

**NATIONAL POWER CORPORATION  
Interim Performance Scorecard**

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks	
Description	Formula	Weight	Data Reference if applicable	2014	Actual	Rating	Score	Rating		
<b>MFO 1: Supply of Electricity in Missionary Areas</b>										
Quality 1: Percentage of Readiness of Existing Plants (Equivalent Availability Factor)	$\frac{\sum(\text{Dependable Cap} \times \text{Period Hours} - \text{Losses}) + \sum(\text{Rated Cap} \times \text{Period Hours} - \text{Deactivated Shutdown Hours})}{\sum(\text{Rated Cap} \times \text{Period Hours} - \text{Deactivated Shutdown Hours})}$	4%	Based on Annual Operating Reports	70.15%	66.37%	3.78%	66.37%	3.78%	NPC Monthly Monitoring Report of Performance Targets for Supply of Electricity in Missionary Areas as approved by Mr. Rafael L. Abergas (OIC-Vice President, SPUG).  Onsite validation of the NPC database.	Per NPC, there are 231 missionary areas with 296 SPUGs.  In computing the Equivalent Availability Factor (EAF), available hours pertains to the plant's designated operating hours per year, while period hours is equivalent to 8,760 hours per year (365 days x 24 hours).  Forced Outage Rate (FOR) is the probability that a SPUG is unavailable to generate power.
Quality 2: Percentage of Expected Power Interruption (Forced Outage Rate)	$\frac{\sum(\text{Forced Outage Hours}) + \sum(\text{Operating Hours} + \text{Forced Outage Hours})}{\sum(\text{Operating Hours} + \text{Forced Outage Hours})}$	5%	Based on Annual Operating Reports	0.637%	0.197%	5.00%	0.197%	5.00%		NHR (Btu/kWh) measures the unit's efficiency. A lower heat rate is better, meaning less fuel is consumed to produce the same unit of electricity.
Quality 3: Plant Operation Efficiency (Net Heat Rate in Btu/kWh)	$\frac{\sum(\text{Diesel Fuel Consumption}) \times \text{Ave Diesel Fuel Heating Value} + \sum(\text{Bunker Fuel Consumption}) \times \text{Ave Bunker Fuel Heating Value}}{\sum(\text{Net Generation})}$	5%	Based on Annual Operating Reports	10,839	10,628	5.00%	10,628	5.00%		
Quality 4: Plant Operational Efficiency (Production Cost in ₱/kWh) <sup>-a</sup>	$\frac{\sum[\text{Fuel} + \text{PS} + \text{MOOE} + \text{Depreciation}] + \sum(\text{Gross Generation})}{\sum(\text{Gross Generation})}$	3%	Based on Annual Operating Reports	18.220	15.599	3.00%	15.599	3.00%	NPC Report on Production Cost Per Books for Supply of Electricity in Missionary Areas as certified correct by  Validated submitted Production Cost Per Books for SPUG.	

<sup>-a</sup> Reflecting of old generating plants in 2013 and 2014.

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks
Description	Formula	Weight	Data Reference if applicable	2014	Actual	Rating	Score	Rating	
									Ms. Lorna T. Dy (Vice President, Administration & Finance)  Onsite validation.
Quality 5a: Collection Efficiency w/ ARMM Customers	Total Collections + Total Accounts Receivable	5%	Based on 2013 Collection of Receivables (with ARMM customers)	50.90%	49.47%	4.86%	49.47%	4.86%	NPC Summary Report of Performance Targets for Collection Efficiency as of 31 December 2014 prepared by A.P. Japon (NPC Sr. Dept. Manager, Finance) and approved by L.T. Dy (VP, Administration & Finance)  Validated sample of customer accounts.
Quality 5b: Collection Efficiency w/o ARMM Customers		5%	Based on 2013 Collection of Receivables (without ARMM customers)	94.00%	96.80%	5.00%	96.80%	5.00%	
Quantity 1a: Completed Capacity Additions –Lease (in MW)	$\Sigma$ (Nameplate Ratings of Leased or Commissioned Generation Capacity)	7%	Based on Test & Commissioning Report	42.8	48.20	6.12%	48.20	6.12%	NPC List for Lease of Generating Sets for Various SPUG Plants/Areas  Onsite validation.
									Per NPC list, completed capacity additions by lessors in various plants/areas in 2014, are as follows:  1. Monark Equipment Corporation – 42.2 MW 2. Hastings Motor Corporation – 6 MW  It is more viable to own than to lease generating sets.

