



Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



Management System
 ISO 9001:2015
 www.tuv.com
 ID: 9105060109

03 January 2019

MR. CARLOS G. DOMINGUEZ

Chairman and DOF Secretary

ATTY. IRENE JOY BESIDO-GARCIA

OIC President and CEO (PCEO)

POWER SECTOR ASSETS & LIABILITIES

MANAGEMENT CORPORATION (PSALM)

24th Floor, Vertis North, Corporate Center Astra cor. Lux Drives

Vertis North, Mindanao Avenue, 1105 Quezon City



RE : TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Sec. Dominguez and PCEO Besido-Garcia,

This is to formally transmit the Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard (**Annex B**) of PSALM. The same is to be posted in PSALM's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The PSALM-proposed Charter Statement, Strategy Map and Performance Scorecard submitted on 30 August 2018² were **MODIFIED** based on the discussions made during the technical panel meeting (TPM) held on 17 October 2018 and evaluation of revised documents submitted through its letter dated 31 October 2018.³

We take this opportunity to **REMIND** PSALM that Item 5 of GCG Memorandum Circular No. 2017-02⁴ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN JR.

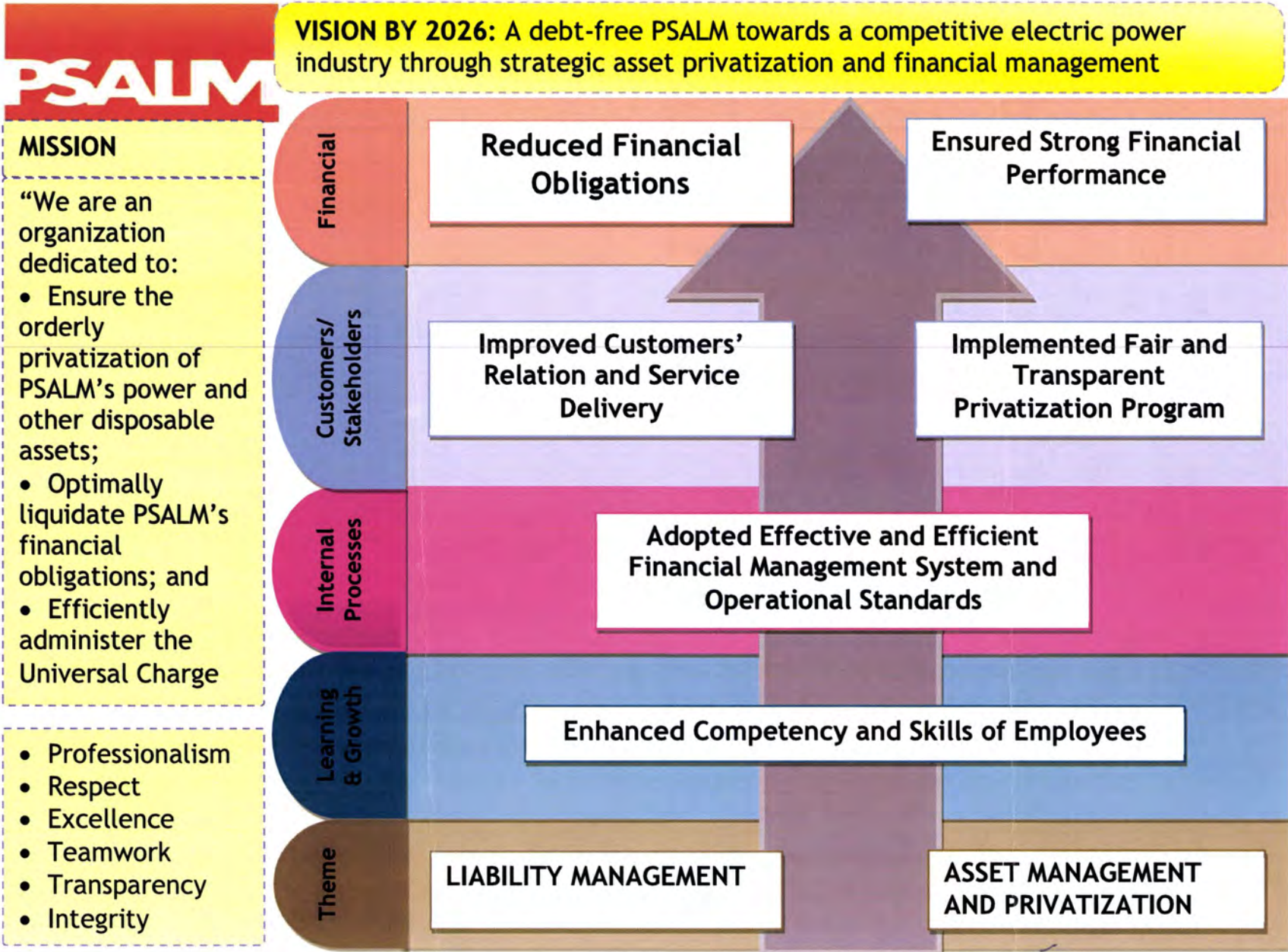
Chairman

MICHAEL H. CLORIBEL
Commissioner

MARITES C. DORAL
Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs, dated 28 November 2012.
² Officially received by the Governance Commission on 3 September 2018.
³ Officially received by the Governance Commission on 12 November 2018.
⁴ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.





POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019	
FINANCE	SO 1	Reduced Financial Obligation (FO)							
	SM 1	Amount of Net Reduction in FO	Previous Year's FO – Current Year's FO	30%	Actual over Target	65.22 Billion	41.91 Billion	45.37 Billion**	11.48 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	96.34% 16.304 B 16.923 B	93.09% 12.212 B 13.119 B	93%	93%
	SM 3	Amount of Delinquent/Overdue Accounts Collected	$\frac{\Sigma \text{ Actual Collection}}{\Sigma \text{ Target Collection}}$	5%	Actual over Target	N/A	₱10.95 Billion	₱15 Billion	₱4.12 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	1.76% ₱0.409 B ₱23.204 B	2.63% ₱0.544 B ₱20.664 B	2.00%	8.92%
	SM 5	EBITDA Margin of Operating Power Assets	$\frac{\text{EBITDA of Operating Power Assets}}{\text{Net Utility Revenue}}$	5%	Actual over Target	12.05% ₱3.038 B ₱25.218 B	19.00% ₱5.381 B ₱28.330 B	4.04% ₱890.4 B ₱22.022.1 B	4.88% ₱1.479 B ₱30.327 B
	SM 6	Universal Charge (UC) Remittance Efficiency of CEs	$\frac{\Sigma \text{ UC Actual Remittance}}{\Sigma \text{ Total UC Collection} + \text{Maintaining balance}}$	7%	Actual over Target	98.48% ₱25.434 B ₱25.827 B	98.42% ₱27.32 B ₱27.76 B	98%	98%

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

†† Using 2017 yearend FOREX Rate (Php49.923 = US\$1). To be updated once the 2018 yearend FOREX Rate is available.

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019	
FINANCE	SM 7	Percentage of UC-ME Disbursed to NPC and RE Developers	$\frac{\Sigma \text{ UC Actual Disbursement}}{\Sigma \text{ Total UC Remittance} + \text{ Maintaining balance}}$	8%	Actual over Target	N/A	N/A	100%	100%
	Sub-total			70%					
STAKEHOLDER	SO 3	Implemented Fair and Transparent Privatization Program							
	SM 8	No. of Power Assets Successfully Privatized	Actual accomplishment	10%	All or Nothing	32 MW PB 104	650 MW Malaya TPP (Deferred. Subject to DOE's Policy Directions)	650 MW Malaya TPP	797.92 MW Caliraya-Botocan-Kalayaan HEPPs
	SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\Sigma \text{ Number of lots disposed}}{\Sigma \text{ Target Number of Lots for Disposal}}$	5%	Actual over Target	12 Bataan CCPP (3) Bohol (2) Tiwi-Makban (7)	0	95 Manila TPP (8) Puerto Azul (2) Naga Property (1) Cebu DPP (21) Aplaya DPP (49) Laoag (1), Malaya TPP (LLA) (5) Pantabangan LLA (OEN) (1) Limay CCTP LLA (OEN) (4), GenSan DPP (Reconveyance) (3)	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)
	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%	Actual over Target 0% = if less than 80%	Satisfactory	≥ Satisfactory Rating	90% Satisfied Customers	90% Satisfied Customers
Sub-total			20%						

	Component				Baseline			Targets	
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019	
INTERNAL BUSINESS PROCESS	SO 5	Adopted Effective and Efficient Financial Management Systems and Operational Standards							
	SM 11	Compliance to Quality Standards	Actual accomplishment	5%	All or Nothing	ISO 9001:2015 Certification	Surveillance Audit Passed	QMS Surveillance Audit – 2 nd Phase; and System on WESM Billing	ISO 9001:2015 Recertification
		Sub-total		5%					
LEARNING AND GROWTH	SO 6	Enhanced Competency and Skills of Employees							
	SM 12	Percentage of Employees with Required Competencies Met	$\frac{\Sigma \text{ Employees with required competencies met}}{\Sigma \text{ Total No. of Employees}}$	5%	Actual over Target	86.67% (Establish Baseline)	78.40% (Re-establish Baseline)	10% increase from 2017 baseline	93.40%
		Sub-total		5%					
	TOTAL		100%						