



NATIONAL POWER CORPORATION

NPB-OCS – 19 - 0009

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel and BAC Chairman

MR. RENE B. BARRUELA
OIC, OVP – Corporate Affairs Group

MS. LORNA T. DY
VP – Administration and Finance

MR. BIENVENIDO G. MAÑALAC
OIC – OVP, PES

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 17 January 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD (NPB), BOARD REVIEW
COMMITTEE (BRC) and THE BOARD NOMINATION AND
REMUNERATIONS COMMITTEE (BNRC)**

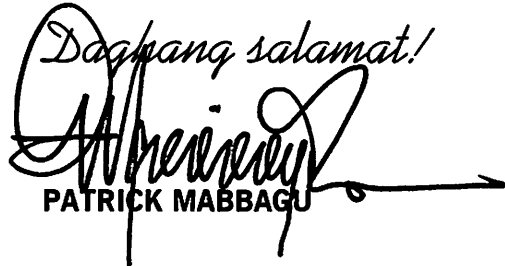
Respectfully submitted for the Management's guidance/appropriate action are the following instructions given/pronounced by the BRC/BNRC during its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
NATIONAL POWER BOARD		
Indicative Calendar of Meetings for CY 2019	Approved	OCS
Supply and Delivery of Oil-Based Fuel to SPUG Power Plants and Barges for CY 2019	Approved	Logistics Department
	The Management was requested to meet with the officials/staff of the Oil Industry Management Bureau to discuss the determination of oil prices.	OCS/Mr.E.C.Talag
	For succeeding fuel procurement(s), the Management was asked to consider re-designing the Terms of Reference (TOR) to enable/encourage other oil players to participate in the bidding process (e.g. regrouping of lots/delivery points).	Fuel Management Division

Award of Contract for the Construction of Power Facilities including Supply, Delivery, Installation, Test and Commissioning of 4x1.0 MW Containerized Diesel Gensets and Auxiliaries for Boac Diesel Power Plant, Marinduque	<p>Approved</p>	<p>Logistics Department</p>
<p>Approval of the Terms of Reference (TOR) and Authority to Implement Five (5) Purchase Requisitions with ABCs above Php 50.0 Million</p>	<p>The Board approved the TORs for the following:</p> <ol style="list-style-type: none"> 1. Supply, Delivery, Installation, Test and Commissioning of 2x1500 kW units of Modular Diesel Generating Sets and Associated Electrical Equipment for Torrijos DPP; 2. Supply, Delivery, Installation, Test and Commissioning of Eight (8) Units of 50 kW Modular Diesel Generating Sets, Associated Electrical Equipment and Balance of Plant for Dipla, Maytegued, Batas and Debangon DPP under the electrification of New Areas in Palawan; 3. Supply, Delivery, Construction, Installation, Test and Commissioning of Pinamalayan Switching Station; 4. Supply, Delivery, Construction, Installation, Test and Commissioning of Sablayan Switching Station; and 5. Construction of SPUG Visayas Operations Department (VOD) Office and Warehouse <p>For items 3 and 4, the implementation shall be subject to DOE's confirmation of NPC's new role as Systems Operator in the Missionary Areas.</p> <p>For item 5, the Management was asked to re-submit the Cost-Benefit Analysis between leasing of office spaces and construction of office building.</p>	<p>Power Engineering Services – Design and Development Department</p>
<p>BOARD NOMINATION AND REMUNERATIONS COMMITTEE/NPB</p>		
<p>Appointment of Personnel under the Office of the Chairman, NP Board</p>	<p>The BNRC/NPB approved and confirmed the appointment of the following effective 01 February 2019:</p> <ol style="list-style-type: none"> 1. Atty. Jamie Liz F. Yu Corporate Staff Officer A (JG 17) Item No. NPB001-01 2. Atty. Joseph Thomas R. Ricalde Executive Assistant A (JG 15) Item No. NPB002-01 	<p>Human Resources Department</p>

Designation of Representatives to the National Renewable Energy Board (NREB)	<p>The BNRC/NPB approved and confirmed the designation of the following:</p> <table border="1"> <tr> <td>P.J. Benavidez</td><td>President and CEO</td><td>Principal Representative</td></tr> <tr> <td>R.B. Barruela</td><td>OIC, OVP-CAG</td><td>First Alternate</td></tr> <tr> <td>M.L.B. Plofino</td><td>SDM, RMS</td><td>Second Alternate</td></tr> </table>	P.J. Benavidez	President and CEO	Principal Representative	R.B. Barruela	OIC, OVP-CAG	First Alternate	M.L.B. Plofino	SDM, RMS	Second Alternate	Corporate Affairs Group
P.J. Benavidez	President and CEO	Principal Representative									
R.B. Barruela	OIC, OVP-CAG	First Alternate									
M.L.B. Plofino	SDM, RMS	Second Alternate									
Fourth Tranche of Salary Increase for Government Workers	<p>Since NPC's Corporate Operating Budget is included in the General Appropriations Act, the BNRC/NPB agreed to wait for the passage of the GAA this February.</p>	Administration and Finance Group									
BOARD REVIEW COMMITTEE/NPB											
Supply, Delivery, Construction, Installation, Testing and Commissioning of 5 MVA San Miguel Substation Project in Kilikilihan, San Miguel, Catanduanes	<p>Approved</p>	Logistics Department									

Daghang salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

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NPB-OCS - 19 - 0029

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** - **MR. RENE B. BARRUELA**
VP/Legal Counsel and BAC Chairman OIC, OVP - Corporate Affairs Group

MS. LORNA T. DY - **MR. BIENVENIDO G. MAÑALAC**
VP - Administration and Finance OIC - OVP, PES

ATTY. ROGEL T. TEVES
VP - Small Power Utilities Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 31 January 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS TAKEN BY THE NATIONAL POWER BOARD (NPB)/BOARD NOMINATION AND REMUNERATIONS COMMITTEE (BNRC)/BOARD GOVERNANCE COMMITTEE (BGC)**

Respectfully submitted for the Management's guidance/appropriate action are the following instructions given/pronounced by the BRC/BNRC/BGC during their meetings held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Filling-up of the VP - CAG position	Having declared the position of the VP-CAG vacant in view of the compulsory retirement of VP U.C. Mendiola, Jr., the Board authorized the immediate filling-up of the said position. Accordingly, the HR Department was directed to publish/post the vacancy and to submit the list of applicants with their credentials etc. to the Board Nomination and Remunerations Committee (BNRC) for its consideration (for the formal selection process, i.e. interview etc.)	OCS and HR Department
Authority of the PCEO to Issue Office Orders re: VP-Mingen and SPUG	The Board directed the OCS to first secure a clearance from the Commission on Election (Comelec). Moreover, upon the instruction of the Board Chairman, the CS was asked to also consult the Civil Service Commission (CSC) just so that the office orders will not be subject to attack.	OCS

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M.B. DOOLITTLE
E.G. DECKY
S. ALTYER
CC:

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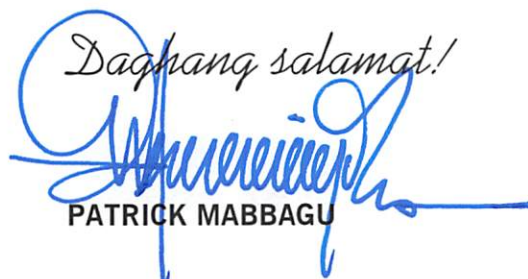
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Designation of Mr. R.M. Manansala to the GCG-ICRS-MIS	Approved	OCS
Amendment to the Manual of Approvals re: Adjustment of the PPMP	<p>In principle, the Board agrees that to achieve operational efficiency without compromising controls, adjustments in the PPMP may be delegated to the <i>Vice President</i>. However, in view of the seemingly restrictive language of Section 7.2 of the IRR of RA 9184 regarding APP, the Board decided to bring the matter to GPPB for clarification.</p> <p>In the meantime, all adjustments of the PPMP, as provided under the 2018 Manual of Approvals, shall still be approved by the President and CEO.</p>	OCS
Implementation of the Amended ER No. 1-94 Program	Noted	- - -
Omnibus Guidelines on Enhancing Off-Grid Power Development and Operation		- - -
BIR Ruling re: Tax Implications of the Reconveyance of Ownership of the NPC-Head Office and Land from PSALM Corporation		- - -
TPI's Arbitration Case		- - -
Entitlement of Cotermious, Contractual and Casual Employees to Step Increment		- - -

Daaghang salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0051

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel and BAC Chairman

MS. LORNA T. DY
VP - Administration and Finance

ATTY. ROGEL T. TEVES
VP - Small Power Utilities Group

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation Group

MR. RENE B. BARRUELA
OIC, OVP - Corporate Affairs Group

MR. BIENVENIDO G. MAÑALAC
OIC - OVP, PES

MS. VEDALISA N. AREVALO
SDM - Internal Audit Department

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 20 February 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BOARD NOMINATION AND REMUNERATIONS COMMITTEE
(BNRC)/BOARD REVIEW COMMITTEE (BRC)**

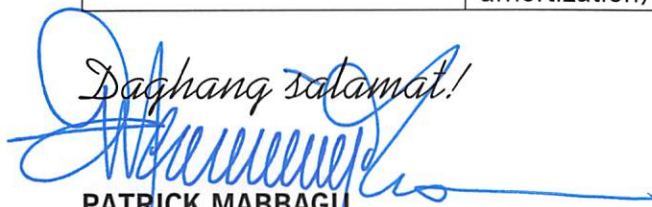
Respectfully submitted for the Management's guidance/appropriate action are the following instructions given/pronounced by the BRC/BNRC during their meetings held yesterday:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
BOARD NOMINATION AND REMUNERATIONS COMMITTEE		
Filling-up of the Administrative Officer A Position	The BNRC elevated the shortlist of candidates to the Administrative Officer A position including recommended applicant for the consideration and approval of the National Power Board.	OCS
	Asec. DMS Rieza-Culangen (DOF) and Dir. R.P. Quilala (DENR) requested the Management to present the gist of the succession plan of NPC.	HRD - Training and Development Division
Filling-up of the Vacancies in the Internal Audit Department (IAD)	[The BNRC, upon the request of Asec. DMS Rieza-Culangen (DOF) and Dir. R.S. Lita (DBM) referred the list of IAD applicants to the Board Audit Committee for consideration/evaluation.]	SDM VN Arevalo

	(The Internal Audit Department will present the BAC-recommended candidates to the BNRC/NP Board on 28 February 2019.)	
Update on the Proposed Movement of Vice Presidents	The BNRC took note of the update(s). (The Corporate Secretary is expected to send a letter to/meet with the Director of the COMELEC Law Department.)	OCS
Proposed Rating System for the Evaluation of Applicants for Executive Level Positions	The BNRC decided to accord its members more time to study and comment on the proposed rubric using the experiences/matrices/forms from their respective agencies. The OCS and HRD were requested to also submit a new proposal (i.e. different relative weight assignments, 'more' calibrated numerical point system for performance, inclusion of eligibility criterion [eg. CES eligibility etc.]	OCS in coordination with HRD
BOARD REVIEW COMMITTEE		
ASEP Report on Energy Efficiency of NPC-SPUG Plants	The recommendations culled from the ASEP Report were elevated to the National Power Board for consideration.	- - -
Proposed Award of Contract for the Rehabilitation and Transfer of the Existing 10MVA Power Transformer at Boac S/S and Supply, Delivery, Construction, Installation, Testing and Commissioning of new 10 MVA Mogpoc Substation Project	Endorsed for the approval of the NP Board While collusion among the bidders is hard to prove, the Management (BAC) was directed to send letters to the bidders requiring them to explain why they submitted bids beyond the ABC or why they seemingly disqualified themselves to 'favor others' (as a result of which, contractors were able to secure at least one (1) project with NPC).	BAC BAC/Logistics Department
Proposed Award of Contract for the Rehabilitation of Minolo-Mamburao 69 kV Transmission Line Project	Endorsed for the approval of the NP Board	BAC

Proposed Award of Contract for the Supply and Erection/Installation of Roxas-Taytay "1" and "2" 69 kV Transmission Line Project	Ensure that in the succeeding procurement activities, separate projects should have separate publication, separate sets of requirements etc. and such fact must be properly communicated/made clear to the bidders during the pre-bid conferences.	BAC/Logistics Department
	The Management was directed to submit a matrix of projects (winning bidders; contract amount etc) classified under the following categories: transmission lines, substation projects, generating sets, other infrastructure projects, etc.	BAC/Logistics Department
	The BRC instructed the Internal Audit Department to look into the procurement process of NPC and to check if a trend can be observed. (eg. how often is there a disqualification due to submission of bids beyond ABC; number of times a bidder submitted regret letters, number of contracts secured/bagged by a bidder/supplier; common reason(s) for disqualification/rejection of bid etc.)	IAD
Approval of the Terms of Reference (TOR) and Authority to Implement Purchase Requisition with ABC above Php 50 Million	Endorsed for the approval of the NP Board	BAC
	Submit ROI analysis/study for the proposed procurement of 2x50 kW Solar PV-Diesel Hybrid System	PES-DDD
Negotiation Parameters with PSALM re: Management and Operation of Agus-Pulangi Power Complex	The BRC directed NPC to discuss the matter with PSALM Management first to limit the issues that will be elevated to the NP/PSALM Board. (NPC was asked to update the Board of the discussions with PSALM on the matter.)	OLC/Mindanao Generation Group
	DOF and DOE requested more time to go through the proposal(s) of NPC considering that the presentation materials were distributed only during the committee meeting.	
Filing of the Plan 16 Petition for Availment of UC-EC Funds in accordance with the NP-Board Approved Integrated Watershed Management Masterplan for NPC Watersheds (Year 2)	Endorsed for the approval of the NP Board	CAG/WMD

Review and Approval of the CY 2018 Financial Statements of NPC	Endorsed for the approval of the NP Board	Finance Group
	The committee members reserved their comments on the Financial Statements since they still require additional time to study the items presented.	
	Indicate in the presentation to the NP Board that the Financial Assistance for the LGU is associated with the ER 1-94 (Financial Benefits to Host Communities)	
	Present the proposed/projected COB of NPC from CY 2020 to CY 2022 (submit how shall NPC be funded if UCME is removed)	
	On the instruction of the DOF Secretary C.G. Dominguez to settle immediately the NPC's dividend arrearages, the Board Resolution (re: 5 equal annual amortization) will be revised/amended.	OCS

Daghang salamat!

