

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)

	Component				Baseline			Targets	
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019	
FINANCE	SO 1	Reduced Financial Obligation (FO)							
	SM 1	Amount of Net Reduction in FO	Previous Year's FO – Current Year's FO	30%	Actual over Target	65.22 Billion	41.91 Billion	45.37 Billion**	11.48 Billion††
	SO 2	Ensured Strong Financial Performance							
	SM 2	Collection Efficiency for Current Power Sales	$\frac{\text{Collections from Current Power Sales}}{\text{Current Power Sales}}$	10%	Actual over Target	96.34% $\frac{16.304 \text{ B}}{16.923 \text{ B}}$	93.09% $\frac{12.212 \text{ B}}{13.119 \text{ B}}$	93%	93%
	SM 3	Amount of Delinquent/Overdue Accounts Collected	$\frac{\Sigma \text{ Actual Collection}}{\Sigma \text{ Target Collection}}$	5%	Actual over Target	N/A	₱10.95 Billion	₱15 Billion	₱4.12 Billion
	SM 4	Percentage Share of Overhead Expenses to Total Income	$\frac{(PS+MOOE) - \text{Bad Debts}}{\text{Total Income}}$	5%	Actual over Target	1.76% $\frac{₱0.409 \text{ B}}{₱23.204 \text{ B}}$	2.63% $\frac{₱0.544 \text{ B}}{₱20.664 \text{ B}}$	2.00%	8.92%
	SM 5	EBITDA Margin of Operating Power Assets	$\frac{\text{EBITDA of Operating Power Assets}}{\text{Net Utility Revenue}}$	5%	Actual over Target	12.05% $\frac{₱3.038 \text{ B}}{₱25.218 \text{ B}}$	19.00% $\frac{₱5.381 \text{ B}}{₱28.330 \text{ B}}$	4.04% $\frac{₱890.4 \text{ B}}{₱22.022.1 \text{ B}}$	4.88% $\frac{₱1.479 \text{ B}}{₱30.327 \text{ B}}$
SM 6	Universal Charge (UC) Remittance Efficiency of CEs	$\frac{\Sigma \text{ UC Actual Remittance}}{\Sigma \text{ Total UC Collection} + \text{Maintaining balance}}$	7%	Actual over Target	98.48% $\frac{₱25.434 \text{ B}}{₱25.827 \text{ B}}$	98.42% $\frac{₱27.32 \text{ B}}{₱27.76 \text{ B}}$	98%	98%	

** Using 2017 yearend FOREX Rate (Php49.923 = US\$1).

†† Using 2017 yearend FOREX Rate (Php49.923 = US\$1). To be updated once the 2018 yearend FOREX Rate is available.

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FINANCE	SM 7	Percentage of UC-ME Disbursed to NPC and RE Developers	$\frac{\sum \text{UC Actual Disbursement}}{\sum \text{Total UC Remittance} + \text{Maintaining balance}}$	8%	Actual over Target	N/A	N/A	100%	100%
	Sub-total			70%					
STAKEHOLDER	SO 3	Implemented Fair and Transparent Privatization Program							
	SM 8	No. of Power Assets Successfully Privatized	Actual accomplishment	10%	All or Nothing	32 MW PB 104	650 MW Malaya TPP (Deferred. Subject to DOE's Policy Directions)	650 MW Malaya TPP	797.92 MW Caliraya-Botocan-Kalayaan HEPPs
	SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\sum \text{Number of lots disposed}}{\sum \text{Target Number of Lots for Disposal}}$	5%	Actual over Target	12 Bataan CCPP (3) Bohol (2) Tiwi-Makban (7)	0	95 Manila TPP (8) Puerto Azul (2) Naga Property (1) Cebu DPP (21) Aplaya DPP (49) Laoag (1), Malaya TPP (LLA) (5) Pantabangan LLA (OEN) (1) Limay CCTP LLA (OEN) (4), GenSan DPP (Reconveyance) (3)	160 Bauang DPP (92) Batangas CFTPP (57) Paranaque CMP with NHA (4) Mexico Central Warehouse (1) Camalaniugan Substation (1) Sudipen Campsite (2) General Santos DPP (3)
	SO 4	Improved Customers' Relation and Service Delivery							
	SM 10	Percentage of Satisfied Customers	$\frac{\text{Total number of Satisfied Respondents}}{\text{Total number of Respondents}}$	5%	Actual over Target 0% = if less than 80%	Satisfactory	≥ Satisfactory Rating	90% Satisfied Customers	90% Satisfied Customers
Sub-total			20%						

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INTERNAL BUSINESS PROCESS	SO 5	Adopted Effective and Efficient Financial Management Systems and Operational Standards							
	SM 11	Compliance to Quality Standards	Actual accomplishment	5%	All or Nothing	ISO 9001:2015 Certification	Surveillance Audit Passed	QMS Surveillance Audit – 2 nd Phase; and System on WESM Billing	ISO 9001:2015 Recertification
		Sub-total		5%					
LEARNING AND GROWTH	SO 6	Enhanced Competency and Skills of Employees							
	SM 12	Percentage of Employees with Required Competencies Met	$\frac{\Sigma \text{ Employees with required competencies met}}{\Sigma \text{ Total No. of Employees}}$	5%	Actual over Target	86.67% (Establish Baseline)	78.40% (Re-establish Baseline)	10% increase from 2017 baseline	93.40%
		Sub-total		5%					
	TOTAL		100%						