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Quantity 1b: Completed Capacity Additions – Commissioned (in MW)				15.41	2.40		2.40		<p>Copies of NPC Certificates of Taking Over of Operations (GenSets Commissioned) for various SPUG areas</p> <p>Onsite validation.</p> <p>Per NPC, ten (3) Diesel Engine Generator Sets (D/G) are already in commercial operation, (based on commissioning reports), as follows:</p> <ol style="list-style-type: none"> <li>1. 2x600 kW Diesel Generating Sets at the Power Barge No. 113</li> <li>2. 1x600 kW D/G Set of Sitangkai Diesel Power Plant</li> <li>3. 1x600 kW D/G Set of Siasi Diesel Power Plant.</li> </ol> <p>Inability to achieve 2014 target was due to delays in some stages of the project.</p>
Transmission Line	$\Sigma(\text{Nameplate Ratings of Leased or Commissioned Generation Capacity})$	3%	Based on Test & Commissioning Report	155.7	3.81	0.18%	3.81	0.18%	<p>Copies of NPC Certificate of Final Completion (Provisional Acceptance) as approved by Mr. Katambayan Celino (VP, Power Engineering Services) and NPC Certificate of Taking Over Operation as approved by RL Abergas and KS Celino.</p> <p>Rehabilitation/Repair of transmission lines pertains to the following projects:</p> <ol style="list-style-type: none"> <li>1. Supply and Erection/Installation of 138kV Steel Towers</li> <li>2. 69kV Steel Poles for Taguilan, Colonia and San Agustin River Crossings in Occidental Mindoro.</li> </ol> <p>Per validation, total distance (ckt.km) of transmission lines per project was not indicated in the contract. It is recommended to include such detail.</p>
Subtransmission Line				15	0		0		<p>Contract No. Log MSSP 2013-11-200-JP</p> <p>No reported accomplishment for this measure.</p>

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks											
Description	Formula	Weight	Data Reference <i>if applicable</i>	2014	Actual	Rating	Score	Rating												
Financial 1: Net Operating Income/(Loss) without UCME (Financial Sustainability) (in ₱ Billion) <sup>-b</sup>	Net Operating Revenue (w/o UCME) - Total Operating Expenses	15%	Based on 2013 Results of Operations	(6.072)	(5.322)	15.00%	(5.322)	15.00%	SPUG Net Operating Loss w/o UCME as certified correct by L.T. Dy (NPC VP, Admin & Finance)	Validated per submitted supporting document.  Two kinds of UCME: 1) SPUG 2) Watershed (requires approval from ERC)  PSALM remits UCME to NPC monthly.										
Financial 2: Amount Allowed for Recovery from ERC-approved Cost Recovery Mechanisms (SAGR, GRAM, ICERA, UCME and UCME True Up) (in ₱ Billion) <sup>-c</sup>	Σ[Actual Approved Amounts (SAGR + GRAM + ICERA + SARR + UCME + UCME True-Up)]	5%	Based on ERC Approval of NPC Petitions	10.080	10.795	5.00%	10.795	5.00%	FY 2014 Net Utility Revenue Report as certified correct by J.M. Mojica.  Onsite validation	Validated per submitted supporting document.										
<b>Subtotal of Weights:</b>		<b>57%</b>				<b>52.94%</b>		<b>52.94%</b>												
<b>MFO 2: Supply of Electricity in the Main Grid</b>																				
Quality 1: Percentage of Readiness of Existing Plants (Equivalent Availability Factor)	Σ(Available Hours) ÷ No of Plants x Period Hours	3%	Based on PSALM Rating	87.43%	92.79%	3.00%	92.79%	3.00%	NPC Report for MFO2: Contribute to the Supply of Electricity in the Main Grid – Operation and Management of Undisposed Plants as signed by VP K. S. Cellino (NPC Performance	PB 103 is non-operational because of the damages sustained during typhoon Yolanda.  Actual EAF per undisposed plants under Operation and Management Contract, are as follows: <table border="1"> <thead> <tr> <th>Plants</th> <th>Actual EAF (%)</th> </tr> </thead> <tbody> <tr> <td>PB 101</td> <td>98.64%</td> </tr> <tr> <td>PB 102</td> <td>97.10%</td> </tr> <tr> <td>PB 104</td> <td>86.03%</td> </tr> <tr> <td>AGUS I and II</td> <td>92.55%</td> </tr> </tbody> </table>	Plants	Actual EAF (%)	PB 101	98.64%	PB 102	97.10%	PB 104	86.03%	AGUS I and II	92.55%
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<sup>-b</sup> Universal Charge for Missionary Electrification (UCME)

