

**NATIONAL TRANSMISSION CORPORATION**  
**Performance Scorecard**

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Weight	2015	Actual	Rating	Score	Rating			
CUSTOMERS/STAKEHOLDERS	<b>SO 1 Enhance Customer/stakeholders Satisfaction in Line with the Mandates of TransCo</b>										
	SM 1	Satisfaction rating based on a survey conducted by a third party	Five point satisfaction scale. At least 4 rating to be considered satisfactory	5.00%	Satisfactory level	4.21 with adjectival rating of Satisfactory	5.00%	4.21	5.00%	• Customer Satisfaction Survey Final Report by DAP	Stakeholders deemed the services of TransCo as satisfactory with a Service Quality Index (SQI) of 4.21 out of 5.
	<b>SO 2 Ensure Continuous Supply of Electricity in the Main Grid Through NGCP</b>										
	SM 2	System Availability (SA) (Measures the long-term average fraction of time that a component or system is in service and satisfactorily performing its intended function)	SA=The sum for all circuit hours available / (Number of circuits) x (Number of hours in period)	2.50%	Luzon (99.19%) Visayas (99.52%) Mindanao (99.53%)	Luzon (99.31%) Visayas (99.82%) Mindanao (99.63%)	2.50%	Luzon (99.31%) Visayas (99.82%) Mindanao (99.63%)	2.50%	• TransCo Summary Report for the year ended 2015 • NGCP Quarterly Grids Operation Report	Validated with internal documents.
SM 3	System Interruption Severity Index (SISI) (Measures the severity of interruption (in system-minutes) of a single delivery point or a system)	Ratio of the unserved energy to the system peak load:  SISI={([MW lost x duration(min)]/System Peak Load (MW)) x 100%	2.50%	Luzon (17.96 mins.) Visayas (121.83 mins.) Mindanao (30.74 mins.)	Luzon (2.78 mins.) Visayas (12.19 mins.) Mindanao (2.18 mins.)	2.50%	Luzon (2.78 mins.) Visayas (12.19 mins.) Mindanao (2.18 mins.)	2.50%	• TransCo Summary Report for the year ended 2015 • NGCP Quarterly Grids Operation Report	Validated with internal documents.	

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<b>SO 3 Ensure Uninterrupted Access for the Operation and Maintenance by the NGCP of the Existing Transmission Lines and Other Transmission-related Facilities</b>										
SM 4	No. of ROW Claims/cases approved for settlement or Expropriation Cases Initiated	$\Sigma$ No. of ROW Claims/Cases Approved for Settlement or No. of Expropriation Cases Initiated	10.00%	32	33	10.00%	33	10.00%	<ul style="list-style-type: none"> <li>• Summary of claims/cases approved for settlement/authority to pay as of December 31, 2015</li> <li>• Status of expropriation cases as of December 31, 2015</li> <li>• Sample copies of authority to purchase and petitions for expropriation</li> </ul>	There were four (4) ROW claims approved for settlement and twenty-four (29) expropriation cases filed in court. Total claims amounted to ₱37.40 Million.
SM 4A	Presentation of comprehensive time-bound action plans on how to address the ROW claims issues and to provide options on how to hasten the resolution of claims	N/A	5.00%	Submission of Board-approved action plan to GCG by October 2015	Submitted to GCG on September 28, 2015	5.00%	Presented to GCG on 29 July 2015. Approved by TransCo Board of Directors on 26 August 2015.	5.00%	<ul style="list-style-type: none"> <li>• Comprehensive time-bound action plans for the settlement of ROW</li> <li>• Secretary's Certificate dated 18 September 2015.</li> </ul>	ROW officers of TransCo presented the plan to CGO-B, Energy and Materials division on 29 July 2015. Such plan was approved by TransCo Board of Directors on 26 August 2015 or before the October deadline. The final comprehensive report was received by the GCG on 15 December 2015.

