



Power Sector Assets and Liabilities Management (PSALM) Corporation

| | | Component | | | GCG-approved 2021 Performance Scorecard ^{1/} | | Accomplishments (as of 30 September 2021) |
|--------------------------|---|--|--|--------------------|---|---|--|
| | | Strategic Objective (SO)/ Strategic Measure(SM) | Formula | Weight % | Rating System | Annual Target | Actual |
| Perspective 1: Financial | SO 1: Reduced financial obligations (FO) | | | | | | |
| | SM 1 | Amount of Net Reduction in FO | $FO_{previous\ year} - FO_{current\ year}$ | 30.0 | Actual over Target | PHP24.630 Billion (Reduction from PHP411.827 Billion to PHP387.197 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1) | |
| | | | | | | PHP23.004 Billion (Restated) ^{2/} (Reduction from PHP381.72 Billion to PHP358.72 Billion) Forex Used: 2020 Year-end rate (PHP48.036 = US\$1.00) | PHP 26.80 Billion (Reduction from PHP381.72 Billion to PHP354.92 Billion) Forex Used: 2020 Year-end rate (PHP48.036 = US\$1.00) Note: Net of bond discount and issue cost |
| | SM 2 | Refund of Dividend Income from Transco for Remittance of Dividends to NG/BTr | $\Sigma Actual\ Collection$ | 5.0 | Actual over Target | PHP1.8 Billion | - PSALM remitted to the National Government on 08 January 2021 TransCo's dividends for year 2016 to 2019 in the amount of PHP8.32 Billion; - The draft Supplemental Memorandum of Agreement (SMOA) covering the remittance of TransCo's dividend for its 2020 Net Earnings was submitted and presented to the PSALM Board in its meeting on 22 September 2021 for direction on certain provisions of SMOA; and - The draft SMOA will be submitted to the OGCC in October 2021 and to the PSALM Board for approval. |
| | SO 2: Ensured strong financial performance | | | | | | |
| | SM 3 | Collection Efficiency for Current Power Sales | $\frac{Collections\ from\ Current\ Power\ Sales}{Current\ Power\ Sales}$ | 10.0 | Actual over Target | 90% | 92.59% PHP8.858 Billion PHP9.567 Billion |
| | SM 4 | Amount of Delinquent/ Overdue Accounts Collected | | | | | |
| | SM 4a | Problematic Accounts | $\Sigma Actual\ Collection$ | 3.0 | Not applicable | Submission of Status Report on initiatives to reconcile and collected on problematic accounts | On-going preparation of Status Reports to submitted in the 4th quarter PES |
| | SM 4b | Non-problematic/ Clean Accounts | $\Sigma Actual\ Collection$ | 5.0 | Actual over Target | PHP0.737 Billion | PHP0.754 Billion |
| | SM 5 | Percentage Share of Overhead Expenses to Total Income | $\frac{(PS + MOOE) - Bad\ Debts}{Total\ Income}$ | 5.0 | Actual over Target | 11.10% PHP1.307 Billion PHP11.783 Billion | 2.35% PHP0.588 Billion PHP24.993 Billion |
| SM 6 | EBITDA Margin of Remaining Power Assets | $\frac{EBITDA\ of\ Remaining\ Power\ Assets}{Net\ Utility\ Revenue}$ | 5.0 | Actual over Target | -2.24% PHP0.6449 Billion PHP28.725 Billion | 17.36% PHP4.545 Billion PHP26.175 Billion | |

