

Power Sector Assets and Liabilities Management (PSALM) Corporation

Component					GCG-approved	Accomplishments (as of 31 March 2020)										
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual											
SO 1: Reduced financial obligations (FO)																
SM 1	Amount of Net Reduction in FO	$FO_{previous\ year} - FO_{current\ year}$	30.0	Actual over Target	PHP11.943 Billion (Reduction from PHP433.978 Billion to PHP422.035 Billion) Forex Used: 2018 Year-end rate (PHP52.724 = J\$51)	PHP6.81 Billion (Reduction from PHH422.01 Billion to PHP415.20 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1) Note: Net of bond discount, premium, and issue cost										
					PHP10.184 Billion (Restated)^{1/} (Reduction from PHP422.011 Billion to PHP411.827 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1)											
SO 2: Ensured strong financial performance																
SM 2	Collection Efficiency for Current Power Sales	$\frac{Collections\ from\ Current\ Power\ Sales}{Current\ Power\ Sales}$	10.0	Actual over Target	93%	93.44% <u>PHP3.206 Billion</u> PHP3.413 Billion										
SM 3	Amount of Delinquent/ Overdue Accounts Collected	$\frac{\Sigma Actual\ Collection}{\Sigma Target\ Collection}$	10.0	Actual over Target	PHP0.945 Billion	PHP0.23 Billion <table border="1"> <thead> <tr> <th>Delinquent Accounts</th> <th>(in Bln)</th> </tr> </thead> <tbody> <tr> <td>Possible for Collection</td> <td>0.04</td> </tr> <tr> <td>Restructured Power Accounts</td> <td>0.13</td> </tr> <tr> <td>First Gen Hydro Power Corporation</td> <td>0.06</td> </tr> <tr> <td>TOTAL</td> <td>0.23</td> </tr> </tbody> </table>	Delinquent Accounts	(in Bln)	Possible for Collection	0.04	Restructured Power Accounts	0.13	First Gen Hydro Power Corporation	0.06	TOTAL	0.23
Delinquent Accounts	(in Bln)															
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TOTAL	0.23															
SM 4	Percentage Share of Overhead Expenses to Total Income	$\frac{(PS + MOOE) - Bad\ Debts}{Total\ Income}$	5.0	Actual over Target	14.00% <u>PHP1.268 Billion</u> PHP9.054 Billion	3.64% <u>PHP 0.135 Billion</u> PHP 3.706 Billion										
SM 5	EBITDA Margin of Operating Power Assets	$\frac{EBITDA\ of\ Operating\ Power\ Assets}{Net\ Utility\ Revenue}$	5.0	Actual over Target	10.00% <u>PHP3.129 Billion</u> PHP31.985 Billion	-4.67% <u>PHP-0.303 Billion</u> PHP6.491 Billion										
SM 6	Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs)	$\frac{\Sigma UC\ Actual\ Remittance}{Total\ UC\ Collection + Maintaining\ balance}$	7.0	Actual over Target	98%	98.15% <u>PHP20.142 Billion</u> PHP20.522 Billion										
SM 7	Percentage of UC-ME disbursed to NPC	$\frac{\Sigma UC\ Actual\ Disbursement}{Total\ UC\ Remittance + Maintaining\ balance}$	8.0	Actual over Target	100%	100% NPC: <u>PHP3.265 Billion</u> PHP3.265 Billion										
	Percentage of UC-ME-REDCI disbursed to RE Developers	$\frac{Total\ Cash\ Incentive\ Disbursed}{\sum_{i=1}^n G_i r_i}$ <small>Where: n = the number of REDs G_i = Net Generation in KWH of the ith RED r_i = ERC - approved Cash Incentive Rate for the ith</small>				100% RE Developers : <u>PHP1.819 Million</u> PHP1.819 Million										
Sub-total:			75.0													

