NATIONAL POWER CORPORATION (NPC) Revalidated 2018 Performance Scorecard

	Compor	rent	Rating	Target	GOCC S	ubmission	GCG V	/alidation				
C	Objective/Measure	Formula	Wt.	System	2018	Actual	Rating	Actual	Rating	Supporting Documents		Remarks
SO 1	Provided Adequate I	Power Supply in N	Missionary A	vreas								
SM1	Supply	∑Plant Dependable Capacity	10.00%	Actual over Target	186.486 MW	158.838 MW	8.52%	158.838 MW	8.52%	Revised Performance Evaluation System (PES) Quarterly and Yearly Report for CY 2018, dated 5 March 2019, signed by Atty. R.T. Teves with attached Summary of 2018 Dependable Capacity, EAF, FOR and NHR per SPUG Onsite validation of NPC database/ system of	Breakdown of d Missionary Areas SPUG Area Luzon Visayas Mindanao Total	ependable capacity in s as follows: Dependable Capacity 89.142 17.534 52.162 158.838
Value - transmining property (Alice			- Andreas - Andr			***************************************		***************************************		Monthly Operations Report		
SO 2	Contributed to the Po	ower Supply in the	e Main Grids	s thru the Aç	gus-Pulangi	Plants						
SO 2	Contributed to the Po	ower Supply in the	e Main Grids	s thru the Ag	gus-Pulangi	Plants			*	Report • NPC CY 2018	Energy Generation as follows:	ı per Agus-Pulangi HEPF
SO 2	Contributed to the Po	ower Supply in the	e Main Grids	s thru the Aç	gus-Pulangi	Plants				NPC CY 2018 Monitoring Report for MinGen Performance	Energy Generation as follows:	
SO 2	Contributed to the Po	ower Supply in the	e Main Grids		gus-Pulangi	Plants				NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by	as follows:	
Control of the Contro		Total Energy		Actual	gus-Pulangi			2.898.84		NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President	as follows:	Total Actual Generat
Control of the Contro	Contributed to the Po		e Main Grids	Actual over		2,898.84 GWh	10.00%	2,898.84 GWh	10.00%	NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President Veloso with attached	as follows: HEPP Agus 1	Total Actual General
Control of the Contro		Total Energy		Actual	2,711.72	2,898.84	10.00%		10.00%	NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President Veloso with attached Summary of 2018 EAF,	as follows: HEPP Agus 1 Agus 2	Total Actual Generat 324.75 556.86
Control of the Contro		Total Energy		Actual over	2,711.72	2,898.84	10.00%		10.00%	NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President Veloso with attached Summary of 2018 EAF, and FOH per HEPPs	Agus 1 Agus 2 Agus 4 Agus 5	Total Actual Generat 324.75 556.86 602.24
Control of the Contro		Total Energy		Actual over	2,711.72	2,898.84	10.00%		10.00%	NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President Veloso with attached Summary of 2018 EAF, and FOH per HEPPs Onsite validation of NPC	As follows: HEPP Agus 1 Agus 2 Agus 4 Agus 5 Agus 6	Total Actual Generat 324.75 556.86 602.24 242.88 435.86
Control of the Contro		Total Energy		Actual over	2,711.72	2,898.84	10.00%		10.00%	NPC CY 2018 Monitoring Report for MinGen Performance Targets reviewed by MinGen Vice President Veloso with attached Summary of 2018 EAF, and FOH per HEPPs	Agus 1 Agus 2 Agus 4 Agus 5	5,56.86 602.24 242.88