<sup>-c</sup> Subsidized/Approved Generation Rate (SAGR), Generation Rate Adjustment Mechanism (GRAM), Incremental Currency Exchange Rate Adjustment (ICERA), UCME and USME True up

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks																			
Description	Formula	Weight	Data Reference if applicable	2014	Actual	Rating	Score			Rating																		
									Engineering Services Group)  Sample of an NPC Memorandum for Monthly Operational Report of a Hydroelectric Plant as signed by the Plant Manager	AGUS IV and V 94.91% AGUS VI and VII 85.56% PULANGI IV 94.75% Weighted Average based on allocated Rated Capacity (RC) per Plant 92.79% Actual FOR per undisposed plants under Operation and Management Contract, are as follows: <table border="1"> <thead> <tr> <th>Plants</th> <th>Actual FOR (%)</th> </tr> </thead> <tbody> <tr><td>PB 101</td><td>0.033%</td></tr> <tr><td>PB 102</td><td>0.023%</td></tr> <tr><td>PB 104</td><td>0.000%</td></tr> <tr><td>AGUS I and II</td><td>0.007%</td></tr> <tr><td>AGUS IV and V</td><td>0.000%</td></tr> <tr><td>AGUS VI and VII</td><td>0.039%</td></tr> <tr><td>PULANGI IV</td><td>0.008%</td></tr> <tr> <td>Weighted Average based on allocated Rated Capacity (RC) per Plant</td> <td>0.016%</td> </tr> </tbody> </table>	Plants	Actual FOR (%)	PB 101	0.033%	PB 102	0.023%	PB 104	0.000%	AGUS I and II	0.007%	AGUS IV and V	0.000%	AGUS VI and VII	0.039%	PULANGI IV	0.008%	Weighted Average based on allocated Rated Capacity (RC) per Plant	0.016%
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Quality 2: Percentage of Expected Power Interruption (Forced Outage Rate)	$\frac{\sum(\text{Forced Outage Hours}) + \sum(\text{Forced Outage Hours} + \text{Service Hours})}{\text{Expected Power Interruption}}$	3%	Based on PSALM Rating	0.33%	0.016%	3.00%	0.016%	3.00%																				
Quality 3: Plant Operation Efficiency (Net Heat Rate in Btu/kWh)	$\frac{\sum(\text{Fuel Consumption w/Generation} \times \text{Ave Fuel Heating Value}) + \sum[\text{Net Generation (net of station use)}]}{\text{Net Heat Rate}}$	3%	Based on PSALM Rating	Assumed privatized	9,212.47	3.00%	9,212.47	3.00%	NPC resumed operations because PSALM was not able to privatize the PBs.  Net Heat Rate (NHR) as a measure of efficiency is applicable only to the Power Barges 101-104 (i.e., for its fuel consumption).  As validated per NPC's supporting documents, actual NHR per plant are as follows: <table border="1"> <thead> <tr> <th>Plants</th> <th>Actual NHR (Btu/kWh)</th> </tr> </thead> <tbody> <tr><td>PB 101</td><td>9,414.40</td></tr> <tr><td>PB 102</td><td>9,295.68</td></tr> </tbody> </table>	Plants	Actual NHR (Btu/kWh)	PB 101	9,414.40	PB 102	9,295.68													
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										PB 104 8,927.34 Weighted Average based on allocated Rated Capacity (RC) per Plant 9,212.47												
Quality 4: Plant Operational Efficiency (Production Cost in ₱/kWh)	$\Sigma(\text{Fuel Expense} + \text{Personnel Services} + \text{MOOE} + \text{Head Office Allocation}) + \Sigma(\text{Energy Sales})$	3%	Based on Annual Operating Reports			3.00%		3.00%		As validated per NPC's supporting documents, actual POE per plant are as follows:												
4a Hydro Plants (Angat, Agus-Pulangi)				0.500	0.13		0.13			<table border="1"> <thead> <tr> <th>Hydro Plants</th> <th>Actual POE (₱/kWh)</th> </tr> </thead> <tbody> <tr> <td>Agus I &amp; II</td> <td>0.14</td> </tr> <tr> <td>Agus IV and V</td> <td>0.19</td> </tr> <tr> <td>Agus VI and VII</td> <td>0.10</td> </tr> <tr> <td>Pulangui IV</td> <td>0.07</td> </tr> <tr> <td>Average</td> <td>0.13</td> </tr> </tbody> </table>	Hydro Plants	Actual POE (₱/kWh)	Agus I & II	0.14	Agus IV and V	0.19	Agus VI and VII	0.10	Pulangui IV	0.07	Average	0.13
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4b Power Barges (PB-101 thru 104)				N/A	10.19		10.19			<table border="1"> <thead> <tr> <th>Power Barges</th> <th>Actual POE (₱/kWh)</th> </tr> </thead> <tbody> <tr> <td>PB 101</td> <td>9.6530</td> </tr> <tr> <td>PB 102</td> <td>11.2240</td> </tr> <tr> <td>PB 104</td> <td>9.7016</td> </tr> <tr> <td>Average</td> <td>10.1929</td> </tr> </tbody> </table>	Power Barges	Actual POE (₱/kWh)	PB 101	9.6530	PB 102	11.2240	PB 104	9.7016	Average	10.1929		
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Quantity 1: Processed IPP Contract Billings (in terms of number of processing days for billings of energy delivered) <sup>d</sup>	N/A	3%	N/A	12	9	3.00%	9	3.00%	NPC- Summary Report on IPP Billings as approved by Sr. Department Manager Rosalito R. Castillo  Quarterly Reports as prepared by the Logistics Department.	NPC was able to process IPP contract billings less days than targeted.												