Perspective 1: Financial

Power Sector Assets and Liabilities Management (PSALM) Corporation

1st Quarter Monitoring Report

Component					GCG-approved	Accomplishments (as of 31 March 2020)
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual	
SO 3: Implemented fair and transparent privatization program						
SM 8	No. of Power Assets Successfully Privatized	Actual accomplishments	--	All or Nothing	797.92 MW Caliraya- Botocan- Kalayaan HEPPs (For monitoring)	1. Held meeting with Asian Development Bank (ADB) re: Draft Terms of Reference (TOR) for the conduct of study on 17 January 2020; 2. Prepared and submitted to ADB the draft Memorandum of Agreement (MOA) between PSALM and ADB and the Confidentiality Agreement for the disclosure of information on 28 February 2020; 3. Received advice from the ADB through electronic mail dated 30 March 2020, on the Department of Finance's endorsement to ADB to go forward with the CBK and Casecan study.
SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\Sigma \text{ Number of lots disposed}}{\Sigma \text{ Target Number of lots for disposal}}$	10.0	Actual over Target	76 lots + Lots Not Disposed in 2019	<ul style="list-style-type: none"> • Paco-Manila Property 8 • 04 March 2020 - secured OVP-PAMG approval of the Updated Property Profile • 04 March 2020 - Submitted to COA the signed and approved Updated Agency Appraisal Report (AAR) for the 3rd Round Bidding • 05 March 2020 - sent letter to OGCC requesting for Contract Review of the draft Deed of Absolute Sale (DOAS)
						<ul style="list-style-type: none"> • GenSan Property 2 • 28 February 2020 - Submitted to COA the signed Agency Appraisal Documents for the Sale of General Santos City Property located in Calumpang, General Santos City. • 05 March 2020 - sent letter to OGCC requesting for Contract Review regarding Deed of Absolute Sale (DOAS) of General Santos City Property at Barangay Calumpang, General Santos City with a total area of 1,868 sq. m.
						<ul style="list-style-type: none"> • Loboc Property (4) 4 • 5 March 2020 - PSALM personnel traveled to Loboc, Bohol to (i) validate existence of Loboc HEPP Purchased Assets located at Housing Compound; and (ii) conduct Photo Documentation relative to the Sale of Loboc Property.
						<ul style="list-style-type: none"> • Baguio Sewerage Property 10 • 27-29 January 2020- Conducted data gathering and site visit of Baguio Property, situated in the barangays of North Sanitary Camp and Happy Homes (Old Lucban), Baguio City. • 05 February 2020- Updated the draft asset profile report of Baguio Property based from the latest gathered data and site visit conducted.
						<ul style="list-style-type: none"> • Parañaque Property 4 • 31 January 2020 - Prepared draft Asset Profile of the 4 lots for disposal to Local Government Unit of Parañaque City through National Housing Authority (NHA) • 03 March 2020 - secured OVP-PAMG approval of the updated Property Profile
						<ul style="list-style-type: none"> • Putsan Property (Tiwi) 3 • 31 January 2020 - Prepared draft Asset Profile of the 3 lots for disposal to Local Government Unit of Tiwi, Albay. • 03 March 2020 - secured OVP-PAMG approval of the updated Property Profile
						<ul style="list-style-type: none"> • Malaya TPP Land 5 • Included in the Privatization of Malaya Thermal Power Plant located at Pitilla, Rizal.
						<ul style="list-style-type: none"> • GenSan Property - Reconveyance 3 • Informed the heirs of Allado about the required extra-judicial settlement of estate agreement.
						<ul style="list-style-type: none"> • Panay DPP Land 5 • 24 January 2020 - conducted meeting with Atty. Alberto Pangcog, representative of SPC Island Power Corporation (SIPC), and PSALM-OGC regarding the status of lots underlying the Panay DPP. • 27 February 2020 - conducted meeting with Atty. Lot Caminero and Alberto Pangcog, representatives of SPC Island Power Corporation (SIPC), and PSALM-Legal regarding the status of lots underlying the Panay DPP and way forward in the titling of the same.
						<ul style="list-style-type: none"> • Masinloc CFTPP Land 1 • Coordinated with PSALM-Legal Group (LG) the timeline for the release of Transfer Certificate of Title (TCT) in the name of PSALM. Per PSALM-LG, the TCT is expected to be released on April 2020.

