC-ME Disbursed to NPC	$\frac{\sum \text{UC Actual Disbursement} + \sum \text{Total UC Remittance}}{\sum \text{Total UC Remittance}}$	2.5%	Actual / Target	100%	100%	$\frac{\text{P}14,785 \text{ Billion}}{\text{P}14,785 \text{ Billion}}$	-	100%	$\frac{\text{P}14,785 \text{ Billion}}{\text{P}14,785 \text{ Billion}}$	2.5%	<ul style="list-style-type: none"> <li>Percentage of UC-ME Disbursement to NPC-SPUG for the period covering January to December 2022</li> <li>Percentage of UC-ME Disbursement to Renewable Energy Developers (RED) for the period covering January to December 2022</li> <li>Statement of UC Fund as of 31 December 2022</li> </ul> <p>PSALM posted a 100% UC-ME disbursement rate to NPC and RE developers. (A = Total Disbursements, B = Funds available for disbursement/Total RE Claims)</p> <p>(In P Millions)</p> <table border="1"> <thead> <tr> <th></th> <th>A</th> <th>B</th> <th>A/B</th> </tr> </thead> <tbody> <tr> <td>NPC</td> <td>14,785</td> <td>14,785</td> <td>100%</td> </tr> <tr> <td>RE Developers</td> <td>187,808</td> <td>187,808</td> <td>100%</td> </tr> </tbody> </table>		A	B	A/B	NPC	14,785	14,785	100%	RE Developers	187,808	187,808	100%
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b. Percentage of UC-ME Disbursed to RE Developers	$\frac{\sum \text{UC Actual Disbursement} + \sum \text{Total REDCI Claims}}{\sum \text{Total REDCI Claims}}$	2.5%	Actual / Target	100%	100%	$\frac{\text{P}187,808 \text{ Billion}}{\text{P}187,808 \text{ Billion}}$	-	100%	$\frac{\text{P}187,808 \text{ Billion}}{\text{P}187,808 \text{ Billion}}$	2.5%														
SM 7	Budget Utilization Rate	$\frac{\sum \text{Total Actual Disbursements} + \text{Approved COB for CO and MOOE}}{\text{Approved COB for CO and MOOE}}$	5%	Actual / Target	90%	90.86%	$\frac{\text{P}165,142 \text{ Billion}}{\text{P}181,763 \text{ Billion}}$	-	91.51%	$\frac{\text{P}166,323 \text{ Billion}}{\text{P}181,763 \text{ Billion}}$	5%	<ul style="list-style-type: none"> <li>PSALM 2022 Budget Utilization Report</li> <li>PSALM 2022 Budget Utilization Report as of 31 December 2022 as submitted to ICRS</li> <li>COA-Audited Statement of Comparison of Budget and Actual Amounts</li> </ul> <table border="1"> <thead> <tr> <th>Account</th> <th>Amount (Billion P)</th> </tr> </thead> <tbody> <tr> <td>Total Disbursements</td> <td>166.323</td> </tr> <tr> <td>MOOE*</td> <td>166.269</td> </tr> <tr> <td>Capital Outlay</td> <td>0.053</td> </tr> <tr> <td>Approved COB*</td> <td>181.763</td> </tr> <tr> <td>BUR</td> <td>91.51%</td> </tr> </tbody> </table> <p>*Includes Financial Expenses (FinEx) and Fund Transfers to NPC (NPC OMA).</p>	Account	Amount (Billion P)	Total Disbursements	166.323	MOOE*	166.269	Capital Outlay	0.053	Approved COB*	181.763	BUR	91.51%
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<b>SO 3 Implemented Fair and Transparent Privatization Program</b>																											
