



National
Transmission
Corporation

2020

Annual Report

Prevailing Over Adversity





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CORPORATE MANDATES

The National Transmission Corporation (TransCo) is a government agency created under Republic Act 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA) of 2001.

Since 1 March 2003, TransCo operated and managed the power transmission system that links power plants to electric distribution utilities nationwide. The same law mandated the privatization of TransCo through an outright sale or concession contract.

Following a public bidding conducted in December 2007, TransCo concession was awarded to the National Grid Corporation of the Philippines (NGCP). Ownership of all transmission assets, however, remains with the government through TransCo.

As the owner of the transmission assets, TransCo has five key mandates:

- Monitor compliance of the Concessionaire with the terms and conditions of the Concession Agreement in accordance with the Philippine Grid Code and other regulatory laws, rules and regulations; provide inputs to the Transmission Development Plan (TDP) and monitor project implementation;
- Divest remaining sub-transmission assets to qualified electric distributors;
- Handle right-of-way (ROW) claims whose cause of action accrued prior to the commencement date (15 January 2009) and such other actions and claims retained by TransCo under the Concession Agreement;
- Provide consultancy and/or other technical services for the management of the power distribution systems of Baguio City Economic Zone and the Authority of the Freeport Area of Bataan by virtue of management contracts;
- Act as Feed-in Tariff Allowance Fund Administrator pursuant to ERC Resolution No. 15, series of 2012 dated 19 November 2012.

CORPORATE MISSION AND VISION

MISSION

We actively promote national development and protect the interest of the Filipino People by ensuring an adequate and reliable transmission system that delivers quality electricity at a globally-competitive price.

VISION

We envision TransCo to be a globally-recognized leader and innovator in the power sector, exemplifying the highest levels of excellence, professionalism and integrity. We shall maximize the utilization and value of government assets, and provide diversified public services to satisfied stakeholders.



OPERATIONAL HIGHLIGHTS

CONCESSIONAIRE COMPLIANCE MONITORING

INSPECTION OF TRANSMISSION ASSETS AND PROJECTS

Section 7.03 of Access and Inspection of the Concession Agreement between TransCo and NGCP states that: "Throughout the Concession Period, the Concessionaire shall (i) provide representatives of PSALM and TransCo with access to the Transmission Assets upon reasonable advance notice for the purpose of inspecting the Concessionaire's books and records and interviewing its managers and staff, and (ii) permit such representatives to inspect the Transmission Assets and witness any aspect of the performance of this Agreement, provided that the Concessionaire shall be entitled to impose reasonable restrictions on such rights of access and inspection in the interests of safety or to prevent undue disruption to its operations."

For 2020, TransCo conducted a total of 63 inspections of transmission facilities and transmission projects, which include Projects Under Construction (PUCs). Of these, 59 inspections were on TransCo transmission facilities operated by concessionaire NGCP, while four inspections were on transmission projects. 42 were conducted through virtual inspections. Beginning October 2020, however, the Concessionaire suspended the virtual inspections, hence, 17 inspections were not conducted. There were nine (9) transmission projects (4 PUCs, 5 New Projects), targeted for inspection in 2020. The Concessionaire, however, did not allow TransCo to inspect the five (5) New Projects.



Of the 1,503 open observations noted during the inspection of transmission facilities, a total of 1,033 observations were corrected or closed by the Concessionaire in 2020. The observations were classified as either "major" and "minor" observation as tabulated below:



Table 1. Status of Observations on Transmission Facilities

Observations	Total	Number of Open Observations	Number of Closed Observations	Closeout %
Major Observations	712	187	525	73.74
Minor Observations	791	283	508	64.22
Total	1,503	470	1,033	68.73

Out of the 42 PUCs that were turned over to the Concessionaire, 39 were completed, two (2) are still ongoing, and one (1) was deferred. For 2020, the Concessionaire completed two (2) PUCs and four (4) New Projects. The tables below show the status of PUCs and the new transmission projects.

Table 2. Status of Projects Under Construction (PUCs)

Status of Projects	As of 15 January 2009*	As of 30 November 2020
Energized/Completed	8	39
Under Construction	10	2
Tendering Stage	11	0
Pre-construction Stage	13	0
Deferred	0	1**
Total	42	42

*Commencement Date ** Dasmariñas-Rosario TL Project

Table 3. PUCs still under construction as of 30 November 2020

PUC	Status	Original Target Completion	Concessionaire's Revised Target Completion
1. Luzon PCB Replacement Project	Ongoing	Oct. 2012	Dec. 2020
2. New Naga (Colon) S/S Project	Ongoing	May. 2011	Dec. 2020

Table 4. Status of New Projects

Status of Projects	As of 30 November 2020
Energized/Completed	45
Under Construction	57
Tendering Stage	13
Pre-construction Stage	19
Cancelled	0
Total	134



ENVIRONMENTAL COMPLIANCE ASSESMENT OF NGCP-OPERATED FACILITIES

The TransCo assets inspection teams continuously monitor the environmental compliance of the Concessionaire in relation to its operation and maintenance of TransCo transmission facilities in Luzon, Visayas and Mindanao. In 2020, environmental inspectors checked the availability of relevant permits, assessed the sufficiency of structures that conform to environmental protection requirements, determined the Concessionaire's compliance with the protocol on proper storage of hazardous/chemical substances and availability of required storage facilities, and validated the Concessionaire's corrective actions to address previous observations. The environmental compliance inspections were carried out together with technical inspections of facilities and projects.

TRANSMISSION DEVELOPMENT MONITORING

TransCo continuously performs its mandate to oversee the upgrading and expansion of the nation's power transmission assets by consistently monitoring the Concessionaire in accordance with the Concession Agreement.

However, TransCo has been limited in the planning process due to the refusal of the Concessionaire to provide pertinent technical data. As such, TransCo is unable to provide technical assessment on the network development projects included in the draft TDP.

For 2020, TransCo conducted technical reviews and evaluation of the Concessionaire's proposed two (2) projects, specifically under ERC Case No. 2019-092 RC entitled, "Cebu-Bohol 230kV Interconnection Project" with a total project cost amounting to Php 19,761.765 Million and ERC Case No. 2019-093 RC entitled, "Lapu-Lapu 230kV Substation Project" with a total project cost amounting to Php 4,356.401 Million.

TransCo likewise conducted economic feasibility studies on the interconnection of the islands of Marinduque and Catanduanes to the Luzon Grid. This is in response to the challenges on the reliability of electricity services and increasing requirements to subsidize the high-cost of power in small island grids. TransCo prepared a generation development plan for Business-As-Usual (BAU) scenarios and developed technically-feasible connection schemes of these islands to the Luzon Grid via submarine cables.

Further, with the guidance of the DOE, TransCo continues the conduct of small-island interconnection planning to determine the most economical timing to interconnect the islands to the main grid at the least cost possible, which will provide the highest degree of system reliability and security in the small island grids.



SYSTEM OPERATIONS PERFORMANCE MONITORING

TransCo conducted monitoring and review of the following System Operation reports to ensure the quality, reliability and security of the grid:

- Regional Daily Operations Reports (DOR) and Daily Operations Highlights (DOH);
- Consolidated DOR (CDOR) and Consolidated DOH (CDOH);
- Daily Consolidated Interruption Reports (DCIR);
- Weekly Grid Operations Reports (WGOR);
- Monthly Outage Summary Report (MOSR);
- Day-Ahead Ancillary Services Schedule (DAASS);
- Grid 1-Second Frequency; and
- Significant Incident Reports (SIR).

The data from the above reports are used in the quarterly technical assessment reports on system reliability, ancillary services availability, and frequency control to evaluate the Concessionaire's compliance with technical provisions of the Concession Agreement. Further, the System Operation reports are used in the monitoring and assessment of transmission facilities affected by natural calamities such as Taal Volcano Eruption, Tropical Cyclone Rolly, and Tropical Cyclone Ulysses.

Table 5. ERC Hearings attended by TransCo

Nature of ERC Cases	2020 Hearings Attended/ Participated
1. Maximum Allowable Revenue (MAR) Applications	5 of 5
2. Force Majeure Event (FME) Applications	9 of 9
3. New Project/Project Expansion/Upgrading Applications	9 of 9
4. Point-to-Point Limited Transmission Facilities Connection	1 of 1
5. Reclassification of Sub-Transmission Assets to Transmission Assets	None
6. Ancillary Services Procurement Agreement (ASPA)	8 of 8
7. Connection Charge and Residual Sub-transmission Charges (CC/RSTC)	1 of 1
8. Others (PubCon, Rules Change)	7 of 7
TOTAL	40 of 40

MONITORING OF REGULATORY APPLICATIONS/PETITIONS/ COMPLIANCES/ MANIFESTATIONS FILED BY THE CONCESSIONAIRE WITH THE ERC

TransCo carried out the monitoring of the Concessionaire's filed applications/ petitions/ compliances/ manifestations with the Energy Regulatory Commission (ERC). As may be warranted, TransCo filed its petition for intervention in regulatory cases.

