

NATIONAL POWER CORPORATION (NPC)
Validated 2019 Performance Scorecard

		Component			Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks																	
	Objective/Measure	Formula	Wt.	2019		Actual	Rating	Actual	Rating																				
CUSTOMERS / STAKEHOLDERS	SO 1	Provided Adequate Power Supply in Missionary Areas																											
	SM 1	Supply	Σ Plant Dependable Capacity	10.00%	Actual over Target	185.89 MW	139.925 MW	7.53%	139.925 MW	7.53%	<ul style="list-style-type: none"> Revised Performance Evaluation System (PES) Quarterly and Yearly Report for CY 2019, dated 07 February 2020, signed by Atty. R.T. Teves with attached Summary of 2019 Dependable Capacity, FOR and NHR per SPUG Accomplishment Status Report 	Breakdown of dependable capacity in the Missionary Areas is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>SPUG Area</th> <th>Dependable Capacity</th> </tr> </thead> <tbody> <tr> <td>Luzon</td> <td>79.026</td> </tr> <tr> <td>Visayas</td> <td>15.760</td> </tr> <tr> <td>Mindanao</td> <td>45.139</td> </tr> <tr> <td>Total</td> <td>139.925</td> </tr> </tbody> </table>	SPUG Area	Dependable Capacity	Luzon	79.026	Visayas	15.760	Mindanao	45.139	Total	139.925							
	SPUG Area	Dependable Capacity																											
Luzon	79.026																												
Visayas	15.760																												
Mindanao	45.139																												
Total	139.925																												
SO 2	Contributed to the Power Supply in the Main Grids thru the Agus-Pulangi Plants																												
SM 2	Energy Generation	Total Energy Generation	10.00%	Actual over Target	2,339.74 GWh ¹	2,275.35 GWh	7.92%	2,275.35 GWh	9.72%	<ul style="list-style-type: none"> NPC CY 2019 Monitoring Report for MinGen Performance Targets certified by MinGen Vice President Veloso with attached Summary of 2019 FOH per HEPPs Letter correspondences between NPC and PSALM dated 06 Jun, 24 Jul, 08 Aug and 05 Sep 2019, re: Revised CY 2019 Plant Performance Measurement (PPM) Revised Performance Standards and Measurement System for Operating Plants – CY 2019 2019 Forecast Generation by Plant, Mindanao (as of May 29, 2019) DOST El Nino Advisories 	Energy Generation per Agus-Pulangi HEPPs is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>HEPP</th> <th>Total Actual Generation</th> </tr> </thead> <tbody> <tr> <td>Agus 1</td> <td>224.73</td> </tr> <tr> <td>Agus 2</td> <td>381.73</td> </tr> <tr> <td>Agus 4</td> <td>449.96</td> </tr> <tr> <td>Agus 5</td> <td>149.62</td> </tr> <tr> <td>Agus 6</td> <td>496.41</td> </tr> <tr> <td>Agus 7</td> <td>93.71</td> </tr> <tr> <td>Pulangi 4</td> <td>479.19</td> </tr> <tr> <td>Total</td> <td>2,275.35</td> </tr> </tbody> </table> <p>Due to the adverse impact of the El Niño phenomenon to the Agus and Pulangi dam reservoirs from the last quarter of 2018 through August 2019, target was adjusted from 2,872.11 GWh to 2,339.74 GWh.</p>	HEPP	Total Actual Generation	Agus 1	224.73	Agus 2	381.73	Agus 4	449.96	Agus 5	149.62	Agus 6	496.41	Agus 7	93.71	Pulangi 4	479.19	Total	2,275.35
HEPP	Total Actual Generation																												
Agus 1	224.73																												
Agus 2	381.73																												
Agus 4	449.96																												
Agus 5	149.62																												
Agus 6	496.41																												
Agus 7	93.71																												
Pulangi 4	479.19																												
Total	2,275.35																												

¹ Revised from original target of 2,872.11 GWh. Revised target based on the 05 Sep 2019 NPC-PSALM CY 2019 Plant Performance Measurement Agreement.

