

NATIONAL TRANSMISSION CORPORATION (TRANSCO)

|                          | Objective/Measure   | Formula  | Wt.  | Rating System      | Baseline  |   | Target   |  |  |
|--------------------------|---|--|--|--------------------|---|---|--|--|--|
|                          |   |  |  |                    | 2019  | 2020  | 2021   | 2022   |  |
| CUSTOMERS / STAKEHOLDERS | <b>SO 1</b>   | <b>Enhance Customer/ Stakeholders Satisfaction in Line with the Mandates of TRANSCO</b>  |  |                    |   |   |  |  |  |
|                          | SM 1  | Percentage of Satisfied Customers  | No. of satisfied respondents / Total no. of respondents                                      | 7%                 | Actual over Target<br>0% = If less than 80%                       | 97.25%  | 93.52%   | 90% Satisfied Customers*   | 90% Satisfied Customers†                             |
|                          | <b>SO 2</b>   | <b>Ensure Continuous Supply of Electricity</b>   |  |                    |   |   |  |  |  |
|                          | SM 2  | System Availability (SA)<br>(Measures the long-term average fraction of time that a component or system is in service and satisfactorily performing its intended function) | The sum for all circuit hours available / (Number of circuits) x (Number of hours in period) | 6%                 | Actual over Target  | Luzon - 99.35%<br>Visayas - 99.76%<br>Mindanao - 99.78%             | Luzon - 99.05%<br>Visayas - 99.78%<br>Mindanao - 99.74%              | Luzon - 99.19%<br>Visayas - 99.52%<br>Mindanao - 99.53%              | Luzon: 99.19%<br>Visayas: 99.52%<br>Mindanao: 99.53% |
| SM 3                     | System Interruption Severity Index (SISI)<br>[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:<br>SISI = {[MW lost x duration(min)] / System Peak Load (MW)}  | 6%   | Actual over Target | Luzon - 5.09 mins<br>Visayas - 10.94 mins<br>Mindanao - 9.44 mins | Luzon - 1.424 mins<br>Visayas - 9.580 mins<br>Mindanao - 5.680 mins | Luzon - 17.96 mins<br>Visayas - 121.83 mins<br>Mindanao - 30.74 mins | Luzon - 17.96 mins<br>Visayas - 121.83 mins<br>Mindanao - 30.74 mins |  |

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

† Using the Enhanced Standard Methodology and Questionnaire developed by GCG for the following respondents: UMD customers, UMD locators, NGCP, Renewable Energy Developers, and *Distribution Utilities*.

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|-----------------------------|-------------------|---|--|---------------|--------------------|---------|---------|---|---------------------------------------|
|                             |                   |   |  |               | 2019               | 2020    | 2021    | 2022                                      |                                       |
| CUSTOMERS /<br>STAKEHOLDERS | SO 3              | <b>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   | Total number of ROW claims/ cases approved for settlement and/or expropriation cases initiated                         | 10%           | Actual over Target | 187     | 108     | 122                                       | 176                                   |
|                             |                   |   | <b>Sub-total</b>   | <b>29%</b>    |                    |         |         |   |                                       |
|                             |                   |   |  |               |                    |         |         |   |                                       |
| FINANCIAL                   | SO 4              | <b>Ensure TRANSCO's Operational Viability</b>   |  |               |                    |         |         |   |                                       |
|                             | SM 5              | Cost Efficiency – TransCo   | Controllable OPEX over Revenues  | 10%           | Actual over Target | 0.03424 | 0.03743 | 0.0588 for every ₱1 revenue generated     | 0.0681 for every ₱1 revenue generated |
|                             | SM 6              | Budget Utilization Rate   | Actual disbursement of capital expenditure & MOOE over Approved corporate operating budget for Capital Outlay and MOOE | 5%            | Actual over Target | -       | -       | -   | 90%                                   |
|                             | SM 7              | Refund of Dividend Income by PSALM for Remittance and Dividends to NG/ BTr  | $\sum$ Actual Collection   | 0%            | (For monitoring)   | -       | -       | ₱1.8 Million (based on PSALM's scorecard) | ₱2.23 Billion                         |
|                             |                   |   | <b>Sub-total</b>   | <b>15%</b>    |                    |         |         |   |                                       |

