

NATIONAL TRANSMISSION CORPORATION (TRANSCO)

| CUSTOMERS / STAKEHOLDERS | Objective/Measure | Weight | Formula | Rating Scale | Baseline | | Target | |
|--------------------------|---|--------|---|---------------------------------------|---|--|---|---|
| | | | | | 2016 | 2017 | 2018 ¹ | 2019 |
| | | | | | SO 1 | Enhance customer/stakeholders satisfaction in line with the mandates of TRANSCO | | |
| SM 1 | Percentage of Satisfied Customers | 10.00% | Five-point satisfaction scale. At least 4 rating to be considered satisfactory | Actual/Target 0%= If less than 80% | Satisfactory (4.01) | Satisfactory (4.13) | 90% Satisfied Customers <i>(using the Standard Methodology and Questionnaire developed by GCG)</i> | 90% Satisfied Customers <i>(using the Standard Methodology and Questionnaire developed by GCG)</i> |
| SO 2 | Ensure continuous supply of electricity | | | | | | | |
| 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) | 4.00% | The sum for all circuit <u>hours available</u> (Number of circuits) x (Number of hours in period) | Actual/Target | Luzon - 99.2752% Visayas - 99.7783% Mindanao - 99.7726% | Luzon - 99.36% Visayas - 99.78% Mindanao - 99.72% | Luzon - 99.19% Visayas - 99.52% Mindanao - 99.53% | Luzon - 99.19% Visayas - 99.52% Mindanao - 99.53% |
| SM 3 | System Interruption Severity Index (SISI) (Measures the severity of interruption (in system-minutes) of a single delivery point or a system) | 4.00% | Ratio of the unserved energy to the system peak load: $\frac{\{[MW\ lost\ \times\ duration(min)]\}}{\text{System Peak Load (MW)}}$ | Actual/Target | Luzon - 11.993 mins Visayas - 20.664 mins Mindanao - 8.823 mins | Luzon - 5.80 mins Visayas - 15.56 mins Mindanao - 46.38 mins | Luzon - 17.96 mins Visayas - 121.83 mins Mindanao - 30.74 mins | Luzon - 17.96 mins Visayas - 121.83 mins Mindanao - 30.74 mins |

¹ Targets based on 2018 GCG-approved Performance Scorecard.

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|--------------------------|--|---|---|--|---------------|--------|--|------|-----|
| | | | | | 2016 | 2017 | 2018 ¹ | 2019 | |
| | SO 3 Ensure uninterrupted access for the operation and maintenance by the NGCP of the existing transmission lines and other transmission-related facilities | | | | | | | | |
| | SM 4 No. of ROW Claims/cases approved for settlement or Expropriation Cases Initiated | 8.00% | Σ No. of ROW Claims/cases approved for settlement | Actual/Target | 4 | 115 | 160 (155 expropriation cases initiated and 5 approved for settlement) | 200 | |
| | | | Σ No. of Expropriation Cases Initiated | Actual/Target | 31 | | | | |
| | SO 4 Efficient administration of the Feed-in Tariff (FIT) Allowance Fund² | | | | | | | | |
| | SO 5 Ensure NGCP's implementation of corrective actions based from the findings by TRANSCO | | | | | | | | |
| CUSTOMERS / STAKEHOLDERS | SM 5 | Total number of major findings/observations corrected | 5.00% | Σ No. of major findings/observations corrected over total agreed major observations for correction | Actual/Target | 73.10% | 75.27% | 78% | 81% |
| | SM 6 | Total number of minor findings/observations corrected | 5.00% | Σ No. of minor findings/observations corrected over total agreed minor observations for correction | Actual/Target | 73.31% | 79.97% | 83% | 83% |
| | | Sub-total | 36.00% | | | | | | |
| | | | | | | | | | |

² Measure on "timely release of payments to RE Developers" excluded. Outcome measured under Customers Satisfaction Rating.