PATRICK MABBAGU



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NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0097
MEMORANDUM

For : **MR. PIO J. BENAVIDEZ** *3/1/19*
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** *3/1*
VP/Legal Counsel and BAC Chairman

MR. RENE B. BARRUELA *3/1/19*
OIC, OVP - Corporate Affairs Group

MS. LORNA T. DY *3/1/19*
VP - Administration and Finance

MR. BIENVENIDO G. MAÑALAC *mul 3/1*
OIC - OVP, PES

ATTY. ROGEL T. TEVES *3/1/19*
VP - Small Power Utilities Group

MS. VEDALISA N. AREVALO *3/1*
SDM - Internal Audit Department

MR. EDMUNDO A. VELOSO, JR. *3/1/19*
VP - Mindanao Generation Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 28 February 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS TAKEN BY THE NATIONAL POWER BOARD [and the BOARD NOMINATION AND REMUNERATIONS COMMITTEE of the whole]**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by NP Board during its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Filling-up of the Vacant Positions under the Office of the Corporate Secretary (OCS) and the Internal Audit Department (IAD)	The Board approved and confirmed the appointment of the following (effective 01 March 2019): LEONORA D. VILLALOBOS Administrative Officer A (JG14/SG20) Item No. OCS003-01 Office of the Corporate Secretary MARC O. OCAMPO Internal Auditor A (JG15/SG22) Item No. IAD004-01 Management Audit Division	HRD - Organization and Placement Division

	<p>The Board also approved and confirmed the appointment of the following (effective upon their assumption to duty):</p> <p>MERIAM A. MOLINA Internal Auditor C (JG13/SG18) Item No. IAD006-02 Management Audit Division</p> <p>JASPER ARVIN R. MATEO Internal Auditor C (JG13/SG18) Item No. IAD010-02 Operations Audit Division</p>	HRD – Organization and Placement Division
	The Internal Audit Department (IAD) was asked to require candidates who decided to withdraw/not pursue their application, to submit a letter (or e-mail).	Internal Audit Department
	[Note: As agreed during the Board Review Committee (BRC) Meeting, the Succession Plan and Career Pathing of the National Power Corporation shall be presented to the Board for information.]	HRD – Training and Development Division
Proposed Rating System for the Evaluation of Applicants for Executive Level Positions	<p>The BNRC will convene to deliberate on the results of the interview and assessment conducted in relation to the filling-up of the VP-Corporate Affairs Group (CAG) position.</p> <p>The BNRC will also discuss the evaluation rubric/rating system that will prospectively be applied to all applicants for executive-level positions in the corporation.</p>	OCS in coordination with HRD
ASEP Report on Energy Efficiency of NPC-SPUG Plants	The Board instructed the Management to look into the ASEP Report and to consider adopting the strategies recommended to improve the efficiency of NPC-SPUG Power Plants .	Small Power Utilities Group (SPUG)
Proposed Award of Contract for the Rehabilitation and Transfer of the Existing 10MVA Power Transformer at Boac S/S and Supply, Delivery, Construction, Installation, Testing and Commissioning of new 10 MVA Mogpoc Substation Project	<p>The Board approved (in principle) the award of the project. However, considering that the General Appropriations Act (GAA) is not yet signed by the President of the Philippines, the OCS will only release the corresponding Certification/Attestation and the Board Resolution upon showing by the Finance Group that the funding issue is already settled.</p> <p>At the risk of superfluity therefore, the Notice of Award and Notice to Proceed will be withheld. (The Finance Group was directed to ensure that the foregoing project is included in the SARO for 2019 and/or reflected in the GAA/Congress-approved CY 2019 Corporate Operating Budget)</p>	Logistics Department in coordination with the Finance Group

	<p>The Management was directed to submit a report of compliance to the previous BRC instruction (i.e. to require bidders to submit a written explanation why they submitted bids beyond the ABC)</p>	Bids and Awards Committee/ Logistics Department																								
	<p>The Management was asked to submit a matrix of projects/contracts that were approved by the National Power Board (Infrastructure/Goods) based on the following categories: SCB and LCB.</p> <p>The following format may be used:</p> <table><tr><th colspan="4">INFRASTRUCTURE</th><th colspan="4">GOODS</th></tr><tr><th>Company</th><th>Total Amount</th><th>SCB</th><th>LCB</th><th>Company</th><th>Total Amount</th><th>SCB</th><th>LCB</th></tr><tr><td>XYZ</td><td>123B</td><td>2</td><td>18</td><td>XYZ</td><td>123B</td><td>2</td><td>18</td></tr></table>	INFRASTRUCTURE				GOODS				Company	Total Amount	SCB	LCB	Company	Total Amount	SCB	LCB	XYZ	123B	2	18	XYZ	123B	2	18	Logistics Department
INFRASTRUCTURE				GOODS																						
Company	Total Amount	SCB	LCB	Company	Total Amount	SCB	LCB																			
XYZ	123B	2	18	XYZ	123B	2	18																			
Proposed Award of Contract for the Rehabilitation of Minolo-Mamburao 69 kV Transmission Line Project	<p>The Board (in principle) approved the proposed award subject to the same guidance/ compliance issued for the Mogpog Project.</p>	Logistics Department in coordination with the Finance Group																								
Proposed Award of Contract for the Supply and Erection/Installation of Roxas-Taytay “1” and “2” 69 kV Transmission Line Project	<p>The Board approved the award of the project.</p> <p>The Board also reiterated its previous instruction to, “ensure that in the succeeding procurement activities, separate projects should have separate publication, separate sets of requirements etc. and such fact must be properly communicated/made clear to the bidders during the pre-bid conferences”.</p>	Bids and Awards Committee/ Logistics Department																								
Approval of the Terms of Reference (TOR) and Authority to Implement Purchase Requisition with ABC above Php 50 Million	<p>The Board approved the Terms of Reference.</p>	Power Engineering Services/ Logistics Department																								
Filing of the Plan 16 Petition for Availment of UC-EC Funds in accordance with the NP-Board Approved Integrated Watershed Management Masterplan	<p>The Board approved the filing with the ERC of the Plan 16 Petition for Availment of UC-EC.</p>	Corporate Affairs Group (Watershed Management Department)																								

Review and Approval of the CY 2018 Financial Statements of NPC	The Board approved the CY 2018 Financial Statements.	Finance Group
	<p>In principle, the Board agreed to amend Resolution No. 2017-29 which previously authorized the Management to settle the arrears for CY 2012-2015 in five (5) equal annual amortization of Php 594.2 Million. Following DOF's request, the remaining three (3) amortizations shall be remitted to the National Treasury in CY 2019.</p> <p>Considering however that the outright/one-time remittance of arrears can affect the retained earnings of the corporation as manifested by VP Lorna T. Dy, the Board instructed the Management to meet and discuss with the DOF-Corporate Affairs Group the proposed schedule of payment.</p>	

Daghang Salamat!

PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0122

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ** *3/21/19*
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** *3/21/19*
VP/Legal Counsel and BAC Chairman

MR. RENE B. BARRUELA *3/21*
VP - Corporate Affairs Group

MS. LORNA T. DY *3/21/19*
VP - Administration and Finance

MR. BIENVENIDO G. MAÑALAC *3/21*
OIC - OVP, PES

ATTY. ROGEL T. TEVES *3/21/19*
VP - Small Power Utilities Group

MS. VEDALISA N. AREVALO *3/21*
SDM - Internal Audit Department

MR. EDMUNDO A. VELOSO, JR. *3/21*
VP - Mindanao Generation Group

ATTY. MANUEL LUIS B. PLOFINO *3/21*
SDM - Resource Management Services

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 20 March 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS TAKEN BY THE NATIONAL POWER BOARD/BOARD REVIEW COMMITTEE**

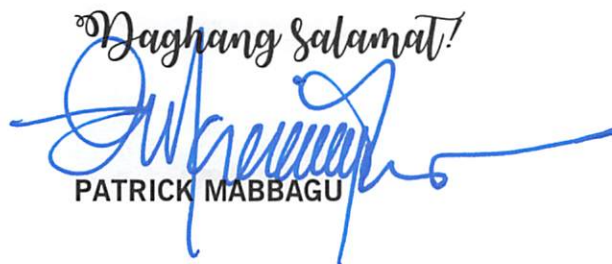
Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by NP Board/BRC during their meetings held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
[SPECIAL] NATIONAL POWER BOARD MEETING		
Filling-up of the VP-CAG Position	The National Power Board approved and confirmed the appointment of MR. RENE B. BARRUELA as the new Vice President - Corporate Affairs Group (CAG) (Item No. CAG001-01, JG18/SG28).	Human Resources Department
Manifestation of Dir. R.P. Quilala regarding the Procurement Process of NPC	The manifestation of Dir. R.P. Quilala regarding the need to review the procurement process of NPC was referred to the Internal Audit Department.	Internal Audit Department
	While the Board recognized that the IAD needs at least four (4) months to finish the assessment, IAD was directed to present preliminary reports/findings to the Board at the soonest time possible.	

	The BAC Chairman underscored that the procurement process of NPC is fair and transparent and is conducted based on the existing procurement laws and regulations. Hence, IAD's assessment of the bidding procedures is very much welcomed by the Management.	
BOARD REVIEW COMMITTEE MEETING		
Protest of HLYC Trading for the Bidding for Lot No.5 – Fuel Hauling Services for NPC-SPUG Power Plants and Barges for CY 2019	The Committee agreed to send a formal query to the DILG (Legal Services) to help the Board in resolving the protest.	OCS, OLC and BAC/Logistics Department
Filing of NPC-SPUG's 18th GRAM and ICERA Petition-Applications	[Endorsed for the consideration/approval of the NP Board]	Corporate Affairs Group (Electricity Tariff Division/RMD)
Award of Contract for Supply, Delivery, Installation, Test and Commissioning of Generator Transformers and Line Materials for various SPUG Power Plants	[Endorsed for the consideration/approval of the NP Board]	BAC Chairman
CY 2018 Performance Scorecard and Accomplishment Report	[Endorsed for the consideration/approval of the NP Board]	Corporate Affairs Group (SBPD – CPD)
	Asec. D.M.S. Rieza-Culangen reminded the Management that Sec. C.G. Dominguez wants NPC to review/revisit the collection efficiency formula.	Finance Group
Result(s) of NPC's Customer Satisfaction Survey for CY 2018	[Endorsed for the information of the NP Board]	Corporate Affairs Group (SBPD – Corporate Planning Department)
Decommissioning Plan for NPC Plants, Units and Barges (First Batch)	[Endorsed for the consideration/approval of the NP Board]	CAG-SPUG

Publication in Newspapers of General Circulation of NPC's Bidding Opportunities	With NP Board Resolution 2018-45 as reference, the Committee reiterated that as a good governance policy, all projects/procurement-related matters requiring the approval by the NP Board must be published in newspapers of General Nationwide Circulation to encourage and promote competitive procurement process.	BAC/Logistics Department
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Daghang Salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0149

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel and BAC Chairman

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MS. LORNA T. DY
VP - Administration and Finance

MR. BIENVENIDO G. MAÑALAC
OIC - OVP, PES

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation Group

ATTY. MANUEL LUIS B. PLOFINO
SDM - Resource Management Services

ATTY. ROGEL T. TEVES
VP - Small Power Utilities Group

From **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date 28 March 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BOARD GOVERNANCE COMMITTEE/
NATIONAL POWER BOARD**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by NP Board/BGC during their meetings held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
BOARD GOVERNANCE COMMITTEE [OF THE WHOLE]		
PSALM Board Meeting in Mindanao	The Board Chairman expressed his gratitude to the NPC Management especially to the Mindanao Generation Group for the hospitality extended by the Corporation to the Members of PSALM Board and Management Committee.	- - -
Board Meeting in a SPUG Area	The Board intends to hold a Board Meeting either in Palawan (El Nido to Puerto Princesa or Puerto Princesa to El Nido) or in a SPUG area in Cebu. ¹	OCS in coordination with SPUG

¹ The Board is inclined to hold a meeting in Palawan considering the investment and contribution of NPC in the power development program in the said province (i.e. transmission lines, substations, new power plants/sites etc.).

Corporate Governance Scorecard Report	Upon the recommendation of Pres. P.J. Benavidez, the Board agreed to write GCG and call their attention regarding the delay in assessing the Corporate Governance practices of GOCCs. The Board took note that it is not fair to use old data/submissions (i.e. 2016) and make it appear that the assessment is current (i.e. 2018).	OCS
	The following recommendations were also adopted and carried:	
	<ul style="list-style-type: none"> Creation of a Corporate Governance Compliance Committee (CGCC): Chair : Corporate Secretary Vice Chair : Representative – CAG Members : Representative – Finance Group Representative – HR Department <p><i>Note: The President and CEO was authorized to sign the Memorandum Order (to be prepared by OCS).</i></p>	OCS/OP
	<ul style="list-style-type: none"> Establishment of e-feedback mechanism (e.g. feedback@napocor.gov.ph) 	CGCC in coordination with HR and ITSD
	<ul style="list-style-type: none"> Inclusion of a <i>Training Policy</i> in the Revised NPC Manual of Corporate Governance 	CGCC in coordination with HRD-TDD
	<ul style="list-style-type: none"> In the Annual Report, include a statement that the Management/Board did review the Vision/Mission/Strategy of NPC citing as reference the Board Resolution(s) approving the Performance Scorecard; Accomplishment Report; Missionary Electrification Plan/Strategic Plan etc. 	CGCC in coordination with Corporate Communications Division
	<ul style="list-style-type: none"> Merger of the Board Review Committee and Board Risk Management Committee (BRRMC) 	OCS/CGCC
	<ul style="list-style-type: none"> Development of a Performance Evaluation Tool for Board/Committee/Directors 	OCS/CGCC
	<ul style="list-style-type: none"> Presentation of the Context of Organization for the information of the National Power Board 	OCS/CGCC and QMR/Chief Risk Officer

	<ul style="list-style-type: none"> Creation of Code of Ethics Task Force Chair : Corporate Secretary Vice Chair : Representative - OLC Members : Representative – HR Department Representative – CAG Representative – IAD <p>[PGEA and EXA, per directive of the NP Board must be consulted in the drafting of the Code.]</p> <p><i>Note: The President and CEO was authorized to sign the Memorandum Order (to be prepared by OCS).</i></p>	OCS/OP
Succession Program of National Power Corporation	The National Power Board lauded the NPC Management for developing a Succession Program for the Corporation and recognized Pres. P.J. Benavidez' initiative/thrust to train emerging managers of the company through the In-House MBA Program with the Far Eastern University (FEU) – Graduate School.	HRD-TDD
	The National Power Board asked the Management to expand the pool of potential successors to various positions in the corporation. Potential leaders/managers should be continually trained and engaged by assigning to them special responsibilities/tasks.	
	The Management should ideally apprise potential successors that they are being/can be considered for higher position so that they will be encouraged to excel at work. The Board recognized that 'competition' among emerging leaders will also help improve NPC's corporate performance.	
	For succeeding Board/Board Committee Meetings, the Management may consider asking the concerned Department or Division Manager to present Board matters/items. (The Board notes that this practice could help build their presentation/communication skills.)	OP/ Management Committee

REGULAR BOARD MEETING		
Protest of HLYC Trading for the Bidding for Lot No.5 – Fuel Hauling Services for NPC-SPUG Power Plants and Barges for CY 2019	The National Power Board decided to deny the protest of HLYC Trading ² .	OCS in coordination with BAC and OLC
	OCS was requested to discuss the Board's decision with Usec. E.V. Densing III. (The requested letter-opinion from DILG can be used as reference by the NP Board/NPC Management in resolving similar future protest(s).	
Filing of NPC-SPUG's 18th GRAM and ICERA Petition-Applications	[Approved]	CAG (Electricity Tariff Division/RMD) in coordination with OLC
	Upon the recommendation of Usec. F.W.B. Fuentebella, the Board asked the Management (Corporate Affairs Group) to engage NEA and hold 'dialogues' with electric cooperatives so that the application of NPC for the 18th GRAM and ICERA will not be met with opposition.	
	Upon the recommendation of Exec. Dir. R.V. Angeles, the Board requested the Management to include in the communication plan of NPC, public awareness of ICERA, GRAM, UC-EC, UCME applications. (Infographics or short video clips [in layman's terms] may be posted in the corporation's social media account/website).	CAG (Corporate Communications Division)
Award of Contract for Supply, Delivery, Installation, Test and Commissioning of Generator Transformers and Line Materials for various SPUG Power Plants	The Board approved the award of the contract in favor of Argent Ventures, Inc. for submitting the Lowest Calculated and Responsive Bid (LCRB), in the amount of Php 67,848,880.00.	BAC/Logistics Department
CY 2018 Performance Scorecard and Accomplishment Report	[Approved for submission to GCG]	CAG (SBPD - CPD)
	The Board, acting on the observation of Dir. R.P. Quilala and Pres. P.J. Benavidez instructed the Management to develop a mechanism to cross-validate the actual hectares of land reforested in a given year.	CAG (SBPD – CPD and WMD)

² The *Decision* is still being circulated for the signature of the Board Members.