N P C | 2 of 8 Revalidated 2018 Performance Scorecard

	Compone	nt		Rating	Target	GOCC S	ubmission	GCG V	alidation					
6	bjective/Measure	Formula	Wt.	System	2018	Actual Rating		Actual Rating		Supporting Documents	Remarks			
SO 3	Ensured Customer/SI	akeholder Satisfa	oction											
SM3	Customer/ Stakeholder Satisfaction Rating	∑Participants' Ratings ÷ No. of Participants	5.00%	(Actual/ Target) If less than 80% = 0%	90% (Using the Standard Methodology and Questionnaire developed by GCG)	86.51%	4.81%	86.51%	4.81%	Customer Satisfaction Survey Report prepared by the Associated Resources for Management and Development, Inc. (ARMDEV)	Based on the provided with ratings by 86.	n "satisfied	l" and "	very satisfie
		Subtotal	25.00%				23.32%		23.33%					
SO 4	Provided Efficient and	i Reliable Power :	Supply in M	lissionary A	reas									
SM4	Percentage of Readiness of Existing Plants (Equivalent Availability Factor)	∑[Dependable Cap x (Period Hours - Outage Hours)] ÷ ∑[Rated Cap x (Period Hours	4.00%	All or Nothing	73.13%	73.146%	4.00%	73.15%	4.00%	Revised Performance Evaluation System (PES) Quarterly and Yearly Report for CY 2018, dated 5 March	Below is the s	ummary of	SPUG o	perations;
	Availability (actor)	- Deactivated Shutdown				-				2019, signed by Atty. R.T. Teves with		EAF (%)	FOR (%)	NHR (BTU / kWh
		Hours)]				e in the second				attached Summary of 2018 Dependable	Luzon	73.164	0.023	10,71
									·	Capacity, EAF, FOR	Visayas Mindanao	72.773 73.234	0.003	11,60
SM5	Percentage of Unexpected Power Interruption (Forced Outage Rate)	∑(Forced Outage Hours) ÷ ∑(Operating Hours + Forced Outage Hours)	4.00%	Actual over Target	0.111%	0.016%	4.00%	0.016%	4.00%	and NHR per SPUG Onsite validation of NPC database/ system of Monthly Operations Report	miderad	73.146	0.016	10,622

		Component			Rating	Target	GOCC S	ıbmission	GCG V	alidation		
	c	Objective/Measure	Formula	Wt.	System	2018	Actual	Rating	Actual	Rating	Supporting Documents	Remarks
	SM6	Plant Operation Efficiency (Net Heat Rate)	[∑(Diesel Fuel Consumption x Ave Diesel Fuel Heating Value) + ∑(Bunker Fuel Consumption x Ave Bunker Fuel Heating Value)] + ∑(Net Generation)	4.00%	Actual over Target	10,612.67 BTU/kWh	10,621.5 0BTU/kW h	3.997%	10,622.0 0BTU/k Wh	4.00%		Rounded-off.
	SO 5	Increased Power Gen	eration in Missio	nary Areas I	Pursuant to	the Approv	ed Budget					
INTERNAL PROCESS	SM 7a	Completed Transmission Lines	Actual Completed Transmission Lines	2.50%	Actual over Target	296.35 ckt-kms	46.79 ckt-kms	0.39%	46.79 ckt-kms	0.39%	Certificate of Final Completion (Provisional Acceptance) issued to S.L. Development Construction Corporation (SLDCC) dated 4 May 2018 Certificate of Turn-over of the Rehabilitation of Calapan-Puerto Galera 69 KV T/L Project	Validated with internal documents.
<u>N</u>	SM 7b	Completed Substation Facilities	Actual Completed Substations (in MVA)	2.50%	Actual over Target	25 MVA	5 MVA	0.50%	0.00	0.00%	Certificate of Project Completion (Provisional Acceptance) issued to S.L. Development Construction Corporation (SLDCC) dated 8 February 2019 Project status as of 31	The supply, delivery, construction/installation, test and commissioning of 5 MVA Codon Loadend S/S Project was completed on 24 January 2019.
					And the state of t	The state of the s		opportunities and the second s	Policina in the control of the contr	The state of the s	December 2018	