For 2020, the following applications were monitored:

1. Force Majeure Event (FME) - nine (9) applications
2. Ancillary Service Procurement Agreement (ASPA) with the AS Providers - nine (9) applications
3. New Project/Project Expansion/Upgrading - nine (9) applications, and
4. Connection Charges and Residual Sub transmission Charges (CC/RSTC) - one (1) application

TransCo likewise participated in the conduct of hearings on major rate cases mentioned above and the conduct of public consultations on Rules Change

It also conducted regular monitoring of ERC issuances such as Policies/Guidelines, Orders/Decisions, Notice of Hearings and Public Consultations and disseminated/informed the concerned groups accordingly. TransCo has constantly monitored updates on the Regulatory Reset for the transmission business for the 4th Regulatory Period (CY 2016 to 2020) and has communicated with the ERC for the reset process to proceed. However, to date, the reset process did not commence until it concluded on 31 December 2020. The subsequent reset for the 5th Regulatory Period (CY 2021 to CY 2025) is also yet to commence.

TransCo also prepared monthly and quarterly reports on the Status of EPIRA Implementation and provided to concerned offices/agencies (internal and external).

JOINT TRANSCO & PSALM TECHNICAL, REGULATORY, FINANCIAL, LEGAL and ROW ASSESSMENT TEAM (TRFLAT)

Further, TransCo handled the consolidation and preparation of the Joint TransCo & PSALM Technical, Regulatory, Financial, Legal and ROW Assessment Team (TRFLAT) report pertaining to the Inspection of Books and Records (IBR) which covered the areas of Technical (on Operation and Maintenance, Engineering and Construction, System Operations, Philippine Grid Code and Environmental), Regulatory, Financial (on Financial Records and Transmission Assets), Legal, Right-of-Way, and Administrative, IT, QA, Safety, and Security. It also conducted assessment of the Concessionaire's compliance with the relevant provisions of the Concession Agreement on the Regulatory aspect. The annual TRFLAT Assessment Report covering CYs 2018 and 2019 has been completed and transmitted to the Concessionaire on 15 October 2020 for its compliance and appropriate action.

Copy of the report was likewise furnished to the concerned government bodies and offices such as the Department of Energy, Department of Finance, Energy Regulatory Commission, and the House of Representatives (Congress and Senate).





FEED-IN-TARIFF ALLOWANCE (FIT-ALL) FUND ADMINISTRATION

In addition to TransCo's mandates, ERC Resolution No. 15, Series of 2012, dated 19 November 2012 designated TransCo as the Feed-in-Tariff Allowance (FIT-All) Fund Administrator. TransCo is tasked with the establishment, management, administration, and disbursement/settlement (through the Trustee Bank) of the FIT-All Fund for the benefit of FIT-eligible Renewable Energy (RE) developers. TransCo is likewise tasked to file the rate application before the ERC for the annual FIT-All Rate determination. Presented below are the summary of the FIT-All Applications filed by TransCo and the corresponding ERC actions thereon:



Table 6. FIT-All Applications filed by TransCo

FIT-All Rate Application	Rate as Applied, P/kWh	ERC Approval	Remarks
2019 (filed on 27 July 2018)	PhP0.2780 or the updated amount at the time of evaluation	Final: PhP0.0495/kWh (until December 2020 Billing)	Approved on 28 October 2019 (docketed on 28 January 2020) Implemented starting February 2020 billing month
2020 (filed on 30 July 2019)	PhP0.2278 or the updated amount at the time of evaluation	Final: PhP0.0983/kWh	Approved on 23 November 2020 (docketed on 29 December 2020) For implementation starting January 2021 billing month
2021 (filed on 27 July 2020, docketed on 4 August 2020)	PhP0.1881 or in the alternative PhP 0.2008 to account for the impact of COVID-19 pandemic, or in the updated amount at the time of evaluation	Virtual Hearings are ongoing	Virtual Hearings are scheduled on January 6, 13, 20, 29, 2021 and February 4, 2021 for the Luzon, Visayas and Mindanao stakeholders.

Status of RE Payment Agreement (REPA)

For the payment of FIT-eligible RE generators, TransCo entered into Renewable Energy Payment Agreements (REPA) with eighty-one (81) RE Developers as of 31 December 2020, with fifty-five (55) of these REPAs being effective, i.e., these eligible RE Developers have secured all necessary permits and are being paid/can already be paid for actual eligible energy generated.

Table 7. Renewable Energy Payment Agreements

Plant Type	Signed REPA		Effective REPA	
	Quantity	Capacity MW	Quantity	Capacity (MW)
Solar	24	525.95	23	484.65
Hydro	17	224.25	8	163.84
Biomass	33	286.35	17	135.13
Wind	7	426.90	7	426.90
Total	81	1,463.44	55	1,210.52



Collection and Disbursements of the FIT-All Fund

As of 31 December 2020, TransCo administered the Fund, observing 85% collection efficiency from FIT-All Collection Agents and 97.79% collection efficiency from Cost Recovery Revenue (CRR) Collection Agents. The outstanding FIT-All Fund balance as of the end of 2020 amounts to PhP4.71 billion.

On the other hand, the total FIT Revenue billed to the Fund as of 31 December 2020 amounted to PhP100.97 billion. Of the amount billed, 97.42% was paid and the balance of PhP2.60 billion payable was settled on 5 January 2021, consistent with the payment schedule provided in the ERC issued FIT-All Guidelines.





Audit of Collection Agents

In line with Sec.4.1 (xii) of the FIT-All Guidelines issued by the ERC, TransCo conducted audits of FIT-All Collection Agents to further improve the efficiency of the FIT-All collection/remittance to the FIT-All Fund.

Below is the list of Collection Agents audited for the year 2020:



Table 8. Audited Collection Agents

Audited Collection Agents (2020)		Date of Audit
1	Dagupan Electric Corporation	6 February 2020
2	Central Pangasinan Electric Cooperative, Inc.	11 February 2020
3	Pangasinan III Electric Cooperative, Inc.	11 February 2020
4	Pangasinan I Electric Cooperative, Inc.	12 February 2020
5	Advent Energy, Inc.	23 September 2020
6	Aboitiz Energy Solutions, Inc.	23 September 2020
7	Bohol I Electric Cooperative, Inc.	22 October 2020
8	Ifugao Electric Cooperative, Inc.	29 October 2020
9	Antique Electric Cooperative, Inc.	24 November 2020
10	Agusan Del Sur Electric Cooperative, Inc.	27 November 2020

Of the 10 Collection Agents (CA) examined, audits for seven (7) had been completed and three (3) are ongoing. Out of the seven (7) audited CAs, five (5) have been charged with interest and penalty for delayed/unremitted FIT-All collection subject to validation of the concerned CA.



DIVESTMENT OF SUB-TRANSMISSION ASSETS

The divestment of TransCo's sub-transmission assets covers 199 sale packages with 107 interested Distribution Utilities (DUs), majority of which are Electric Cooperatives (ECs).

As of 31 December 2020, TransCo has concluded 118 sale contracts with 95 DUs/ECs/Consortia amounting to approximately PHP6.077 billion. These sale contracts cover an aggregate length of about 3,858 ckt-kms of sub-transmission lines and 34,430 sub-transmission structures and 835 MVA of substation capacity. Of the 118 sale contracts, 64 contracts with a total contract price of approximately PHP4.074 billion had been approved or approved with modification by the ERC.

On 29 December 2020, TransCo, through the Sub-transmission Management, filed two (2) Joint Applications with the ERC, pertaining to the divestment of sub-transmission assets in favor of Peninsula Electric Cooperative, Inc.

(PENELCO), docketed as ERC Case No. 2020-046 RC; and in favor of La Union Electric Cooperative, Inc. (LUELCO), docketed as ERC Case No. 2020-047 RC. These two filings formed part of the corporate Major Final Output (MFO) for having met the target approved by GCG.

Due to existing government restrictions and TransCo's policy on local travels during the pandemic, the conduct of on-site inspections of the sub-transmission assets were put on hold. Thus, only four (4) actual inspections were conducted during the year, with the other four (4) conducted remotely, with DUs' and ECs' submissions of their respective accomplishment reports and various documents in support of their completed maintenance activities.

Below is the list of DUs/ECs whose assets were inspected in 2020.