	<p>The Board, acting on the recommendation/observation of Usec. F.W.B. Fuentebella instructed the Management to already report to the Board the results of the OMA Negotiations with PSALM.</p> <p>The Board expressed its willingness to schedule a special joint NPC-PSALM Board meeting to review the OMA (especially the contested terms/provisions).</p> <p>Usec. F.W.B. Fuentebella underscored that NPC should be given operational and functional autonomy regarding the management and operation of the Agus-Pulangi Hydroelectric Power Complex, citing as basis the most recent blackout in Mindanao (i.e. response rate/lag time).</p>	Management Committee																																				
Result(s) of NPC's Customer Satisfaction Survey for CY 2018	<p>[Noted]</p> <p>The Board instructed the Corporate Affairs Group to:</p> <ul style="list-style-type: none"> ▪ Revisit the survey methodology to eliminate possible bias/hostility against NPC ▪ Revisit the survey questionnaire ▪ Revisit the identified list of NPC customers (e.g. Dams/Watershed Management Departments) 	CAG (SBPD - CPD)																																				
Decommissioning Plan for NPC Plants, Units and Barges (First Batch)	<p>The Board approved the Decommissioning Plan for the following NPC Plants, Units and Barges (First Batch):</p> <table border="1"> <thead> <tr> <th>POWER FACILITY/ASSET</th> <th>LOCATION</th> <th>NUMBER OF UNITS</th> </tr> </thead> <tbody> <tr> <td>Jose Abad Santos DPP</td> <td>Davao Occidental</td> <td></td> </tr> <tr> <td>Paluan DPP</td> <td>Occidental Mindoro</td> <td>2</td> </tr> <tr> <td>Cabilao DPP</td> <td>Bohol</td> <td></td> </tr> <tr> <td>Lubuagan DPP</td> <td>Kalinga</td> <td>1</td> </tr> <tr> <td>Bantayan DPP</td> <td>Cebu</td> <td>5</td> </tr> <tr> <td>Siquijor DPP</td> <td>Siquijor</td> <td>2</td> </tr> <tr> <td>Busuanga DPP</td> <td>Palawan</td> <td>7</td> </tr> <tr> <td>Tablas DPP</td> <td>Romblon</td> <td>3</td> </tr> <tr> <td>Roxas DPP</td> <td>Palawan</td> <td></td> </tr> <tr> <td>Polilio DPP</td> <td>Quezon</td> <td>1</td> </tr> <tr> <td>Power Barge 111</td> <td>Sultan Kudarat</td> <td></td> </tr> </tbody> </table>	POWER FACILITY/ASSET	LOCATION	NUMBER OF UNITS	Jose Abad Santos DPP	Davao Occidental		Paluan DPP	Occidental Mindoro	2	Cabilao DPP	Bohol		Lubuagan DPP	Kalinga	1	Bantayan DPP	Cebu	5	Siquijor DPP	Siquijor	2	Busuanga DPP	Palawan	7	Tablas DPP	Romblon	3	Roxas DPP	Palawan		Polilio DPP	Quezon	1	Power Barge 111	Sultan Kudarat		CAG, SPUG, OLC, AFG
POWER FACILITY/ASSET	LOCATION	NUMBER OF UNITS																																				
Jose Abad Santos DPP	Davao Occidental																																					
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Lubuagan DPP	Kalinga	1																																				
Bantayan DPP	Cebu	5																																				
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Polilio DPP	Quezon	1																																				
Power Barge 111	Sultan Kudarat																																					

Publication in Newspapers of General Circulation of NPC's Bidding Opportunities	The Board directed the BAC/Logistics Department to inquire (during the next Suppliers' Forum) how bidders learn about the procurement opportunities in the Corporation. If it is established that newspaper advertisement is already an unpopular source of information, the Board will accordingly repeal Resolution 2018-45.	BAC/Logistics Department
	<p>In the meantime, as a good governance policy, all projects/procurement-related matters requiring the approval by the NP Board will still be published in newspapers of general nationwide circulation to encourage and promote competitive procurement process.</p> <p><i>Note: The initial agreement is for NPC to continue publishing the procurement opportunities of the company for six (6) months. This period however may be shortened as soon as the report of BAC/Logistics Department is presented to the National Power Board.</i></p>	
Management's Compliance to Previous Instructions	<p>The Board took note of the following:</p> <ul style="list-style-type: none"> ▪ Submission of the Management of the "List of Contractors with Contracts Approved by the National Power Board for CY 2017-2018 [Infrastructure and Goods]" ▪ Submission of the Management of the copy of the letter-reply of DMCI regarding the submission of bid above the ABC (re: Boac Substation Project). 	- - -
Financial Contribution of Some Electric Cooperatives in favor of PHILRECA Party List	Usec. F.W.B. Fuentebella informed that DOE/NEA also received NASECORE's letter on the matter. He said that NEA Board will discuss the same during its meeting on 29 March 2019.	- - -
Other Matters	Usec. F.W.B. Fuentebella asked the Management to coordinate with the Department of National Defense (DND) [if warranted] in implementing critical projects/programs of the NPC-SPUG (i.e. security concerns).	CAG and SPUG
	Usec. F.W.B. Fuentebella asked the Management to make a report regarding the effect/applicability of Executive Order No. 75 s. 2019 to the Corporation.	OLC

	In view of the manifestation of Usec. F.W.B. Fuentebella regarding the use of investment/agency to agency fora to promote economic growth, Pres. P.J. Benavidez said that the NPC Management will come up with Business Development Plan(s) in the missionary areas (e.g. lower electricity rates for ice plant operators/rice threshers etc).	CAG
	Usec. F.W.B. Fuentebella informed that DOE will be releasing guidelines/policy regarding multiple use of reservoir (e.g. solar projects).	CAG

Daghang Salamat!

PATRICK MABBAGU

Receiving copy



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 301

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ** 4/25
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** 4/25
VP/Legal Counsel
BAC Chairman

MR. RENE B. BARRUELA 4/25
VP - Corporate Affairs Group

MS. LORNA T. DY 4/25/19
VP - Administration and Finance

MR. BIENVENIDO G. MAÑALAC 4/25/19
OIC - OVP
Power Engineering Services

MR. EDMUNDO A. VELOSO, JR. 4/25/19
VP - Mindanao Generation Group

ATTY. MANUEL LUIS B. PLOFINO 4/25
SDM
Resource Management Services

ATTY. ROGEL T. TEVES 4/25/19
VP - Small Power Utilities Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 24 April 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BOARD REVIEW AND RISK MANAGEMENT
COMMITTEE (BRRMC)**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by BRRMC during its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
NPC's Strategic Plan for CY 2019-2023	[Endorsed for NP Board approval with an instruction to ensure that NPC's programs are aligned with the thrusts of the Department of Energy]	CAG
	The CY 2022-2023 Targets for Strategic Direction No. 2 (Strategic Initiative of achieving 100% Electrification of targeted/identified unelectrified households based on the 2015 census in all missionary areas) must be revised as soon as the	CAG

	deliverables/outputs of NEA and DOE are made known.	
	Aside from the OMA, the BRRMC acknowledged the position of Pres. P.J. Benavidez that the IPP Contracts must be reviewed. It must be clear who should administer/manage the contracts when the stipulated periods end. To formally bring the matter to the attention of the Board, the Management may consider submitting a Memorandum.	RMS and OLC
	Include in the presentation to the Board (footnote to a presentation slide), the universe of lots that need to be titled (Main Grid and Off-Grid)	CAG in coordination with OLC
Application for the Grant of the Performance-Based Bonus (PBB) for CY 2018 to Qualified NPC Officers and Employees	[Endorsed for NP Board approval subject to the validation/adjustment by the GCG]	CAG in coordination with HR Department
	During the Board Meeting, the actual number of officials/employees who are entitled to PBB should be indicated/reflected (i.e. Top 10%, Next 25% and Remaining 65%)	
NPC's Missionary Electrification Plan for CY 2020-2024	[Endorsed for NP Board approval]	CAG
	While the BRRMC supports the idea of capacitating NPC as Systems Operator in the missionary electrification areas, the Management was advised to prepare and consider TransCo's aggressiveness to perform SO functions (per Dir. R.P. Quilala's manifestation).	CAG
	Note: Usec. FWB Fuentebella informed that NPC can focus on the off-grid area while TransCo on the main grid area.	
Proposed FY 2020 Corporate Operating Budget (COB) of the National Power Corporation	[Endorsed for NP Board approval, subject to further review by the Department of Budget and Management]	Finance Group
	During the Board Meeting, the breakdown of the budget proposal for <i>Other Services</i> should be presented.	
	Clarify whether it is proper to charge the salaries (i.e. Fourth Tranche) of COA personnel assigned to NPC against NPC's Corporate Operating Budget	

Request for Reconsideration, re: 2019 NPC Performance Scorecard	The BRRMC members concurred with the position of PCEO that it may be too early to request for a reconsideration of the 2019 targets. Accordingly, the proposal was denied without prejudice to resubmitting the same during the third quarter of the year.	CAG
Designation of Atty. Manuel Luis B. Plofino as Data Privacy Officer of the National Power Corporation	[Endorsed for NP Board's approval]	
NPC Landholdings which are suitable for Agriculture [for distribution to qualified beneficiaries] as provided under Executive Order No. 75, s. 2019	<p>[The BRRMC took note of the Management's Memorandum]</p> <p>[Endorsed for NP Board's formal notation]</p>	- - -
Update: Protest of HLYC Trading for the Bidding for Lot 5 – Fuel Hauling Services for NPC-SPUG Power Plants and Barges for CY 2019	[The Decision is still being circulated for the signature of the Members.]	OCS
Motion for Reconsideration on Post Disqualification of Joint Venture of Konstrutek Builders and Technical Services, Inc., and V&P Engineering [China] Ltd., re: Supply, Delivery, Installation, Test and Commissioning of 29 Units of Generating Sets for Luzon (Schedule IV) and 13 Units of Generating Units for Visayas (Schedule V) Request of A.G. Araja Construction and Development Corporation for Suspension of 11 April 2019 Bidding for the 3x1.5 MW Generating	<p>Considering that these matters are still pending with the NPC Bids and Awards Committee (BAC), the BRRMC deferred the discussion on the letters/complaints.</p> <p>The BAC was requested to inform the Board how the issues raised by suppliers/complainants are resolved.</p>	Bids and Awards Committee/ Logistics Department

Sets for Kalamansig Diesel Power Plant		
Letter to Pres. Rodrigo R. Duterte from "Concerned NPC Employees" regarding the Procurement of Generating Sets for NPC-SPUG		

Daghang Salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS – 19 – 559

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ** - 5/2/19
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** - 5/2/19
VP/Legal Counsel
BAC Chairman

MR. RENE B. BARRUELA - 5/2/19
VP – Corporate Affairs Group

MS. LORNA T. DY - 5/2/19
VP – Administration and Finance

MR. BIENVENIDO G. MAÑALAC - 5/2/19
OIC – OVP
Power Engineering Services

MR. EDMUNDO A. VELOSO, JR. - 5/2/19
VP – Mindanao Generation Group

ATTY. MANUEL LUIS B. PLOFINO - 5/2/19
SDM
Resource Management Services

ATTY. ROGEL T. TEVES - 5/2/19
VP – Small Power Utilities Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 30 April 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD**

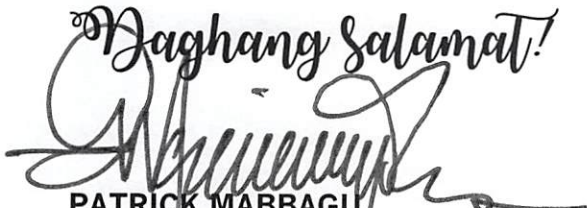
Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by National Power Board during its 2229th meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
NPC's Strategic Plan for CY 2019-2023	Approved	CAG
	Include in the OMA discussion(s) with PSALM the necessity of reviewing the IPP contracts	RMS and OLC
	Submit a <i>Memorandum</i> to the NP Board/Chairman to lay down NPC's concerns/position on the following: 1. Who should administer/manage the IPP contracts when the corporate life of PSALM ends (i.e. NPC? DOF-CAG? Other private parties?)	

Application for the Grant of the Performance-Based Bonus (PBB) for CY 2018 to Qualified NPC Officers and Employees	Approved	CAG in coordination with HR Department
	The exact amount should be provided to OCS before Board Resolution No. 2019-28 is circulated for signature.	
NPC's Missionary Electrification Plan for CY 2020-2024	Approved	CAG and SPUG
	Under Strategic Direction No. 3 (Promotion of Low Carbon Future), NPC should include in its RE portfolio, ocean technology.	
	On the request for exemption from ER 1-94, the Management was asked to write DOE Usec. F.W.B. Fuentebella.	
Proposed FY 2020 Corporate Operating Budget (COB) of the National Power Corporation	Approved, subject to further review by the Department of Budget and Management	Finance Group
Request for Reconsideration, re: 2019 NPC Performance Scorecard	Denied, without prejudice to resubmitting the same during the third quarter of the year	CAG
Designation of Atty. Manuel Luis B. Plofino as Data Privacy Officer of the National Power Corporation	Approved	
NPC Landholdings which are suitable for Agriculture [for distribution to qualified beneficiaries] as provided under Executive Order No. 75, s. 2019	Noted	...
Update: Protest of HLYC Trading for the Bidding for Lot 5 – Fuel Hauling Services for NPC-SPUG Power Plants and Barges for CY 2019	The Decision is still being circulated for the signature of the Members.	OCS
Motion for Reconsideration on Post Disqualification of Joint Venture of Konstrutek Builders and Technical Services, Inc., and V&P Engineering [China] Ltd.,	Considering that these matters are still pending with the NPC Bids and Awards Committee (BAC), the Board deferred the discussion on the letters/complaints.	Bids and Awards Committee/ Logistics Department

[Handwritten signature]

<p>re: Supply, Delivery, Installation, Test and Commissioning of 29 Units of Generating Sets for Luzon (Schedule IV) and 13 Units of Generating Units for Visayas (Schedule V)</p> <p>Letter to Pres. Rodrigo R. Duterte from "Concerned NPC Employees" regarding the Procurement of Generating Sets for NPC-SPUG</p>	<p>The BAC was directed to inform the Board how the issues raised by suppliers/complainants are/were resolved.</p>	
<p>Request of A.G. Araja Construction and Development Corporation for Suspension of 11 April 2019 Bidding for the 3x1.5 MW Generating Sets for Kalamansig Diesel Power Plant</p>	<p>The Board directed the BAC to submit a Memorandum (Comment) (i.e. whether the bidding pushed through etc.)</p>	<p>Bids and Awards Committee/ Logistics Department</p>

Daghang Salamat!

