

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

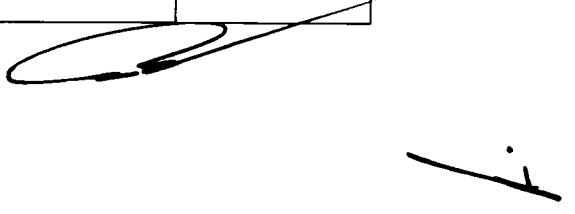
	Objective/Measure	Component			Baseline Data (if applicable)			Target	
		Formula	Weight	Rating System	2013	2014	2015	2016	
FINANCIAL	SO 1	Reduced Financial Obligation (FO)							
	SM 1	Amount of net reduction in FO	Previous Year's FO - Current Year's FO	30%	Actual over Target	PhP44.04 Billion	PhP60.91 Billion	PhP55.89 Billion (Reduction from PhP582.20 Billion to PhP 526.31 Billion) Forex Used: 2014 Year-end rate (PhP 44.617 = US\$1)	PhP62.33 Billion (Reduction from PhP526.31 Billion to PhP463.98 Billion) Forex Used: 2014 Year-end rate (PhP 44.617 = US\$1)
	SO 2	Ensured Strong Financial Performance							
	SM 2	Collection efficiency (CE) for current power sales	$\frac{\text{Collections from Current Power Sales}}{\text{Current Power Sales}}$	10%	Actual over Target	94.87%	95.66%	95.00%	95.00%
SM 3	Percentage share of overhead expenses on total income	$\frac{[(\text{PS} + \text{MOOE}) - \text{Bad Debts}]}{\text{Total Income}}$	7.5%	Actual over Target	1.53%	1.08%	3.00%	3.00%	

		Component				Baseline Data (if applicable)			Target
Objective/Measure		Formula	Weight	Rating System	2013	2014	2015	2016	
FINANCIAL	SM 4	EBITDA margin of remaining power assets	$\frac{\text{EBITDA of Remaining Power Assets}}{\text{Net Utility Revenue}}$	7.5%	Actual over Target	16.71%	(0.41%)	3.98%	26.44% <u>PhP6.55 billion</u> PhP24.77 billion
		Sub-total		55.0%					
CUSTOMERS/STAKEHOLDERS	SO 3	Implemented Fair and Transparent Privatization Program							
	SM 5	Successfully privatized capacity (in MW)	$\Sigma \text{ Capacity of power plant IPP contract successfully bid out}$	20%	Based on a graduated scale*	NA	663.62 MW	256 MW (160 MW: Unified Leyte Bulk Energy, 96 MW: PB 101-103)	1,122 MW (200 MW: Unified Leyte Bulk Energy, 32 MW: PB 104, 40 MW: UL Security, 850MW: Sucat Decommissioned Plant)
	SM 6	No. of lots disposed under strategic plan	$\frac{\Sigma \text{ Lots disposed}}{\text{Total lots titled to PSALM}} \times 100$	3%	Based on a graduated scale**	N/A	N/A	1 (Board-approved Strategic Plan for Real Estate Assets)	6 Bataan CCPP(3) Bohol(3)
	SM 7	Percent of Excluded Assets Disposed	$\frac{\Sigma \text{ Excluded assets disposed}}{\text{Target excluded assets for disposal}}$	3%	Based on a graduated scale*	100% (Iligan DPP and Navotas GTPP)	N/A	100% (Cebu, Panay, Aplaya, GenSan, Palinpinon, and Bohol)	100% (Palinpinon, Bohol, BacMan, Ormat, Aplaya, Masinloc, Maibarara, Navotas and Angat)

		Component			Baseline Data (if applicable)			Target	
Objective/Measure		Formula	Weight	Rating System	2013	2014	2015	2016	
CUSTOMERS/STAKEHOLDERS	SO 4	Provided Reliable Power Supply							
	SM 8	Forced Outage Hours (FOH) of plants under OMA with NPC	FOH per unit per year (FOH as defined under OMA Performance Standards for Operating Plants)	4%	Actual over Target	N/A	N/A	24 hours per unit per year	24 hours per unit per year
	SO 5	Improved Customer's Relation and Service Delivery							
	SM 9	Average satisfaction rating on frontline services	$\frac{\Sigma \text{ Survey Rating}}{\text{Total no. of customers surveyed}}$	2%	Pass/Fail	N/A	N/A	\geq Satisfactory Rating	\geq Satisfactory Rating
		Sub-total		32%					
INTERNAL PROCESS	SO 6	Adopted Effective and Efficient Financial Management System and Operational Standards							
	SM10	Universal Charge (UC) Remittance Efficiency of Collecting Entities	$\frac{\Sigma \text{ UC Actual Remittance}}{\text{Total UC Collection}}$	3%	Actual over Target	97%	98%	97%	97%

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		Component			Baseline Data (if applicable)			Target	
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015	2016	
INTERNAL PROCESS	SM11	No. of business process enhancement program/project implemented	Σ Actual no. of Business Process Implemented	3%	Actual over Target	1	1	2	3 (QMS Re-certification, ISMS Re-certification, Integrated NCAS)
		Sub-total		6%					
LEARNING AND GROWTH	SO 7	Enhanced Competency and Skills of Employees							
	SM12	Average percentage of required competencies met	$\frac{\sum_{b=1}^B \left[\frac{\sum_{a=1}^A (\text{Actual Competency Level})}{\text{Required Competency Level}_a} \right]}{B}$ Where: a = Competency required A = Total number of competencies required of position b = Personnel profiled B = Total number of personnel profiled	2%	Pass/Fail	N/A	N/A	Board-approved Competency Framework	Establish Baseline
	SM13	Restructuring	N/A	5%	Pass/Fail	N/A	N/A	N/A	Submission of Board-approved Restructuring Plan
		Sub-total		7%					
		Total Weight		100%					



*Based on the following graduated scale:

Project Stages	%
Turnover	100%
Issuance of Notice of Award	95%
Declaration of Highest Bidder	90%
Submission of Bids	80%

**Based on the following graduated scale:
If Public Bidding:

Project Stages	%
Turnover	100%
Issuance of Notice of Award	95%
Declaration of Highest Bidder	90%
Submission of Bids	80%

If through Option Existence Notice (OEN):

Project Stages	%
Payment	100%
Completion of Sale Documents	95%
Acceptance by SGC	90%
Issuance of OEN	80%