Table 9. Inspected Transmission Assets

Distribution Utilities		Inspected Sub-Transmission Assets
1.	Bukidnon Sub-Transmission Corporation (BSTC) or the Consortium of First Bukidnon Electric Coop. (FIBECO) and Bukidnon Second Electric Coop. (BUSECO)	a. Tagoloan (Natumulan)-BUSECO 69 kV Line b. Kibawe-Maramag-Aglayan 69 kV Line c. Maramag-Pulangi Lateral 69 kV Line
2.	Northern Negros Electric Cooperative (NONECO)	Cadiz-San Carlos 69kV line
3.	South Cotabato I Electric Cooperative (SOCOTECO I)	a. Tacurong-Koronadal 69 kV Line b. Koronadal-Surallah 69 kV Line
4.	Cebu II Electric Cooperative (CEBECO II)	a. Compostela-Danao 69 kV Line b. Danao-Lugo 69 kV Line c. Lugo-Medellin 69 kV Line
5.	Davao del Sur Electric Cooperative (DASURECO)	a. Digos-Malita 69 kV Line b. Matanao-Bansalan 69 kV Line c. Matanao-Cut-in 69 kV Line
6.	Misamis Oriental I Rural Electric Cooperative (MORESCO I)	a. NMPC-Alsons (ALCEM) 138 kV b. Lugait-Alson 69 kV Line c. Lugait-Ferrochem 69 kV Line d. Lugait-Inchrome 69 kV Line e. Hinignan-Lumbo 69 kV Line f. Talaba-Abi 69 kV Line g. Malanang-Patag-Opol 69 kV Line h. Carmen-Talakag 34.5 kV Line
7.	Camiguin Electric Cooperative, Inc. (CAMELCO)	Balingasag-Kinoguitan 69 kV Line
8.	Peninsula Electric Cooperative (PENELCO)	a. Hermosa-Balanga 69 kV Line b. Balanga-BTPP 69 kV Line c. Alas-Asin Tap-Chi-Exemplar 69 kV Line d. PNPP-Napot-Bagac 69 kV Line e. PNPP-Morong / Napot 69kV Line f. Hermosa-Balanga MCDS g. Hermosa-Balanga RCDS h. Balanga-BTPP MCDS i. Balanga-BPPP RCDS



MANAGEMENT AND OPERATION OF ELECTRICAL DISTRIBUTION SYSTEMS AT BAGUIO CITY ECONOMIC ZONE (BCEZ) AND THE FREEPORT AREA OF BATAAN (FAB)

TransCo, by virtue of management contracts, manages and operates the power systems in BCEZ and FAB. On a regular basis, TransCo undertakes preventive/predictive maintenance, corrective maintenance, upgrading works, energy audits, billing and collection, and financial reporting, among others.

Baguio City Economic Zone (BCEZ)

In 2020, TransCo performed as well as 2019, if not better, despite the pandemic. The table below shows the performance of TransCo using several major parameters.

Table 10. Performance Measures (BCEZ)

PERFORMANCE MEASURES	2019	2020
Availability Factor (%)	99.99	99.99
Collection Efficiency (%)	99.97	99.998
Cost Efficiency (expenses/income generated)	0.3403	0.3500
Systems Loss (%)	1.34	1.25



As part of its regular activities, TransCo-Baguio undertook the following activities in 2020:

1. Preventive Maintenance Testing of Substation 2 and distribution transformers along the feeders
2. Emergency correction works at PEZA Substations and lines to ensure continuous delivery of electricity to customers especially during the passage of typhoons
3. Provision request for Technical Assistance from PEZA with its Power Supply Management and various line works with the locators
4. Thermal scanning of PEZA-owned electrical equipment, distribution lines even extending to customer-owned facilities and equipment
5. Correction of hotspots along distribution lines and Substation equipment
6. Vegetation management by regular patrol, inspection, ROW clearing of distribution lines.
7. Routine inspection of transformers, metering facilities, station batteries including maintenance of BCEZ street lighting system
8. Calibration and testing of revenue billing meters to ensure accuracy of energy and demand registration
9. Upgrade/rehabilitation of substation equipment and distribution facilities
 - Reconductoring and installation of disconnect switch along Moog Controls Corp. -113.8 kV line
 - Replacement of Station Batteries at PEZA Substation 1, and replacement of damaged power cables of main feeder at PEZA Substation 2
 - Replacement of defective feeder protection relay device at PEZA Substation 3



Authority of Freeport Area of Bataan (AFAB)

There is some downgrading in the performance of TransCo-AFAB due to some locators experiencing difficulties (financial/operational) because of the pandemic. As a result, TransCo income from the zone has gone down, affecting Cost Efficiency.

Table 11. Performance Measures (AFAB)

PERFORMANCE MEASURES	2019	2020
Availability Factor (%)	100	99.99
Collection Efficiency (%)	98.42	98.41
Cost Efficiency (expenses/income generated)	0.5611	0.6539
Systems Loss (%)	2.43	2.28

As part of its regular activities, TransCo-AFAB performed the following in 2020:

1. Upgrading/rehabilitation of substation equipment and distribution facilities.
2. Annual Preventive Maintenance Testing (APMT) of pad-mounted distribution transformers.
3. Annual Preventive Maintenance Testing (APMT) of Substation 1 and 2.
4. Hot Spot Correction on distribution lines and equipment.
5. Distribution Line Inspection.
6. Hot Spot Correction on Substation 1 and 2.
7. Installation of distribution lines and equipment on various electrical expansion projects of AFAB.
8. Provide technical assistance on AFAB's power modernization projects and Locators power system.

Table 12. Income realized by Transco-AFAB and Transco-BCEZ as of December 31, 2020

Amount in Php	AFAB	BCEZ	TOTAL
O&M Service Fee	18,771,018.99	23,660,846.35	42,431,865.34
OPEX	12,694,340.11	8,454,356.74	21,148,696.85
Sub-total	6,076,678.88	15,206,489.61	21,283,168.49
Less: UMD-HO Expense			1,882,187.00
Net Income			19,400,981.49



HANDLING OF RIGHT-OF-WAY (ROW) CASES AND CLAIMS

The settlement of ROW claims and cases is indispensable in securing TransCo's authority/title/possession over the affected properties in order to help ensure the smooth and unhampered operation and maintenance of transmission lines.

Pursuant to Section 5.08 of the 25-year Concession Agreement with the Concessionaire, TransCo is responsible for handling all existing ROW claims whose causes of action accrued prior to 15 January 2009, the date the Concessionaire took over the operation and maintenance of TransCo's transmission facilities.

On a regular basis, TransCo receives claims and demands for payment of just compensation involving lands affected by transmission lines and transmission related facilities that were constructed or commissioned by the National Power Corporation (NPC), TransCo's predecessor in interest.

Settlement of ROW Claims and Expropriation Cases

TransCo initiates negotiation with landowners affected by transmission lines. If the TransCo-approved valuation is accepted by the landowner or if a court decision/order is found in compliance with law, jurisprudence, and TransCo policies and government accounting and auditing rules, TransCo begins the processing of payment to the affected landowners.

In cases where TransCo is sued for ejectment, an adverse decision would mean that TransCo would be compelled to remove the transmission structures, vacate the premises and pay for damages and rentals until such time the structures are completely dismantled, to the detriment of both government and the general public.



There are also instances where TransCo's offer is rejected by the landowner, which sometimes causes TransCo and NGCP to be denied entry to the premises to conduct operation and maintenance activities. In such cases, TransCo files expropriation cases to secure its authority/title/possession over the affected properties to help ensure the smooth and unhampered operation and maintenance of the transmission lines.

Each ROW case involves the conduct of site survey, validation and verification of documents with different government agencies including the Assessor's Office of concerned Local Government Units (LGUs), Land Registration Authority/Register of Deeds (LRA/RD), Department of Environment and Natural Resources-Land Management Bureau (DENR-LMB), Bureau of Internal Revenue (BIR) and other related government offices.

Due to the COVID-19 pandemic, stringent quarantine policies and travel restrictions imposed by local government units nationwide severely affected the accomplishment of ROW cases settlement and expropriation targets in 2020.

To mitigate the impact of the pandemic on TransCo's accomplishments, TransCo explored online filings/requests/meetings with the above government agencies. Unfortunately, most of these agencies do not yet have the technological infrastructure to undertake these activities online.

Despite these constraints, TransCo recorded 76 expropriation cases filed in different courts nationwide while 49 ROW claims were approved for settlement for a total of 125, slightly exceeding TransCo's recalibrated 2020 target of 122 cases. Among these are 17 ROW cases wherein the landowners initiated the process of expropriation or what is called "inverse condemnation."