PATRICK MABBAGU

Mr. Bing Estela *Ms 5/2*
 Mr. Odette Rivero *Ms 5/2*
 Mr. RA Villarin *2 5/2*
 Mr. V Arriostoso *cmv 5/2*
 Mr. AP Jagon *2 5/2*



NATIONAL POWER CORPORATION

NPB-OCS – 19 - 0591

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** **MR. RENE B. BARRUELA**
VP/Legal Counsel VP – Corporate Affairs Group
BAC Chairman

MS. LORNA T. DY **MS. VEDALISA N. AREVALO**
VP – Administration and Finance Senior Department Manager - IAD

ATTY. ROGEL T. TEVES
VP – Small Power Utilities Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 23 May 2019

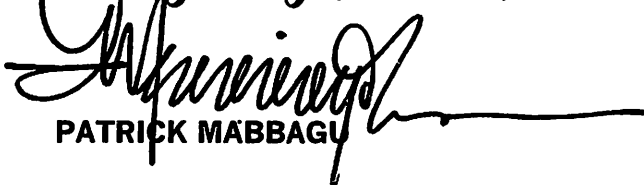
Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD/BOARD REVIEW AND
RISK MANAGEMENT COMMITTEE**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by National Power Board during its 2230th meeting held on 22 May 2019:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
SPECIAL BOARD MEETING		
Resolution of HLYC Trading's Protest for the Bidding for Hauling Services - Lot No. 5	Deferred [The recent submission of HLYC (timelines) and the presentation of the Management shall first be studied by the Board Members].	OCS/OLC
DOJ Opinion on the Authority of the NPC-SPUG to enter into Bilateral Contracts with Power Generation Companies	Noted It was unanimously agreed that no bilateral contract shall take effect or shall be entered into by NPC without prior approval by the NP Board.	CAG and SPUG in coordination with OLC
BOARD REVIEW AND RISK MANAGEMENT COMMITTEE MEETING		
Proposed Board Meeting and Visit/Inspection to NPC-SPUG Power Facilities	Approved (20-23 June 2019, Palawan)	OCS in coordination with SPUG

Memorandum from the VP-OLC regarding the Term of Office of BAC Members	The Committee endorsed for NP Board's approval the designation of VP Rogel T. Teves as BAC Chairman (effective 01 June 2019). It was also agreed that the present BAC members (i.e. M.L.B. Plofino, D.L.Buenafe II, L.E. Bomediano, H.S. Galang and S.P. Villafuerte) shall continue to be in office until they are replaced.	OCS
FY 2019 Corporate Operating Budget (Proposed GAA Level as Realigned Augmentation) with	Regarding the settlement of dividend arrearages, Usec. B.H. Agabin and Asec. D.M.S. Rieza-Culangen shall confirm with Sec. C.G. Dominguez when should the fourth and fifth payments be made. Accordingly, the Finance Group was advised to prepare COB realignments with two scenarios i.e. dividend arrears settled in full this year or in 2020.	Finance Group
	To ensure smooth discussion of the COB during the Board Meeting, the Management was advised to discuss the proposal with DBM.	OCS/ Finance Group
	On the payment of subsidies to the New Power Providers (NPPs) [which are/were absorbed by NPC and eventually passed on to and recovered from the electricity consumers], the Management was directed to write ERC to convey the following concerns: 1. the seemingly different treatment (NPC vs. NPPs) in approving the /granting provisional approvals for tariff applications; and 2. the tariff determination process (timeline). The Board Members especially those from DOF and DOE must be given copy of the letter.	Corporate Affairs Group (Electricity Tariff Division, Revenue Management Department)
	The Management was instructed to present/establish the authority of the National Power Board to decide on the actions requested. Moreover, the Management was asked to look for documents that can prove that the	Welfare Fund (Provident Fund Board)
NPC Welfare Fund Report		

	ownership of the lots is no longer with NPC.	
Correspondences from the JV of Konstrutek Builders and Technical Services Inc. and V&P Engineering China Ltd.	The Committee Members requested that they be given more time to study the issues raised by the contractors/suppliers and the position of the NPC-BAC.	BAC/OLC
Correspondences from AG Araja Construction and Development Corporation regarding the Procurement of Generating Sets for SPUG Visayas and Mindanao		
BOARD AUDIT COMMITTEE MEETING		
Initial Report on the Procurement Activities of NPC	<p>The Committee instructed IAD to finish the report and provide an in-depth analyses of the procurement activities of NPC. (e.g. common reasons for the bidding failures; mode of procurement; determination whether the procurement timelines were observed)</p> <p>Upon the recommendation of the President and CEO and Board Chairman, the Committee also advised the auditors to refine the data especially the pie chart which shows the value of the PRs processed at the Head Office (show the breakdown [e.g. PES-HO, SPUG-HO, AFG-HO etc])</p>	IAD

Magandang Salamat!

PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS – 19 - 0612

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel
BAC Chairman

MR. RENE B. BARRUELA
VP – Corporate Affairs Group

MS. LORNA T. DY - Arlyn 5/31
VP – Administration and Finance

MS. VEDALISA N. AREVALO 8 5/31
Senior Department Manager
Internal Audit Department

ATTY. ROGEL T. TEVES 5/31
VP – Small Power Utilities Group

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 30 May 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by National Power Board during its 2231st meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Resolution of HLYC Trading's Protest for the Bidding for Hauling Services - Lot No. 5	<i>Deferred</i>	OCS/OLC
DOJ Opinion on the Authority of the NPC-SPUG to enter into Bilateral Contracts with Power Generation Companies	Noted It was unanimously agreed that no bilateral contract shall take effect or shall be entered into by NPC without prior approval by the NP Board.	CAG and SPUG in coordination with OLC
Proposed Board Meeting and Visit/Inspection to NPC-SPUG Power Facilities	Approved (20-23 June 2019, Palawan)	OCS in coordination with SPUG

<p>Memorandum from the VP-OLC regarding the Term of Office of BAC Members</p>	<p>The Board approved the designation of VP Rogel T. Teves as BAC Chairman (effective 01 June 2019) vice VP Melchor P. Ridulme.</p> <p>It was also agreed that Atty. M.L.B. Plofino, Atty. D.L. Buenafe II, Ms. L.E. Bomediano, Engr. H.S. Galang and Engr. S.P. Villafuerte) shall continue to serve the BAC as members until end of September 2019. (Thereafter, the Management shall reconstitute the committee.)</p> <p>The Board also gave VP R.T. Teves an elbowroom to identify and recommend NPC personnel who will be part of the technical working groups.</p>	<p>HRD (For the Issuance of the Office Order)</p>
<p>25.0 MW Genset Rental for Occidental Mindoro</p>	<p>The National Power Board agreed in principle to address the looming power crisis in Occidental Mindoro through lease of generating sets. However, the Board recognized that the Management cannot proceed with the proposed lease without a categorical pronouncement from the Department of Energy.</p> <p>Accordingly, the Board instructed the Management to confirm with DOE Sec. A.G. Cusi the instruction to lease power supply in Occidental Mindoro. The funding source should also be confirmed since the proposal was not included in the CY 2019 COB.</p> <p>Considering that the proposed lease could set a precedent (i.e. for areas with NPPs) the Board instructed the Management to request for a policy direction/issuance from DOE (cc DOF).</p> <p>While waiting for the policy direction, the Management was asked to already prepare the terms of reference.</p>	<p>SPUG</p>
<p>FY 2019 Corporate Operating Budget (Proposed GAA Level as Realigned with Augmentation)</p>	<p>DOF Asec. D.M.S. Rieza-Culangen informed that based on the agreement with the DOF-CAG, the fourth and fifth amortizations to wipe out the previous years' dividend arrears shall be settled in FY 2020.</p>	<p>Finance Group</p>
	<p>The National Power Board approved the realigned COB with augmentation. However, in view of the Comments from DBM, the MOOE allocation will be revisited for possible adjustments. (OCS will circulate the resolution once the requested adjustments are made).</p>	<p>OCS/ Finance Group</p>

	<p><i>Since not all MOOE items were 'contested' by DBM, OCS will issue attestations (e.g. augmentations to cover for NPP expenses; and capital outlay) pending the final MOOE adjustments in order to facilitate the processing and settlement of pending claims; and to kickstart the procurement/implementation of projects.</i></p> <p>The Board requested the Management to write ERC (cc DOF and DOE) regarding the pending tariff applications of NPC.</p>	
<p>Correspondences from the JV of Konstrutek Builders and Technical Services Inc. and V&P Engineering China Ltd.</p>	<p><i>The Board instructed the NPC-BAC to:</i></p> <p>1.) address the issues raised by Konstrutek and Araja; and</p> <p>2.) provide a 'simpler' presentation (list down all the issues/allegations and the position of the BAC [short answers]).</p> <p><i>The Management was also directed to review the terms of reference.</i></p>	CAG-RMD
<p>Correspondences from AG Araja Construction and Development Corporation regarding the Procurement of Generating Sets for SPUG Visayas and Mindanao</p>		BAC/OLC
<p>Filling-up of Vacancies in the Internal Audit Department</p>	<p>The Board instructed IAD/OCS to first confirm with the Board Audit Committee (BAC) [Chairman-DBM] if it is acceptable to them that the evaluation/assessment of the candidates will be delegated to the IAD managers. [Pres. P.J. Benavidez and Dir. R.P. Quilala however manifested that following the ORA-OHRA, the BNRC will conduct an interview to ensure that the appointments will not be questioned/invalidated by the CSC.</p>	IAD/OCS

Magandang Salamat!

PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 -0656

MEMORANDUM

For : **MR. FLO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel

MS. LORNA T. DY
VP - Administration and Finance

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 02 July 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BRRMC | BGC | NATIONAL POWER BOARD**

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. BIENVENIDO G. MAÑALAC
OIC-OVP - PES

ATTY. MANUEL LUIS B. PLOFINO
SDM - RMS

MS. VEDALISA N. AREVALO
SDM - Internal Audit Department

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the Board Review and Risk Management Committee, National Power Board and Board Governance Committee during their meetings held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Board Review and Risk Management Committee Meeting		
Construction of New NPC Head Office Building at Minuyan, SJDM, Bulacan	<p>The Management was informed that the masterplan and conceptual design for the Diliman Complex will be presented to the PSALM Board this month (July)</p> <p>While the details have yet to be discussed, the NPB/TransCo/PSALM Board Chairman (DOF) informed that:</p> <ul style="list-style-type: none">the existing/original Locsin buildings will be 'carved-out' of the mixed-used development (i.e. there will be a separate/special/alternate plan for the existing NPC/NGCP buildings considering that the properties may	Management Committee



	<p>eventually be declared cultur significant);</p> <ul style="list-style-type: none"> all power sector GOCCs (TransCo, PSALM, NPC etc. and probably, ERC and maybe NGCP) will be housed in a modern power center with sufficient floor and office spaces; to generate revenues and to maximize the retail estate value of the Diliman complex, some spaces will be leased out to the private sector; instead of selling the Diliman property, the government will enter into JV/PPP agreements to transform the site into a competitive business and commercial center. <p>DOF clarified that NPC, PSALM and TransCo will not be 'kicked-out' of the Diliman Complex.</p> <p>The Management was asked to name a representative to PSALM's special committee for the Diliman Masterplan¹. (DOF assured the Management that NPC will be informed/updated about the proposed developments for the Diliman property.)</p>	
	<p>Considering that the construction of a head office building in Minuyan is not yet off the table as the Management maintains that it (the construction) can still be an option for the government, the Committee asked the Management to:</p> <ul style="list-style-type: none"> Review the project cost and design (i.e. the head office should ideally be an energy efficient - green structure that follows the DPWH/industry standards for green architecture; hence Php 262M may not be enough citing the fund allocation by PDIC for the renovation of its building) Present vicinity maps/location maps (i.e. how far is Minuyan Complex from the MRT-7 Station and from other important offices and establishments (i.e. SM/Starmall, City Hall, Passenger Terminals etc.) 	<p>PES-DDD</p> <p>PES-DDD</p>

¹ OCS was informed that upon the instruction/request of DOF, PSALM will send a formal invitation to NPC.

	Furnish the Board/OCS the results of the survey previously conducted by NPC-HRD	VP-AFG/ HRD
	Note: NP Board might visit/inspect the Minuyan Complex and a Board Meeting may be held there as well.	OCS and SPUG-LOD
CY 2020 NPC Performance Scorecard	On SM 6a and 6b: <ul style="list-style-type: none"> Ensure that the transmission line projects of NPC are aligned and consistent with the Philippine Distribution Plan (i.e. the design of the existing and proposed transmission and substation facilities of NPC should generally be compatible with the main grid system when interconnection happens) 	PES/SPUG/ CAG
	On SM 10a and 10b: <ul style="list-style-type: none"> In view of the the difficulty of securing titles for NPC/PSALM assets, negotiate with GCG to change the formula (outcome per process instead of title i.e. completion of survey, tax declaration, settlement of ownership issues, e.g. unaccepted donations etc.) Present the latest status/report/statistics on the titling efforts of OLC (OMA and Non-OMA) 	OLC
	On SM 13 and 14: <ul style="list-style-type: none"> Following the comments of Sec. CGD of DOF, consider proposing with GCG a different and better formula (not cash flow vs. balance sheet) 	Finance Group
	Endorsed for NP Board approval	CAG
	The Committee congratulated the Management because of the World Bank Report which cited the corporation's missionary electrification effort.	Management Committee
Supply, Delivery, Installation, Test and Commissioning of 22 Units of Modular Diesel Generating Sets for Mindanao SPUG Areas	Clarify the nature of the procurement (goods or infrastructure)	BAC Chairman/Logistics
	Provide a more detailed chronology/procurement timeline	
	Using the previous experiences of NPC, provide examples of foreign companies (which participated in NPC's procurement processes) that were able to submit tax clearances.	
	Present the page/portion of the TOR that mandated bidders to "submit continuous power ratings consistent with ISO 8528 requirements/standards"	



	Provide the name of persons/company/certifying body that attested and validated the load test report(s)	
	Endorsed for NP Board approval	
Construction of SPUG Visayas Operations	Endorsed for NP Board approval	BAC Chairman
CY 2020 Institutional Contract Hiring	<p>Firm up the Reorganization Plan of NPC</p> <ul style="list-style-type: none"> Proposed table of organization [for discussion by the NP Board prior to submission to GCG and DBM] Reorganization timeline (2019-2020) <p>The HR Department was also instructed to present to the NP Board how will the Management move out from the 'endo scheme' (i.e. the eventual absorption by NPC of the institutional contract hires)</p>	HRD
	The Management should come up with a policy that institutional contract hires who have satisfactorily served the corporation for at least five (5) years (provided they meet the qualification standards), be given 'priority' in the placement of candidates/filling-up of vacancies.	HRD
	The Committee asked the Management to encourage NPC employees/COS/JO personnel who still do not have appropriate eligibility to take the Civil Service Exam.	
	<p>Present the following data (re: manpower augmentation)</p> <ul style="list-style-type: none"> Number and classification of support personnel (e.g. no. of accountants, engineers etc.) General grouping of personnel (i.e. number of administrative/office support staff; number of technical and supervisory-level hires) Deployment site(s)/reporting stations/locations 	HRD
	Endorsed for NP Board approval	
National Power Board Meeting		
NP Board Visit in Palawan	The Board expressed its commendation and appreciation to the SPUG-Palawan Operations Division and to Gov. Jose Ch Alvarez for the hospitality extended to the NP Board and the Management Committee Members during their recent visit to Palawan.	OVP-SPUG
Confirmation of Board Resolution No. 2019-35 re: Early Remittance of Dividends to the National Treasury	Approved and confirmed	...

Authority of the President/VP-OLC to sign the TOR re: PDRCI Case No. 94-2018	The Board authorized the OLC to represent NPC in the arbitration proceedings and authorized the President and CEO/VP-OLC to sign the Terms of Reference.	OLC
	The Board also gave the VP-OLC the freehand with regards to the suggestion of writing PDRCI and obtaining a copy of the TOR prior to signing (TOR to be sent via electronic mail).	
Sale of Land Underlying the defunct Laoag DPP	The Board decided to revoke Resolution No. 91-272 as requested by the PSALM Board.	OLC
Procurement-related items	Noted	
COA Report on NPC's Accounts and Operations	Upon request of DBM, the Board agreed to first refer the matter to the Board Audit Committee for discussion.	IAD
Modification made to NPB Resolution No. 2019-15	Noted	
Board Governance Committee Meeting		
Approval of the PBI for Appointive Directors	Approved; The requirements for grant must be submitted to GCG within 40 days (from 21 June 2019) as stated in GCG Memorandum Circular No. 2018-04.	OCS and HRD-Compensation and Benefits Division

Daghang Salamat!