<sup>d</sup> Number of processing days for billings of energy delivered.

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Description	Formula	Weight	Data Reference <i>if applicable</i>	2014	Actual	Rating	Score	Rating																																		
Quantity 2: Cleaning of Book of Accounts of PSALM and NPC (in ₱ Billion)	N/A	10%	N/A	4.758	3.67	7.71%	3.67	7.71%	NPC Monitoring Report for FY 2014	As of 31 December 2014, NPC accomplished cleaning of books with PSALM for the following accounts: Property Accounts (Retained at NPC's Temporary Registry) – ₱3.585 Billion cleaned (NPC JV reference H000095006; H000095071; H000095075; H000095084; S000098228; MA13052309; MB13122414; MA13122440; MD13122436)																																
<b>Subtotal of Weights:</b>		<b>25%</b>				<b>21.96%</b>		<b>21.96%</b>																																		
<b>MFO 3: Management of Dams and Watershed</b>																																										
Quantity 1: Reforestation of Open Areas (in hectares)	Actual Areas Reforested	3%	Based on Certification by Barangays & LGUs Concerned	250	1,471.8	3.00%	1,471.8	3.00%	NPC Watershed Management Department Accomplishments as signed by Manager E.A. Umali  Copies of Certifications by Barangays and LGUs concerned	<table border="1"> <tr><td colspan="2">Validated with internal records</td></tr> <tr><td colspan="2">UC-EC Funded</td></tr> <tr><td>Reforestation/Agroforestry</td><td>Area (has.)</td></tr> <tr><td>Angat WAT</td><td>25</td></tr> <tr><td>Lake Lanao Agus River WAT</td><td>170</td></tr> <tr><td>Magat WAT</td><td>70</td></tr> <tr><td>Makiing-Banahaw WAT</td><td>10</td></tr> <tr><td>Pantabangan WAT</td><td>25</td></tr> <tr><td>Pulangi WAT</td><td>160</td></tr> <tr><td>San Roque WAT</td><td>1</td></tr> <tr><td>Subtotal</td><td>511</td></tr> <tr><td colspan="2">Implemented through Partnerships</td></tr> <tr><td>Watershed; Partners</td><td>Area (has.)</td></tr> <tr><td>Caliraya-Lumot WAT; DENR</td><td>447</td></tr> <tr><td>Makiing-Banahaw WAT; DENR, EPSON Cooperative, LiMA PCOO Cooperative</td><td>412</td></tr> <tr><td>San Roque WAT; DENR</td><td>100</td></tr> </table>	Validated with internal records		UC-EC Funded		Reforestation/Agroforestry	Area (has.)	Angat WAT	25	Lake Lanao Agus River WAT	170	Magat WAT	70	Makiing-Banahaw WAT	10	Pantabangan WAT	25	Pulangi WAT	160	San Roque WAT	1	Subtotal	511	Implemented through Partnerships		Watershed; Partners	Area (has.)	Caliraya-Lumot WAT; DENR	447	Makiing-Banahaw WAT; DENR, EPSON Cooperative, LiMA PCOO Cooperative	412	San Roque WAT; DENR	100
