

## PSALM ADVISORY TO STAKEHOLDERS RE BILLINGS 17 April 2020

The Power Sector Assets and Liabilities Management Corporation (“PSALM”) earlier issued its Advisories to Stakeholders dated 26 March and 02 April 2020 (“PSALM Advisories”) pursuant to the Government’s declaration of a State of Calamity throughout the Philippines in Proclamation No. 929 dated 16 March 2020, the advisories of the Energy Regulatory Commission (“ERC”) dated 17 and 26 March 2020, and the advisories of the Department of Energy (“DOE”) dated 18 and 23 March 2020 (“ERC and DOE Advisories”).

In view of the extension of the enhanced community quarantine (“ECQ”) in Luzon until 30 April 2020 due to the Coronavirus Disease 2019 (“COVID-19”), the ERC and the DOE issued their respective advisories dated 15 and 16 April 2020 (“ERC and DOE Advisories re ECQ Extension”) to provide guidance to all electric power industry stakeholders.

Accordingly, to implement the ERC and DOE Advisories re ECQ Extension, PSALM hereby issues the following amendments to the earlier-issued PSALM Advisories:

1. For the payment of all fees to PSALM on power billings and ancillary services in the entire country falling due during the original and extended ECQ period covering 15 March 2020 to 30 April 2020, PSALM shall grant a grace period to concerned entities without imposing any interest and penalties, as indicated below. For this purpose, the accumulated amount of payments to PSALM falling due within the ECQ shall be amortized in four (4) equal monthly installments, payable in the four (4) succeeding billing months following the end of the ECQ. The installments shall be reflected as a separate item in the PSALM billings due on those succeeding months.

This Advisory shall cover the payments due from all PSALM customers, namely distribution utilities (DUs), industries, ecozones and government entities on regular power bills (PB), Deferred Accounting Adjustments (DAA) on GRAM and ICERA, ACRM True-up Adjustments, remittances entitled to prompt payment discount (PPD), Restructured Accounts (RA) on power, and Ancillary Services (AS) payments due from the National Grid Corporation of the Philippines (NGCP).

The Table below provides the details of PSALM’s power and ancillary services billings within the ECQ period and their corresponding extended due dates:

**TABLE 1: PSALM's Billings on Power and Ancillary Services  
Due Within the ECQ Period & their Extended Due Dates**

Type of Bill	Billing Period	Original Due Date	Due Date/s in view of the Extended ECQ	Payments Due
<b>FEBRUARY BILLINGS</b>				
RA Monthly Amortization	February 2020	28 February 2020	N.A.	N.A.
DAA/ACRM only - with PPD	February 2020	10 March 2020	N.A.	N.A.
Regular PB - PPD (Luzon and Visayas)	26 Jan. to 25 Feb. 2020	13 March 2020	N.A.	N.A.
Regular PB - PPD (Mindanao)	26 Jan. to 25 Feb. 2020	18 March 2020	N.A.	N.A.
Regular PB - Non PPD	26 Jan. to 25 Feb. 2020	25 March 2020	28 May, 25 June, 24 July, 25 August 2020	Deferred PB consolidated with PB due within ECQ, payable in 4 equal monthly installments
DAA/ACRM only - w/o PPD	February 2020	25 March 2020	28 May, 25 June, 24 July, 25 August 2020	Deferred DAA/ACRM consolidated with DAA/ACRM due within ECQ, payable in 4 equal monthly installments
NGCP Ancillary Services (AS)	26 Jan. to 25 Feb. 2020	31 March 2020	29 May, 30 June, 31 July, 31 August 2020	Deferred AS consolidated with AS due within ECQ, payable in 4 equal monthly installments
<b>MARCH BILLINGS</b>				
RA Monthly Amortization	March 2020	31 March 2020	29 May, 30 June, 31 July, 31 August 2020	Deferred RA consolidated with RA due within ECQ, payable in 4 equal monthly installments
DAA/ACRM only - with PPD	March 2020	10 April 2020	15 May 2020	Deferred DAA/ACRM to be paid in full
Regular PB - PPD	26 Feb. to 25 March 2020	15 April 2020	15 May 2020	Deferred PB to be paid in full
Regular PB - Non PPD	26 Feb. to 25 March 2020	24 April 2020	28 May, 25 June, 24 July, 25 August 2020	Deferred PB consolidated with PB due within ECQ, payable in 4 equal monthly installments
DAA/ACRM only - w/o PPD	March 2020	24 April 2020	28 May, 25 June, 24 July, 25 August 2020	Deferred DAA/ACRM consolidated with DAA/ACRM due within ECQ, payable in 4 equal monthly installments