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|-----------|--|---|---------|---|---------------|----------------------------|--|---------------|---------------|
| | | | | | 2016 | 2017 | 2018 ¹ | 2019 | |
| FINANCIAL | SO 6 Ensure TRANSCO's operational viability | | | | | | | | |
| | SM 7 | Reduction of Construction Work In Progress (CWIP) presented under Comprehensive Income (Loss) Account | 5.00% | Actual Amount of CWIP Reduced | Pass or Fail | N/A | Submission of Board-approved Action Plan | ₱1.03 Billion | ₱1.05 Billion |
| | SM 8 | Cost Efficiency | 8.00% | <u>Controllable OPEX</u> Revenues | Actual/Target | 0.01856 | 0.024 | 0.03872 | 0.04781 |
| | SM 9 | Collection of Revenues re 3rd Reg. ROW Related Capex | 5.00% | Actual amount collected | Actual/Target | ₱291.69 M | ₱358.53 M | ₱358M | ₱358M |
| | SM 10 | Number of Monitoring Reports on Estimated Recovery Payment | 3.00% | Σ No. of Monitoring Reports on Estimated Recovery Payment | Actual/Target | Board-approved Action Plan | Submission of three reports on Estimated Recovery Payments | 2 | 4 |
| | Sub-total | 21.00% | | | | | | | |

| | Objective/Measure | Weight | Formula | Rating Scale | Baseline | | Target | | |
|--------------------|-----------------------------|---|--|---|---------------|---------------------|---|---------------------|-------------------|
| | | | | | 2016 | 2017 | 2018 ¹ | 2019 | |
| INTERNAL PROCESSES | SO 7 | Enhance performance on mandated roles and responsibilities | | | | | | | |
| | SM 11 | Collection Efficiency (FIT-All) | 3.00% | Fit-All Fund Collection over Total Fit-All Fund Receivables | Actual/Target | 93.75% | 93.77% | 94.00% | 94.00% |
| | SM 12 | TRFLAT Annual Report Submitted to DOE, ERC, and NGCP | 5.00% | Annual Report Submitted to DOE, ERC, and NGCP | Pass or Fail | N/A | Joint conduct of 8 TRFLAT meetings with PSALM and one TRFLAT report | 1 Annual Report | 1 Annual Report |
| | SM 13 | Percentage of NGCP Projects reviewed (technical review/assessment) within forty-eight (48) days | 5.00% | Projects reviewed and acted upon <i>within 48 working days from publication date</i> Projects filed by NGCP | Actual/Target | 100% (w/in 60 days) | 100% (w/in 60 days) | 100% (w/in 50 days) | 100% ³ |
| | SM 14 | Number of Final Inspection Reports submitted to NGCP | 7.00% | $\frac{\Sigma \text{ No. Final Inspection Reports submitted to NGCP within 13 working days}}{\Sigma \text{ Total No. of Final Inspection Reports}}$ | Actual/Target | 70 | 77 | 85 | 85 |
| SM 15 | No. of ROW Claims Validated | 6.00% | Σ Actual number of ROW claims validated | Actual/Target | 195 | 205 | 220 | 276 | |

³ Subject to compliance with Republic Act 11032: "An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, Amending for the Purpose Republic Act No. 9485, Otherwise Known as the Anti-Red Tape Act of 2007, and for Other Purposes", signed 28 May 2018.

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|---------------------|-------------------|---|----------------|---|---------------|------------------------------|-------------------|-------------------------|---------------------------|
| | | | | | 2016 | 2017 | 2018 ¹ | 2019 | |
| | SM 16 | Length of T/L and S/S profiled and identified | 5.00% | N/A | Actual/Target | 245.12 km | 2,005.88 km | 5,233 km | 5,083 km |
| INTERNAL PROCESSES | SO 8 | Divest remaining sub-transmission assets to qualified distribution utilities even as the operation and maintenance of such assets are already transferred to NGCP | | | | | | | |
| | SM 17 | No. of Signed Joint Application | 2.00% | Σ No. of Signed Joint Applications Filed with ERC | Actual/Target | 4 | 1 | 2 | 2 |
| | | Sub-total | 33.00% | | | | | | |
| LEARNING AND GROWTH | SO 9 | Comprehensively link individual performance to the goals of the organization | | | | | | | |
| | SM 18 | Percentage of employees with required competencies met | 5.00% | $\frac{\text{No. of Employees with Required Competencies Met}}{\text{Total Employees}}$ | Actual/Target | 6.99% | 17.65% | 25.00% | 30.00% |
| | SM 19 | Compliance to Quality Standards | 5.00% | ISO 9001 Certificate Awarded | Pass or Fail | Notice of Award given to TUV | ISO Certified | ISO 9001:2015 Certified | Surveillance Audit Passed |
| | | Sub-total | 10.00% | | | | | | |
| | | TOTAL | 100.00% | | | | | | |