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									Tiwi WAT; Tree Planting / LGU-Malinao 1.8 Subtotal 960.8 Total Area Rehabilitated 1,471.8 NPC submits certifications from Barangays and LGUs concerned as part of its filing of petition to the ERC.																				
Quantity 2: Mandatory Dam Inspection	No of Inspections Conducted	5%	Based on Certification by PSALM	10	15	5.00%	15	5.00%	NPC conducted a total of 15 inspections to the following dams: <table border="1"> <thead> <tr> <th>Dam</th> <th>No. of inspection</th> </tr> </thead> <tbody> <tr> <td>1. Caliraya and Lumot Dams/Dykes</td> <td>2</td> </tr> <tr> <td>2. Ambuklao Dam</td> <td>2</td> </tr> <tr> <td>3. Binga Dam</td> <td>2</td> </tr> <tr> <td>4. Angat Dam</td> <td>2</td> </tr> <tr> <td>5. San Roque Dam</td> <td>2</td> </tr> <tr> <td>6. Buhi-Barit Dams</td> <td>2</td> </tr> <tr> <td>7. Amlan Dam</td> <td>2</td> </tr> <tr> <td>8. Loboc Dam</td> <td>1</td> </tr> <tr> <td><b>Total:</b></td> <td><b>15</b></td> </tr> </tbody> </table> NPC Report on Dams Management as signed by Manager Romualdo Ma. T. Beltran Copies of Inspection Reports	Dam	No. of inspection	1. Caliraya and Lumot Dams/Dykes	2	2. Ambuklao Dam	2	3. Binga Dam	2	4. Angat Dam	2	5. San Roque Dam	2	6. Buhi-Barit Dams	2	7. Amlan Dam	2	8. Loboc Dam	1	<b>Total:</b>	<b>15</b>
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Quantity 2: No of officials/staff trained per relevant programs	$\Sigma(\text{Actual No of Personnel Trained}) + \Sigma(\text{Personnel Scheduled for Training})$ per Relevant Program	1%	Based on NPC Training Plan Accomplishment Report			1.00%		1.00%	NPC HRD- Training and Development Division Report as signed by VP Lorna T. Dy (NPC-AFG)	Validated submitted supporting documents.			
2a Managerial				20%	120.47%	102.79%	Rank	Actual		Target	%		
2b Supervisory				20%	90.74%	98.29%	M	405		394	102.94%		
2c Rank & File				20%	154.46%	168.52%	S	1,091		1,110	98.29%		
										RF	1,033	613	168.52%
										Total	2,529	2,117	119.46%
Timeliness 1: Timely Procurement of goods and services (in days) <sup>1a</sup>	Processing days from date of advertisement	1%	N/A	90	90	1.00%	90	1.00%	NPC Logistics Department Report on Procurement of Goods and Services as signed by VP Lorna T. Dy (NPC-AFG)	Validated submitted supporting documents.			
									Onsite validation.				
<b>Subtotal of Weights:</b>		<b>3%</b>				<b>3.00%</b>		<b>3.00%</b>					
<b>TOTAL OF WEIGHTS:</b>		<b>100%</b>				<b>93.65%</b>		<b>93.65%</b>					

<sup>1a</sup> Measured by no. of processing days from date of advertisement rather than in percentage.