Type of Bill	Billing Period	Original Due Date	Due Date/s in view of the Extended ECQ	Payments Due
NGCP AS	26 Feb. to 25 March 2020	30 April 2020	29 May, 30 June, 31 July, 31 August 2020	Deferred AS consolidated with AS due within ECQ, payable in 4 equal monthly installments
<b>APRIL BILLINGS</b>				
RA Monthly Amortization	April 2020	30 April 2020	29 May 2020, 30 June, 31 July, 31 August 2020	Deferred RA consolidated with RA due within ECQ, payable in 4 equal monthly installments
DAA/ACRM only - with PPD	April 2020	8 May 2020	25 May 2020	April DAA/ACRM billing to be paid in full
Regular PB - PPD	26 March to 25 April 2020	15 May 2020	25 May 2020	April PB to be paid in full
Regular PB - Non PPD	26 March to 25 April 2020	25 May 2020	28 May 2020	April PB + 1 <sup>st</sup> of 4 installments of deferred consolidated PBs
DAA/ACRM only - w/o PPD	April 2020	25 May 2020	28 May 2020	April DAA/ACRM billing + 1 <sup>st</sup> of 4 installments of deferred consolidated DAA/ACRM billings
NGCP AS	26 March to 25 April 2020	29 May 2020	29 May 2020	April AS billing + 1 <sup>st</sup> of 4 installments of deferred consolidated AS billings
<b>MAY BILLINGS</b>				
RA Monthly Amortization	May 2020	29 May 2020	29 May 2020	May RA billing + 1 <sup>st</sup> of 4 installments of deferred consolidated RA
DAA/ACRM only - with PPD	May 2020	10 June 2020	10 June 2020	May DAA/ACRM billing to be paid in full
Regular PB - PPD	26 April to 25 May 2020	15 June 2020	15 June 2020	May PB to be paid in full
Regular PB - Non PPD	26 April to 25 May 2020	25 June 2020	25 June 2020	May PB + 2 <sup>nd</sup> of 4 installments of deferred consolidated PBs
DAA/ACRM only - w/o PPD	May 2020	25 June 2020	25 June 2020	May DAA/ACRM billing + 2 <sup>nd</sup> of 4 installments of deferred consolidated DAA/ACRM billings
NGCP AS	26 April to 25 May 2020	30 June 2020	30 June 2020	May AS billing + 2 <sup>nd</sup> of 4 installments of deferred consolidated AS billings