PATRICK MABBAG





NATIONAL POWER CORPORATION

NPB-OCS - 19 -0703

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

MS. LORNA T. DY
VP - Administration and Finance

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

MR. BIENVENIDO G. MAÑALAC
OIC-OVP - PES

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 30 July 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the National Power Board during its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
CY 2020 NPC Performance Scorecard	APPROVED Provide Dir. R.P. Quilala (thru OCS) the following: ➤ list of real properties the titling applications of which are still pending with the DENR; and ➤ summary of other issues/concerns of NPC pertaining to power plant operations (i.e. permitting and licensing requirements) and the requested action/proposed solutions/interventions Note: Dir. R.P. Quilala committed to make representations before the various DENR bureaus/offices in favor of NPC.	OLC (LLRD)
		PES-EMD in coordination with SPUG
	Noting the previous instruction of Sec. CGD, the Board directed the	CAG in coordination

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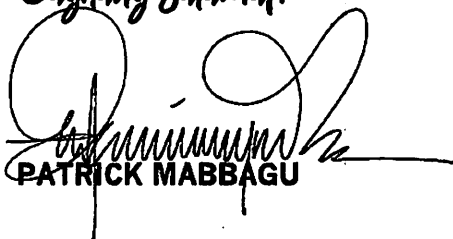
	<p>Management to still propose a new formula for Strategic Measure No. 13 (for presentation in the next BRC as a special item)</p> <p>Note:</p> <p>While the Board authorized the submission of the CY 2020 Scorecard to GCG, SM 13 is subject to a footnote that NPC was directed by the DOF Secretary to propose a new formula.</p>	with the Finance Group
Supply, Delivery, Installation, Test and Commissioning of 22 Units of Modular Diesel Generating Sets for Mindanao SPUG Areas	APPROVED	Logistics Department
Construction of SPUG Visayas Operations	APPROVED	Logistics Department
CY 2020 Institutional Contract Hiring	<p>Noting that the Joint CSC-COA-DBM Circular No. 1 s. 2018 actually authorizes government agencies to engage the services of Contract of Service (COS) and Job Order (JO) workers through individual contracts, the Board directed the Management to pursue hybrid hiring of personnel for CY 2020 (wherein, some workers will be directly engaged by NPC, while some will be hired under institutional contract scheme).</p> <p>The Board took note that direct engagement may actually generate savings for the government (i.e. no need to allocate budget for profit margins; and non-payment of VAT etc.)</p> <p>Present (for the BRC/Board's information) the following:</p> <ul style="list-style-type: none"> ▪ adopting a hybrid hiring scheme: <ul style="list-style-type: none"> · (estimate) – number of ICH workers · (estimate) – number of COS/JO personnel ▪ area of assignment/deployment (broken down per island group, i.e. Luzon, Visayas, Mindanao) <p>The Board asked the Management to expedite the filling-up of vacant positions. It also urged the HR Department to meet with CSC officials and request for 'chain promotion' (take the case of CSC's authorization for DBM [and NEDA]).</p> <p>In convincing CSC, the Management may present and capitalize on NPC's success rate (i.e. percentage of</p>	HR Department

	validated appointment).	
Proposed Timeline for NPC Reorganization	<p>Based on the presentation of the Management, the Board agreed in principle that the existing Table of Organization may no longer be attuned to the needs of the present times thus reorganization is necessary. However, the steps for reorganization laid down under the GCG Guidebook should be followed. Accordingly, the Management was directed to first present the proposal at the BRC level.</p> <p>The Management was asked to prepare the following (GCG Guidebook):</p> <ul style="list-style-type: none"> ▪ the governance structure <ul style="list-style-type: none"> ○ boundaries for decision-making ○ participatory planning and implementation ○ Change Management Team CMT/TWG (include a representative from DOF/DOE) <p>Note: The NPB Chairman asked the Management to include the Corporate Secretary and if also feasible, Usec. F.W.B. Fuentebella.</p> <ul style="list-style-type: none"> ▪ the guiding principles <ul style="list-style-type: none"> ○ objectives that the GOCC want to attain through the reorganization (clarify: reduction, rightsizing, expansion (partial or total reorganization etc.) ○ how will the reorganization plan support government thrusts (new mandate etc.) ○ optimal state of the GOCC ○ how will the reorganization help the employees ○ how will the reorganization plan be conducted <p>The Management should (at the later step of the reorganization) be able to</p>	<p>HR Department in coordination with other functional groups</p>



	<p>present the corresponding PS costs to NPC's production/generation rate as a result of the reorganization.</p> <p>The Board should also have an idea how much will the reorganization cost (expected separation pay etc.)</p>	
Designation/Reassignment of NPC Executives	<p>The Board recognized that the President and CEO should have a freehand in identifying the members of his management team. Accordingly, it approved and confirmed:</p> <ul style="list-style-type: none"> the continued reassignment of Messrs. E.A. Veloso, Jr. and R.T. Teves to the OVP-Mindanao Generation and SPUG, respectively the designation of Mr. Rafael L. Abergas as OIC-OVP-PES beginning 01 August 2019 	HR Department
Signed Terms of Reference re: Arbitration Case (TPI vs. NPC)	NOTED	---
Letter from GCG re Designation of Appointive Directors	NOTED	---
UCME-Subsidy Agreement (NPC-QUEZELCO-REP)	<p>The Board agreed that NPC should manifest to ERC its reservation to pay the difference between the TCGR for Polillo and the provisionally granted rate noting that electricity consumers will eventually shoulder the burden. Apparently, ERC used a wrong TCGR and NPC cannot be faulted if it strives to rectify the blunder.</p>	OLC in coordination with CAG
ERC Petition for CY 2020 UCME	APPROVED	OLC in coordination with CAG
Interim Change in the Manual of Approvals (Mindanao Generation) - Approving Authority for ABC - Over Php 10 Million - Item No. 4; (Subject 10.2)	<p>APPROVED</p> <p>The Board authorized the President and CEO to be the signing authority for ABCs exceeding Php 10 Million.</p> <p>Note:</p> <p>For the other proposed changes to the Manual of Approvals, the Management was asked to prepare the statistics and such other documents in support of the said proposals.</p>	Logistics Department and the Mindanao Generation Group

Daghang Salamat!


PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0742

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** **MR. RENE B. BARRUELA**
VP/Legal Counsel VP - Corporate Affairs Group

MS. LORNA T. DY **MR. RAFAEL L. ABERGAS**
VP - Administration and Finance OIC-OVP - PES

MR. EDMUNDO A. VELOSO, JR. **ATTY. MANUEL LUIS B. PLOFINO**
VP - Mindanao Generation SDM - RMS

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 23 August 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BRRMC AND BNRC**

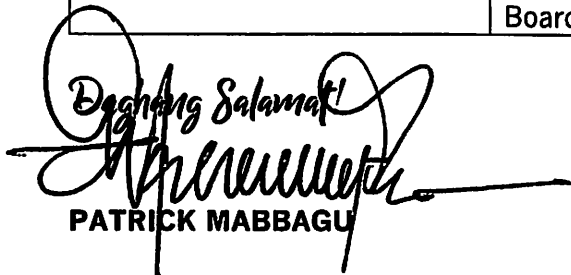
Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the BRRMC and the BNRC during their meetings held on 22 August 2019:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
BOARD REVIEW AND RISK MANAGEMENT COMMITTEE		
Amendments to NPC Circular No. 2017-018, re: Policy Guidelines for the Implementation of Projects for the Generation, Substation and Transmission Line Requirements in the Missionary Electrification Areas	The Committee endorsed the proposal for the approval of the NP Board with the instruction that in the presentation, technical terms are defined in a footnote and acronyms must be spelled out if shown in the slide for the first time.	CAG
	The Members also agreed that should there be comments on the proposed circular, the same should be submitted thru e-mail to the OCS.	
	The Management should be mindful that TransCo could compete with NPC in performing the Systems Operations functions.	



<p>Proposed Grant of Separation Package to Affected SPUG Personnel due to the Privatization and Decommissioning of NPC SPUG Assets and Facilities</p>	<p>The Committee endorsed the proposal for the approval of the NP Board with a caveat that the Management should first exhaust all options so that personnel of privatized/decommissioned plants who are too young to retire and too old to find new jobs, are accorded the opportunity to continue working for NPC albeit in other departments/functional groups.</p> <p>The Committee also pointed out that the grant of separation package should hinge primarily on the privatization thrust of the government as laid down by EPIRA.</p>	<p>HRD in coordination with SPUG</p>
<p>Replacement of One (1) Unit 77 MVA Power Transformer for Unit No. 3, Agus 2 Hydroelectric Power Plant</p>	<p>The Committee endorsed the proposed award for the approval of the NP Board.</p>	<p>BAC</p>
<p>CY 2020 Contracted Services (Adopting a Hybrid Scheme: Institutional Contract Hiring and Contract of Service Scheme)</p>	<p>The Committee endorsed the proposed scheme for the approval of the NP Board.</p>	<p>HRD</p>
<p>Proposed Corporate-wide NPC Reorganization</p>	<p>The Committee endorsed the request for the consideration of the NP Board with the following instructions:</p> <ul style="list-style-type: none"> ▪ Include DOF and DOE representatives in the CMT and TWG <p><small>Note: The Committee and the Management, following the previous pronouncement of Usec. BH Agabin, agreed that the Board will be represented in the CMT/TWG by the Corporate Secretary</small></p> <ul style="list-style-type: none"> ▪ Clarify the premises/reasons/considerations for the total reorganization (i.e. overall/general direction for the following groups: <ul style="list-style-type: none"> ○ SPUG (reduction/expansion); ○ Mindanao Generation; ○ Watershed Management; ○ Dams Management; ○ IPP Contract Management and other OMA-related functions) ○ Head Office personnel (reduction/devolution of function) <p>The considerations/general directions are the ones that will convince the Board and the GCG that reorganization is necessary. Hence, the same must be duly</p>	<p>HRD</p>

	<p>reflected in the Board Resolution.</p> <ul style="list-style-type: none"> The GCG Guidebook should be strictly followed. 	
<p>Update: Revised Target in the CY 2020 Performance Scorecard – Proposed Formula (Strategic Measure No. 13: Improved Collection Efficiency)</p>	<p>Upon request of NPC Finance Group, the committee deferred the discussion on the proposed formula so that the same could still be reviewed</p>	<p>CAG in coordination with the Finance Group (VP LTD)</p>
<p>NPC Issues and Concerns on DENR Permitting and Regulatory Requirements</p>	<p>The Committee advised the Management to formalize and submit NPC's permitting concerns/issues with DENR.</p> <p>Dir. R.P. Quilala committed to help NPC in addressing the DENR requirements. He also asked the Management to submit list of interventions/options that may be requested.</p>	<p>VP MPR in coordination with PES-EMD</p>
<p>Letter from GCG to the Governing Board of NPC dated 24 July 2019, re: Alleged Corruption on a Dredging Project of NAPOCOR in Pulangi, Maramag, Bukidnon</p>	<p>The Committee acknowledged that the procurement activities for the dredging project in the Pulangi reservoir were already set in place before Pres. P.J. Benavidez became the CEO. Nevertheless, the Members stressed that no matter how frivolous the allegations or complaints are, the GCG/8888 referrals should still be acted upon.</p>	<p>The Management Committee</p>
<p>Reply to the DOE Secretary's Memorandum on the Subsidized Approved Generation Rate (SAGR)</p>	<p>The Committee recognized Pres. P.J. Benavidez's concern that the SAGR applications of NPC were all previously approved by the Board and among those who signed the Resolution(s) was Usec. F.W.B. Fuentebella. Noting the need of having consistent electricity tariff policy, the Committee agreed that the matter be discussed first with Sec. A.G. Cusi through his official alternate to the NP Board.</p>	<p>DOE (Usec.F.W.B. Fuentebella)</p>
BOARD NOMINATION AND REMUNERATIONS COMMITTEE		
<p>Filling-up of the Vacant Position under the Office of the Corporate Secretary</p>	<p>The Committee endorsed the proposed appointment of Ms. Nelly N. Relucio to the Minutes and Agenda Officer position for the confirmation and approval of the Board.</p>	<p>OCS/HRD</p>

Daghang Salamat!

PATRICK MABBAGU





NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0153

MEMORANDUM

For : MR. PIO J. BENAVIDEZ
President and CEO

Cc : ATTY. MELCHOR P. RIDULME
VP/Legal Counsel

MS. LORNA T. DY
VP - Administration and Finance

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

From : ATTY. PATRICK MABBAGU
Corporate Secretary

Date : 04 September 2019

Subject : SUMMARY OF AGREEMENTS
TAKEN BY THE NATIONAL POWER BOARD

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. RAFAEL L. ABERGAS
OIC, OVP - PES

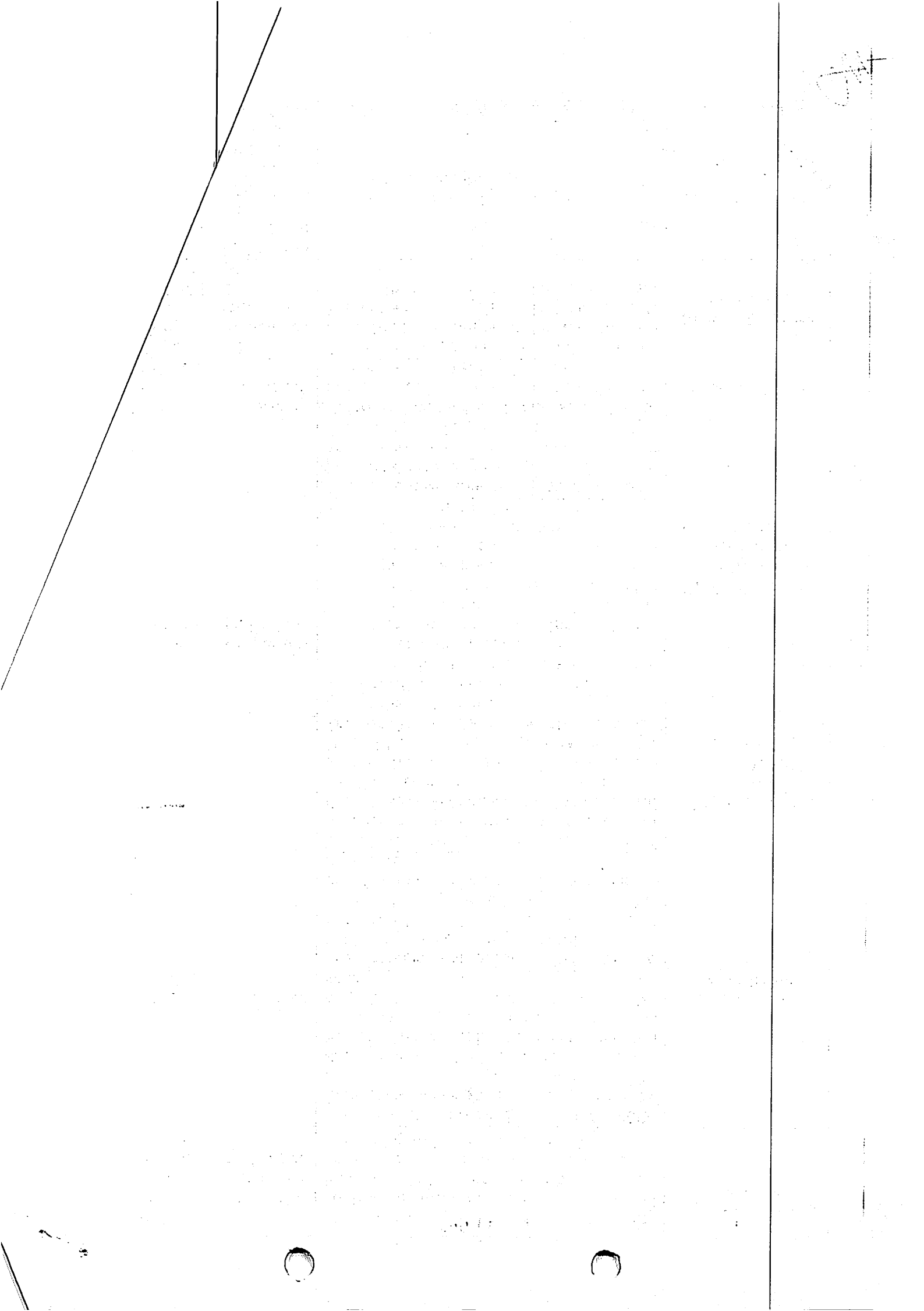
ATTY. MANUEL LUIS B. PLOFINO
SDM - RMS

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the National Power Board in its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Amendments to NPC Circular No. 2017-018 re: Policy Guidelines for the Implementation of Projects for the Missionary Areas	<p>The Board approved in principle the adoption of the revised guidelines, subject to the following agreements/ instructions:</p> <ol style="list-style-type: none">1. The NP Board Members are given seven (7) days to submit their comments on the guidelines. Once all comments are incorporated, the Management committed to represent the key points/highlights of the policies in the next Board Meeting.2. As a policy, NPC is committed to adopt and use technology-neutral sources of power in the missionary electrification areas (including waste to energy technology). The Management therefore must first undertake initial studies on whether renewable sources of power may be tapped and used in a SPUG area. If the use of RE or other alternative	Corporate Affairs Group/Small Power Utilities Group/Power Engineering Services

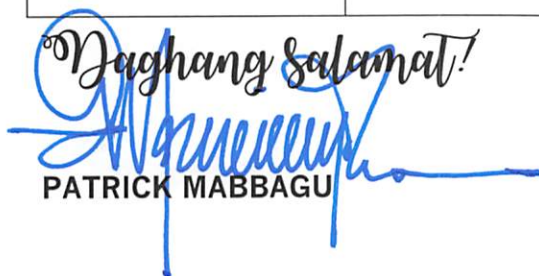
	technology is not viable, NPC shall opt for diesel or hybrid-diesel technologies with a caveat that specifications of generating sets must not be constricting or biased towards a particular brand, model or engine.	
	The Management agreed to consider the comments of DOE which were sent on 03 September 2019.	Corporate Affairs Group
	DILG Usec. E.V. Densing III requested the Management to provide him a briefer on the biomass project/power plant in Polillo Island, Quezon. The rest of the Board Members also requested that they be furnished a copy of the said briefer.	Corporate Affairs Group
	DOF Usec. B.H. Agabin requested for a special learning session (101) on the technical aspects of the guidelines (i.e. load-end substations, distribution system etc.) Note: OVP-PES will be notified of the schedule.	Power Engineering Services (OVP)
Proposed Grant of Separation Pay to Affected SPUG Personnel due to the Redundancy of Positions in view of the Decommissioning of Power Plants	The Board recognized that personnel whose positions were considered redundant as a result of the privatization and decommissioning of SPUG Power Plants had to be compensated. However, the Board took note that the legal basis for the grant must be firmed up especially since RA 6656 can seemingly be invoked only in cases of the abolition or redundancy of positions as a result of a reorganization.	Small Power Utilities Group (Luzon Operations Department) in coordination with the Human Resource Department (Head Office)
	Following the suggestion of DBM [and the recommendation of the Management], the Board 'abolished' the positions as a result of the privatization and decommissioning of SPUG assets and accordingly endorsed to GCG the request for an authority to grant separation pay to the affected personnel. Note: DOF Usec. B.H. Agabin and DBM Dir. C.P. Mahinay requested that they be given copy of the letter-request (DOF and DBM secretaries sit as ex-officio members of the GCG <i>En Banc</i>).	
	The Board instructed the HR Department and SPUG-LOD to reconcile whether the positions are 'funded' or 'unfunded'. It also instructed said departments/groups to validate whether the affected personnel were given station-specific appointments.	