Component		Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks																
				Objective/Measure	Formula	Wt.	2019			Actual	Rating	Actual	Rating												
CUSTOMERS / STAKEHOLDERS	SO 3	Ensured Customer/Stakeholder Satisfaction																							
	SM 3	Percentage of Satisfied Customers	$\frac{\sum \text{No. of Satisfied Respondents}}{\sum \text{No. of Respondents}}$	5.00%	(Actual/Target) <i>If less than 80% = 0%</i>	90% <i>(Using the Standard Methodology and Questionnaire developed by GCG)</i>	94.77%	5.00%	94.76%	5.00%	<ul style="list-style-type: none"> Executive Summary Five (5) sample accomplished questionnaire 	Based on the reported survey results, NPC was provided with "satisfied" and "very satisfied" ratings by 94.76% of its respondents. Overall, the Stakeholder's Satisfaction Survey conducted by ARMDEV for NPC is compliant with the prescribed guidelines of GCG.													
	Subtotal			25.00%				20.45%		22.25%															
	SO 4	Provided Efficient and Reliable Power Supply in Missionary Areas																							
INTERNAL PROCESS	SM 4	Percentage of Unexpected Power Interruption (Forced Outage Rate)	$\frac{\sum(\text{Forced Outage Hours})}{\sum(\text{Operating Hours} + \text{Forced Outage Hours})}$	5.00%	Actual over Target	0.111%	0.052%	5.00%	0.052%	5.00%	<ul style="list-style-type: none"> Revised Performance Evaluation System (PES) Quarterly and Yearly Report for CY 2019, dated 07 February 2020, signed by Atty. R.T. Teves with attached Summary of 2019 Dependable Capacity, FOR and NHR per SPUG 	Below is the summary of SPUG operations:													
												<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>FOR (%)</th> <th>NHR (BTU / kWh)</th> </tr> </thead> <tbody> <tr> <td>Luzon</td> <td>0.051</td> <td>10,740</td> </tr> <tr> <td>Visayas</td> <td>0.002</td> <td>11,550</td> </tr> <tr> <td>Mindanao</td> <td>0.071</td> <td>10,303</td> </tr> <tr> <td></td> <td>0.052</td> <td>10,627</td> </tr> </tbody> </table>		FOR (%)	NHR (BTU / kWh)	Luzon	0.051	10,740	Visayas	0.002	11,550	Mindanao	0.071	10,303	
	FOR (%)	NHR (BTU / kWh)																							
Luzon	0.051	10,740																							
Visayas	0.002	11,550																							
Mindanao	0.071	10,303																							
	0.052	10,627																							
	SM 5	Plant Operation Efficiency (Net Heat Rate)	$\frac{[\sum(\text{Diesel Fuel Consumption} \times \text{Ave Diesel Fuel Heating Value}) + \sum(\text{Bunker Fuel Consumption} \times \text{Ave Bunker Fuel Heating Value})]}{\sum(\text{Net Generation})}$	5.00%	Actual over Target	10,771 BTU/kWh	10,626 BTU/kWh	5.00%	10,627.00 BTU/kWh	5.00%		Rounded-off.													