Validation of ROW Claims

The validation of ROW claims involves the following processes:

1. Verifying the rightful ownership of the landowner-claimants;
2. Determining whether or not there are existing ROW documentation covering the affected properties;
3. Ascertaining the land classification of the properties [current and at the time of taking];



4. Identifying what transmission project is involved and the year the said project was constructed and/or commissioned;

5. Conducting a verification survey to determine whether the properties are indeed affected and if so, measuring the actual area/s affected and;

6. Establishing the appropriate valuations of the affected properties.

Similar to TransCo's experience in the settlement of ROW claims and cases and the filing of expropriation cases, ROW validation activities including site verification, research, negotiations with affected landowners, and coordination with various government instrumentalities were hampered by the strict government quarantine policies and travel restrictions due to the pandemic and the inadequate technological infrastructure of concerned government agencies.

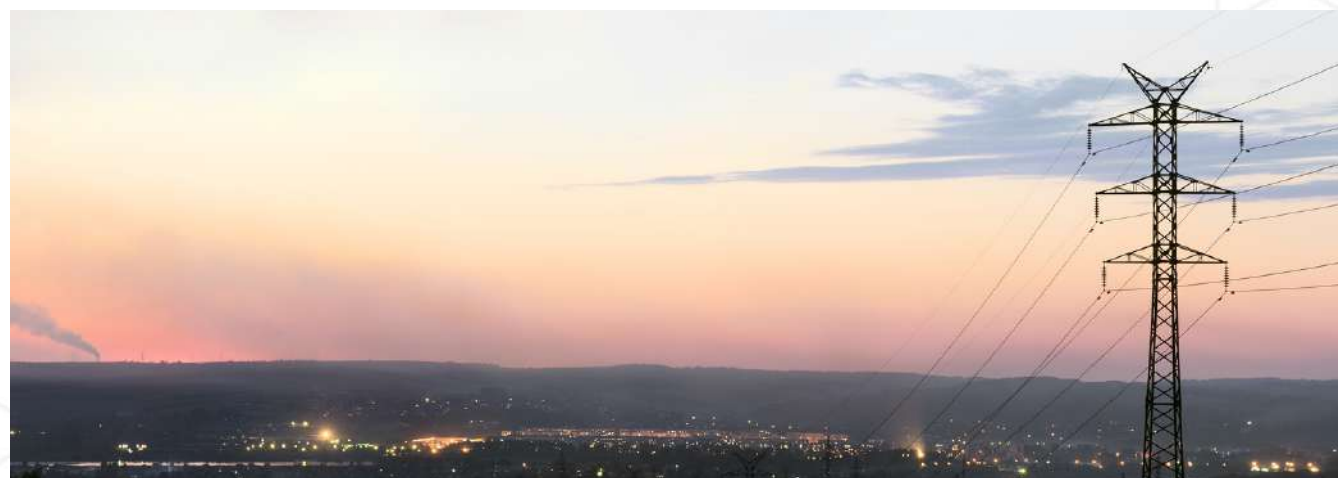
Notwithstanding all these constraints, TransCo was able to validate a total of 175 ROW claims in 2020 which surpassed its recalibrated target of 173 validated ROW claims.



**Outsourcing of Parcellary Survey (As-built) of Transmission Lines & Substations**

To hasten the complete and accurate documentation of transmission lines, substations and all affected lands and structures nationwide, TransCo started outsourcing the conduct of parcellary surveys of existing transmission facilities in 2019.

Continuing this project in 2020, TransCo covered an additional 12,765 linear kilometers of land affected by existing transmission lines, substations and facilities in North Luzon, South Luzon, Visayas, and Mindanao. With this, TransCo finally completed the identification and profiling of the as-built survey plans of all transmission facilities nationwide.

**MEMORANDUM OF AGREEMENT (MOA) WITH LAND REGISTRATION AUTHORITY**

To further increase efficiency in the validation and settlement of right-of-way claims, TransCo signed in December 2016 a Memorandum of Agreement (MOA) with the Land Registration Authority (LRA). As provided in the MOA, LRA will provide TransCo with data on titled properties falling within the right of way of transmission lines including certified true copies of land titles and electronic maps generated from the technical description provided in the titles of all existing transmission lines and substations in North Luzon, South Luzon, Visayas and Mindanao.

As of end December 2020, TransCo received the following from LRA:

- 5,879 out of 12,765 linear kilometers of Parcellary Mapping Services (Geospatial Query System),
- 123,500 Individual Property Location Services (Parcel Verification System) and
- 122,147 certified true copies of Transfer Certificates of Title (TCT)





GEOGRAPHIC INFORMATION SYSTEM (GIS)

TransCo's Geographic Information System (GIS) is a collection of software programs and systems that display spatial data and support analysis of spatial (location-based) relationships, including sophisticated statistical analysis.

The GIS can be used to link graphics and data on maps such as the locations of ROW affected properties, transmission lines, substations, TransCo offices, electric utilities, and prospective ongoing and completed projects to tabular records in the database. It can also enhance the asset management processes of TransCo's zoning and parcel mapping, particularly for managing right-of-way concerns.

The GIS is also designed to consolidate all information gathered in the parcellary surveys, LRA outputs and validation works of TransCo. This will serve as a database that will allow quick access to relevant information and the preservation of the integrity of high-value documents and sensitive data.

The development of GIS Software programs and systems has been completed and uploading of data acquired from LRA and outsourced parcellary surveys is now about 80% complete.



CASES HANDLED BY TRANSCO



As of 31 December 2020, TransCo had a total number of 2,066 ROW and Non-ROW cases distributed as follows:

Table 13. Cases handled by TransCo's ROW Litigation Department

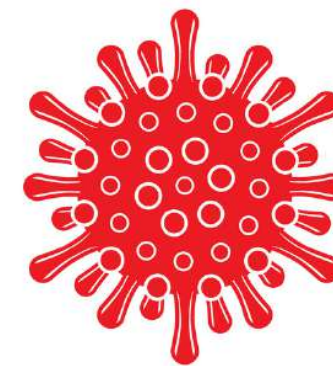
Cases	No. of Cases
Expropriation cases Plus Specific Performance	1166
Ejectment/Recovery of Possession	229
Just Compensation/Damages/Inv. Condemn.	45
Criminal Cases	43
Labor Cases	4
Tax/Admin, Other cases	3
Sub-total	1,490
OGCC-Handled	118
OSG-Handled	167
TOTAL	1,775

Table 14. Cases handled by TransCo's Corporate Legal Services Department

Cases	No. of Cases
Civil/CTA	18
ERC Cases	175
COA	73
Franchise Taxes	15
Real Property Taxes	8
Business Taxes	2
TOTAL	291

ARBITRATION CASE WITH THE CONCESSIONAIRE

In 2020, TransCo-PSALM and the Concessionaire (NGCP) started the process of Document Production. Thereafter, the Concessionaire filed its Reply. TransCo and PSALM are currently preparing their Rejoinder to be filed in September 2021. Arbitration hearings are scheduled to commence in March 2022.



Supporting National Government's Fight Against COVID-19

In line with the Bayanihan to Heal As One Act and the national government's call for government agencies to help mitigate the impact of COVID-19 pandemic, TransCo proactively reviewed and realigned its operating budget to support the funding requirements and disbursement processing of COVID-19 related expenditures and gave up a considerable percentage to augment the national government's fight against COVID-19.

1. From 28 March 2020 until the end of the Enhanced Community Quarantine (ECQ) on 31 May 2020, TransCo provided free use of its 14-room dormitory located at the Bantayog ng mga Bayani grounds to shelter an average of 40 frontliners of the Lung Center of the Philippines (LCP). They were also provided with three free meals daily.
2. On 6 April 2020, TransCo donated Php 3 million to the Philippine Red Cross (PRC) for the purchase of personal protective equipment (PPE) of frontliners.
3. On 5 May 2020, the Lung Center of the Philippines, Philippine Heart Center (PHC) and East Avenue Medical Center (EAMC) received the following items from TransCo: a) 440 sets of PPE; b) 80 bottles of vitamins; c) 50 gallons of alcohol; d) 50 pieces of pillows; and e) 2,000 pcs of surgical masks, in the total amount of Php 3,686,710.00. PHC and the Quezon City Risk Reduction and Management Council (QCDRMC) also each received four (4) isolation tents from TransCo.
4. On 28 April 2020, TransCo donated Php 7.5 million to the LCP for the purchase of COVID-19 testing kits and other COVID-19 related expenses. Among the priority entities tested were the frontliners of the Quezon City Police District (QCPD) and the Lung Center of the Philippines.
5. On 11 May 2020, TransCo donated 2,800 relief packs to the residents of the community in Quezon City adjacent to the Power Complex where TransCo is located (Barangay Central), residents of Biñan, San Pedro and Sta. Rosa, Laguna and all TransCo security and janitorial personnel.
6. In response to the national government's call to support its "Hatid Tulong" program, TransCo assisted some Locally-Stranded Individuals (LSIs) to safely return to their respective provinces on 29 July. TransCo provided buses to transport 60 LSIs who were affected by the lockdown imposed amid the COVID-19 pandemic and return to their hometowns in Sorsogon. They were each provided three (3) meals while in transit.
7. Aside from the provision of land transportation, TransCo also donated 500 food packs to other LSIs staying at the Rizal Memorial Stadium in Malate, Manila.