Type of Bill	Billing Period	Original Due Date	Due Date/s in view of the Extended ECQ	Payments Due
<b>JUNE BILLINGS</b>				
RA Monthly Amortization	June 2020	30 June 2020	30 June 2020	June RA billing + 2 <sup>nd</sup> of 4 installments of deferred consolidated RA
DAA/ACRM only - with PPD	June 2020	10 July 2020	10 July 2020	June DAA/ACRM billing to be paid in full
Regular PB - PPD	26 May to 25 June 2020	15 July 2020	15 July 2020	June PB to be paid in full
Regular PB - Non PPD	26 May to 25 June 2020	24 July 2020	24 July 2020	June PB + 3 <sup>rd</sup> of 4 installments of deferred consolidated PBs
DAA/ACRM only - w/o PPD	June 2020	24 July 2020	24 July 2020	June DAA/ACRM billing + 3 <sup>rd</sup> of 4 installments of deferred consolidated DAA/ACRM billings
NGCP AS	26 May to 25 June 2020	31 July 2020	31 July 2020	June AS billing + 3 <sup>rd</sup> of 4 installments of deferred consolidated AS billings
<b>JULY BILLINGS</b>				
RA Monthly Amortization	July 2020	31 July 2020	31 July 2020	July RA billing + 3 <sup>rd</sup> of 4 installments of deferred consolidated RA
DAA/ACRM only - with PPD	July 2020	10 August 2020	10 August 2020	July DAA/ACRM billing to be paid in full
Regular PB - PPD	26 June to 25 July 2020	14 August 2020	14 August 2020	July PB to be paid in full
Regular PB - Non PPD	26 June to 25 July 2020	25 August 2020	25 August 2020	July PB + 4 <sup>th</sup> of 4 installments of deferred consolidated PBs
DAA/ACRM only - w/o PPD	July 2020	25 August 2020	25 August 2020	July DAA/ACRM billing + 4 <sup>th</sup> of 4 installments of deferred consolidated DAA/ACRM billings
NGCP AS	26 June to 25 July 2020	31 August 2020	31 August 2020	July AS billing + 4 <sup>th</sup> of 4 installments of deferred consolidated AS billings
<b>AUGUST BILLING</b>				
RA Monthly Amortization	August 2020	31 August 2020	31 August 2020	August RA billing + 4 <sup>th</sup> of 4 installments of deferred

Type of Bill	Billing Period	Original Due Date	Due Date/s in view of the Extended ECQ	Payments Due
				consolidated RA

The PPD shall apply to both the current power bill including deferred GRAM and ICERA and ACRM true-up adjustments, and deferred power bill and DAA/ACRM amounts, falling due on 15 March to 30 April 2020, if these are remitted to PSALM in full on the due dates indicated above for PPD. Those who opt to pay the deferred power bill and DAA/ACRM amounts in four (4) equal installments will no longer be entitled to avail of the PPD.

Billings with due dates not falling within the ECQ period of up to 30 April 2020 and not covered by the DOE Advisories and ERC Advisories shall thus follow the original due dates, and the failure to pay on or before such original due dates shall incur interests and penalties pursuant to existing agreements and in accordance with the credit and collection policies of PSALM. This is based not just on the ERC and DOE Advisories but also on the relevant provisions of the contracts with PSALM including the *force majeure* provisions.

- For the Universal Charges (UC) collected by Collecting Entities (CEs) in the entire country covering Missionary Electrification (ME), Environmental Charge for Watershed Rehabilitation and Management (EC) and Stranded Debts (SD), to be remitted to PSALM as the UC Administrator, the CEs are expected to implement the same grace period and payment scheme, as provided in item 1 above, to all electricity end-users in compliance with the ERC and DOE Advisories re ECQ Extension. In this regard, PSALM shall likewise grant the same grace period to CEs, without imposing any interest and penalties, on UC remittances falling due within the ECQ period. In turn, PSALM's disbursements thereof to UC beneficiaries falling due within the ECQ period shall also be following the same grace period or number of days as given to CEs. The UC remittances to PSALM and PSALM's disbursements of the UC remittances due during the ECQ Period are provided in Tables 2 and 3 below:

**TABLE 2: Collecting Entities' UC Remittances to PSALM Due Within the ECQ Period & their Extended Due Dates**

UC Collection Period	Original Due Date	Due Date/s in view of the Extended ECQ	Remittances Due to PSALM
February	16 March 2020	15 May, 15 June, 15 July & 15 August 2020	Deferred; payable in 4 installments
March	15 April 2020	15 May, 15 June, 15 July & 15 August 2020	Deferred; payable in 4 installments
April	15 May 2020	15 May 2020	Current + 1 <sup>st</sup> of 4 installments of deferred amount

UC Collection Period	Original Due Date	Due Date/s in view of the Extended ECQ	Remittances Due to PSALM
May	15 June 2020	15 June 2020	Current + 2 <sup>nd</sup> of 4 installments of deferred amount
June	15 July 2020	15 July 2020	Current + 3 <sup>rd</sup> of 4 installments of deferred amount
July	15 August 2020	15 August 2020	Current + 4 <sup>th</sup> of 4 installments of deferred amount