Component				Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	2019		Actual	Rating	Actual	Rating				
INTERNAL PROCESS	SO 5	Increased Power Generation in Missionary Areas Pursuant to the Approved Budget										
	SM 6a	Completed Transmission Lines	Actual Completed Transmission Lines	5.00%	Actual over Target	149.00 ckt-kms ²	139.00 ckt-kms	4.43%	139.00 ckt-kms	4.66%	<ul style="list-style-type: none"> • NPC Strategic Initiative Profile I • Certificate of Completion issued to S.L. Development Construction Corporation (SLDCC) dated 01 Oct 2018 • Certificate of Completion issued to D. M. Consunji, Inc. dated 23 Dec 2019 • Letter correspondences between NPC and SLDCC • Progress Reports • NPC Memorandum PES-PCA-18-0345, re: Justification Re: Revised CY 2019 Transmission Line Performance Targets 	Target adjusted from 157 ckt-kms to 149 ckt-kms due to LGU request for “re-surveying” of project design.
	SM 6b	Completed Substation Facilities	Actual Completed Substations (in MVA)	5.00%	Actual over Target	10 MVA ³	5 MVA	0.83%	5 MVA	2.50%	<ul style="list-style-type: none"> • NPC Strategic Initiative Profile II • Certificate of Completion issued to D. M. Consunji, Inc. dated 10 Feb 2020 • Certificate of Turn-over of the 5 MVA Taytay S/S dated 27 Apr 2020 • Project status as of 31 December 2019 • Excerpts from the Minutes of the Regular Meeting of the NP Board held on 28 Feb and 30 May 2019 • List of NG Subsidy Projects FY2019 for Augmentation • NTP to Power Dimension, Inc. dated 15 Oct 2019 	<p>The validated accomplishment constitutes the Taytay S/S Project, 5 MVA which was reported to be substantially (99.90%) completed as of 09 November 2019. While it was noted that the works for San Miguel S/S Project, 5 MVA is still ongoing. Hence, NPC was only credited 2.50% for this measure.</p> <p>In view of the delayed approval of the 2019 GAA and the FY 2019 Realigned Budget with Augmentation, which affected the 20 MVA Mogpog Substation Project, the 20 MVA Mogpog S/S Project was excluded from NPC's 2019 target.</p>

² Revised from original target of 157 ckt-kms due to re-routing for Mansalay San Jose Project.

³ Revised from original target of 30 MVA. Revised target excludes the 20 MVA Mogpog S/S Project.

	Component			Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.		2019	Actual	Rating	Actual	Rating			
INTERNAL PROCESS	SO 6	Contributed to Efficient Operation of Generation Assets in the Main Grids thru the Agus-Pulangi Plants										
	SM 7	Controlled Unexpected Power Interruption (Forced Outage Hour)	Actual Forced Outage Hour	5.00%	All or Nothing	24 hours	16.848 hrs	5.00%	16.848 hrs	5.00%	<ul style="list-style-type: none"> NPC CY 2019 Monitoring Report for MinGen Performance Targets certified by MinGen Vice President Veloso with attached Summary of 2019 FOH per HEPPs 	Validated with internal documents.
	SO 7	Contributed to Sustainable Hydro and Geothermal Plant Operations										
	SM 8	Hectares of Open Areas Reforested	Actual Areas Reforested	-	Actual Over Target	9,638.48 has. (1,245 has. reforested for 2019)	-0-	0.00%	Excluded	-	<ul style="list-style-type: none"> NPC Memorandum, re: Urgent Motion to Resolve Re: ERC Case No. 2014-021 RC (UC-EC Plan 11) dated 28 June 2019 	Measure is excluded. For 2019, NPC committed to reforest 1,245 has subject to ERC's approval of NPC's UC-EC Plan 11 and 12 petitions. Upon validation, it was gathered that at the end of year, NPC was not able to reforest any watershed area due to lack of budget provision caused by its still pending petition in the ERC.
	SO 8	Ensured the Structural and Operational Safety of Dams to Mitigate Flooding in the Downstream Communities										
	SM 9	Maintenance Requirements of Dams and Other Non-Power Components	Actual No. of Maintenance Activities Implemented Target No. of Maintenance Activities	5.00%	Actual Over Target	100% [based on the 17 planned maintenance activities (8 for Luzon, and 9 for Mindanao) identified for 2019]	82.35% (14 of 17 maintenance activities implemented)	4.12%	58.82% (10 of 17 maintenance activities implemented)	2.94%	<ul style="list-style-type: none"> Strategic Initiatives Profile I-XII NPC Memorandums, re: Accomplishment Report Re: Clearing Works at Caliraya and Lumot Dams and Dykes dated 10 July 2019 and 17 January 2020 Certificates of Final Completion of Works (Provisional Acceptance) NPC Safety Review and Assessment Reports and Inspection Reports MinGen Dam Maintenance Activities for CY 2019 	Upon validation, NPC completed three (3) planned maintenance activities in Luzon, and seven (7) in Mindanao.