QUALITY MANAGEMENT SYSTEM

The National Transmission Corporation (TransCo) reaffirmed its commitment to provide quality services to its customers and stakeholders after successfully passing the ISO 9001:2015 surveillance audit conducted by independent auditor, TUV Rheinland on 22 October 2020.

Being certified to ISO 9001:2015 means that an organization has established and maintains an effective Quality Management System (QMS) that conforms to the standards set by the International Standards Organization (ISO).

TransCo's ISO certification covers processes in Concession Contract Management, Settlement of Right-of-Way Claims, Divestment of Sub-transmission Assets, Operation and Maintenance of Electrical System of Contracted Economic Zones, and Administration of Feed-in Tariff Allowance Fund.

All five (5) TransCo sites were covered by the surveillance audit – TransCo Main Office in Quezon City, its Satellite Offices in the cities of Cebu and Davao, and TransCo-Utility Management Department (UMD) offices inside the Baguio City Economic Zone and the Freeport of Bataan.



In successfully passing the 2020 surveillance audit, TransCo recorded zero nonconformity in the processes audited despite the onslaught of a global health crisis.

Among the positive findings observed by the 3rd Party Auditor TÜV Rheinland were the “assistance provided by TransCo to help the government combat the COVID-19 pandemic” including the donation of personal protective equipment and medical supplies to three (3) government hospitals in Quezon City as well as opening its 14-room dormitory to medical frontliners of the Lung Center of the Philippines.



National Transmission Corporation

STATEMENT CONFIRMING FULL COMPLIANCE WITH THE MANUAL OF CORPORATE GOVERNANCE

The National Transmission Corporation (TRANSCO) Nomination and Remunerations Committee (NRC) reviewed the recommendations of Management prior to endorsement and approval of the TRANSCO Board. The actions taken by TRANSCO Management for Calendar Year 2020, are in compliance with TRANSCO's Manual of Corporate Governance.

DIR. GLADYS N. NALDA
Chairperson

Nomination and Remunerations Committee

STATEMENT ON REVIEW OF FINANCIAL AND OPERATIONAL SYSTEM

The National Transmission Corporation (TRANSCO) Board Technical Committee (BTeC) reviewed the recommendations of Management for Calendar Year 2020, involving financial and operational prior to endorsement and subsequent approval by the TRANSCO BOARD.

USEC. BAYANI H. AGABIN
Chairperson

Board Technical Committee

STATEMENT CONFIRMING ADEQUACY OF INTERNAL CONTROLS

The National Transmission Corporation (TRANSCO) Board Audit Committee (BdAC) reviewed the findings, observations and recommendations of the Internal Audit Department for Calendar Year 2020, and were found to be adequate.

DIR. JOSEPHINE CASSANDRA J. CUI
Chairperson

Board Audit Committee





WHISTLE BLOWING POLICY OF THE NATIONAL TRANSMISSION CORPORATION

It is the policy of the National Transmission Corporation (TransCo) to carry out its mandated functions in a transparent, responsible and accountable manner and with the utmost degree of professionalism and effectiveness. Towards this end, TransCo shall endeavor to prevent and control the commission of serious misconduct and unethical work habits of its officers and employees by providing a confidential reporting channel.

The salient features of the Policy include:

1. Creation of the TransCo Integrity Monitoring Committee (TIMC) with the following as officials: the Vice President, General Counsel as Chair, the Vice President for Corporate Services as Vice Chair, the Vice President of CCMG, two lawyers from the Office of the General Counsel and a representative from the CSC-accredited employee organization.
2. Applicability of Policy to members of the TransCo Board, its created committees, officers and employees
3. Reportable Conditions to cover violations of provisions of the following laws, rules, and regulations like the following:
 - R.A. No. 6713, "Code of Conduct and Ethical Standards for Public Officials and Employees"
 - R.A. No. 3019, "Anti-Graft and Corrupt Practices Act"
 - R.A. No. 7080, as amended, "The Plunder Law"
 - Book II, Title VII, Crimes Committed By Public Officers, The Revised Penal Code
 - Executive Order (E.O.) No. 292, s. 1987, "Administrative Code of 1987"
 - R.A. No. 10149, the GOCC Governance Act of 2011
 - GCG M.C. NO. 2012-05, "Fit and Proper Rule";
 - GCG M.C. NO. 2012-06, "Ownership and Operations Manual Governing the GOCC Sector"
 - GCG M.C. NO. 2012-07, "Code of Corporate Governance for GOCCs"
 - Violations of the Charter of the GOCC; and
 - Other GCG Circulars and Orders, and applicable laws and regulations
4. Reporting Channels include TransCo website, face-to-face meetings, e-mail, mail, telephone, fax
5. Anonymous Reporting
6. Withdrawal of Report by the Whistleblower
7. Resignation of Respondent Pending Completion of Investigation
8. Confidentiality
9. Protection of Whistleblower against Retaliation
10. Untrue Allegations
11. Procedure on Handling Whistleblowing Reports
12. Final actions on the Whistleblowing Reports
13. Effectivity

TransCo's Whistle Blowing Policy





National Transmission Corporation

STATEMENT CONFIRMING THE TRUTH AND FAIRNESS OF THE CY 2020 FINANCIAL STATEMENTS OF THE NATIONAL TRANSMISSION CORPORATION

The Management of the **National Transmission Corporation** is responsible for all information and representations including the preparation and fair presentation of the financial statements for the year ended **December 31, 2020**, in conformity with generally accepted accounting principles and prescribed financial reporting framework indicated therein. This responsibility includes maintaining a system of accounting and reporting, designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error and applying appropriate accounting policies, and making accounting estimates and informed judgment that are reasonable in the circumstances with consideration to materiality.


The Board of Directors reviews and confirms the submission of the financial statements prepared by TransCo Management to the regulators, creditors, and other users.


USEC. BAYANI H. AGABIN
Alternate Representative
for
SEC. CARLOS G. DOMINGUEZ III
Chairman
Secretary, Department of Finance


USEC. EMMANUEL P. JUANEZA
Alternate Representative
for
SEC. ALFONSO G. CUSI
Vice-Chairman
Department of Energy

Statement Confirming the Truth and Fairness of the CY 2020 Financial Statements
of the National Transmission Corporation

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USEC. RODOLFO C. GARCIA
Alternate Representative
For
SEC. ROY A. CIMATU
Member
Department of Environment and Natural Resources


DJR. JOSE O. ILAGAN
Member
Representative for Luzon


ATTY. GLADYS N. NALDA
Member
Representative for Visayas


ATTY. JOSEPHINE CASSANDRA J. CUI
Member
Representative for Mindanao


ATTY. MELVIN A. MATIBAG
President & CEO
National Transmission Corporation



FINANCIAL HIGHLIGHTS

NATIONAL TRANSMISSION CORPORATION STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020 and 2019

	ASSETS	2020	2019
Current Assets			
Cash and Cash Equivalents		1,014,718,635	1,009,738,424
Receivables		3,529,435,624	4,167,197,980
Inventories		1,256,350	946,372
Other Current Assets		<u>4,317,939,953</u>	<u>3,651,212,882</u>
Total Current Assets		<u>8,863,350,562</u>	<u>8,829,095,658</u>
Non-Current Assets			
Receivables		166,470,272,970	159,011,950,070
Property, Plant and Equipment		147,895,189,844	144,901,089,987
Intangible Assets		26,839,079	14,365,873
Other Non-Current Assets		<u>689,005,592</u>	<u>693,525,565</u>
Total Non-Current Assets		<u>315,081,307,485</u>	<u>304,620,931,495</u>
Trust Assets - Fit-ALL		<u>6,115,123,863</u>	<u>12,942,523,146</u>
Total Assets		<u>330,059,781,910</u>	<u>326,392,550,299</u>
	LIABILITIES		
Current Liabilities			
Financial Liabilities		406,706,215	730,247,131
Inter-Agency Payables		463,652,922	458,513,788
Trust Liabilities		1,023,103	1,046,054
Deferred Credits/Unearned Income		7,577,052,464	7,592,745,117
Other Payables		<u>8,539,508,823</u>	<u>215,998,866</u>
Total Current Liabilities		<u>16,987,943,527</u>	<u>8,998,550,956</u>
Non-Current Liabilities			
Inter-Agency Payables		4,897,097,132	4,897,097,132
Deferred Credits/Unearned Income		<u>145,905,193,039</u>	<u>146,564,436,174</u>
Total Non-Current Liabilities		<u>150,802,290,171</u>	<u>151,461,533,306</u>
Trust Liabilities - Fit-ALL		<u>6,115,123,863</u>	<u>12,942,523,146</u>
Total Liabilities		<u>173,905,357,561</u>	<u>173,402,607,408</u>
Net Assets (Total Assets Less Total Liabilities)		<u>156,154,424,349</u>	<u>152,989,942,891</u>
	NET ASSETS/EQUITY		
Equity from PSALM		157,858,050,139	156,402,639,989
Comprehensive Loss		(3,554,485,201)	(5,517,523,166)
Retained Earnings		<u>1,850,859,411</u>	<u>2,104,826,068</u>
Government Equity		<u>156,154,424,349</u>	<u>152,989,942,891</u>
Total Net Assets/Equity		<u>156,154,424,349</u>	<u>152,989,942,891</u>



STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

Revenue	2020	2019
Business Income	<u>9,656,254,610</u>	<u>9,973,964,354</u>
Total Revenue	<u>9,656,254,610</u>	<u>9,973,964,354</u>
Current Operating Expenses		
Personnel Services	(262,026,769)	(206,632,890)
Maintenance and Other Operating Expenses	(147,614,400)	(184,898,069)
Financial Expenses	(31,389)	(36,216)
Non-Cash Expenses	<u>(4,869,928,711)</u>	<u>(4,723,286,323)</u>
Total Current Operating Expenses	<u>(5,279,601,269)</u>	<u>(5,114,853,498)</u>
Surplus from Current Operations	<u>4,376,653,341</u>	<u>4,859,110,856</u>
Other Non-Operating Income	89,286	1,161,639
Gains	0	0
Losses	<u>(1,589,073)</u>	<u>(2,241,234)</u>
Surplus before Tax	<u>4,375,153,554</u>	<u>4,858,031,261</u>
Income Tax Expenses	<u>0</u>	<u>0</u>
Net Surplus for the period	<u>4,375,153,554</u>	<u>4,858,031,261</u>

FINANCIAL PERFORMANCE INDICATORS CY 2020

1. Net Profit	P	4,375 Mn
2. Operating Ratio		54.68%
3. Return on Assets		1.35%
(excluding Trust Assets - Fit All)		
4. Return on Equity		2.80%
5. Current Ratio		52.17%

FINANCIAL HIGHLIGHTS, PHP Mn

	CY 2020	CY 2019
	<i>Audited</i>	<i>Audited</i>
Total Revenues	9,656	9,975
Total Expenses	5,281	5,117
Net Profit/Surplus	4,375	4,858
Total Assets 1/	330,059	326,393
Total Liabilities 1/	173,905	173,403
Total Equity	156,154	152,990

1/ Inclusive of FIT-All Fund Trust Assets (under Assets) and Trust Liabilities (under Liabilities)



TRANSCO'S FINANCIAL PERFORMANCE FOR THE YEAR 2020

For CY 2020, TransCo registered a net profit/surplus of Php 4,375 million. Gross revenues consisting of concession-related, service fees for the management of electrical distribution systems at ecozones in Baguio and Bataan, interests and other income, aggregated Php 9,656 million, down by 3.2% or Php 319 million from the reported revenues for CY 2019 at P9,975 million. Bulk of the revenues or 99% came from the concession of the transmission assets/business.

Total expenses for the year 2020 were recorded at Php 5,281 million, higher by just 3.2% or Php 164 million than the previous year. Personnel services (PS) were reported at Php 262 million, while Maintenance and Other Operating Expenses (MOOE) were posted at Php 148 million, which is lower by 20.2% or Php 37 million from prior year at Php185 million as operations and programmed activities for the year were greatly affected by the COVID-19 pandemic. Non-cash expenses amounting to Php 4,870 million account for 92% of total expenses, which include depreciation for the service concession assets, buildings and structures, general plant equipment including information and communication technology equipment.

TransCo's total assets as at December 31, 2020 stood at Php 330,059 million, a growth of merely 1.1% from year-end 2019 balance of Php 326,393 million. The increase in assets were mostly on account of unitization of completed transmission line projects as reported by the concessionaire, including expenditures for the acquisition of lot by TransCo. However, FIT-All Fund assets decreased to Php 6,115 million from December 2019 reported amount of Php 12,943 million. The corresponding Liabilities and Fund Balance/ Capital are likewise presented as Trust Liabilities under non-current liabilities for the equal total amount.

The significant increases in assets and liabilities were caused by the reversal or return of net profits remitted to the Power Sector Assets and Liabilities Management Corporation (PSALM) relative to the dividend declaration for remittance to the National Government amounting to Php 8,324 million covering the years 2016-2019. This is in accordance with the direction of the Department of Finance (DOF), but subject to the opinion of the Department of Justice on the propriety of the requirement for dividend, hence, is covered in the tripartite Memorandum of Agreement among the DOF, TransCo and PSALM.

The 2.1% increase in Equity is due to the funding received from PSALM amounting to Php 1,455 million intended for the Right-of-Way related expenditures, along with the Php 1,963 million adjustment for the reduction in comprehensive loss on unidentified/ unreconciled Construction Work in Progress in accordance with the recommendation of the Commission on Audit.

2020 PERFORMANCE SCORECARD

National Transmission Corporation Performance Scorecard - for the year 2020

PERSPECTIVE	COMPONENT		WEIGHT	Rating System	2020 TARGETS	4th Quarter Targets	4th Quarter Accomplishments
	Objective/Measure	Formula					
C U S T O M E R	SO 1 Enhance customer/stakeholders satisfaction in line with the mandates of TransCo						
	SM 1 Percentage of satisfied customers	No. of Satisfied Respondents Total No. of Respondents	10.00%	Actual/Target 0% = if less than 80%	90% Satisfied Customers	90% Satisfied Customers	Inception Meeting with DAP held on 21 December 2020. Data gathering (actual survey) January 18-30, 2021.
	SO 2 Ensure continuous supply of electricity						
	SM 2 System Availability (SA) (Measures the long-term average fraction of time that a component or system is in service and satisfactorily performing its intended function)	SA = The sum for all circuit hours available / (Number of circuits) x (Number of hours in period)	5.00%	Actual/Target	Luzon: 99.19% Visayas: 99.52% Mindanao: 99.53% (pending 4th regulatory reset)	Luzon: 99.19% Visayas: 99.52% Mindanao: 99.53%	Luzon: 99.0474% Visayas: 99.7842% Mindanao: 99.7396%
	SM 3 System Interruption Severity Index (SISI) (Measures the severity of interruption (in system-minutes) of a single delivery point or a system)	Ratio of the unserved energy to the system peak load: $SISI = \frac{[MW \text{ lost} \times \text{duration}(\text{min})]}{[System \text{ Peak Load (MW)}] \times 100\%}$	5.00%	Actual/Target	Luzon: 17.96 min Visayas: 121.83 min Mindanao: 30.74 min (pending 4th regulatory reset)	Luzon: 17.96 min Visayas: 121.83 min Mindanao: 30.74 min	Luzon: 1.4244 min Visayas: 9.5800 min Mindanao: 5.6797 min
	SO 3 Ensure uninterrupted access for the operation and maintenance by the NGCP of the						
C U S T O M E R	SM 4 No. of ROW Claims/cases approved for settlement or Expropriation Cases Initiated	$\Sigma \text{ No. of ROW Claims/cases approved for settlement}$	8.00%	Actual/Target	122	122	125
	SO 4 Ensure NGCP's implementation of corrective actions based from the findings by	$\Sigma \text{ No. of major findings/observations corrected over total agreed major observations for correction}$					
	SM 5 Percentage of major findings/observations corrected		5.00%	Actual/Target	73.74%	73.74%	73.74%
	SM 6 Percentage of minor findings/observations corrected		5.00%	Actual/Target	64.22%	64.22%	64.22%

