

Power Sector Assets and Liabilities Management (PSALM) Corporation

Component					Board-approved 2022 Performance Scorecard <sup>1/</sup>	Accomplishments (as of 31 March 2022)
Strategic Objective (SO)/ Strategic Measure(SM)		Formula	Weight %	Rating System	Annual Target	Actual
<b>SO 1: Reduced financial obligations (FO)</b>						
SM 1	Amount of Net Reduction in FO	$FO_{previous\ year} - FO_{current\ year}$	30.0	Actual over Target	<b>PHP7.812 billion</b> <small>(Reduction from PHP344.96 billion to PHP337.15 billion) Forex Used: 2020 Year-end rate (PHP48.036 = US\$1.00)</small>	<b><u>PHP15.18 Billion</u></b> <small>(Reduction from PHP355.25 Billion to PHP340.07 Billion) Forex Used: 2021 Year-end rate (PHP50.7740 = US\$1.00) Note: Net of bond discount and issue cost</small>
					<b>PHP31.778 Billion <sup>2/</sup></b> <small>(Reduction from PHP355.25 Billion to PHP323.47 Billion) Forex Used: 2021 Year-end rate (PHP50.7740 = US\$1.00)</small>	
<b>SO 2: Ensured strong financial performance</b> $\Sigma$ Actual Collection						
SM 2	Collection Efficiency for Current Power Sales	$\frac{Collections\ from\ Current\ Power\ Sales}{Current\ Power\ Sales}$	10.0	Actual over Target	<b>OPTION A: 90%</b> <small>Note: Includes the power sales for LASURECO and MAGELCO</small>	<b><u>92.28%</u></b> PHP4.993 Billion PHP5.411 Billion
					<b>OPTION B: 99%</b> <small>Note: Excludes the power sales for LASURECO and MAGELCO</small>	<b><u>96.52%</u></b> PHP4.993 Billion PHP5.174 Billion
SM 3	Amount of Delinquent/ Overdue Accounts Collected					
SM 3a	Problematic Accounts	$\Sigma$ Actual Collection	2.0	Actual over Target	<b>PHP0.007 Billion</b>	<b><u>PHP0.092 Billion</u></b>
SM 3b	Non-problematic/ Clean Accounts	$\Sigma$ Actual Collection	3.0	Actual over Target	<b>PHP0.260 Billion</b>	<b><u>PHP0.105 Billion</u></b>
SM 4	Percentage Share of Overhead Expenses to Total Income	$\frac{(PS + MOOE) - Bad\ Debts}{Total\ Income}$	5.0	Actual over Target	<b>25.48%</b> PHP1.572 Billion PHP6.171 Billion	<b><u>0.93%</u></b> PHP0.120 Billion PHP12.899 Billion
SM 5	Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs)	$\frac{\Sigma UC\ Actual\ Remittance}{Total\ UC\ Collection}$	7.0	Actual over Target	<b>98%</b>	<b>98.31%</b> PHP17.695 Billion PHP17.999 Billion
SM 6	Percentage of UC-ME disbursed to NPC and RE Developers					
SM 6a	Percentage of UC-ME disbursed to NPC	$\frac{\Sigma UC\ Actual\ Disbursement}{Total\ UC\ Remittance}$	2.5	Actual over Target	<b>100%</b>	<b>100%</b> NPC: PHP3.226 Billion PHP3.226 Billion

Perspective 1: Financial

Power Sector Assets and Liabilities Management (PSALM) Corporation

		Component			Board-approved 2022 Performance Scorecard <sup>1/</sup>	Accomplishments (as of 31 March 2022)	
		Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual
	SM 6b	Percentage of UC-ME-REDCI disbursed to RE Developers	$\frac{\text{Total Cash Incentive Disbursed}}{\sum_{i=1}^n G_i r_i}$ Where: n = the number of REDs G <sub>i</sub> = Net Generation in KWH of the i <sup>th</sup> RED r <sub>i</sub> = ERC - approved Cash Incentive Rate for the i <sup>th</sup>	2.5	Actual over Target	100%	100% RE Developers : <u>PHP9.108 Million</u> PHP9.108 Million
		<b>Sub-total:</b>			<b>62.0</b>		
<b>SO 3: Implemented fair and transparent privatization program</b>							
Perspective 2: Customers/ Stakeholders	SM 7.a	No. of Power Assets Successfully Privatized	Actual accomplishments	2.5	Graduated Scale <sup>3/</sup>	• Board Approval on the Commencement of Sale and Issuance of Invitation to Bid (ITB) for the Privatization of Casecnan HEPP <sup>4/</sup>  • Board Approval on the Commencement of Sale for the Privatization of Caliraya-Botocan-Kalayaan (CBK) HEPPs and • Procurement of Consulting Services for the Financial Valuation	The PSALM Board approved and confirmed the readjusted timeline for the privatization of the Casecnan Multi-Purpose Irrigation and Power Project through Board Resolution No. 2022-0323-03 dated 23 March 2022.
	SM 7.b			2.5			
	SM 8	No. of Lots Disposed under Strategic Plan	$\frac{\sum \text{Number of lots disposed}}{\sum \text{Target Number of lots for disposal}}$	10.0	Graduated Scale <sup>5/</sup>	70 lots  + Lots Not Disposed in 2021  *Subject to specific conditions that may hamper disposal <sup>6/</sup>	1. Details of pre-disposal activities are summarized in the attached Annex A -Status Report on Lots for Disposal in CY 2022 as of 31 March 2022
Perspective 2: Customers/ Stakeholders	SM 9	Average Efficiency Rating (ER) on Pre-filed Application of Duty Executed and Notarized Contracts for the Supply of Electric Energy (CSEEs) and Letters of Agreement (LOAs) with Energy Regulatory Commission (ERC)	$\frac{\sum ER}{\text{Total CSEEs/LOAs Pre - filed}}$ Wherein: Numerator : 1 if ER = 100% if pre-filed w/in 60 days; ER = 100% if pre-filed within 61 to 75 days; ER = $[1 - \frac{\text{Actual} - 60 \text{ days}}{60 \text{ days}}] \times 100\%$ Denominator: Total No. of Pre-Filed CSEEs /LOAs	5.0	Actual over target  0% = if Pre-filed more than 75 days	100%	100% 4 Duly Executed and Notarized CSEEs and LOAs Pre-filed with ERC within 60 days
	<b>SO 4: Improved customers' relation and service delivery</b>						
Perspective 2: Customers/ Stakeholders	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 less	90% Satisfied Customers	1. Ongoing formulation of action plans on weak areas identified in the Customer Satisfaction Survey for institutionalization of monitoring system
			<b>Sub-total:</b>			<b>25.0</b>	