Component				Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	2019		Actual	Rating	Actual	Rating				
SO 9	Consolidation of Ownership of NPC Assets/ Property Boundaries/ Tenurial Rights											
INTERNAL PROCESS	SM 10a	Number of Transferred Certificates of Titles/Decrees and Land Registration Case Decisions under OMA to PSALM, Filed Applications for Titling/ Issuance of Certificates of Titles/ Decrees of Unregistered/ Untitled Lots	Actual No. of Lots with Transferred Certificates of Titles/Decrees/L RC Decisions under OMA to PSALM and Lots with Filed Application for Titling/ Issuance of Certificates of Titles/ Decrees under OMA Properties	2.50%	Actual Over Target	35 lots	57	2.50%	57	2.50%	<ul style="list-style-type: none"> List of OMA and Non-OMA Landholdings with Certificates of Titles/Decrees and Land Registration Case Decisions and Filed Applications Photocopies of Certificates of Titles/Decrees and Land Registration Case Decisions and Acknowledgement Receipts from PSALM Filed Applications Original Certificates of Title 	Validated with internal documents.
	SM 10b	Number of Filed Applications for Titling or Tenurial Rights/ Issuance of Certificates of Titles of Unregistered/ Untitled Non-OMA Lots, Reconstructed Deeds of Donation	Actual No. of Lots with Filed Applications for Titling or Tenurial Rights/ Issuance of Certificates of Titles, Reconstructed Deeds of Donations	2.50%	Actual over Target	10 lots	17	2.50%	17	2.50%	<ul style="list-style-type: none"> Deeds of Partition Official Receipts Assessment Form and Payment Orders Petitions Transfer Certificates of Title Certificate of Non-Delinquency Deeds of Donation 	
	Subtotal			35.00%				29.38%		30.10%		

Component				Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks												
Objective/Measure	Formula	Wt.	2019		Actual	Rating	Actual	Rating															
FINANCE																							
SO 10	Exercised Fiscal Prudence to Optimize Use of Resources																						
SM 11a	Fixed Cost Efficiency Ratio in the Missionary Areas	$\frac{\sum[PS + MOOE]}{\sum(\text{Energy Sales})}$	5.00%	Actual over Target	4.89 ₱/kWh	6.03 ₱/kWh	3.83%	6.03 ₱/kWh	3.83%	<ul style="list-style-type: none"> NPC Memorandum, re: Fixed Cost, OMA Budget Utilization and EBITDAS Margin for CY 2019 dated 14 February 2020 with Annexes Annex A: Summary Computation on Fixed Cost Efficiency in the Missionary Areas Annex A-1: Detailed Fixed Cost for Missionary Areas Annex A-2: Other Operating Expenses per Account Annex A-3/D-1: SPUG NUR Report 	<p>NPC failed to meet its fixed cost efficiency ratio target of 4.89 ₱/kWh.</p> <p>Detailed Computation:</p> <table border="1"> <thead> <tr> <th colspan="2"><i>(In Million Pesos)</i></th> </tr> </thead> <tbody> <tr> <td>Fixed Cost (A)</td> <td>2,592.46</td> </tr> <tr> <td>Personal Services</td> <td>1,047.11</td> </tr> <tr> <td>MOOE</td> <td>1,545.35</td> </tr> <tr> <td>Gross Generation (B)</td> <td>430.22</td> </tr> <tr> <td>Efficiency Ratio (A/B)</td> <td>6.03</td> </tr> </tbody> </table>	<i>(In Million Pesos)</i>		Fixed Cost (A)	2,592.46	Personal Services	1,047.11	MOOE	1,545.35	Gross Generation (B)	430.22	Efficiency Ratio (A/B)	6.03
<i>(In Million Pesos)</i>																							
Fixed Cost (A)	2,592.46																						
Personal Services	1,047.11																						
MOOE	1,545.35																						
Gross Generation (B)	430.22																						
Efficiency Ratio (A/B)	6.03																						
SM 11b	Fixed Cost Efficiency Ratio in the Main Grids Hydro Plants (Agus-Pulangi)	$\frac{\sum[PS + MOOE]}{\sum(\text{Energy Sales})}$	5.00%	Actual over Target	0.34 ₱/kWh	0.37 ₱/kWh	4.22%	0.37 ₱/kWh	4.56%	<ul style="list-style-type: none"> NPC Memorandum, re: Fixed Cost, OMA Budget Utilization and EBITDAS Margin for CY 2019 dated 14 February 2020 with Annexes Annex B: Summary Computation on Fixed Cost Efficiency in the Main Grid – Agus/Pulangi Annex B-1/C-2: Production Cost for the period ending 31 Dec 2019 NPC Memorandum, re: FY 2019 Revised Performance Scorecard – Financial Targets dated 12 April 2019 	<p>Taking into consideration the FY 2019 Realigned COB with Augmentation pursuant to the 2019 GAA, decreased inflow in Lake Lanao, increased PS Cost due to provision of RATA of SG-25 which was not provided in the original submission, and increased MOOE, the target fixed cost efficiency ratio was adjusted from 0.32 ₱/kWh to 0.34 ₱/kWh.</p> <table border="1"> <thead> <tr> <th colspan="2"><i>(In Million Pesos)</i></th> </tr> </thead> <tbody> <tr> <td>Fixed Cost (A)</td> <td>748.66</td> </tr> <tr> <td>Personal Services</td> <td>423.89</td> </tr> <tr> <td>MOOE</td> <td>324.77</td> </tr> <tr> <td>Energy Sales (B)</td> <td>2,035.20</td> </tr> <tr> <td>Efficiency Ratio (A/B)</td> <td>0.37</td> </tr> </tbody> </table> <p>NPC failed to meet its fixed cost efficiency target mainly due to its failure to accomplish its supply target, which converts to energy sales, in the main grids.</p>	<i>(In Million Pesos)</i>		Fixed Cost (A)	748.66	Personal Services	423.89	MOOE	324.77	Energy Sales (B)	2,035.20	Efficiency Ratio (A/B)	0.37
<i>(In Million Pesos)</i>																							
Fixed Cost (A)	748.66																						
Personal Services	423.89																						
MOOE	324.77																						
Energy Sales (B)	2,035.20																						
Efficiency Ratio (A/B)	0.37																						