PERSPECTIVE	COMPONENT		WEIGHT	Rating System	2020 TARGETS	4th Quarter Targets	4th Quarter Accomplishments	
	Objective/Measure	Formula						
								Sub-total
FINANCIAL	SO 5	Ensure TransCo's operational viability	38.00%					
	SM 7	Reduction of Construction Work In Progress (CWIP) presented under Comprehensive Income (Loss) Account	Actual Amount of CWIP reduced and/or submitted for writeoff/Target amount	5.00%	Actual/Target	3.10 Billion	1.945 Billion	
	SM 8	Cost Efficiency - TransCo	Controllable OPEX/ Revenues	8.00%	Actual/Target	0.0516 for every P1.00 revenue generated	0.03743	
	SM 9	Collection of Revenues for ROW Related Capex	Actual amount collected/Target amount	0.00%	Actual/Target	PHP358-M REMOVED	Php 13.03M collected on Oct. 22, 2020 Collections as of year-end 2020 total Php 108.96M	
	SM 10	Number of Monitoring Reports on Estimated Recovery Payment	Total number of Monitoring Reports on Estimated Recovery Payment	3.00%	Actual/Target	4 Monitoring Reports	4 Monitoring Reports	
	SO 6	Enhance performance on mandated roles and responsibilities	Sub-total	16.00%				

PERSPECTIVE	COMPONENT		WEIGHT	Rating System	2020 TARGETS	4th Quarter Targets	4th Quarter Accomplishments
	Objective/Measure	Formula					
INTERNAL PROCESSES	SM 11	Collection Efficiency (FIT-All)	4.00%	Actual/Target	85%	85%	85.04%
	SM 12	TRFLAT Annual Report submitted to DOE, ERC and NGCP	5.00%	Pass/Fail	1 Annual Report	1 Annual Report	1 Annual (TRFLAT) Report for CY 2018 and 2019 (transmitted to NGCP on 16 Oct 2020; submitted likewise to DOE, DOE and ERC)
	SM 13	Percentage of NGCP projects reviewed (technical review/assessment) forty-six (46) days	5.00%	Actual/Target	100% within 46 working days	100% within 46 working days	100% (2 out of 2 Projects Reviewed within 39 working days)
	SM 14	Number of Final Inspection Reports transmitted to NGCP within 13 working days	7.00%	Actual/Target	100% within 13 working days (63/63)	100% (63/63)	100% (63 of 63)
	SM 15	No. of ROW Claims Validated	8.00%	Actual/Target	173	173	175
	SO 7	Divest remaining sub-transmission assets (STAs) to qualified distribution utilities					



National Transmission Corporation
Performance Scorecard - for the year 2020

PERSPECTIVE	COMPONENT		WEIGHT	Rating System	2020 TARGETS	4th Quarter Targets	4th Quarter Accomplishments
	Objective/Measure	Formula					
LEARN ING TO GROW AND	SM 16 Signed Joint Applications	Σ No. of Joint Applications Filed with ERC	2.00%	Actual/Target	2 Joint Application Filings	2	2
	SO 8 Comprehensively link individual performance to the goals of the organization.	Sub-total	31.00%				
	SM 17 Percentage of employees with required competencies met	No. of Employees with required competencies met/Total No. of Employees	5.00%	Actual/Target	35% of filled-up positions (35% of 291 = 101)	35% of filled-up positions	67% of filled-up positions (170/252)
	SM 18 Compliance to Quality Standards	ISO 9001 Certificate Awarded	5.00%	Pass/Fail	Pass Surveillance Audit	Pass Surveillance Audit	Passed Surveillance Audit
		Sub-total	10.00%				
	RATING		95%				

CERTIFIED CORRECT

ATTY. NOEL Z. DE LEON
CHAIRPERSON, PERFORMANCE
SCORECARD/MANAGEMENT TEAM
and
VICE PRESIDENT, RLG

2/9/21
DATE

EXECUTIVE OFFICERS



EXECUTIVE OFFICERS



ATTY. MELVIN A. MATIBAG

President and CEO

mamatibag@transco.ph

ATTY. NOEL Z. DE LEON

Vice President, Right-of-Way and Legal Group/
General Counsel

nzdeleon@transco.ph



ATTY. ZITA MARIE ATIENZA-FAJARDO

Vice President, Resource Management Services Group
(5 April 2017 to 23 March 2020)

zmatienza@transco.ph



MS. LEONOR S. QUINTIA

Acting Vice President, Resource Management Services
Group (24 March-24 August 2020)
Vice President, RMSG (starting 25 August 2020)

lsquintia@transco.ph

MS. DINNA O. DIZON

Vice President, Transmission Management Group

dodizon@transco.ph





BOARD OF DIRECTORS



CARLOS S. DOMINGUEZ III

Secretary
Department of Finance
Chairman of the TransCo Board

Age: 75
Date of Appointment: June 2016

Carlos “Sonny” Dominguez has over 40 years of experience managing various organizations in the public and private sectors. He was a shareholder, and board chairman or member of over a dozen corporations across various industries such as power, agriculture, mining, banking, hospitality, real estate, and investment.

Notable positions held by Sonny were Cabinet Secretary of the Environment and Natural Resources and Agriculture during the Presidency of Corazon Aquino, past president of leading Philippine corporations such as the Philippine Airlines and the Philippine Associate Smelting and Refining Corporation, and the former Bank of the Philippine Islands Agricultural Bank. Sonny has a Master’s Degree in Business Administration from Ateneo De Manila University and attended the Executive Management Program at the Stanford University.



ALFONSO G. CUSI

Secretary
Department of Energy
Vice Chairman of the TransCo Board

Age: 71

Date of Appointment: June 2016

Energy Secretary Alfonso G. Cusi has more than four decades of leadership experience in both the private and public sectors. As a leader in the Philippine business sector, Cusi was engaged in the logistics and transportation industries.

He was the Chairman of the Batangas-based shipping company Starlite Ferries, Inc., which is spearheading the modernization of the domestic shipping industry with its recent acquisition of brand-new roll-on, roll-off (ro-ro) commercial vessels custom built in Japan. He also founded and served as Chairman and President of various companies engaged in logistics and distribution, manning and crewing, maritime engineering as well as convenience stores. Recognized as a good corporate steward, he also served as Board Member of the mining firm Intex Resources Philippines, Inc., a subsidiary of the Norway-based Intex Resources ASA.

Cusi started his career in the government service during the Arroyo administration, serving as General Manager of the Philippine Ports Authority (PPA) from February 2001 to July 2004. He was instrumental in the launch of the Strong Republic Nautical Highway that linked Luzon, Mindoro, Panay and Zamboanga del Norte in the country's western seaboard.

He also served as General Manager of the Manila International Airport Authority (MIAA) from August 2004 to March 2010. He initiated the opening of the mothballed NAIA Terminal 3 in 2008. As Director General of the Civil Aviation Authority of the Philippines from March to December 2010, he laid the groundwork for the restoration of the Category 1 status of the Philippine aviation industry.

Cusi hails from Roxas town in Oriental Mindoro and from Cebu City. He earned his Bachelor of Science degree in 1972 from La Salle College in Bacolod, his Master's degree in Business Administration in 1976 from the University of the Philippines-Cebu, and his Doctorate in Business degree, honoris causa, in 2008 from the Polytechnic University of the Philippines.

He was also the Vice-Chairman of PDP-Laban prior to his appointment as a member of the Cabinet.



ROY A. CIMATU

Secretary
Department of Environment and Natural Resources

Age: 74

Date of Appointment: May 2017

A native of Bangui, Ilocos Norte, Secretary Roy A. Cimatu is a graduate of the public school system from the elementary up to high school. Despite this, he graduated from the Philippine Military Academy in the class of 1970.

His eagerness to learn made him attain more scholastic achievements. This includes graduating from the Infantry Officers Advanced Course in the Philippine Army Training Command where he topped the course with a rating of 97.27%, an academic record which remains unsurpassed in the college history. He also graduated from the United States Army Command and Staff College in Fort Leavenworth, Kansas, USA.

He also furthered his education with a degree in Master in Business Administration from the Ateneo Graduate School of Business. A skilled pilot of a helicopter and a fixed-wing aircraft, he was also a recipient of the Cavalier Award from the Philippine Military Academy Alumni Association and a Hall of Fame from the United States Command and General Staff college.

All these academic accolades can be attributed to both his parents who are both teachers by profession. Being a Second Lieutenant, he was assigned as Company Commander in Patikul, Sulu during the Armed Forces of the Philippines (AFP) attack against the Moro National Liberation Front (MNLF) under its founding chairman Nur Misuari.

In the 80s, meanwhile, he was sent to Northern Panay as Battalion Commander in Aklan, a place under the heavy influence of the New People's Army (NPA). The vicinity is a highway of the northern towns, especially in Ibajay, Aklan, which was heavily infested by the NPA. The same highway was a gateway to the present-day Boracay Island, to which his successful efforts to clear the area from threats led to the development of the top tourist destination spot in the country today.



He is also a Brigade Commander in Davao, Cotabato, and Sarangani, where he was promoted as a one-star general after his troops successfully rescued four hostages kidnapped by the Abu Sayyaf in Sarangani. As a Division Commander of the 4th Infantry Division, he lead his troops during the all-out war in Mindanao to capture the Moro Islamic Liberation Front (MILF) camps including Camp Abubakar under the Estrada administration in 2000.