SM 8	No. of Power Assets Successfully Privatized	Actual accomplishment	0%	(For monitoring)	796.46 MW Caliraya-Botocan-Kalayaan (CBK) HEPPs; and 165 MW Casecnan HEPP	Submitted Monitoring Report	-	Submitted Monitoring Report	0%	<ul style="list-style-type: none"> <li>Indicative Timeline of the CBK HEPP Privatization adopting the ADB Proposed Scope of Work (17 Months – April 2023 to August 2024)</li> <li>Updates on the Privatization of the Casecnan HEPP (Public Bidding)</li> <li>Invitation to Bid</li> </ul>	<p>PSALM published the Invitation to Bid for the privatization of the Casecnan HEPP.</p> <p>In 2022, PSALM conducted Pre-Bid Conference via Zoom and was attended by the bidders/ interested parties. PSALM also sent invitation letters to COA, NPC, NIA, Municipalities of Alfonso Castaneda, Nueva Vizcaya, and Pantabangan, Nueva Ecija, and SOOSAN ENS to observe the Pre-Bid Conference.</p>																
SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\sum \text{Number of lots disposed} + \sum \text{Target Number of Lots for Disposal}}{\sum \text{Target Number of Lots for Disposal}}$	10%	Actual / Target	70 Lots +Lots Not Disposed in 2021	80 Lots	-	80 Lots	10%	<ul style="list-style-type: none"> <li>LT re Additional Leased Premises Certification dated 05 July 2022 &amp; 03 June 2022 with Annex A</li> <li>LT from SPPC re Lease-Over the Switchyard Facilities Site</li> <li>Land Lease Agreement (LLA)</li> <li>DOAS and ORs</li> <li>Secretary's Certificates</li> </ul>	<p>Below is the list of lots disposed:</p> <table border="1"> <thead> <tr> <th>Property</th> <th>Buyer</th> <th>Lots</th> </tr> </thead> <tbody> <tr> <td>Land Underlying Ilijan Natural Gas Combined Cycle Power Plant</td> <td rowspan="2">South Premier Power Corp. (SPPC)</td> <td rowspan="2">70</td> </tr> <tr> <td>Sublease Agreement of Certain Portions of the Leased Premises under LLA</td> </tr> <tr> <td>Portions of San Roque Property</td> <td>NIA</td> <td>8</td> </tr> <tr> <td>Puerto Azul Properties</td> <td>Maria Desiree Moy</td> <td>2</td> </tr> <tr> <td colspan="2"><b>TOTAL</b></td> <td><b>80</b></td> </tr> </tbody> </table>	Property	Buyer	Lots	Land Underlying Ilijan Natural Gas Combined Cycle Power Plant	South Premier Power Corp. (SPPC)	70	Sublease Agreement of Certain Portions of the Leased Premises under LLA	Portions of San Roque Property	NIA	8	Puerto Azul Properties	Maria Desiree Moy	2	<b>TOTAL</b>		<b>80</b>
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CUSTOMERS/STAKEHOLDERS

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	Formula	2022			Actual	Rating	Actual	Rating				
CUSTOMERS/ STAKEHOLDERS	SM 10	Average Efficiency Rating (ER) on Pre-filed Application of Duly Executed and Notarized Contracts for the Supply of Electric Energy (CSEEs) and Letters of Agreement (LOAs) with Energy Regulatory Commission (ERC)	$\frac{\sum \text{Efficiency Rating (ER)} + \text{Total CSEEs or LOAs Pre-filed}}{\text{Total CSEEs or LOAs Pre-filed}}$ <p>Wherein:                      Numerator:  <math>ER\ 100\% =</math> if pre-filed w/in 60 days  <math>ER\ 1 - \frac{(\text{Actual} - 60\text{days})}{60\text{ days}} * 100\%</math> = if pre-filed w/in 61 to 75 days  <math>ER\ 0\%</math> = if pre filed more than 75 days</p>	5%	Actual / Target	100%	100%	-	100%	5%	<ul style="list-style-type: none"> <li>Memorandum re CSEE/ LOAs pre-filed with ERC</li> <li>Routing Slips</li> </ul>	PSALM pre-filed all 22 Duly Executed and Notarized CSEEs and LOAs with ERC within 60 days.