**TABLE 3: PSALM’s Disbursements to UC Beneficiaries for UC Due Within the ECQ Period**

UC Collection Period	Original Due Date	Due Date/s in view of the Extended ECQ	Disbursements Due to UC Beneficiaries
February	20 March 2020	20 May, 22 June, 20 July & 20 August 2020	Deferred; payable in 4 installments
March	20 April 2020	20 May, 22 June, 20 July & 20 August 2020	Deferred; payable in 4 installments
April	20 May 2020	20 May 2020	Current + 1 <sup>st</sup> of 4 installments of deferred amount
May	22 June 2020	22 June 2020	Current + 2 <sup>nd</sup> of 4 installments of deferred amount
June	20 July 2020	20 July 2020	Current + 3 <sup>rd</sup> of 4 installments of deferred amount
July	20 August 2020	20 August 2020	Current + 4 <sup>th</sup> of 4 installments of deferred amount

UC remittances by CEs to PSALM and UC disbursements by PSALM to beneficiaries that are not falling due within the ECQ period shall follow the usual due dates. The CEs’ failure to pay on or before such due dates shall incur interests and penalties.

- Anent the PSALM Advisory to its Stakeholders Re Submission of 2019 Universal Charge (UC) Annual Reports and March 2020 Billing, Collection/Remittance Reports and Special Bank Receipts (SBRs) dated 02 April 2020, PSALM also hereby extends the deadlines for the submission of the following UC reports:

**TABLE 4: Extended Deadlines for the Submission of UC Reports**

Period	UC Reports	Original Due Date	Extended Due Date
CY 2019	Annual Audit Report	30 April 2020	01 June 2020
February 2020	Billing Report	20 March 2020	15 May 2020
	Collection/Remittance and SBRs Reports	16 March 2020	
March 2020	Billing Reports	20 April 2020	15 May 2020
	Collection/Remittance and SBRs Reports	15 April 2020	
April 2020	Billing Reports	20 May 2020	25 May 2020
	Collection/Remittance and SBRs Reports	15 May 2020	25 May 2020

Deadlines for the submission of reports to PSALM that are not falling due within the ECQ period shall follow the usual due dates, and failure to submit on or before such due dates shall incur interests and penalties.


4. Due dates for the payment of Independent Power Producer Administrators (IPPAs) in the entire country to PSALM that fell due after the issuance of the PSALM Advisory of 26 March 2020 and up to 14 April 2020, for both capacity and energy payments, were extended by thirty (30) days counted from 14 April 2020, or up to 14 May 2020, without imposing any interest and penalties. In light of the ERC and DOE Advisories re Extended ECQ which clearly and categorically covered both the Independent Power Producers (IPPs) and the IPPAs, PSALM shall grant to the IPPAs the same grace period and extend the same payment scheme, as provided in items 1 and 2 above, subject to the confirmation from PSALM's IPPs and fuel suppliers on their adoption of the said grace period and payment scheme in favor of PSALM. This is to ensure that PSALM will have sufficient funding source to pay the IPP and fuel supply obligations when they fall due.
5. Consistent with the ERC and DOE Advisories intending to lessen the impact of the grace period given to electricity power industry stakeholders and to help manage the cashflow in the energy supply chain to ensure the continuous supply of electricity, PSALM strongly reiterates its requirement to power customers, CEs, NGCP and IPPAs to immediately remit to PSALM any proportionate amounts that they may have already collected from their own customers, if any, without awaiting the extended due dates provided in Items 1 and 2 above. Customers who have the ability to pay are encouraged to continue to timely settle their bills with PSALM within the original due dates.

Matters contained in the PSALM Advisories of 26 March 2020 and 02 April 2020 that are not amended by, or inconsistent with, this Advisory shall remain valid.

PSALM will issue the necessary supplemental or amendatory advisories should there be further updates or amendment to the Advisories issued by the ERC and DOE, or if

there are instructions or decisions that will be issued by the PSALM Board of Directors relative to the Advisories of PSALM.

Signed this 17 April 2020 in Quezon City, Philippines.



**IRENE JOY BESIDO-GARCIA**  
President and CEO