Component				Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks													
Objective/Measure	Formula	Wt.	2019		Actual	Rating	Actual	Rating																
FINANCE	SM 12	OMA Budget Utilization Efficiency Ratio	$\frac{\sum(\text{Miscellaneous OMA Budget})}{\sum(\text{Energy Sales})}$	5.00%	Actual over Target	0.08 ₱/kWh	0.08 ₱/kWh	5.00%	0.08 ₱/kWh	5.00%	<ul style="list-style-type: none"> NPC Memorandum, re: Fixed Cost, OMA Budget Utilization and EBITDAS Margin for CY 2019 dated 14 February 2020 with Annexes Annex C: Summary Computation on OMA Budget Utilization Efficiency Ratio Annex C-1: Budget Utilization Report – OMA Support as of 31 Dec 2019 Annex B-1/C-2: Production Cost for the period ending 31 Dec 2019 	Detailed Computation: <table border="1"> <tr> <td colspan="2"><i>(In Million Pesos)</i></td> </tr> <tr> <td>OMA Budget Utilization (A)</td> <td>169.63</td> </tr> <tr> <td>Personal Services</td> <td>103.17</td> </tr> <tr> <td>MOOE</td> <td>66.46</td> </tr> <tr> <td>Energy Sales (B)</td> <td>2,035.20</td> </tr> <tr> <td>Efficiency Ratio (A/B)</td> <td>0.08</td> </tr> </table>	<i>(In Million Pesos)</i>		OMA Budget Utilization (A)	169.63	Personal Services	103.17	MOOE	66.46	Energy Sales (B)	2,035.20	Efficiency Ratio (A/B)	0.08
	<i>(In Million Pesos)</i>																							
	OMA Budget Utilization (A)	169.63																						
Personal Services	103.17																							
MOOE	66.46																							
Energy Sales (B)	2,035.20																							
Efficiency Ratio (A/B)	0.08																							
SO 11	Ensured Adequate Fund Sources for Sustainability and Improve Corporate Liquidity																							
	SM 13	Improved Collection Efficiency	$\frac{\text{Total Collections}}{\text{Total Accounts Receivable}}$	5.00%	Actual over Target	53.92%	54.12%	5.00%	54.12%	5.00%	<ul style="list-style-type: none"> Schedule B: NPC-CMD CY 2019 Monitoring Report for Performance Targets in Peso and % Schedule C: NPC-CMD Collection Efficiency for Power Receivables as of 31 Dec 2019 	Detailed Computation: <table border="1"> <tr> <td colspan="2"><i>(In Billion Pesos)</i></td> </tr> <tr> <td>Total Collections</td> <td>1,815.42</td> </tr> <tr> <td>Total Accounts Receivable</td> <td>3,354.62</td> </tr> <tr> <td>Efficiency Ratio (A/B)</td> <td>54.12%</td> </tr> </table>	<i>(In Billion Pesos)</i>		Total Collections	1,815.42	Total Accounts Receivable	3,354.62	Efficiency Ratio (A/B)	54.12%				
<i>(In Billion Pesos)</i>																								
Total Collections	1,815.42																							
Total Accounts Receivable	3,354.62																							
Efficiency Ratio (A/B)	54.12%																							