|                    | Objective/Measure | Formula  | Wt.  | Rating System | Baseline           |                                    | Target                             |                             |                             |
|--------------------|-------------------|--|--|---------------|--------------------|------------------------------------|------------------------------------|-----------------------------|-----------------------------|
|                    |                   |  |  |               | 2019               | 2020                               | 2021                               | 2022                        |                             |
| INTERNAL PROCESSES | <b>SO 5</b>       | <b>Enhance Performance on Mandated Roles and Responsibilities</b>  |  |               |                    |                                    |                                    |                             |                             |
|                    | SM 8              | Collection Efficiency (FIT-All)  | FIT-All Fund Collection over Total FIT-All Fund Receivables  | 10%           | Actual over Target | 94.06%                             | 85.04%                             | 94.00%                      | 88.00%                      |
|                    | SM 9              | TRFLAT Annual Report Submitted to DOE, ERC, DOF, and NGCP  | Annual Report Submitted to DOE, ERC, DOF and NGCP  | 0%            | (For monitoring)   | 1 Annual Report                    | 1 Annual Report                    | 1 Annual Report             | 1 Annual Report             |
|                    | SM 10             | Percentage of NGCP Projects Reviewed (Technical Review/ Assessment) Within Forty-Two (42) Working Days from Publication Date | Number of projects reviewed <i>within 42 working days from publication date</i> over Number of projects filed by NGCP                    | 5%            | Actual over Target | 100%<br>1/1 within 23 working days | 100%<br>2/2 within 39 working days | 100% within 44 working days | 100% within 42 working days |
|                    | SM 11             | Quarterly Monitoring and Assessment Reports on the Status of the Power Transmission Grid                                     | Number of monitoring and assessment reports submitted to DOE within 30 calendar days from the end of each quarter over Four (4) quarters | 8%            | Actual over Target | -                                  | -                                  | 100%                        | 100%                        |
|                    | SM 12             | No. of ROW Claims Validated  | Total number of ROW claims validated   | 10%           | Actual over Target | 282                                | 175                                | 173                         | 219                         |

|                    | Objective/Measure  | Formula               | Wt.  | Rating System      | Baseline |      | Target |  |   |  |  |  |  |  |  |  |
|--------------------|--|-----------------------|--|--------------------|----------|------|--------|--|---|--|--|--|--|--|--|--|
|                    |  |                       |  |                    | 2019     | 2020 | 2021   | 2022   |   |  |  |  |  |  |  |  |
| INTERNAL PROCESSES | SM 13<br>Updated Fixed Asset Register (FAR)<br>[No. of asset items updated in FAR based on submitted Asset Movement Report (AMR) by the concessionaire that are for validation through physical inventory] | Actual accomplishment | 8%<br>(Wt. allocation:<br>a.1. 8%<br>a.2. 30%<br>b. 26%<br>c.1. 16%<br>c.2. 1%<br>d. 5%<br>e. 15%) | Actual over Target | -        | -    | -      | a. Substation Equipment  | a.1. Update of remaining 3 districts as of Dec. 31, 2021<br>a.2. Update of FAR based on AMR submitted for Nov 2021 to Oct 2022                                  |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | b. Transmission Line   | b. Update of FAR based on AMR submitted for Nov 2021 to Oct 2022  |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | c. Land and Right-of-Way   | c.1. Update of FAR based on remaining turned-over titles as of Nov 30, 2021<br>c.2. Update of FAR based on titles turned over from Dec 1, 2021, to Nov 30, 2022 |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | d. Metering Equipment  | d. Update of FAR based on AMR submitted for Nov 2021 to Oct 2022  |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | e. Systems Operation   | e. Update of FAR based on AMR submitted for Nov 2021 to Oct 2022  |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | <b>SO 6 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> |   |  |  |  |  |  |  |  |
|                    |  |                       |  |                    |          |      |        | <i>(No proposed SM)</i>  |   |  |  |  |  |  |  |  |
|                    |  | <b>Sub-total</b>      | <b>41%</b>   |                    |          |      |        |  |   |  |  |  |  |  |  |  |

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|---------------------|-------------------|---|--|---------------|--------------------|----------------------------|---------------------------|---|---|
|                     |                   |   |  |               | 2019               | 2020                       | 2021                      | 2022  |   |
| LEARNING AND GROWTH | <b>SO 7</b>       | <b>Comprehensively Link Individual Performance to the Goals of the Organization</b> |  |               |                    |                            |                           |   |   |
|                     | SM 14             | Percentage of Employees with Required Competencies Met                              | No. of Employees with Required Competencies Met over Total No. of Employees            | 5%            | Pass or Fail       | 35% of filled up positions | 67%                       | Increase from 2020 Competency   | Increase from 2021 Competency   |
|                     | SM 15             | Compliance to Quality Standards   | ISO 9001 Certificate Awarded   | 5%            | Pass or Fail       | Surveillance Audit Passed  | Surveillance Audit Passed | Re-certification  | Surveillance Audit Passed   |
|                     | SM 16             | Implementation of Automated FIT-All Fund Management System (FFMS)                   | Actual number of components completed (go-live) over Total number of target components | 5%            | Actual over Target | -                          | -                         | Implementation of the following components:<br><u>Phase 1</u><br>1. System Libraries<br>2. Users Management<br><u>Phase 2</u><br>3. External Pages<br>4. Receivables, Remittances and Payables Monitoring | Implementation of the following components:<br><u>Phase 2</u><br>1. External Pages<br>2. Receivables, Remittance, & Payables Monitoring<br><u>Phase 3</u><br>3. Fund Allocation and Disbursements |
|                     |                   | <b>Sub-total</b>  | <b>15%</b>   |               |                    |                            |                           |   |   |
|                     |                   | <b>TOTAL</b>  | <b>100%</b>  |               |                    |                            |                           |   |   |