Power Sector Assets and Liabilities Management (PSALM) Corporation

Updated 3rd Quarter Monitoring Report

| | | Component | | | GCG-approved 2021 Performance Scorecard ^{1/} | | Accomplishments (as of 30 September 2021) | |
|---|--|--|--|-------------|---|---|---|--|
| | | Strategic Objective (SO)/ Strategic Measure(SM) | Formula | Weight % | Rating System | Annual Target | Actual | |
| Perspective 1: Financial | SM 7 | Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs) | $\frac{\Sigma UC \text{ Actual Remittance}}{\text{Total UC Collection} + \text{Maintaining balance}}$ | 7.0 | Actual over Target | 98% | 98.37% PHP18.015 Billion PHP18.314 Billion | |
| | SM 8 | Percentage of UC-ME disbursed to NPC | $\frac{\Sigma UC \text{ Actual Disbursement}}{\text{Total UC Remittance} + \text{Maintaining balance}}$ | 5.0 | Actual over Target | 100% | NPC: PHP10.378 Billion ^{3/} PHP10.378 Billion | |
| | | Percentage of UC-ME-REDCI disbursed to RE Developers | $\frac{\text{Total Cash Incentive Disbursed}}{\sum_{i=1}^n G_i r_i}$ <small>Where: n = the number of REDs G_i = Net Generation in KWH of the ith RED r_i = ERC - approved Cash Incentive Rate for the ith</small> | | | | RE Developers : PHP29.349 Million ^{3/} PHP29.349 Million | |
| Sub-total: | | | | 75.0 | | | | |
| SO 3: Implemented fair and transparent privatization program | | | | | | | | |
| Perspective 2: Customers/ Stakeholders | SM 9 | No. of Power Assets Successfully Privatized | Actual accomplishments | 5.0 | All or Nothing | 650 MW Malaya Thermal Power Plant | On 07 May 2021, Malaya TPP was finally bid out through a negotiated sale to Fort Pilar Energy, Inc. (FPEI) with an offer of PHP3,123,500,000.00. Subsequently, after thorough evaluation of the bid offer and post qualification activities, Malaya TPP was turned over to FPEI's wholly-owned subsidiary, Belgrove Power Corporation (Belgrove) on 25 August 2021. | |
| | SM 10 | No. of Lots Disposed under Strategic Plan | $\frac{\Sigma \text{ Number of lots disposed}}{\Sigma \text{ Target Number of lots for disposal}}$ | 5.0 | Actual over Target ^{4/} | 18 lots + Lots Not Disposed in 2020 <i>*Subject to specific conditions that may hamper disposal ^{5/}</i> | 8 lots - 3 lots located at Calaca, Batangas was transferred to Sem-Calaca Power Corporation (SCPC) through Optioned Assets under the Land Lease Agreement (LLA) on 30 June 2021; and - 5 lots underlying the Malaya TPP was transferred to Belgrove Power Corporation through Negotiated Sale on 25 August 2021. <i>(Details of pre-disposal activities are summarized in the attached Annex A -Status Report on Lots for Disposal in CY 2021.)</i> | |
| | SO 4: Improved customers' relation and service delivery | | | | | | | |
| | SM 11 | Percentage of Satisfied Customers | $\frac{\text{Total number of Satisfied Respondents}}{\text{Total number of Respondents}}$ | 5.0 | Actual over Target 0% = if less than 80% | 90% Satisfied Customers | 1. Conducted procurement activities which culminated in the Opening and Evaluation of Bids for 2021 Customer Satisfaction Survey (CSS) on 27 July 2021; 2. Conducted initial consultation meeting with new third-party service provider, People Dynamics Inc, to discuss CSS objectives, respondent groups and survey questionnaires on 16 September 2021; and 3. Commenced CSS with the final number of respondents and Inception Report on 27 September 2021. | |
| Sub-total: | | | | 15.0 | | | | |

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| | Strategic Objective (SO)/ Strategic Measure(SM) | Formula | Weight % | Rating System | Annual Target | Actual | |
| Perspective 3: Internal Business Process | SO 5: Adopted effective and efficient financial management system and operational standards | | | | | | |
| | SM 12 | Compliance to Quality Standards | Actual accomplishments | 5.0 | All or Nothing | Surveillance Audit Passed (2nd Phase) | PSALM maintained its international standards for Quality Management System (ISO 9001:2015) by passing the surveillance certification audit conducted by SOCOTEC Certification Philippines, Inc. (SCPI) on 28 September 2021. The Certificate of Attestation is yet to be issued by SCPI. |
| | Sub-total: | | | 5.0 | | | |
| | SO 6: Enhanced competency and skills of employees | | | | | | |
| Perspective 4: Learning and Growth | SM 13 | Percentage of Employees with Required Competencies Met | $\frac{\Sigma \text{Employees with Required Competencies Met}}{\text{Total No. of Employees}}$ | 5.0 | All or Nothing | Increase from 2020 actual competency level | 1. Conducted initial assessment on the competency level of PSALM employees as of 15 September 2021 and garnered result of 96.97% competency baseline, which is 1.32% higher than CY2020 competency baseline; and 2. Deployed 77 employees to various external training programs to develop/ enhance their organizational, leadership and technical competencies. |
| | Sub-total | | | 5.0 | | | |
| | Total Weight | | | 100.0 | | | |

Note: ^{1/} Officially received by PSALM on 25 October 2021.^{2/} Pursuant to the GCG-approved 2021 Performance Scorecard, the target should be updated using 2020 yearend FOREX Rate.^{3/} Total amount of UC-ME disbursed to NPC and RE Developers from 01 January 2021 to 30 September 2021.