	Compone	nt		Rating	Target	GOCCS	ubmission	GCG V	alidation			
6	Objective/Measure	Formula W		System	2018	Actual	Rating	Actual	Rating	Supporting Documents	Rema	irks
SO 6	Contributed to Efficie	nt Operation of C	Generation /	Assets in the	e Main Grid	s						
	Maintained	Σ(Available					ea-a-a-a-a-a-a-a-a-a-a-a-a-a-a-a-a-a-a-		A CONTRACTOR OF THE CONTRACTOR	NPC CY 2018 Monitoring Report for	Breakdown is as follows:	Availability Factor
SM8	Percentage of Readiness of Existing	Hours) ÷	4.000/	Actual	0.4 5750					MinGen Performance	Agus 1 and 2	Availability racto
SIVIO	Plants (Availability	∑(Period	4.00%	over Target	84.75%	86.22%	4.00%	86.22%	4.00%	Targets reviewed by	Agus 4 and 5	87.
	Factor)	Hours)		raiget						MinGen Vice President	Agus 6 and 7	77.
	•									Veloso with attached	Pulangi 4	88.
				a di servicia				***************************************	The same of the sa	Summary of 2018 EAF, and FOH per HEPPs	Availability Factor	86.
SM9	Controlled Unexpected Power Interruption (Forced Outage Hour)	Actual Forced Outage Hour	4.00%	All or Nothing	24 hours	7.374 hrs	4.00%	7.374 hrs	4.00%	Onsite validation of NPC MinGen Monthly Operations Report	Validated with internal do	cuments.
SO 7	Contributed to Sustain	nable Hydro and	Geotherma	l Plant Oper	ations		<u> </u>					
SM 10	Hectares of Open Areas Reforested	Actual∗Areas Reforested	5.00%	All or Nothing	8,393.48 has. (995 has. reforested for 2018)	8,433.48 has. (1,035 has. reforested for 2018)	5.00%	8,433.48 has. (1,035 has. reforested for 2018)	5.00%	2018 Rehabilitation Accomplishments as of 31 December 2018 prepared by the Watershed Management Department Certifications from LGUs.	Breakdown of the areas re Watershed Area Upper Agno San Roque Magat Lake Lanao – Agus River Tiwi Pulangi Angat TOTAL	Total (Has.) 265 10 300 140 10 260 50 1,035
SO 8	Ensured the Structura	l and Operationa	I Safety of I	Dams to Miti	igate Flood	ing in the D	ownstream	Communit	ies			
SM	Maintenance Requirements of	Actual No. of Maintained Activities		Actual		83%		83%	3	Certificates of Final Completion of Works (Provide Sept.)		
3IVI 11	Dams and Other Non- Power Components	Implemented Target No. of	5.00%	Over Target	50%	(19 of 23 maintenance activities	5.00%	(19 of 23 maintenance activities implemented)	5.00%	(Provisional Acceptance) • On-site visit in Agus 6	Validated with internal doc	cuments.

N P C | 5 of 8 Revalidated 2018 Performance Scorecard

	Compone	nt Formula	Wt.	Rating System	Target		ubmission		alidation	Supporting Documents	Remarks
SO 9	process considerant process and constraint and a state	es of Titles/Decre	ees/LRC De	cisions unde OMA lots	2018 er OMA to P	Actual SALM and	Rating Filed Appli	Actual cations/Se	Rating cured Certi	ficate of Titles of Unregister	red/Untitled Lots for Both OMA and Non-OMA
SM 12a	Number of Transferred Certificates of Titles/Decrees and Land Registration Case Decisions under OMA to PSALM, Filed Applications for Titling/Issuance of Certificates of Titles/Decrees of Unregistered/ Untitled Lots, and Surveyed Lots for OMA Properties	Actual No. of Lots with Transferred Certificates of for Titles/Decrees/ LRC Decisions under OMA to PSALM	2.50%	All or Nothing	35 lots	52	2.50%	52	2.50%	Photocopies of Certificates of Titles/Decrees and Land Registration Case Decisions and Acknowledgement	
SM 12b	Number of Filed Applications for Titling or Tenurial Rights/ Issuance of Certificates of Titles/ Unregistered/ Untitled Non-OMA Lots, Reconstructured Deeds of Donation and Surveyed Lots for Non- OMA Properties	Actual No. of Lots with Filed Applications for Titling or Tenurial Rights/Issuanc e of Certificates of Titles, Reconstructur ed Deeds of Donations and Lots Surveyed under Non- OMA	2.50%	Actual over Target	25 lots	57	2.50%	57	2.50%	Receipts from PSALM • Filed Applications • Original Certificates of Title • Transfer Certificates of Title • Deeds of Donations	Validated with internal documents.
and the state of t		Properties			nappe de caración						
		Subtotal	40.00%				35.89%		35.39%		

