

Power Sector Assets and Liabilities Management (PSALM) Corporation

	Component				GCG-approved	Accomplishments (as of 31 December 2020)	
	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	<p>PHP11.943 Billion (Reduction from PHP433.978 Billion to PHP422.035 Billion) Forex Used: 2018 Year-end rate (PHP52.724 = US\$1)</p> <p>PHP10.184 Billion (Restated)^{1/} (Reduction from PHP422.011 Billion to PHP411.827 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1)</p>	<p>PHP26.961 Billion (Reduction from PHP422.011 Billion to PHP395.05 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1) Note: Net of bond discount, premium, and issue cost</p>
	SO 2: Ensured strong financial performance						
	SM 2	Collection Efficiency for Current Power Sales	$\frac{Collections\ from\ Current\ Power\ Sales}{Current\ Power\ Sales}$	10.0	Actual over Target	93%	93.94% <u>PHP12.895 Billion</u> PHP13.727 Billion
	SM 3	Amount of Delinquent/ Overdue Accounts Collected	$\frac{\sum Actual\ Collection}{\sum Target\ Collection}$	10.0	Actual over Target	PHP0.945 Billion	PHP2.607 Billion
	SM 4	Percentage Share of Overhead Expenses to Total Income	$\frac{(PS + MOOE) - Bad\ Debts}{Total\ Income}$	5.0	Actual over Target	14.00% PHP1.268 Billion PHP9.054 Billion	9.11% <u>PHP0.859 Billion</u> PHP9.425 Billion
	SM 5	EBITDA Margin of Operating Power Assets	$\frac{EBITDA\ of\ Operating\ Power\ Assets}{Net\ Utility\ Revenue}$	5.0	Actual over Target	10.00% PHP3.129 Billion PHP31.985 Billion	-7.39%^{2/} <u>PHP(1.840) Billion</u> PHP24.899 Billion
	SM 6	Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs)	$\frac{\sum UC\ Actual\ Remittance}{Total\ UC\ Collection + Maintaining\ balance}$	7.0	Actual over Target	98%	98.00% PHP16.689 Billion PHP17.029 Billion
	SM 7	Percentage of UC-ME disbursed to NPC	$\frac{\sum UC\ Actual\ Disbursement}{Total\ UC\ Remittance + Maintaining\ balance}$	8.0	Actual over Target	100%	100% NPC: <u>PHP11.990 Billion^{3/}</u> PHP11.990 Billion
		Percentage of UC-ME-REDCI disbursed to RE Developers	$\frac{Total\ Cash\ Incentive\ Disbursed}{\sum_{i=1}^n G_i r_i}$ Where: n = the number of REDs G _i = Net Generation in KWH of the i th RED r _i = ERC - approved Cash Incentive Rate for the i th				100% RE Developers : <u>PHP20.167 Million^{3/}</u> PHP20.167 Million
		Sub-total:	75.0				