Perspective 2: Customers/ Stakeholders

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		Component			GCG-approved	Accomplishments (as of 31 March 2020)	
		Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual
	SO 3: Implemented fair and transparent privatization program						
	SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\Sigma \text{ Number of lots disposed}}{\Sigma \text{ Target Number of lots for disposal}}$	10.0	Actual over Target	76 lots + Lots Not Disposed in 2019	<ul style="list-style-type: none"> • Batangas CFTPP Land 3 • 28 January 2020 - sent letter to SEM-Calaca Power Corporation (SCPC) issuing the Option Existence Notice (OEN) for 3 lots underlying BCFTPP. • 31 January 2020 - sent letter to BIR RDO No. 58 - Batangas City requesting for the certification of the current Zonal Value within Dacanlao, Calaca, Batangas. The Zonal Value will be used to determine the purchase price of Optioned Assets. • 03 February 2020 - sent OEN to SCPC for 3 lots, having an area of 19,304 sq. m., covered by the Land Lease Agreement for BCFTPP. • 11 February 2020 - received from SCPC, Option Notice informing PSALM of its intention to exercise its rights over the Optioned Assets; and letter request for clarifications and updates on matters pertaining to titling and documentation of lots under OEN based on the concept of "Just cause of exclusive possession". • 17 February 2020 - sent letter to SCPC informing the status of titling and court proceedings are lodged mainly in PSALM-Legal Group (LG). Hence, APD 1 coordinated the matters to PSALM-LG and NPC for appropriate action. • 04 March 2020 - Issued payment instruction to SCPC for the Optioned Assets (3 lots with an area of 19,304.00 sq. m.) • 16 March 2020 - received letter from SCPC informing PSALM that the lots are not located in Dacanlao, Calaca, Batangas, but rather in San Rafael, Calaca, Batangas based on the Tax Declarations, therefore, SCPC disagrees with the valuation of the Optioned Assets based on the zonal value of lots in Dacanlao. • 17 March 2020 - sent reply letter to SCPC, informing that the valuation of Optioned Assets was based on the TCT which states that the lots are located in Dacanlao, Calaca, Batangas. In the same letter, PSALM informs SCPC that PSALM will coordinate with BIR RDO No. 58 to determine the correct BIR Zonal value for the Optioned Assets.
							<ul style="list-style-type: none"> • Agusan Property 3 • January 2020- drafted the Bidding documents and updated the real estate asset profiles • 11 February 2020-Secured PBAC approval of the i) Bidding Documents; ii) disposal timeline; iii) Minimum Bid Prices (MBP)
							<ul style="list-style-type: none"> • Maco Property 1 • 26 February 2020 - presented to the Board for information/ approval of i) commencement of sale of Nasipit; ii) Property (for approval); iii) MBPs of "small-value" assets, disposal; iv) timeline and bidding procedures (for information)
							<ul style="list-style-type: none"> • Nasipit Property 1 • 28 February 2020 - Submitted the Agency Appraisal Reports to COA.
						<ul style="list-style-type: none"> • Puerto Azul (2 units and 1 club share) 2 • March 2020 - drafted the Invitation to Bid (ITB), but due to the declaration of Luzon-wide Enhanced Community Quarantine period, the publication of ITB is still pending. 	
Perspective 2: Customers/ Stakeholders	SO 4: Improved customers' relation and service delivery						
	SM 10	Percentage of Satisfied Customers	$\frac{\text{Total number of Satisfied Respondents}}{\text{Total number of Respondents}}$	5.0	Actual over Target 0% = if < 80%	90% Satisfied Customers	1. Provision of technical and administrative support to the Philippine Survey and Research Center for the administration of the survey proper on 22 January 2020 to 31 March 2020.
			Sub-total:	15.0			

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Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual	
Perspective 3: Internal Business Process	SO 5: Adopted effective and efficient financial management system and operational standards					
	SM 11	Compliance to Quality Standards	Actual accomplishments	5.0	All or Nothing	Surveillance Audit Passed
						1. Conducted the Integrated Management System (IMS) Organizational Planning on 14 February 2020 and formulated the 2020 IMS work plan; 2. Conducted the 1st Management Review on 11-12 March 2020 at the Eugenio Lopez Center, Antipolo, Rizal; and 3. Drafted the Reconstitution of IMS Working Committees
		Sub-total:	5.0			
Perspective 4: Learning and Growth	SO 6: Enhanced competency and skills of employees					
	SM 12	Percentage of Employees with Required Competencies Met	$\frac{\Sigma \text{Employees with Required Competencies Met}}{\text{Total No. of Employees}}$	5.0	All or Nothing	Increase from 2019 actual competency level
						1. Processed the attendance to formal trainings of the two (2) personnel with competency gaps, based on the schedules/ availability of training programs gathered from various training providers.
		Sub-total	5.0			
		Total Weight	100.0			

Note: ¹¹ Pursuant to the GCG-approved 2020 Performance Scorecard, the target should be updated once the 2019 yearend FOREX Rate is available.