Power Sector Assets and Liabilities Management (PSALM) Corporation

Updated 1st Quarter Monitoring Report

Component					Board-approved 2022 Performance Scorecard <sup>1/</sup>	Accomplishments (as of 31 March 2022)	
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual		
<b>SO 5: Adopted effective and efficient financial management system and operational standards</b>							
Perspective 3: Internal Business Process	SM 11	Refund of Dividend Income from Transco for Remittance of Dividends to NG/BTr	$\Sigma$ Actual Collection	3.0	Actual over Target	PHP2.23 Billion <sup>7/</sup>	1. In a letter dated 24 March 2022, the DOF wrote to TransCo, with copy furnished to PSALM, requesting for it to accelerate remittance of its estimated dividend for CY 2021 in the amount of PHP 2.16 billion on or before 12 April 2022. The request is also premised on the DOF's call for a substantial contribution to fund the increase in social expenditures to mitigate the impact of the Russia-Ukraine conflict. 2. In view thereof, PSALM will remit on behalf of TransCo the latter's dividends to NG/DOF amounting to PHP 2.16 billion upon the receipt of TransCo's Board Resolution and letter requesting for the return of its previously declared net profit to PSALM for CY 2021. 3. After coordination and reconciliation with DOF-Corporate Affairs Group, the dividend computation using the 75% rate amounts to PHP2,229,932,225.00
	SM 12	Compliance to Quality Standards	Actual accomplishments	5.0	All or Nothing	ISO 9001:2015 Recertification	1. Conducted IMS organizational planning to discuss the activities needed in preparation for the CY 2022 ISO Internal/External Audits and other IMS related activities including the procurement of ISO Third Party Certifying Body on 18 and 21 February 2022 and 10 March 2022.
	<b>Sub-total:</b>			<b>8.0</b>			
<b>SO 6: Enhanced competency and skills of employees</b>							
Perspective 4: Learning and Growth	SM 13	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 2021 Actual Competency Level	1. Conducted two (2) In-house Training Programs which aimed to enhance employees technical competencies (Energy and Environmental Law, and Laserfiche Document Management System) 2. Sent eight (8) employees to various external training programs which will enhance their technical and leadership competencies.
	<b>Sub-total</b>			<b>5.0</b>			
<b>Total Weight</b>			<b>100.0</b>				

Note: <sup>1/</sup> Officially received by GCG on 31 August 2021.

<sup>2/</sup> Reassessed target per agreement during the Technical Panel Meeting with GCG; comprises of principal financial obligations and excluding Interest and Other charges; the target considers the assumptions using the 2021 yearend FOREX Rate.

<sup>3/</sup>

100%	: Execution of Complete Transaction Documents
95%	: Issuance of Notice of Award
90%	: Declaration of Winning Bidder
80%	: Conduct of Bidding or Negotiated Sale

<sup>4/</sup> Subject to the issuance of Temporary Restraining Order (TRO) Injunction to the National Commission on Indigenous Peoples (NCIP) and Bugkalot IP Group (Bugkalot) by August

<sup>5/</sup>

100%	: Execution of Complete Transaction Documents (Deed of Absolute Sale (DOAS), Joint Venture (JV) Agreement, etc.)
95%	: Issuance of Notice of Award or Receipt of Purchase Price from

**Power Sector Assets and Liabilities Management (PSALM) Corporation**

Updated 1st Quarter Monitoring Report

Component				Board-approved 2022 Performance Scorecard <sup>1/</sup>	Accomplishments (as of 31 March 2022)
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual

Lessee/Buyer	
90%	: Declaration of Highest Bidder or Issuance of Option Existence Notice to Lessee
80%	: Conduct of Bidding or Negotiated Sale

- <sup>6/</sup> Factors or conditions that may affect the disposal of lots under the Strategic Plan:
- Generally, the following conditions may adversely affect the successful disposal of real estate assets under the Strategic Plan:
    - If no or only 1 bidder submitted Bid Documents (Technical and Financial);
    - If no bidder met the Minimum Bid or Offer Price;
    - If bidder failed the Post-Qualification stage; and
    - If bidder refused to accept the NOA or NTP.
  - Failure in bidding will also be declared if the Winning Bidder:
    - failed to remit the full payment of the Purchase Price;
    - failed to execute the Deed of Absolute Sale (DOAS)/Deed of Sale of Shares of Stock (DOSSS); or
    - turnover of the Property did not happen
  - Specific conditions provided in the Indicative Privatization Schedule for Power and Real Estate Assets
- <sup>7/</sup> Based on TransCo's coordination and reconciliation with the DOF-Corporate Affairs Group using the 75% dividend rate subject to DOJ's opinion.