Power Sector Assets and Liabilities Management (PSALM) Corporation

Updated 4th Quarter Monitoring Report

Component					GCG-approved	Accomplishments (as of 31 December 2020)																																										
Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual																																											
SO 3: Implemented fair and transparent privatization program																																																
Perspective 2: Customers/ Stakeholders	SM 8	No. of Power Assets Successfully Privatized	Actual accomplishments	--	All or Nothing	797.92 MW Caliraya- Botocan- Kalayaan HEPPs (For monitoring)	PSALM worked with the Asian Development Bank (ADB) for the conduct of a study on the possible privatization options and structures for the Caliraya-Botocan-Kalayaan (CBK) Hydroelectric Power Plants (HEPPs) and the Casecnan HEPP.																																									
	SM 9	No. of Lots Disposed under Strategic Plan	$\frac{\Sigma \text{Number of lots disposed}}{\Sigma \text{Target Number of lots for disposal}}$	10.0	Actual over Target	76 lots + Lots Not Disposed in 2019 <i>In accordance with the Notice to All GCG Stakeholders dated 04 September 2020 on the Recalibration of Targets in the 2020 Performance Scorecards of GOCCs, PSALM submitted to GCG its recalibrated target to 22 lots.</i>	10²¹ lots PSALM successfully disposed of a total of ten (10) real estate assets located in Agusan in Bukidnon, Maco in Davao de Oro, Nasipit in Agusan del Norte, Loboc in Bohol and Camalaniugan in Cagayan, raising revenues of PHP51.65 Million.																																									
							<table border="1"> <thead> <tr> <th>Location of Property</th> <th>Mode of Disposal</th> <th>Buyer</th> <th>Number of Lots</th> <th>Area (in sq.m.)</th> <th>Amount (in PHP Mln)</th> </tr> </thead> <tbody> <tr> <td>Agusan Property</td> <td>Sale</td> <td>FG Bukidnon Power</td> <td>3</td> <td>10,596</td> <td>28.610</td> </tr> <tr> <td>Maco Property</td> <td>Sale</td> <td>Therma Marine, Inc.</td> <td>1</td> <td>1,595</td> <td>3.209</td> </tr> <tr> <td>Nasipit Property</td> <td>Sale</td> <td>Therma Marine, Inc.</td> <td>1</td> <td>3,395</td> <td>4.414</td> </tr> <tr> <td>Loboc Property</td> <td>Sale</td> <td>Sta. Clara Power Corp.</td> <td>4</td> <td>13,204</td> <td>12.200</td> </tr> <tr> <td>Camalaniugan Property</td> <td>Sale</td> <td>Cagayan II Electric Coop. (CAGELCO II)</td> <td>1</td> <td>2,148</td> <td>3.223</td> </tr> <tr> <td colspan="3" style="text-align: center;">Total</td> <td>10</td> <td>30,938</td> <td>51.656</td> </tr> </tbody> </table>	Location of Property	Mode of Disposal	Buyer	Number of Lots	Area (in sq.m.)	Amount (in PHP Mln)	Agusan Property	Sale	FG Bukidnon Power	3	10,596	28.610	Maco Property	Sale	Therma Marine, Inc.	1	1,595	3.209	Nasipit Property	Sale	Therma Marine, Inc.	1	3,395	4.414	Loboc Property	Sale	Sta. Clara Power Corp.	4	13,204	12.200	Camalaniugan Property	Sale	Cagayan II Electric Coop. (CAGELCO II)	1	2,148	3.223	Total			10	30,938
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SO 4: Improved customers' relation and service delivery																																																
SM 10	Percentage of Satisfied Customers	$\frac{\text{Total number of Satisfied Respondents}}{\text{Total number of Respondents}}$	5.0	Actual over Target 0% = if < 80%	90% Satisfied Customers	<u>PSALM yielded an overall satisfaction score of 99% from its Customers using the standard Methodology and Questionnaire developed by the GCG through third-party customer satisfaction survey</u>																																										
Sub-total:			15.0																																													
SO 5: Adopted effective and efficient financial management system and operational standards																																																
Perspective 3: Internal Business Process	SM 11	Compliance to Quality Standards	Actual accomplishments	5.0	All or Nothing	Surveillance Audit Passed	PSALM was able to maintain its international standards for its Quality Management System (ISO 9001:2015), by passing its surveillance certification audit conducted by SOCOTEC Certification Philippines, Inc. on 18 November 2020																																									
	Sub-total:			5.0																																												

Power Sector Assets and Liabilities Management (PSALM) Corporation

Updated 4th Quarter Monitoring Report

	Component				GCG-approved	Accomplishments (as of 31 December 2020)	
	Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight %	Rating System	Annual Target	Actual	
Perspective 4: Learning and Growth	SO 6: Enhanced competency and skills of employees						
	SM 12	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 2019 actual competency level	PSALM achieved the 95.65% employee competency level ensuring constant learning and growth for its 88 employees out of the 92 re-assessed personnel
		Sub-total		5.0			
		Total Weight		100.0			

Note: ^{1/} Pursuant to the GCG-approved 2020 Performance Scorecard, the target should be updated once the 2019 yearend FOREX Rate is available.

^{2/} Pursuant to the Board Resolution No. 2020-0928-01 (dated 28 Sept. 2020) on Recalibration of PSALM's CY2020 Performance Scorecard

- EBITDA Margin of Remaining Power Assets (Strategic Measure [SM] 5): Removal of SM 5 original target of 10% and weight allocation of 5%, and reallocation of the 5% weight to SM 3;
- No. of Lots Disposed under Strategic Plan (SM 9): From the original target of 76 Lots to reassessed target of 22 Lots; and
- Amount of Delinquent/Overdue Accounts Collected (SM 3): Increase the original weight of 10% to reassessed weight allocation of 15%, with the additional 5% coming from the excluded SM 5.

^{3/} Cumulative amount of UC-ME disbursed to NPC and RE Developers as of 31 December 2020