Replacement of One (1) Unit 77 MVA Power Transformer for Unit No. 3, Agus 2 HEPP	The Board approved the award of the contract in favor of NEMA Electrical and Industrial Sales, Inc. for submitting the Lowest Calculated Responsive Bid (LCRB) amounting to Php 56,587,000.00.	Logistics Department
CY 2020 Contracted Services	The Board approved the CY 2020 manpower augmentation whereby skilled/trades and crafts personnel will be engaged under the Institutional Contract Hiring scheme while Administrative and Technical Support personnel will be engaged under a Contract of Service (COS) scheme.	Human Resources Department
	The Management assured that ICH and COS personnel may eventually be absorbed by NPC under the new table of organization provided they meet the qualification standards for the vacant position(s).	
Proposed Corporate-wide Reorganization	The Board requested DOE to come up with a policy direction pertaining to areas that may already be connected to the main grid yet the electric cooperatives still elect to source the power requirements from the NPC-SPUG (e.g. Kalamansig/Ninoy Aquino). The matter should also be raised before the NEA Board.	Department of Energy (Usec. F.W.B. Fuentebella)
	The Board approved the following: 1. Proposed Total Reorganization Plan and Timeline; 2. Composition of the Change Management Team (CMT) and the Technical Working Group (TWG) [as presented]; and 3. Proposed engagement of the Development Academy of the Philippines (DAP)	HR Department/ Change Management Team
	Under the new table of organization, some personnel may be given appointments that are co-terminus with the project or with the operation of a power plant.	
	Deferred; The Finance Group was asked to present the matter during the 17 September 2019 BRRMC meeting.	Finance Group
	The Board approved and confirmed Ms. Relucio's appointment effective 05 September 2019. [The President and CEO authorized to sign the appointment	Human Resource Department
	will be a given a letter-appeal.	Corporate Affairs Group
	Board agreed that the matter should	Department of



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	Under the new table of organization, some personnel may be given appointments that are co-terminus with the project or with the operation of a power plant.	
Proposed Formula (SM 13-Collection Efficiency)	Deferred; The Finance Group was asked to present the matter during the 17 September 2019 BRRMC meeting.	Finance Group
Appointment of Ms. Nelly N. Relucio as MAO (Item No. OCS004-02, JG12/SG18)	The Board approved and confirmed Ms. N.N. Relucio's appointment effective 05 September 2019. [The President and CEO was authorized to sign the appointment paper.]	Human Resource Department
NPC's Reply to the letter of GCG dated 13 August 2019 re: Validation Result of the CY 2018 Performance Scorecard of NPC	Noted; DOF will be given a copy of the letter-appeal.	Corporate Affairs Group
Memorandum of the	The Board agreed that the matter should	Department of

DOE Secretary on the Subsidized Approved Generation Rate (SAGR) Applications of NPC	be discussed with Sec. A.G. Cusi, noting that DOE's alternate to the NP Board actually signed the resolutions authorizing the Management to file the SAGR applications before the ERC.	Energy (Usec. F.W.B. Fuentebella)
NPC's Reply to the Letter of GCG dated 24 July 2019 re: Alleged Corruption affecting the Dredging Project in Pulangi	Noted	- - -
Accomplishment of the CY 2018 iPED	Noted	Board Members
Assignment of the Ilijan GSPA	<p>Pres. P.J. Benavidez expressed his willingness to assign the Ilijan GSPA in favor of PSALM Corporation. He however stressed that the government should have a clear and definitive policy on GSPA (e.g. whether the same will be maintained or another LNG companies will be involved). He further underscored that DOF or DOE should lead the negotiation considering that the agreement affects not only the consortium, NPC and PSALM but also PNOC and the National Government itself.</p> <p>The Board approved the assignment of the Ilijan GSPA in favor of PSALM. OCS, RMS and OLC will work with PSALM as to the language/tenor of the assignment.</p>	Resource Management Services in coordination with the Office of the Legal Counsel
Other Matter: <ul style="list-style-type: none"> Update on the DAMA Case 	Dir. R.P. Quilala informed that some NPC employees may opt not to apply during the reorganization if their DAMA claims are finally given. DOF informed that COA is aware that the money claim petition should be resolved at the soonest time possible because of the interest charges. For facility, the money claim petition may also be resolved by COA per group (i.e. terminated yet rehired; terminated and not rehired, etc.).	- - -
<ul style="list-style-type: none"> Agus-Pulangi Rehabilitation Project 	Noted	- - -

Daghang Salamat!

PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19-0769

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel and BAC Chairman

ATTY. ROGEL T. TEVES
VP - SPUG

MS. LORNA T. DY
VP - Administration and Finance

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation Group

MR. RAFAEL L. ABERGAS
OIC - OVP, PES

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 20 September 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BOARD COMMITTEES**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by Board Audit Committee (BAC); Board Nomination and Remunerations Committee (BNRC) and the Board Review and Risk Management Committee (BRRMC) during their meetings held on 17 September 2019:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
BOARD AUDIT COMMITTEE (BAC)		
Filling-up of the Vacant Positions in the Internal Audit Department (IAD)	The Committee agreed that select members of the Board Nomination and Remunerations Committee (BNRC) will meet with the representatives from the Management (HR Group) on 30 September 2019 (1PM, NP Board Room) to discuss the guidelines/circular used in the filling-up of the vacant positions in the corporation (e.g. ranking system; performance ratings et.al.)	HRD/IAD/OCS
Items discussed during the Board Audit Committee (BAC) Meeting	(The instructions will be separately released by the Internal Audit Committee).	IAD



BOARD NOMINATION AND REMUNERATIONS COMMITTEE (BNRC)		
Commencement of the Process for the Filling-up of the VP-Mindanao Generation Position	To be discussed during the NP Board Meeting on 03 October 2019	---
BOARD REVIEW AND RISK MANAGEMENT COMMITTEE (BRRMC)		
GCG MC No. 2018-002 Contracts Requiring OGCC Review Before Execution	<p>The Management was instructed to clarify with GCG and OGCC if NPC is indeed covered by the GCG MC No. 2018-02 even if the statutory counsel of NPC is the Office of the Solicitor General (OSG).</p>	OLC
	<p>In its request for clarification, NPC must raise the following points/queries:</p> <ul style="list-style-type: none"> ▪ If indeed NPC is covered by the instruction, how long will it take OGCC to review the contracts? ▪ What are the thresholds (amount)? ▪ What constitutes 'major development projects' and 'major contracts'? ▪ What makes a contract 'grossly disadvantageous to the government'? ▪ The Management should also give GCG/OGCC idea of the profile/nature of the contracts/agreements usually executed and entered into by NPC. It should also be underscored that delays in the execution and enforcement of a contract/agreement/project as a logical consequence of the OGCC review (or delay in the conduct of a review) have operational implications (e.g. missionary electrification programs, watershed rehabilitation, procurement process [added layer of authorization/effect on the timeline], main grid operations [Agus-Pulangi HEPP]) and legal/political implications (e.g. Ease of Doing Business Act). 	



<p>Bid Documents for the Supply and Delivery of Oil-Based Fuel Requirements of SPUG Power Plants and Barges for CY 2020</p>	<p>The Committee endorsed the proposal for the consideration of the NP Board with the following instructions:</p> <ul style="list-style-type: none"> ▪ The prepared TOR should first be presented by the TWG to the NPC-BAC for comments. ▪ Acting on the recommendation of the Corporate Secretary, the Committee agreed that should there be changes in the TOR after the same is approved by the NP Board (through bid bulletins), such changes will not anymore require prior approval, provided that the following are observed: <p style="padding-left: 40px;">The changes are clarificatory in nature; The changes will enhance and strengthen the procurement process (i.e. will encourage participation of more bidders); The ABC will not be modified; and The Board/OCS is informed of the changes.</p> <p>If the changes however are substantial (i.e. regrouping of delivery points the contract for which is within the Board's approving authority), such changes will require Board confirmation.</p> <p>The Management was also given discretion by the Committee in determining which lots/contracts have fuel-hauling component (on a condition that this will make the procurement more competitive).</p>	<p>Logistics Department in coordination with the Bids and Awards Committee</p>
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Supply, Delivery, Installation, Testing and Commissioning of Substation Equipment including transfer of the 5MVA Transformer from Narra Substation for the Expansion of Brooke's Point Substation	<p>Endorsed for the NP Board approval</p>	<p>BAC</p>
Terms of Reference (TOR) for the Supply, Delivery, Test and Commissioning of Two (2) 5MW Power Barge	<p>The Committee endorsed the project for the consideration and approval of the NP Board, with the following instructions:</p> <ul style="list-style-type: none"> ▪ As far as practicable, the Management should use as reference MARINA-approved specifications so that there will be no problems the moment NPC-SPUG operates the power asset. ▪ DENR permitting requirements should be complied with. ▪ On the insurance aspect, the Management was advised to consider engaging the services of an insurance consultant who can properly guide the Management in negotiating with the GSIS. NPC's historical claims, premiums and deductions should also be prepared. 	<p>PES-DDD</p>
Filing of the Petition with ERC for the Recovery of Revenue Shortfall in the Universal Charge for Missionary Electrification	<p>As a courtesy to the DOE Secretary who previously issued a Memorandum concerning the tariff applications of NPC, the Committee deferred the discussion of the UCME-True Up petition until after Usec. F.W.B. Fuentebella's shall have discussed the matter with the former.</p>	<p>OCS in coordination with Mr. E.C. Talag/ Usec. FWB Fuentebella</p>

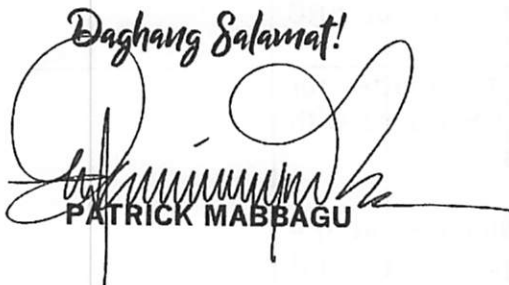


Demand Letter from Renesons Energy Polilio Inc. (REPI) re: Subsidy Claim	<p>Noting that payment to REPI of a subsidy claim using as reference an amount higher than NPC's TCGR in Polilio is disadvantageous to the government and to the consumers, the Committee asked the Management to consider the following options:</p> <ul style="list-style-type: none"> ▪ Consignation of the entire claim (Provisional Approval based on the Php 18.5000/kWhr) in an escrow account pending receipt from ERC of a categorical order to pay REPI; ▪ Payment of the subsidy claim based on Php 13.80/kWhr TCGR computation and consignment of the difference in an escrow account pending receipt of ERC order 	OLC in coordination with CAG and SPUG
Subsidy Claim of Power Source Philippines Inc. (PSPI – Rio Tuba	<p>The Committee elevated the matter for the consideration of the NP Board with the following instruction(s):</p> <ul style="list-style-type: none"> ▪ Conduct a due diligence on the PSPI contract/agreement and explore the option of filing contractual breach against the PSPI (e.g. If the Board intervenes, can NPC terminate the contract? Can NPC ask for damages on top of refund should there be a finding of contractual breach? If PSPI committed to build a biomass power plant but failed, what can NPC and ERC do? What are the rights of and the remedies available to the parties? If PSPI has other contracts with NPC, can offsetting be allowed? If there is an overpayment, how can NPC collect?) <p>The Management was directed to assign a lawyer or create a special team (comprised of lawyers and technical persons) who will review all UCME Settlement Agreements and PSAs. The OLC may recommend the filing of administrative charges against those</p>	



	who sat upon certain stipulations in the agreement that would have called for a legal action/intervention.	
	The Management may consider creating a Contracts Management/ Administration Group/ Unit (that will implement, monitor and continually assess and review contracts/agreements) as NPC implements a corporate-wide reorganization. In the meantime, a composite team may be created through an office order.	Reorganization - Change Management Team
	The Management should also provide DOE a list of NPPs that failed to perform their obligations under the UCME-SA/PSAs.	

Daghang Salamat!



PATRICK MABBAGU





NATIONAL POWER CORPORATION

MEMORANDUM
NPR-CCS - 19 - 0778

For : MR. RENE B. BARRUELA
Vice President
Corporate Affairs Group

MR. RAFAEL L. ABERGAS
OIC-OVP
Power Engineering Services

Cc : MR. PIO J. BENAVIDEZ
President and CEO

From : ATTY. PATRICK MABBAGU
Corporate Secretary

Date : 03 October 2019

ATTY. ROGEL T. TEVES
Vice President
Small Power Utilities Group

MS. LORNA T. DY
Vice President
Administration and Finance Group

10/3

As raised and discussed during the NP Board Meeting held earlier today, we most respectfully request for the submission to this office of the duly signed Memorandum to the NP Board/Complete Staff Work (CSW) and pertinent supporting documents concerning the following items:

Matter	
Filing of the Petition with ERC for the Recovery of Revenue Shortfall in the UCMF for CY 2017	PES - Project Management Department in coordination with SPUG - Visayas Operations Department
Request for Decommissioning of Power Barge 110 and Grant of Separation Pay for the Affected Personnel	SPUG - Luzon Operations Department in coordination with the Human Resources Department - Head Office
Bid Documents for the Supply and Delivery of Oil-Based Fuel Requirements of SPUG Power Plants and Barges for CY 2020	AFG - Fuel Contract Management Division, Logistics Department
Terms of Reference (TOR) for the Procurement of Two (2) Power Barges with 5 MW Capacity	PES - Design and Development Department

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NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0781

MEMORANDUM

For : MR. PIO J. BENAVIDEZ
President and CEO

Cc : ATTY. MELCHOR P. RIDULME
VP/Legal Counsel
MS. LORNA T. DY
VP - Administration and Finance

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

From : ATTY. PATRICK MABBAGU
Corporate Secretary

Date : 04 October 2019

Subject : SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD (NPB)/BOARD
NOMINATION AND REMUNERATIONS COMMITTEE (BNRC)

Henry

Come also copy for
MSD/NNR. Let them
note of those that
are to be included on
16 October 2019.
Thanks.

