

## Board Responsibilities, Committees and Activities

As provided under the EPIRA and its IRR, PSALM shall be administered, and its powers and functions exercised, by a Board of Directors. The Board shall have the power, among others, to formulate and implement programs relative to its mandates, and adopt rules and regulations as may be necessary or proper for the orderly conduct of PSALM's business or operations. The Board formulates policies and decisions that provide general directions on the overall operation of the Corporation.

Specifically, the EPIRA provides that the Corporation shall, in the performance of its functions and for the attainment of its objective, have the following powers<sup>1</sup>:

- a. To formulate and implement a program for the sale and privatization of the NPC assets and IPP contracts and the liquidation of NPC debts and stranded contract costs, such liquidation to be completed within the term of existence of the PSALM Corp.;
- b. To take title to and possession of, administer and conserve the assets transferred to it; to sell or dispose of the same at such price and under such terms and conditions as it may deem necessary or proper, subject to applicable laws, rules and regulations;
- c. To take title to and possession of the NPC IPP contracts and to appoint, after public bidding in transparent and open manner, qualified independent entities who shall act as the IPP Administrators in accordance with this Act;
- d. To calculate the amount of the stranded debts and stranded contract costs of NPC which shall form the basis for ERC in the determination of the universal charge;
- e. To liquidate the NPC stranded contract costs utilizing proceeds from sales and other property contributed to it, including the proceeds from the universal charge;
- f. To adopt rules and regulations as may be necessary or proper for the orderly conduct of its business or operations;
- g. To sue and be sued in its name;

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<sup>1</sup> Section 51, EPIRA

- h. To appoint or hire, transfer, remove and fix the compensation of its personnel: *Provided, however,* That the Corporation shall hire its own personnel only if absolutely necessary, and as far as practicable, shall avail itself of the services of personnel detailed from other government agencies;
- i. To own, hold, acquire, or lease real and personal properties as may be necessary or required in the discharge of its functions;
- j. To borrow money and incur such liabilities, including the issuance of bonds, securities or other evidences of indebtedness utilizing its assets as collateral and/or through the guarantees of the National Government: *Provided, however,* That all such debts or borrowings shall have been paid off before the end of its corporate life;
- k. To restructure existing loans of NPC;
- l. To collect, administer, and apply NPC's portion of the universal charge; and
- m. To restructure the sale, privatization or disposition of NPC assets and IPP contracts and/or their energy output based on such terms and conditions which shall optimize the value and sale prices of said assets.

The Corporation shall be administered, and its powers and functions exercised, by a Board of Directors which shall be composed of the following<sup>2</sup>:

Secretary of Finance	- Chairperson (Ex-officio)
Secretary of Energy	- Vice-Chairperson (Ex-officio)
Secretary of Justice	- Member (Ex-officio)
Secretary of Trade and Industry	- Member (Ex-officio)
Secretary of Budget and Management	- Member (Ex-officio)
Director-General of the National Economic and Development Authority	- Member (Ex-officio)
President and CEO of PSALM	- Member (Appointive)

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<sup>2</sup> Section 52, EPIRA