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<b>SO 4</b>	<b>Efficient Administration of the Feed-In Tariff (FIT) Allowance Fund</b>									
SM 5	Timely release of payments to RE Developers	% of time payment to RE Developers is within 15 days of due date	2.00%	85% payments released on due date	100%	2.00%	100%	2.00%	<ul style="list-style-type: none"> <li>Summary of Payments to RE Developers</li> <li>Land Bank of the Philippines (LBP) Certificate of Payment</li> </ul>	TransCo had a total of eight (8) payments of FIT-All to RE Developers in 2015. All of the payments were made on due date.
<b>SO 5</b>	<b>Ensure NGCP's Implementation of Corrective Actions Based from the Findings by TransCo</b>									
SM 6	Total number of major findings/ observations corrected <sup>1</sup>	No. of major findings/ observations corrected over total agreed major observations for correction	5.00%	63%	72.29%	5.00%	72.29%	5.00%	<ul style="list-style-type: none"> <li>Observation report on the inspection activities.</li> <li>Sample Letters of Transmittal of Observation Report to NGCP</li> </ul>	<p>For the year ended 2015, 360 out of 498 major findings/observations were corrected or closed by NGCP.</p> <p>As part of its commitment, TransCo submitted all of its major finding/observations to Energy Regulatory Commission (ERC) in order to reinforce the monitoring process.</p>
SM 7	Total number of minor findings/observations corrected <sup>2</sup>	No. of minor findings/ observations corrected over total agreed minor observations for correction	4.00%	63%	71.17%	4.00%	71.17%	4.00%	<ul style="list-style-type: none"> <li>Observation report on the inspection activities.</li> <li>Sample Letters of Transmittal of Observation Report to NGCP</li> </ul>	For the year ended 2015, 2,318 out of 3,257 minor findings/observations were corrected or closed by NGCP.
<i>Subtotal</i>			36.00%			36.00%		36.00%		

<sup>1</sup> Major observations are deficiencies and defects that can affect the quality and reliable delivery of transmission service. Henceforth, all major observations/findings will be submitted to ERC.

<sup>2</sup> Minor observations are deficiencies and defects that do not affect the quality and reliable delivery of the transmission service.

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks							
	Objective/Measure	Formula	Weight	2015	Actual	Rating	Score	Rating									
FINANCE	<b>SO 6 Ensure TransCo's Financial Viability</b>																
	SM 8	Cost Efficiency - TransCo	Controllable OPEX Budget	8.00%	₱285.00M	₱191.01M	8.00%	₱191.82M	8.00%	<ul style="list-style-type: none"> <li>Cost Efficiency Calculation Report for the year ended 31 December 2015.</li> <li>2015 TransCo COA Audit Report</li> </ul>	Actual Controllable Expenses are as follows (in millions): <table border="1"> <tr> <td>Personal Services</td> <td>₱ 93.28</td> </tr> <tr> <td>MOOE</td> <td>98.54</td> </tr> <tr> <td>Total</td> <td>₱191.82</td> </tr> </table> Difference between actual (₱191.01M) and validated (₱191.82M) amounts is merely a mathematical error.	Personal Services	₱ 93.28	MOOE	98.54	Total	₱191.82
	Personal Services	₱ 93.28															
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Total	₱191.82																
SM 9	Cost Efficiency – Utility Management Department (UMD)	UMD Expenses over Revenue	2.00%	₱0.9064 for every ₱1 revenue generated	₱0.8381 for every ₱1 revenue generated	2.00%	₱0.8381 for every ₱1 revenue generated	2.00%	<ul style="list-style-type: none"> <li>Cost Efficiency Calculation Report for the year ended 31 December 2015.</li> </ul>	Details are as follows (in millions): <table border="1"> <tr> <td>UMD Expenses</td> <td>₱ 23.012</td> </tr> <tr> <td>Revenue from Economic Zones</td> <td>27.458</td> </tr> <tr> <td>Efficiency</td> <td>₱0.8381/₱1</td> </tr> </table>	UMD Expenses	₱ 23.012	Revenue from Economic Zones	27.458	Efficiency	₱0.8381/₱1	
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SM 10	Collection of revenues re 3 <sup>rd</sup> Reg. ROW Related Capex <sup>3</sup>	Actual amount collected	2.50%	₱386.00M	₱878.87M	2.50%	₱878.87M	2.50%	<ul style="list-style-type: none"> <li>TransCo Official Receipts</li> <li>TransCo Acknowledgement Receipts</li> </ul>	A total of 76 ROW claims from 2011 to 2014 were collected by TransCo from NGCP.							