	Component			Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.		2019	Actual	Rating	Actual	Rating			
FINANCE	SM 14	EBITDAS Margin with UCME	$EBITDAS \div (\text{Total Revenue} / \text{Income})$	5.00%	Actual over Target	8.55%	15.32%	5.00%	15.32%	5.00%	<ul style="list-style-type: none"> NPC Memorandum, re: Fixed Cost, OMA Budget Utilization and EBITDAS Margin for CY 2019 dated 14 February 2020 with Annexes Annex D: CY 2019 EBITDAS Margin with UCME Annex A-3/D-1: SPUG NUR Report Annex D-2: General Ledger for Revenue and Expense Accounts as of 31 Dec 2019 Annex D-3: Detailed Other Operating Expense (OOPEX) – Missionary Areas 2019 COA Audited FS 	Validated with internal documents.
	Subtotal			25.00%				23.05%		23.39%		
LEARNING & GROWTH	SO 12	Ensured Employee Productivity and Competency										
	SM 15	Compliance to Quality Standards	Actual Accomplishment	5.00%	All or Nothing	Surveillance Audit Passed	Re-certified by TUV Rheinland Phil. on 28 March 2019	5.00%	Surveillance Audit Passed	5.00%	<ul style="list-style-type: none"> TUV Rheinland Audit Report ISO Certificates issued by TUV Rheinland (Certification No. 01 100 1835820) 	<p>NPC passed the surveillance audit as reflected in TUV Rheinland's Audit Report.</p> <ul style="list-style-type: none"> Certificate issued by TUV Rheinland dated 21 March 2019 covering Missionary Electrification (Operations Planning and Performance Assessment); Operation and Maintenance of Undisposed Assets; Watershed and Dams Management.

Component				Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure		Formula	Wt.		2019	Actual	Rating	Actual	Rating			
LEARNING & GROWTH	SM 16	Percentage of Employees with Required Competencies Met	No. of Employees with Required Competencies Met ÷ Total Employees	5.00%	Actual over Target	10% increase from 2018 Competency Level	10.00% increase	5.00%	9.90% increase	4.95%	<ul style="list-style-type: none"> Memorandum for the Information Systems & Technology Division (ISTD), re: Competency Reassessment Competency Reassessment Sheets of NPC personnel 2019 NPC Employee Competency Report 	<p>189 additional NPC employees met the required competencies of their positions, bringing the total number of employees meeting the required competencies as of 2019 to 753.</p> <p>Validated competency level in 2019 is 39.30% (753 out of 1,916). This is equivalent to a 9.90% increase from the 2018 <i>adjusted</i> competency level of 29.40% (565 out of 1,922).</p>
	Subtotal			10.00%				10.00%		9.95%		
TOTAL			95.00%				82.88%		85.69%			

NPC Validated Score: $\frac{85.69\%}{95.00\%} = 90.20\%$