

## POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2017	2018	2019	2020	
FINANCE	SO 1	Reduced Financial Obligations (FO)							
	SM 1	Amount of Net Reduction in FO	Previous Year's FO – Current Year's FO	30%	Actual over Target	₱41.91 Billion	₱36.17 Billion****	₱15.21 Billion****	₱11.943 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	93.09% ₱12.212 B ₱13.119 B	92.70% ₱10.472 B ₱11.296 B	93%	93%
	SM 3	Amount of Delinquent/Overdue Accounts Collected	$\Sigma$ Actual Collection	10%	Actual over Target	₱10.95 Billion	₱8.24 Billion	₱4.12 Billion	₱0.945 Billion
	SM 4	Percentage Share of Overhead Expenses to Total Income	$\frac{(\text{PS} + \text{MOOE}) - \text{Bad Debts}}{\text{Total Income}}$	5%	Actual over Target	2.63% ₱0.544 B ₱20.664 B	2.78% ₱0.745 B ₱26.81 B	8.92%	14.00% ₱1.268 B ₱9.054 B
	SM 5	EBITDA Margin of Remaining Power Assets	$\frac{\text{EBITDA of Remaining Power Assets}}{\text{Net Utility Revenue}}$	5%	Actual over Target	19.00% ₱5.381 B ₱28.330 B	17.31% ₱6.103 B ₱35.254 B	4.88% ₱1.479 B ₱30.327 B	10.00% ₱3.129 B ₱31.985 B
SM 6	Universal Charge (UC) Remittance Efficiency of Collecting Entities	$\frac{\Sigma \text{ UC Actual Remittance}}{\Sigma \text{ Total UC Collection}}$	7%	Actual over Target	98.42% ₱27.32 B ₱27.76 B	98.09% ₱30.59 B ₱31.18 B	98%	98%	

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

\*\*\*\* Using 2018 yearend FOREX Rate (Php52.724 = US\$1).

\*\*\*\* Using 2018 yearend FOREX Rate (Php52.724 = US\$1). To be updated once the 2019 yearend FOREX Rate is available.

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2017	2018	2019	2020	
FINANCE	SM 7	Percentage of UC-ME Disbursed to NPC and RE Developers	$\frac{\sum \text{UC Actual Disbursement}}{\sum \text{Total UC Remittance}}$	8%	Actual over Target	N/A	100%	100%	100%
	<b>Sub-total</b>			<b>75%</b>					
STAKEHOLDER	<b>SO 3</b>	<b>Implemented Fair and Transparent Privatization Program</b>							
	SM 8	No. of Power Assets Successfully Privatized	Actual accomplishment	-	All or Nothing	650 MW Malaya TPP (Deferred. Subject to DOE's Policy Directions)	0	797.92 MW Caliraya-Botocan-Kalayaan HEPPs	797.92 MW Caliraya-Botocan-Kalayaan HEPPs (For monitoring)
	SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\sum \text{Number of lots disposed}}{\sum \text{Target Number of Lots for Disposal}}$	10%	Actual over Target	0	5 Pantabangan LLA (1) Limay CCTP LLA (4)	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)	76 + Lots Not Disposed in 2019

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2017	2018	2019	2020	
STAKEHOLDER	<b>SO 4 Improved Customers' Relation and Service Delivery</b>								
	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 Rating	N/A	90% Satisfied Customers <sup>§§§§</sup>	90% Satisfied Customers <sup>*****</sup>
	<b>Sub-total</b>			<b>15%</b>					
INTERNAL BUSINESS PROCESS	<b>SO 5 Adopted Effective and Efficient Financial Management System and Operational Standards</b>								
	SM 11	Compliance to Quality Standards	Actual accomplishment	5%	All or Nothing	Surveillance Audit Passed	QMS Surveillance Audit – 2 <sup>nd</sup> Phase; and System on WESM Billing	ISO 9001:2015 Recertification	Surveillance Audit Passed
<b>Sub-total</b>			<b>5%</b>						
LEARNING AND GROWTH	<b>SO 6 Enhanced Competency and Skills of Employees</b>								
	SM 12	Percentage of Employees with Required Competencies Met	$\frac{\Sigma \text{ Employees with required competencies met}}{\Sigma \text{ Total No. of Employees}}$	5%	All or Nothing	78.40% (Re-establish Baseline)	13.55% increase from 2017 baseline	93.40%	Increase from 2019 actual competency level
<b>Sub-total</b>			<b>5%</b>						
<b>TOTAL</b>			<b>100%</b>						

§§§§ Using the Standard Methodology and Questionnaire prescribed by the GCG.

\*\*\*\*\* Using the Enhanced Standard Methodology and Questionnaire prescribed by the GCG.