<sup>3</sup> Based on computed WACC recovery for 3rd regulatory actual ROW payments at 15.04%.

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Weight	2015	Actual	Rating	Score	Rating			
	SM 11	Collection Efficiency (UMD Ecozones)	(Total Collections / Total Receivables) X 100 (UMD)	3.50%	99.12%	97.67%	3.45%	97.54%	3.44%	• UMD Collection Efficiency Report	Out of ₱945,308,929.16 Receivables, ₱922,053,135.96 were collected.
	Subtotal			16.00%			15.95%		15.94%		
INTERNAL PROCESS	<b>SO 7 Enhance Performance on Mandated Roles and Responsibilities</b>										
	SM 12	Collection Efficiency (FIT-All)	Fit-All Fund Collection over Total Fit-All Fund Receivables	2.00%	90%	93.90%	2.00%	93.90%	2.00%	• Summary of FIT-All Collection as of 31 December 2015	Out of P2.181 Billion Fit-All Receivables for 2015, TransCo collected (with Energy kwh Report) 2.048 Billion.
	SM 13	Availability Factor % (Measures the electrical power readily available to customers of BCEZ and AFAB)	(Period Hours - Outage Hours) / Period Hours X 100	4.00%	100%	99.83%	3.99%	99.83%	3.99%	• Monthly Report on Economic Zones • 2015 UMD Availability Factor Computation	Validated with internal documents.
	SM 14	Technical Review/Assessment of Projects	Ratio of projects reviewed and acted upon within 60 working days from publication date over that filed by NGCP to the ERC	5.00%	85.00%	80.00%	4.71%	80.00%	4.71%	• Copy of ERC Applications • Technical Review and Assessment Monitoring Sheet	• Out of five (5) ERC Applications by NGCP in 2015, four (4) technical reviews were completed within 60 working days from publication date.

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure		Formula	Weight	2015	Actual	Rating	Score			Rating
INTERNAL PROCESS	SM 15	No. of inspection conducted in accordance with the Annual Inspection Schedule, and aligned with the Board approved COB, including Projects Under Construction and New Projects	No. of inspection conducted to NGCP facilities in accordance with the Annual Inspection Schedule	8.00%	65	65	8.00%	65	8.00%	<ul style="list-style-type: none"> <li>• Observation report on the inspection activities.</li> <li>• Sample Letters of Transmittal of Observation Report to NGCP</li> <li>• Annual Inspection Schedule</li> </ul>	All inspections were conducted in 2015.
	SM 16	No. of ROW Claims Validated	Actual number of ROW claims validated	5.00%	175	177	5.00%	177	5.00%	<ul style="list-style-type: none"> <li>• Status of ROW Claims Validation as of December 31, 2015</li> <li>• Sample Narrative Validation Report</li> </ul>	Date of validation is indicated in the narrative validation report. Samples taken were all validated in 2015.
	SM 16A	Presentation of comprehensive time-bound action plans on how to address the issues on ROW claims validation	N/A	2.00%	Submission of Board-approved action plan to GCG by October 2015	Submitted to GCG on September 28, 2015	2.00%	Presented to GCG on 29 July 2015. Approved by TransCo Board of Directors on 26 August 2015.	2.00%	<ul style="list-style-type: none"> <li>• Same as SM 4A</li> </ul>	Same as SM 4A