Nov 10/8/2017

MR. RENE B. BARRUELA - 10/8
VP - Corporate Affairs Group

MR. RAFAEL L. ABERGAS
OIC, OVP - PES

ATTY. MANUEL LUIS B. PLOFINO
SDM - RMS

Nov 10/8/2019

AP Japon 10/8

MB Guinto 10/8

EC Leona 10/8

VN Arrevalo 10/8

Rmamaun 10/8

GB Magpoc 10/8

M Verzosa 10/8

LB Chavez 10/8

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the National Power Board in its meeting held on 03 October 2019:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP															
BOARD NOMINATION AND REMUNERATIONS COMMITTEE																	
Filling-up of the Vice President - Mindanao Generation Position	The Management was requested to submit necessary compliances*, citing as reference the CSC [Commission Proper] Resolution on the matter*.	OCS, HR Department and OLC															
Filling-up of Vacancies in the IAD Position	To level the playing field (i.e. allow external/JO/COS applicants to have 'fighting' chance when pitted against internal applicants), the Committee agreed to revise the weight of the following factors to have a more objective means of ranking the applicants/candidates: <table border="1"> <thead> <tr> <th>Factor</th><th>SG 22 and above</th><th>SG 21 and below</th></tr> </thead> <tbody> <tr> <td>Knowledge of the Job</td><td>25%</td><td>20%</td></tr> <tr> <td>Education</td><td>10%</td><td>15%</td></tr> <tr> <td>Experience</td><td>20%</td><td>20%</td></tr> <tr> <td>Training</td><td>15%</td><td>15%</td></tr> </tbody> </table>	Factor	SG 22 and above	SG 21 and below	Knowledge of the Job	25%	20%	Education	10%	15%	Experience	20%	20%	Training	15%	15%	HR Department
Factor	SG 22 and above	SG 21 and below															
Knowledge of the Job	25%	20%															
Education	10%	15%															
Experience	20%	20%															
Training	15%	15%															

	Psychosocial Attributes and Personality Traits	10%	15%	
	Potential	20%	15%	
	Note: Consistent with the ORA-OHRA (revised), an internal applicant may only be promoted if he/she obtained a Very Satisfactory remark in the last rating period.			
	The HR Department was also asked to prepare/submit a Memorandum to the BNRC as to how the candidates will be objectively assessed/rated in each of the factors (i.e. difference between 'Potential' and 'Knowledge of the Job'; what is the methodology [e.g. interview (possible parameters/guides in the crafting of questions] etc.)			
The HR Department was accordingly asked to revise the existing circular and meet the field HR offices to ensure uniformity in the application of the new rules/criteria/guidelines.				
NATIONAL POWER BOARD				
BNRC Actions	The Board resolved to adopt the instructions/actions of the BNRC.			OCS and HRD
Contracts Requiring Prior OGCC Review	The Board took note that NPC already sent GCG a clarificatory letter on the matter. Pending receipt of a categorical order from GCG, NPC shall maintain the status quo (i.e. to ensure unhampered delivery of public service/to avoid delays, all contracts/agreements shall in the meantime be executed/performed/implemented sans OGCC review until NPC receives a ruling to the contrary).			OLC/ Management Committee
Terms of Reference (TOR) for the Supply/Delivery of Oil-Based Fuel Requirements of SPUG Power Plants and Barges for CY 2020	Approved			AFG-Fuel Contract Management Division, Logistics Department
	Submit the following: 1. CSW/Memo to the Board Note: OCS issued a reminder on 03 October 2019. 2. TOR (stored in CD)			
Terms of Reference (TOR) for the Procurement of Two (2) Power Barges with 5-MW Capacity	Approved			PES-DDD
	Considering that this is a turnkey project, the scope of works should include "Design and Build/Manufacture". Submit a document highlighting/citing that the procurement and/or deployment of power barges is in accordance/consistent with the Resiliency Program of the			

	<p>Department of Energy (DOE)</p> <p>Submit the following:</p> <ol style="list-style-type: none"> 1.) CSW/Memo to the Board (include in the Memo the comparative costs between power barge acquisition and lease) 2.) TOR (stored in CDs) <p>The Management assured that the terms of reference are not restrictive. In fact, bidders will be encouraged to participate in the procurement process.</p>	
<p>Supply, Delivery, Installation, Test and Commissioning including Transfer of 5MVA Transformer from Narra to Brooke's Point Substation in Palawan</p>	<p>The Board approved the award of the Contract to SL Development Corporation for submitting the lowest calculated responsive bid (LCRB) in the amount of Php 86,040,450.00.</p>	<p>Logistics Department</p>
<p>Subsidy Claim (Demand Letter) of Renesons Energy Polilio, Inc.</p>	<p>Present the options of the NP Board (to be presented on 16 October 2016) and the pros and cons for each option. (Options could be non-payment [i.e. wait for a written order], consignment [i.e. if so, how much should NPC tender], payment under protest etc.)</p>	<p>OLC in coordination with CAG</p>
<p>Subsidy Claim -PSPI Rio Tuba</p>	<p>Submit a Memorandum whether Board action is really necessary (considering that the overpayment can be attributed to the 'passivity' of the handling group/employee)</p>	
	<p>The Board directed the Management to continue reviewing UCME-Subsidy Agreements/PSAs. It also directed the Office of the Legal Counsel (OLC) to conduct an investigation and make a determination whether concerned NPC officials/employees can be held administratively liable.</p>	
	<p>The Board reiterated the creation of a contract management/monitoring group/unit during the reorganization.</p>	
	<p>The Management was directed to formally notify DOE-EPIMB (Usec. F.W.B. Fuentebella) of the commitments that NPPs failed to deliver in the missionary areas (i.e. failure to put up/install the promised capacity/technology).</p>	

COA Decision on the DAMA Case	Noted	OLC/ Administration and Finance Group
	<p>The Board instructed the Management to work closely with PSALM Corporation and if necessary, create a special taskforce that will address issues/concerns pertaining to the entitlements of those who were not rehired.</p> <p>Pres. P.J. Benavidez underscored that while NPC can generate the list and the computations, it should be PSALM that should be tasked to effect the payments.</p>	
Request for Decommissioning of Power Barge 110 and the Grant of Separation Package for Affected Personnel	Approved	SPUG Luzon Operations Department (Ms. LB Chavez) in coordination with HR Department, Head Office
	<p>The Board 'acknowledged' the actions taken by the Management from CY 2014 to CY 2017 concerning Power Barge 110.</p> <p>Submit the CSW/Memo to the Board</p> <p>Note: OCS issued a reminder on 03 October 2019.</p>	
Filing of the Petition with ERC for the Recovery of Revenue Shortfall in the UCME for CY 2017	Approved	CAG- Electricity Tariff Division
	<p>Submit the CSW/Memo to the Board</p> <p>Note: OCS issued a reminder on 03 October 2019.</p>	
Construction of SPUG Visayas Operations Department Office and Warehouse	Deferred	PES-Project Management Department in coordination with SPUG-Visayas Operations Department and in consultation with OLC
	<p>The Management was directed to present the matter on 16 October 2019. The following should also be clarified:</p> <ol style="list-style-type: none"> 1. Whether a new usufruct agreement is necessary between NPC and the PLGU-Cebu; 2. The additional costs (estimate) that will be incurred by NPC as a consequence of the site transfer; 3. For how long will the contract be /issuance of NTP be suspended/held in abeyance <p>Submit the CSW/Memo to the Board</p>	
Management Actions on the CY 2018 COA Annual Audit Report	<p>Provide a more detailed presentation on "inventory accounts that could not be ascertained" (i.e. breakdown of the Php 3.073 Billion). During the presentation, the Finance Group should explain the reconciliation rate.</p>	Finance Group (in coordination with CAG – for the French Protocol Loan)
	<p>On the reconciliation of Temporary Registry Accounts, the Board asked the Management to create a PSALM-TransCo-NPC committee that will issue a joint/tripartite certification that indeed certain accounts could no longer be reconciled because supporting documents are no longer available. Moreover, the request of TransCo to drop off certain</p>	

	<p>accounts from the registry should be supported by a TransCo Board Resolution or a formal letter from the TransCo Management considering that NPC's books are under COA's scrutiny. The NP Board also agreed that COA should be consulted on the matter.</p> <p>Once the Tax Liability Accounts are reconciled, the Management should update the NP Board.</p> <p>Present on 16 October 2019 a briefer/backgrounder (i.e. status, repayment period, basis for the loan, project viability etc.) of the French Protocol Loan (for the Philippine Rural Electrification Service [PRES] Project)</p>	
<p>Recommendations of the Board Audit Committee</p>	<p>The Board instructed the Management to allow COA and other external observers including the representative from the Internal Audit Department (IAD) to observe all proceedings of the Bids and Awards Committee (including its meetings) subject to the following conditions:</p> <ol style="list-style-type: none"> 1. The IAD representative is prohibited from actively participating in the discussions of the BAC (i.e. he/she should remain silent throughout the proceedings/should not suggest courses of actions) unless her/his opinion is requested by the BAC. 2. The IAD representative is not required to sign the minutes; only the attendance sheet(s). However, if the IAD representative speaks, his/her manifestation/statement shall be included in the minutes of the BAC proceedings. 3. The IAD representative must submit within 7 days from the time he/she attended/witnessed a BAC proceeding, a written report of his/her observations to the HOPE (i.e. to the President and CEO OR to the NP Board, depending on the approving authority for an item being procured). Whenever the IAD representative submits his/her observations pertaining to a procurement activity, the Management, as a courtesy, should be provided/furnished a copy thereof. 	<p>Internal Audit Department</p>

	It must be underscored that the observations are meant to help/guide the HOPE (President and CEO or the NP Board in making a decision concerning a procurement matter. Hence, the IAD representative must ensure that all observations are properly communicated.	
	COA, external and internal (IAD) observers should be invited to witness (i.e. should be furnished copies of the notices) BAC proceedings and meetings.	Logistics Department
	The Board authorized IAD to furnish COA copies of the following: 1. Fuel Audit of Selected Western Mindanao Diesel Power Plants/Power Barge 108 (June 2015); 2. Special Fuel Audit (March 2015); and 3. Fuel Audit of Tablas Diesel Power Plant and Power Barge 109 (February 2014)	Internal Audit Department
	The Board resolved that all Notices of Award (NOAs) should be signed and issued by the HOPE. The Corporate Secretary is expected to circulate a Board Resolution to effectuate this agreement.	OCS (for the amendment of the Manual of Approvals) and AFG
	The Management was also directed to submit to OCS all other proposed amendments to the Manual of Approvals.	
World Bank Projects for the Energy Sector	Noted	Management Committee
	The Board advised the Management to wait for a formal letter-request from World Bank. As recommended by NEDA Asec. R.M. Planta, the Board agreed that the Management should seek clearance from or consult DOF and/or DOE before making a commitment to undertake/implement the project(s).	
Financial Assistance granted under the Special Early Disengagement Plan	Present on 16 October 2019 , the recommendations of/comments from the Management; Include, for the appreciation of the Board/BRRMC a briefer on the Baysic Case Also, the Management should submit a comment/recommendation on the proposal to create a special task force that will look into the entitlement of the affected NPC personnel.	Office of the Legal Counsel

General Reminders	
As suggested by Pres. P.J. Benavidez and VP L.T.Dy, all Terms of Reference (TOR) requiring the approval of the Board (for the commencement of the procurement process), should first be presented to the BAC (Pre-Procurement Conference) for comments BEFORE the same are presented to the NP Board (i.e. observe the process that was followed for the approval of the bid documents for the supply of CY 2020 fuel requirements of NPC-SPUG Plants and Barges).	Management Committee/ Logistics Department/ PES-DDD
<p>As reiterated by NEDA Asec. R.M. Planta, all matters that require Board action should be supported by Complete Staff Work (CSW)/duly signed Memorandum to the NP Board, which should be available, at the latest, on the date of the Board Meeting or on the date when the Board is expected to make a decision.</p> <p>Note: Pres.P.J. Benavidez already issued a Memorandum dated 4 October 2019 reiterating item V.c. and V.d of NPC Circular No. 2017-009 which provides that:</p> <ol style="list-style-type: none"> 1. Submission of the presentation materials with CSW and Memo to the Board, through the Board Committee to the office of the President or ManCom Secretariat three (3) days before the scheduled ManCom Meeting. 2. Submission of all finalized materials with CSW and Memo to the Board, through the Board Committee to the Office of the Corporate Secretary at least five (5) days before the scheduled NP Board Meeting. 	Management Committee

Daghang Salamat!

PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0792

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

ATTY. MELCHOR P. RIDULME
VP/Legal Counsel

MS. LORNA T. DY
VP - Administration and Finance

ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman

ATTY. PATRICK MABBAGU
Corporate Secretary

MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. RAFAEL L. ABERGAS
OIC, OVP - PES

Date : 16 October 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS TAKEN BY THE BOARD NOMINATION AND REMUNERATIONS COMMITTEE (BNRC) and the BOARD REVIEW AND RISK MANAGEMENT COMMITTEE (BRRMC)**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the BNRC and BRRMC in their meetings held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
BOARD NOMINATION AND REMUNERATIONS COMMITTEE		
Revised Guidelines for the Hiring and Selection of Candidates	The Committee adopted the guidelines presented by the Management.	HRD
'Transfer' of NPC Executives	The Committee directed the Management to meet with CSC official(s) [even from the Field Office per Asec. DMSRC] and inquire whether publication is still necessary in light of the CSC-Propser's Resolution.	OCS and HR Department
BOARD REVIEW AND RISK MANAGEMENT COMMITTEE		
Letter-Reply from OGCC re: Submission of Contracts for OGCC Review	The Management was informed that DOF already asked for the inclusion of the matter in the GCG En Banc's Agenda considering its impact to the government corporate sector (i.e. delivery of public services)	OLC
	The Management was directed to proceed with its proposed meeting with the OGCC.	