	<b>SO 4</b>	<b>Improved Customers' Relation and Service Delivery</b>										
	SM 11	Percentage of Satisfied Customers	$\frac{\text{Total Number of Satisfied Respondents} + \text{Total number of respondents}}{\text{Total number of respondents}}$	5%	Actual / Target <i>0% = If less than 80%</i>	90%	98.95%	-	98.95%	5%	<ul style="list-style-type: none"> <li>2022 Customer Satisfaction Survey for PSALM prepared by Market Relevance Corp.</li> <li>Ten (10) Sample Accomplished Questionnaires</li> </ul>	94 out of 95 respondents (98.95%) gave PSALM a Satisfactory Rating.
		<b>Sub-total</b>	<b>20%</b>						<b>20%</b>			

Objective/Measure	Component		Weight	Rating System	Target	PSALM Submission		GCG Validation		Supporting Documents	Remarks	
	Formula				2022	Actual	Rating	Actual	Rating			
<b>SO 5 Adopt Effective and Efficient Financial Management System and Operational Standards</b>												
INTERNAL PROCESS	SM 12	Refund of Dividend Income from Transco for Remittance and Dividends to NG/BTr	$\Sigma$ Actual Collection	3%	Actual / Target	P 2.23 Billion	P2.23 Billion	-	P2.23 Billion	3%	<ul style="list-style-type: none"> <li>Official Receipt issued by the Bureau of Treasury to PSALM with No. 7063685 dated 12 April 2022</li> <li>Letter from TRANSCO to PSALM re DOF Collection of Dividend Remittance from TRANSCO's 2021 Net Earnings</li> </ul>	Based on the submitted Bureau of Treasury Official Receipt No. 7063685 dated 12 April 2022, PSALM remitted P2.23 Billion for TRANSCO's 2021 dividends which is equivalent to the amount assessed by the DOF for TRANSCO..
	SM 13	Compliance to Quality Standards	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Recertification	ISO 9001:2015 Recertification	-	ISO 9001:2015 Recertification	5%	<ul style="list-style-type: none"> <li>ISO Certificate dated 19 December 2022, issued by SOCOTEC Certification Philippines, Inc.</li> </ul>	PSALM passed the recertification audit conducted by SOCOTEC Certification Philippines, Inc. on 28 November 2022. The scope of the certification is the "Privatization of Assets, Management of Assets and Liabilities, and Administration of Universal Charge, including Support Services."  PSALM's ISO Certificate is valid until 03 December 2025.
			<b>Subtotal</b>		<b>8%</b>						<b>8%</b>	

	Objective/Measure	Component			Target	PSALM Submission		GCG Validation		Supporting Documents	Remarks	
		Formula	Weight	Rating System	2022	Actual	Rating	Actual	Rating			
<b>LEARNING &amp; GROWTH</b>	<b>SO 6</b>	<b>Enhanced Competency and Skills of Employees</b>										
	SM 14	Percentage of Employees with Required Competencies Met	$\frac{\sum \text{Employees with Required Competencies Met}}{\sum \text{Target Number of Employees}}$	5%	All or Nothing	Increase from 2021 Actual Competency Level	97.53%	-	97.53%	5%	<ul style="list-style-type: none"> <li>Competency-Based Human Resource Framework Position and Person Profiling</li> <li>Individual Rating Sheets</li> </ul>	<p>PSALM reported a competency level of 97.53% (79 out of 81 re-assessed employees) or an increase of 1.33% from the 2021 competency level (96.20%).</p> <p>As of 31 December 2022, PSALM's total plantilla personnel was 109. Twenty-eight (28) personnel were exempted from the 2022 assessment.</p>
			<b>Sub-total</b>	<b>5%</b>						<b>5%</b>		
		<b>VALIDATED TOTAL</b>	<b>100%</b>						<b>100%</b>			