His victories in the battlefield eventually led him to earn his second star and be awarded as the Distinguished Conduct Star, the second highest combat award, next only to the Medal of Valor. He then became Southcom Commander based in Zamboanga City as a three-star General. Secretary Cimatu's ultimate recognition, however, is when he was appointed as the 29th Chief of Staff of the Armed Forces of the Philippines in May 2002.

In his career as a civil servant, Cimatu was called again to serve the country when he was named as a Special Presidential Envoy to the Middle East with the rank of Ambassador. At the height of the US-Iraq war, his Middle East Preparedness Committee made sure that no overseas Filipino worker (OFW) was hurt, killed or displaced from employment because of the conflict. He was able to negotiate a successful release of a Filipino hostage named Angelo dela Cruz, who was kidnapped by Iraqi militants in Baghdad, Iraq in 2004. Cimatu received a Presidential Award because of his bravery and perspicacity as a strategist for the triumphant negotiation.

Following dela Cruz's freedom, Cimatu was also involved in the successful release of Filipino seamen held hostage in Somalia. His inherent wisdom and competence as a caretaker of OFWs led him to be reappointed as a Presidential Special Envoy to the Middle East by President Rodrigo Duterte.



ATTY. MELVIN A. MATIBAG

President and CEO
National Transmission Corporation

Age: 50

Date of Appointment: January 31, 2017

Atty. Matibag started his government service in October 2007 as Director at the Laguna Lake Development Authority representing the Office of the President.

In December 2008, he moved on to become Head Executive Assistant to the General Manager at the Ninoy Aquino International Airport (NAIA). During this period, he was designated as Officer in Charge-Terminal Manager of NAIA Terminal 3 and later, as Officer in Charge-Assistant General Manager for Operations.

In March 2010 he rose to become General Manager of the NAIA. As head of agency, he focused on airport safety and security together with the improvement and upgrading of airport terminals and major facilities. He also launched successful crackdowns against syndicates engaged in money laundering, robbery, drug smuggling and human trafficking.

Atty. Matibag completed his law degree at the Ateneo de Manila University and passed the Philippine Bar Examinations in 1996. Prior to this, he was BA Philosophy graduate of the University of Santo Tomas. Pursuing higher education, he took up Master of Laws, major in Corporate and Finance Law at the Wayne State University in Michigan, USA.

Soon after, Atty. Matibag also became a faculty member at the San Sebastian College of Law (October 1997-May 1998) and University of Manila (2014-present).

He practiced law as a Senior Associate at the Algarra Mutia & Trinidad Law Offices from April 1997-May 1998. He later became a Founding Partner at the Halili Certeza Matibag Law Office in February 2000. From 2003-2006, he worked as Legal and Political Affairs Consultant at the Office of the Governor in Laguna.

Atty. Matibag completed the Corporate Governance Orientation Program for GOCCs conducted by the Institute of Corporate Directors (ICD) on 3 December 2018 and the Distinguished Corporate Governance Speaker Series, also of ICD, held in Makati City on 28 June 2019. Further, on 5 November 2020, he completed the ICD's online course titled Pilipinas: Aspire, Rise, Sustain Series 3: Cultivating Business Impact through Sustainability Reporting.



MR. JOSE O. ILAGAN

Representative for Luzon

Age: 51

Date of Appointment: October 2020

Jose Ocampo Ilagan has more than two decades of professional experience in the fields of renewable energy and information technology. He held various key positions in the private sector as shareholder and executive, the recent ones of which as Director and Executive Vice President of Ormin Power, Inc., a power generation company, and Director and President of Clean n Green Energy Solutions, Inc., a renewable energy company.

He championed renewable energy as an advocacy and had participated in private initiatives/inputs in crafting government renewable energy policies, specifically RE implementing rules and on financial modelling for feed-in-tariff in the hydropower sector.

This advocacy was translated into various private sector-led projects in hydropower.

He is currently a director and executive of a rural bank and an equipment leasing company.

He also held several positions in government as consultant to the Commission on Elections for the maiden election automation project and with the Home Guarantee Corporation for its Information Technology Strategic Plan.

He has a Master Degree in Business Administration from the Ateneo de Manila Graduate School of Business and a Bachelor Degree in Agricultural Economics from the University of the Philippines at Los Banos. He is currently earning his Master in Public Administration degree at the University of the Philippines.

He is a Bicolano at heart and is a native of Naga City in Camarines Sur.



ATTY. GLADYS N. NALDA

Representative for Visayas

Age: 43

Date of Appointment: April 2014

Atty. Gladys Nalda started her career in the government as Consultant for PNOC Exploration Corporation in 2013. A year thereafter, she joined PNOC Renewables Corporation as its Corporate Secretary and Vice President for Legal and Corporate Affairs. She previously worked as Corporate Secretary and General Counsel of a publicly listed company prior to entering government service.

Atty. Nalda obtained her Bachelor in Business Administration degree at the University of the Philippines and finished her Bachelor of Laws degree from the University of Santo Tomas. She further completed a certificate course in International and Comparative Laws at the University of Strasbourg in 2015. Atty. Nalda is a lawyer by profession and a member of the Integrated Bar of the Philippines (Leyte Chapter). She was born and raised in Tacloban City.

She completed the Professional Directors Program (June 2016), Corporate Governance Orientation Program for GOCCs (December 2018), Risk Management in the Age of COVID-19 (May 2020), and the Survive and Thrive: Building Business Resilience in the Corporate Strategy (June 2020), conducted by the ICD.



ATTY. JOSEPHINE CASSANDRA J. CUI

Representative for Mindanao

Age: 52

Date of Appointment: April 2014

Atty. Josephine Cassandra J. Cui has served the government in various capacities starting 1991. She served the city council of Cagayan de Oro City from 1991 to 1998. Thereafter, she worked as Chief Political Affairs Officer at the House of Representatives up to June 2007. She later became a Consultant at the Committee of Rules of the House of Representatives in 2010 to 2012. Atty. Cui also served as a Consultant at the Office of the DOE Secretary from February 2013 to March 2014 working on various energy issues that involve LGU concerns. She is currently the Corporate Planning Manager of the PNOC Renewables Corporation.

Atty. Cui completed her Bachelor of Laws from Ateneo de Cagayan (Xavier University). She finished her undergraduate degree in Bachelor of Arts in Communication from the University of the Philippines and Bachelor of Nursing from Kester Grant College as Cum Laude. Aside from being a lawyer, she is also a licensed nurse.

In 23 October 2019, she participated in the training on Anti-Money Laundering conducted by the Institute of Corporate Directors. Thereafter, she completed 24 hours of leadership and management training (The 7 Habits of Highly Effective Government Leaders) conducted by the Civil Service Institute on 26-28 November 2019.



ATTY. EDGARDO LL. PADILLA

Corporate Secretary

Age: 56

Date of Appointment: June 8, 2009

The career of Atty. Edgardo L. Padilla in the electric power industry spans more than 15 years. His most recent is his designation as the Corporate Secretary of the National Transmission Corporation in July 2009 and holds the same position up to the present. He was also the Head of the Internal Audit Department of the National Transmission Corporation from March 2003 to July 2009 after serving as Legal Counsel at the Office of the General Counsel of National Transmission Corporation.

He started his career in the electric power industry when he joined the Office of the General Counsel of the National Power Corporation 1991 to January 2003 where he served as Legal Counsel in various Build Operate Transfer (BOT) Law Projects/ Contracts of the National Power Corporation which lead to the solution of the power crisis in 1993 and the stability of the electric power supply of the country.

In the same office he likewise served as Special Counsel in various Technical Working Groups in the procurement of Overhead/Submarine Transmission Line Projects of the National Power Corporation and funded by international financing institution i.e. World Bank, Asian Development Bank which lead to the interconnection of the Luzon and Visayas Grid.

He also had the opportunity to serve as a Consultant to the Chairman of the Committee on Energy of the House of Representatives in the 12th Congress, including the Joint Congressional Power Commission (JCPC) during the preparation and deliberation of the IRR of R.A. 9136, known as Electric Power Industry Reform Act of 2001.

He has been consistently elected as Member of the Board of Directors of the NPC- Employees Multi-Purpose Cooperative and served as the Chairman of the Board for two (2) terms.

He finished his undergraduate degree in Economics at Xavier University in 1984 and completed his Bachelor of Laws in the same university. Atty. Padilla has also completed his Masters of Business Administration at the De La Salle University-Graduate School of Business in Manila.

Atty. Padilla completed the Corporate Governance Orientation Program for GOCCs conducted by the ICD on December 3, 2018.



NATIONAL TRANSMISSION CORPORATION

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