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
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INTERNAL PROCESS	SM 17	Length of Transmission Lines Surveyed	Actual length of Transmission Lines Surveyed	6.00%	72 kms	72.8 kms	6.00%	72.8 kms	6.00%	<ul style="list-style-type: none"> <li>Report on the length of transmission line surveyed as of December 31, 2015.</li> <li>Sample Sketch Plans covering 7.2 kms of transmission lines surveyed</li> </ul>	Figures in the summary report conform to the samples taken as to the length of transmission lines surveyed. Dates of surveys are indicated in the summary report.
	SM 17A	Presentation of comprehensive time-bound action plans on how to address the issues in the survey of Transmission Lines	N/A	2.00%	Submission of Board-approved action plan to GCG by October 2015	Submitted to GCG on September 28, 2015	2.00%	Presented to GCG on 29 July 2015. Approved by TransCo Board of Directors on 26 August 2015	2.00%	<ul style="list-style-type: none"> <li>Same as SM 4A</li> </ul>	Same as SM 4A
	SO 8	<b>Divest Remaining Sub-transmission Assets (STAs) to Qualified Distribution Utilities Even as the Operation and Maintenance of Such Assets are Already Transferred to NGCP</b>									
	SM 18	Compliance with Rule 6, Section 8e of EPIRA IRR Mandate to divest STAs to qualified Distribution Utilities	No. of negotiated sales contracts	3.00%	3	4	3.00%	4	3.00%	<ul style="list-style-type: none"> <li>2015 Performance Scorecard Report of Subtransmission Divestment Department</li> <li>Contracts to Sell</li> <li>Lease Purchase Agreement (LPA)</li> </ul>	TransCo entered into three (3) contracts to sell and one (1) lease purchase agreement (LPA). The total contract price of the sale packages amounted to P270.81 Million.

	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks															
	Objective/Measure	Formula	Weight	2015	Actual	Rating	Score	Rating																	
INTERNAL PROCESS	SM 19	Signed Joint Application	No. of Joint Applications Filed with ERC	4.00%	11	6	2.18%	6	2.18%	<ul style="list-style-type: none"> <li>• Copy of Joint Application filed with the ERC</li> </ul>	<p>The following were the joint applications filed with ERC in 2015:</p> <table border="1"> <thead> <tr> <th>Joint Application</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>LANECO</td> <td>9 July</td> </tr> <tr> <td>CEBECO 2</td> <td>5 Oct</td> </tr> <tr> <td>BENECO</td> <td>7 Dec</td> </tr> <tr> <td>CEPALCO</td> <td>18 Dec</td> </tr> <tr> <td>DANECO-DORECO Consortium</td> <td>29 Dec</td> </tr> <tr> <td>DLPC-DANECO Consortium</td> <td>29 Dec</td> </tr> </tbody> </table> <p>As represented by TransCo, failure to attain the target was due to the pending documentary requirements for other applications. As further represented, all signed sale packages requires ERC approval and that TransCo has no control over the schedule and hearing of ERC.</p>	Joint Application	Date	LANECO	9 July	CEBECO 2	5 Oct	BENECO	7 Dec	CEPALCO	18 Dec	DANECO-DORECO Consortium	29 Dec	DLPC-DANECO Consortium	29 Dec
	Joint Application	Date																							
LANECO	9 July																								
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INTERNAL PROCESS	SM 20	Amount of Sale Packages contracted in 2015	$\Sigma$ Amount in Million sales	3.00%	₱60M	₱270.82M	3.00%	₱270.82M	3.00%	<ul style="list-style-type: none"> <li>• 2015 Performance Scorecard Report of Subtransmission Divestment Department</li> <li>• Contracts to Sell</li> <li>• Lease Purchase Agreement (LPA)</li> </ul>	Amount indicated pertains to three (3) contracts to sell and one (1) LPA.														
			<i>Subtotal</i>	44.00%			41.88%		41.88%																



	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Weight	2015	Actual	Rating	Score	Rating			
<b>LEARNING AND GROWTH</b>	<b>SO 9</b>	<b>Comprehensively Link Individual Performance to the Goals of the Organization.</b>									
	SM 21	Development of Competency Framework	N/A	4.00%	Submission to GCG by 2015	Submitted to GCG on December 23, 2015.	4.00%	Submitted to GCG on December 23, 2015.	4.00%	<ul style="list-style-type: none"> <li>Terminal Report on TransCo's Competency Framework</li> </ul>	TransCo's Competency framework is "a diagram that illustrates the core, technical and leadership competencies of the organization. Further, it was made "through qualitative and quantitative analysis of the information gathered from key persons in the organization."
		<i>Subtotal</i>		4.00%			4.00%		4.00%		
		<b>TOTAL</b>		<b>100%</b>			<b>97.83%</b>		<b>97.82%</b>		