	<p>The Management was asked to:</p> <ul style="list-style-type: none"> ▪ inquire from other GOCCs (e.g. TransCo/PSALM; based on their previous experience) and present during the Board Meeting, the 'costs' of OGCC engagement (i.e. honorarium, review period etc.) and ▪ confirm with GPPB whether the review requirement by another agency (OGCC) is 'proper' and 'desirable' bearing in mind the procurement timelines (i.e. from the date of the opening of the bid to the issuance of NOA/NTP/signing of contract) 	
Renesons Energy Polilio, Inc.'s Subsidy Claim	The Committee asked the Management to verify/ascertain the Joint NPC-NEA endorsement of the Quezelco II's CSP for REPI.	CAG
	The Management was asked to consider filing a special motion (i.e. Second MR or Motion for Early Resolution/Determination of the Final Tariff). However, the Committee recognized that it is ultimately up for the OLC to determine the legal strategy/remedy to be used to address the demand of REPI especially now that ERC has issued a ruling in favor of the NPP.	OLC
	The Management was also asked to consider setting a meeting with ERC and/or writing a letter to Chairperson Agnes Devanadera.	
Proposed Transfer to a New Site re: Construction of SPUG VOD Office	<p>The Management was asked to study whether NPC can still proceed with the project (by suspending/amending the contract).</p> <p>Moreover, the Management should be able to address the concern/query of Asec. R.M. Planta (that is, whether the project be canceled and/or subjected to a new procurement process considering that the changes are very material [i.e. check the reservation clause</p>	OLC in coordination with the PES (PMD and DDD)

		under RA 9184])	
		<p>The Management was also asked to present the scenario should the contract is canceled (i.e. possible remedies of JV Dilao Construction and GSMAXX Construction)</p> <p>If the project will proceed, the Management was required to present the following:</p> <ul style="list-style-type: none"> ▪ new cost estimates; and ▪ period of suspension (i.e. based on initial discussion with PLGU Cebu, how soon may the new usufruct agreement be executed) 	
Award of Contract for the Supply, Installation, Test and Commissioning of 3x1.5 MW Generating Sets for Kalamansig DPP		Endorsed for NP Board's consideration and approval	BAC Chairman
		The Management was asked to write DOE and seek formal policy guidance for areas that may already be connected to the main grid, yet the electric cooperative is reluctant in pursuing such interconnection.	CAG
Compliance to NP Board's instructions re: Actions on the CY 2018 COA Annual Audit Report	• Masbate PRES Project	Submit a formal presentation on the French Protocol Loan (i.e. Background, Nature of the Project, Loan Components [which component is paid already/is still being included in the UCME filings/petitions.	CAG (Revenue Management Department)
	• Inventory Accounts that could not be ascertained	Deferred per request of the Finance Group; for presentation during the 24 October 2019 Board Meeting	Finance Group (Comptroller's Department)
Financial Assistance under the Special Early Disengagement Plan		Revise the presentation; indicate the two (2) major claims of the petitioners in the Baysic Case ¹	OLC
		Provide a briefer on the Beto Case	
		On the proposal of Dir. R.P. Quilala, the same was endorsed for the consideration of the NP Board. The Management was accordingly directed to nominate the members of the special SEDP Task Force that will	

¹ The OLC will be asked of its assessment re: NPC's chances of securing favorable SC ruling.

	check/verify the list of the beneficiaries and their entitlement.	
	Prepare a presentation for the Joint NPC-PSALM Board Meeting (i.e. ideally, for NPC and PSALM to have a common position on the creation of task force and of the compromise agreement now offered by some claimants)	
COA Ruling on the DAMA Case	Prepare a presentation for the Joint NPC-PSALM Board Meeting <ul style="list-style-type: none"> ▪ Actions taken by the NPC Management after receipt of the COA Resolution ▪ Motion for Partial Reconsideration Filed by PSALM (through its statutory counsel) (i.e. the ideal actions that NPC and PSALM should pursue) 	
DOE-Access to Sustainable Energy Programme (ASEP)	The Management requested DOE to provide details on the deliverables/specific activities that NPC is expected to perform for World Bank/ASEP (i.e. procurement, project management, contract execution, fund management, project assessment etc.) Endorsed for NP Board's consideration and approval	DOE (Mr. E.C. Talag/Usec. F.W.B. Fuentebella)

Daghang Salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19 - 0801

MEMORANDUM

For : **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME**
VP/Legal Counsel
MS. LORNA T. DY
VP - Administration and Finance
ATTY. ROGEL T. TEVES
VP - SPUG/BAC Chairman
MR. EDMUNDO A. VELOSO, JR.
VP - Mindanao Generation

MR. RENE B. BARRUELA
VP - Corporate Affairs Group

MR. RAFAEL L. ABERGAS
OIC, OVP - PES

ATTY. MANUEL LUIS B. PLOFINO
SDM - RMS

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 25 October 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE NATIONAL POWER BOARD**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the BNRC and BRRMC in their meetings held yesterday, 24 October 2019:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Revised Guidelines for the Hiring and Selection of Candidates	The Board adopted the guidelines as presented.	HRD
'Transfer' of NPC Executives	OCS/HRD shall update the Board on the result of the CSC meeting.~	HRD and OCS
DOE-Access to Sustainable Energy Programme (ASEP)	The Board, acting on the presentation-request of Usec. F.W.B. Fuentebella approved the designation of NPC as Program Fund Manager. It also authorized NPC to implement the following World Bank-managed activities and programs: 1. PV Mainstreaming (PV); 2. Rural Network Solar (RNS); and 3. Pre-paid Metering (PPM)	PPJB and VP-RLA
	As recommended by Pres. P.J. Benavidez, the Assignment/Assumption Agreement (AAA) shall be signed by Usec. F.W.B. Fuentebella (Alternate of the DOE Secretary/Vice Chair-NP Board). NPC shall be a witnessing party to the AAA.	
	Per email of Mr. Archim Fock (Operations Manager-World Bank) to Pres. P.J.	

	Benavidez, DOF's confirmation to NPC's assignment as EU grant recipient is necessary.	
	The Board authorized the President and CEO to sign such other contracts/agreements necessary to ensure the smooth implementation of the WB-ASEP Projects, subject to the condition that the terms thereof are acceptable to the Office of the Legal Counsel.	OLC
Renesons Energy Polilio, Inc.'s Subsidy Claim	<p>The Board was informed that Pres. P.J. Benavidez and ERC Chairperson Agnes VST Devanadera already met and discussed the matter.</p> <p>NPC is expecting for a second Order from ERC (i.e. resolution of NPC's second MR/Motion for Early Resolution). In the meantime, Pres. P.J. Benavidez said that the Finance Group was already advised to process the disbursement voucher in favor of REPI based on NPC's TCGR of P 13.80/kWh [which may be accepted by REPI under protest].</p>	CAG and OLC
Performance-Based Bonus of NPC Officials and Employees	Usec. B.H. Agabin shared that DOF, as ex-officio member of the GCG, will raise the matter during the next En Banc Meeting considering that GOCCs have yet to receive the 2018 PBB.	---
Letter-Reply from OGCC re: Submission of Contracts for OGCC Review	<p>The Management was asked to check the OGCC law and its IRR (to study OGCC's legal basis to review GOCC contracts).</p> <p>Usec. B.H. Agabin shared that the review requirement will be discussed in the next GCG En Banc meeting considering the ramifications to the government corporate sector. (e.g. procurement timeline, business/processing time in light of the Ease of Doing Business Act)</p> <p>Since GCG (En Banc) Members have yet to convene, the Management was advised to propose parameters/limitations for the contract review (e.g. threshold based on the net book value of the corporation etc.)</p> <p>While waiting for GCG action on the letter(s) of NPC, the Management was advised to maintain the status quo (i.e. non-submission of the contracts to OGCC until GCG rules otherwise).</p>	OLC
Award of Contract for the Supply, Installation, Test and Commissioning of 3x1.5 MW Generating	The Board approved the award of the contract in favor of AG Araya Construction and Development Corporation for submitting the LCRB in the amount of Php 295,420,798.45, subject to the	BAC Logistics Department

Sets for Kalamansig DPP	following instruction: <ul style="list-style-type: none"> For succeeding/ future procurement/ lease of power generating capacities, the Management should improve the manner/method by which the Total Evaluated Price is determined (i.e. bidders are ideally present when the capitalized cost of transformer losses and fuel rates are factored in or where possible, bidders will be asked to submit proposals already using the formula indicated/stipulated in the bidding documents/terms of reference etc.) 	
	The Management was asked to write DOE (thru Usec. FWBFuentebella) and seek formal policy guidance for areas that may already be connected to the main grid, yet the electric cooperative is reluctant in pursuing such interconnection.	CAG
Proposed Transfer to a New Site re: Construction of SPUG VOD Office	The Board agreed to suspend the contract for JV Dilao Construction and GSMAXX Construction in the meantime that the following remedies are pursued by the Management: <ul style="list-style-type: none"> Pres. P.J. Benavidez will personally seek for the reconsideration of Gov. Gwen Garcia's decision. The Management (with the assistance of DBM R.S. Lita) will meet GPPB ED Rowena Candice M. Ruiz to seek guidance whether NPC may proceed with the contract given the material change in the conditions concerning the project. 	OP and SPUG
	<p style="text-align: center;">Note:</p> <p>PES, in coordination with OLC will draft the letter-request and will prepare the necessary attachments/justifications/computations. The documents must be ready by 5 November 2019. (The meeting should be scheduled before <u>15 November 2019</u> which is the deadline for the submission of Certified Obligations, per DBM guidelines.)</p> <p>OCS will work Dir. R.S. Lita to secure an appointment with ED R.C.M. Ruiz. OLC and PES representatives will join the meeting.</p>	PES in coordination with OLC

PSALM's Motion for Partial Reconsideration of the COA Ruling on the DAMA Case	<p>The NPC Management was asked to clarify PSALM's objectives in filing the motion for partial reconsideration, specifically on the 'doubts' pertaining to the list generated/will be generated by NPC. Moreover, the NPC Management was advised to work closely with PSALM on the legal moves/strategies that will be pursued concerning the DAMA Case.</p>	VP LTD and VP MPR
Financial Assistance under the Special Early Disengagement Plan	<p>The Board concurred with the Management's position to wait for the Supreme Court's resolution on the pending motion of OSG. In the meantime, the Board resolved not to take formal action on the letter-request of Mmes. GS Cordero and SJ Barreno.</p> <p>Moreover, in view of the decision to wait for SC's action on the matter, the letter-clarification of Petitioners E.Y. Basic and N.G. Santiago was duly noted.</p> <p>Acting on the recommendation of Dir. R.P. Quilala and of the Management, the Board authorized the creation of a special task force that will check/verify the list of beneficiaries and their entitlement (potential financial exposure), viz:</p> <p>Chairperson : VP – AFG Members : Manager, HRD Manager, CBD Corporate Attorney A, LSD</p> <p>Since the NPC Management is also working on the list of un-hired DAMA claimants per COA directive, the Management was advised to make necessary adjustments in the work/task schedule or manpower requirements.</p> <p>The Management was asked to already start discussing with PSALM the foreseen liability that may arise from the Baysic Case.</p>	VP LTD and VP MPR
Masbate PRES Project	<p>The Board took note of the presentation.</p> <p>Some members of the Board (i.e. DOF, DENR and DOE) already expressed their interest to visit the Limasawa Hybrid Solar PV-Diesel Power Plant once it becomes operational.</p>	---
COA Annual Audit Report (Inventory Accounts)	<p>The Board directed the Management to continuously engage TransCo to ascertain and reconcile the inventory accounts.</p> <p>The Board also underscored that request for the write-off of certain accounts shall</p>	Finance Group
		SPUG VOD

	<p>not be entertained without exhausting all remedies (i.e. It must be shown to the satisfaction of the NP Board that utmost effort was exerted by TransCo, to the point that responsible officials are administratively held liable)</p> <p>Moreover, the write-off request should be formally endorsed by the TransCo Board.</p> <p>The Board directed the Management to provide an update on the reconciliation effort during the next (November) Board Audit Committee Meeting.</p>	
Plant Visit and Board Meeting	The Board agreed to hold its next meeting in Bohol (tentatively 28-30 November 2019) to visit/inspect the projects/assets of the corporation in the said province.	OCS in coordination with SPUG VOD
		Management Committee

Magandang Salamat!



PATRICK MABBAGU



NATIONAL POWER CORPORATION

NPB-OCS - 19.0851

MEMORANDUM

For **MR. PIO J. BENAVIDEZ**
President and CEO

Cc : **ATTY. MELCHOR P. RIDULME** **MR. EDMUNDO A. VELOSO, JR.**
VP/Legal Counsel VP – Mindanao Generation
MS. LORNA T. DY **MR. RENE B. BARRUELA**
VP – Administration and Finance VP – Corporate Affairs Group
ATTY. ROGEL T. TEVES **MR. RAFAEL L. ABERGAS**
VP – SPUG/BAC Chairman OIC, OVP – PES

From : **ATTY. PATRICK MABBAGU**
Corporate Secretary

Date : 17 December 2019

Subject : **SUMMARY OF AGREEMENTS REACHED/ACTIONS
TAKEN BY THE BOARD REVIEW AND RISK MANAGEMENT
COMMITTEE (BRRMC)**

Respectfully submitted for the Management's guidance/appropriate action are the following agreements and/or instructions given/pronounced by the BRRMC in its meeting held earlier today:

MATTER UNDER CONSIDERATION	INSTRUCTION DIRECTIVE AGREEMENT UPDATE	RESPONSIBLE GROUP
Filing of Petition with ERC for the Recovery of Revenue Shortfall in the Universal Charge for Missionary Electrification for CY 2018	Endorsed for the Board's approval	CAG
	Submit a breakdown of the factors affecting the increases in the UCME shortfall computation(s)	
	The Committee endorsed the passage of a resolution requesting ERC and directing the NPC management to revisit the calculations concerning the subsidy claims of the New Power Providers (NPPs).	OCS
	ED R.V. Angeles commented that Pres. P.J. Benavidez is very emphatic in pointing out that the NPP subsidy claims should be reasonable and should be based on sound contractual performance.	
Supply, Delivery, Installation, Test & Commissioning of four (4) units of Modular Diesel GenSets and Electrical Equipment for Casiguran DPP	For the Board's future reference, the Management (CAG) was directed to verify/confirm with NGCP the transmission development program for SPUG areas in the main grid (e.g. Casiguran, Maconacon, Divilacan, Kabugao, Kalamansig, Lebak and Ninoy Aquino)	CAG
	Endorsed for the Board's approval	

and Maconacon DPP		
Supply of Skilled/Semi- Skilled Manpower and Allied Services for Various NPC Offices, Facilities and Installations	Endorsed for the Board's approval	BAC/ Logistics Department
	For future procurement activities, the Management was requested to match the administrative/financial costs of engaging skilled personnel vis-à-vis the actual and forecasted power generation in the different lots/areas (i.e. lower power generating capacity; lower operating hours = minimal number of personnel)	General Services Department
	Considering that skilled/semi-skilled ICH staff will be exposed to various facets of NPC operations, the Committee asked the Management to have the said ICH staff signed non-disclosure/ non-compete agreements.	General Services Department
Supply and Delivery of Oil- Based Fuel to SPUG Power Plants and Barges for CY 2020	Endorsed for the Board's approval	BAC/Logistics Department
	Usec. E.P. Juaneza requested the Management (Operations Group) to ensure that the power demand in the islands correspond to and can be absorbed by the existing power generating capacities (within the acceptable number of operating hours/ operational efficiency of the units). SPUG should also have its operations protocol as to the instances where NPC power plants/units may be allowed to operate/provide power beyond its dedicated hours of operation (8-12-16-20 hours)	SPUG
Proposed FY 2021 NPC-OMA Corporate Operating Budget (COB)	The Management was directed to discuss the recommended budget level of NPC (OMA) with PSALM Corporation's Finance Group.	Finance Group (Financial Planning, Budget and Program Review Department)
	For NPC/PSALM Board's easy reference, the Finance Group was directed to identify/match the proposed expenditures with revenues/sources of income.	
Decommissioning of SPUG Power Plants, Units and Barges (Batch 2)	Endorsed for the Board's approval	CAG
	The Management was directed to improve the presentation by: identifying which plants/units are really for disposal/phase-out and which plants/units are for replacement/repair; and by indicating the status of the replacement units (e.g. procurement process for parts/units on going; funding already included in the GAA/FY 2020 COB etc)	DM V.S. Leyba
Status of Implementation and Compliance with the Policies	Endorsed for the Board's information/notation	CAG

of the Department of Energy (DOE)		
Status of NPC Power Receivables	The presentation was deferred upon request of the Finance Group. DOF however asked the Management to make a presentation on 19 December 2019, if possible	CAG in coordination with the Finance Group
Joint NPC-PSALM Board Meeting	The Committee agreed that NPC and PSALM should already meet for the approval of the Operations and Maintenance Agreement (OMA) and the discussion of all other pending matters involving the two GOCCs.	OCS VP LTD VP MPR
NPC 101 for Usec. E.P. Juaneza	Rescheduled after the 19 December 2019 Board Meeting	CAG OCS

Daghang Salamat!

PATRICK MABBAGU

of the Department of Energy (DOE)		
Status of NPC Power Receivables	The presentation was deferred upon request of the Finance Group. DOF however asked the Management to make a presentation on 19 December 2019, if possible	CAG in coordination with the Finance Group
Joint NPC-PSALM Board Meeting	The Committee agreed that NPC and PSALM should already meet for the approval of the Operations and Maintenance Agreement (OMA) and the discussion of all other pending matters involving the two GOCCs.	OCS VP LTD VP MPR
NPC 101 for Usec. E.P. Juaneza	Rescheduled after the 19 December 2019 Board Meeting	CAG OCS

Daghang Salamat!

PATRICK MABBAGU