N P C | 6 of 8 Revalidated 2018 Performance Scorecard

	Compon	ent		Rating	Target	GOCC S	ubmission	GCG \	alidation			
(Objective/Measure	Formula	VVt.	System	2018	Actual	Rating	Actual	Rating	Supporting Documents	Remarks	
SO 10	Exercised Fiscal Pru	dence to Optimiz	e Use of Res	sources								
SM 13a	Fixed Cost Efficiency Ratio in the Missionary Areas	∑[PS + MOOE] ÷ ∑(Energy Sales)	5.00%	Actual over Target	4.73 ₽/kWh	5.40 ₽/kWh	4.29%	5.40 ₽/kWh	4.29%	Summary Computation on Fixed Cost Efficiency Ratio Detailed Fixed Cost for Missionary Areas Other Operating Expenses per Account	NPC failed to maintain its fixed cost efficieratio to 4.73 P/kWh. Detailed Computation: (In Million Pesos) Fixed Cost (A) 2,231.10 Personal Services 874.61 MOOE 1,356.49 Gross Generation (B) 412.90 Efficiency Ratio (A/B) 5.40	
SM 13b	Fixed Cost Efficiency Ratio in the Main Grids (Agus-Pulangi)	Σ[PS + MOOE] ÷ Σ(Energy Sa#es)	5.00%	Actual over Target	0.26 ₽/kWh	0.27 ₽/kWh	4.81%	0.27 ₽/kWh	4.81%	Summary Computation on Fixed Cost Efficiency Ratio Production Cost for the period ending 31 Dec 2018	Detailed Computation: (In Million Pesos) 752.32 Fixed Cost (A) 752.32 Personal Services 406.66 MOOE 345.65 Energy Sales (B) 2,744.16 Efficiency Ratio (A/B) 0.27	
SM 14	OMA Budget Utilization Efficiency Ratio	∑(Miscellaneo us OMA Budget) ÷	5.00%	Actual over	0.06 ₽/kWh	0.06 ₽/kWh	5.00%	0.06 ₽/kWh	5.00%	Summary Computation on OMA Budget Utilization Efficiency Ratio Budget Utilization Report as of 31	Detailed Computation: (In Million Pesos) OMA Budget Utilization 173.65 (A)	
	naiu.	Σ(Energy Sales)	•	Target						Production Cost for the period ending 31 Dec 2018	Personal Services 92.52 MOOE 81.13 Energy Sales (B) 2,744.16 Efficiency Ratio (A/B) 0.06	

N P C | 7 of 8
Revalidated 2018 Performance Scorecard

		Compone	ent		Rating	Target	GOCC S	ubmission	GCG V	alidation		
	(Objective/Measure	Formula	Wt.	System	2018	Actual	Rating	Actual	Rating	Supporting Documents	Remarks
	SO 11	Ensured Adequate Fi	und Sources for S	Sustainabilii	y and Impro	ove Corpora	te Liquidity					
FINANCE	SM 15	Improve Collection Efficiency	Total Collections ÷ Total Accounts Receivable	5.00%	Actual over Target	53.92%	53.03%	4.92%	53.03%	4.92%	NPC SPUG Report on Power Receivables and Efficiency as of 31 December 2018 Statement of Accounts as of 31 December 2018	Detailed Computation: (In Billion Pesos) Total Collections 1,715.55 Total Accounts Receivable 3,234.77 Efficiency Ratio (A/B) 53.03% Failure to achieve the target is due to the following: a) Continued deterioration of BASULTA power accounts; b) Poor payment performance by residential/household customers especially in Masbate PRES, Catbalogan and Sto. Nino mini grid areas; and c) Unrealized targets on the restructuring of overdue accounts of BASULTA and Siasi Electric Cooperative (SIASELCO).
	SM 16	EBITDAS Margin with UCME	EBITDAS ÷ (Total Revenue/Income)	5.00%	Actual over Target	15.52%	14.64%	4.72%	14.64%	4.72%	FY 2018 EBITDAS Margin with UC-ME General Ledger for Revenue and Expense Accounts	Validated with internal documents.
		1	Subtotal	25.00%			Objective Control of C	23.74%		23.74%		

N P C | 8 of 8 Revalidated 2018 Performance Scorecard

	Compone	nt		Rating	Target	GOCC Si	ubmission	GCG V	alidation		
	Objective/Measure	Formula	Wt.	System	2018	Actual	Rating	Actual	Rating	Supporting Documents	Remarks
50 12	Ensured Employee Pr	oductivity and C	Competency								
SM 17	Compliance with Quality Standards	ISO 9001 Certificate awarded	5.00%	All or Nothing	ISO 9001:2015 Certified	ISO 9001:2015 Certified	5.00%	ISO 9001:2015 Certified	5.00%	ISO Certificates issued by AJA Registrars and SOCOTEC Certification International	Certificate issued by SOCOTEC dated 05 April 2018 covering Missionary Electrification, Operation and Maintenance of Undisposed Assets, and Watershed and Dams Management. Certificate issued by AJA Registrars dated 09 December 2018 for the NPC SPUC Mindanao Operations Department.
SM 18	Percentage of Employees with Required Competencies Met	ISO 9001- 2008 Certificate awarded	5.00%	Actual over Target	8% increase from Baseline Competency		4.87%	7.97% increase	4.98%	Report entitled "List of Employees Meeting all the Required Competencies of their Positions" for 2018 Competency Reassessment Sheets of NPC personnel	GCG validated that there were 146 additional NPC employees who met the required competencies of their positions, equivalent to a 7.97% increase from the 2017 competency level of 22.89% (421 out of 1,832 employees).
		Subtotal	5.00%				9.87%		9.98%	***************************************	
		TOTAL	100.00%				92.82%		92.44%		