

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

STRATEGIC OBJECTIVES

MANDATE

Total electrification on an area coverage basis and competence enhancement of electric distribution utilities in a deregulated environment

VISION

Total electrification on an area coverage basis by 2020

MISSION

To pursue the mandate of rural electrification and provide financial, institutional and technical assistance to Electric Distribution Utilities to make them highly competitive in delivering quality service

KEY RESULT AREAS

Rapid, Inclusive and Sustained Economic Growth

SECTOR OUTCOME

Percentage of Filipino households that have access to electricity

ORGANIZATIONAL OUTCOME

Number of sitios energized

New Appropriations, by Program/Project

=====

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROJECT(S)				
400000000 Locally-Funded Project(s)		P 7,675,800,000		P 7,675,800,000
Total, Project(s)		7,675,800,000		7,675,800,000
TOTAL NEW APPROPRIATIONS		P 7,675,800,000		P 7,675,800,000

New Appropriations, by Central/Regional Allocation

=====

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
REGION				
Regional Allocation		P 7,675,800,000		P 7,675,800,000
Region I - Ilocos		173,799,000		173,799,000

Region II - Cagayan Valley	205,216,000	205,216,000
Cordillera Administrative Region (CAR)	350,694,000	350,694,000
Region III - Central Luzon	78,797,000	78,797,000
Region IVA - CALABARZON	221,379,000	221,379,000
Region IVB - MIMAROPA	560,718,000	560,718,000
Region V - Bicol	588,216,000	588,216,000
Region VI - Western Visayas	868,079,000	868,079,000
Region VII - Central Visayas	867,357,000	867,357,000
Region VIII - Eastern Visayas	1,370,456,000	1,370,456,000
Region IX - Zamboanga Peninsula	50,621,000	50,621,000
Region X - Northern Mindanao	996,204,000	996,204,000
Region XI - Davao	237,923,000	237,923,000
Region XII - SOCCSKSARGEN	303,577,000	303,577,000
Region XIII - CARAGA	107,689,000	107,689,000
Autonomous Region in Muslim Mindanao (ARMM)	695,075,000	695,075,000

Total New Appropriations	P 7,675,800,000	P 7,675,800,000
--------------------------	-----------------	-----------------

Special Provision(s)

1. Subsidy to the National Electrification Administration. The amount of Seven Billion Six Hundred Seventy Five Million Eight Hundred Thousand Pesos (P7,675,800,000) appropriated herein as subsidy for the NEA shall be used exclusively for the following projects with their corresponding amounts:

a) Sitio Electrification Project	P 6,358,000,000
b) Barangay Line Enhancement Project	1,260,000,000
c) Sitio Electrification and Barangay Line Enhancement Projects under PAMANA Program Pillar III	57,800,000

PROVIDED, That the NEA shall prioritize (i) sitios and barangays where the absolute number of indigents and the incidence of poverty are high as identified in the latest official poverty statistics of the National Statistical Coordination Board; and (ii) sitios with high capability of being energized: PROVIDED, FURTHER, That the amount appropriated for the PAMANA Program shall be used exclusively to implement projects in conflict-affected areas already identified by the Office of the Presidential Adviser on the Peace Process: PROVIDED, FURTHERMORE, That in no case shall said subsidy be used for the payment of salaries, allowances, incentives, separation and retirement benefits of the NEA.

The foregoing subsidy may be used to cover loans outlay or grants to electric cooperatives, including the EAO expenses not exceeding two percent (2%) of the project cost: PROVIDED, That the EAO shall cover expenses for pre-construction activities after detailed engineering, construction project management, testing and quality control, acquisition, rehabilitation and repair of heavy equipment, and other related equipment and parts used in the implementation of electrification projects and contingencies in relation to pre-construction activities: PROVIDED, FURTHER, That the amount corresponding to the grants given to electric cooperatives shall remain as subsidy: PROVIDED, FURTHERMORE, That unless otherwise provided in the terms and conditions of the grant, all grants and subsidies to electric cooperatives shall be actually transferred to the exclusive account of the electric cooperatives which shall implement the project by themselves, bid the same to qualified contractors, or do the actual purchase of materials needed in the construction, repair or rehabilitation of their respective electrification projects.

Releases from said amounts shall be subject to the submission by the NEA to the DBM of the following: (i) certification from the barangay chairperson on the following information per sitio: (i.a) population; and (i.b) number of houses; (ii) map of the municipality or city indicating the sitios and barangays to be energized; (iii) the specific cost of energizing a sitio or enhancing a barangay grid line; and (iv) the number and beneficiaries of house connections.

2. Special Provisions Applicable to All Government Corporations. In addition to the foregoing special provision, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NEA.

B.2. NATIONAL POWER CORPORATION

STRATEGIC OBJECTIVES

MANDATE

Section 70, RA 9136. Perform missionary electrification function through the Small Power Utilities Group (SPUG) and shall be responsible for providing power generation and associated power delivery systems in areas that are not connected to the transmission system.

Sec. 5(q), Rule 21 of RA 9136 IRR. Operate and maintain undisposed generating assets, including Agus and Pulangui complexes.

Sec. 6, Rule 23 of RA 9136 IRR. Continue to be responsible for watershed rehabilitation and management.

VISION

With social progress as our ultimate goal, we shall be a partner in nation building. We shall electrify the country to its farthest communities and manage our assets to ensure their sustainability. We commit to continuously improve ourselves to better serve the public. All these for God and country.

MISSION

We play a vital role in the electric power industry. With our wealth of experience and technical expertise, we lead in uplifting the quality of life in the country and its islands.

We extend the same values of sustainability, reliability and safety to the management of power systems, dams and watershed areas.

This is our commitment to the Filipino people.

KEY RESULT AREAS

Rapid, Inclusive, and Sustained Economic Growth

SECTOR OUTCOME

- Percentage of Filipino household in missionary areas served
- No. of missionary area energized
- Energy sale delivered in the main grid
- No. of main grid power customer
- Volume of water supplied for domestic, irrigation and electricity
- Percentage of water supplied for irrigation

ORGANIZATIONAL OUTCOME

No. of missionary areas energized

New Appropriations, by Program/Project

=====

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
300000000 Operations		P 2,000,000,000		P 2,000,000,000
NFO 1 Supply of Electricity in Missionary Areas		2,000,000,000		2,000,000,000
Total, Programs		2,000,000,000		2,000,000,000
TOTAL NEW APPROPRIATIONS		P 2,000,000,000		P 2,000,000,000

New Appropriations, by Central/Regional Allocation

=====

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
--	-------------------------------	---	----------------------------	--------------

REGION

Regional Allocation	P 2,000,000,000	P 2,000,000,000
National Capital Region (NCR)	2,000,000,000	2,000,000,000
Total New Appropriations	P 2,000,000,000	P 2,000,000,000

Special Provision(s)

1. Subsidy to the National Power Corporation. The amount of Two Billion Pesos (P2,000,000,000) appropriated herein as subsidy for the NPC shall be used exclusively for the Capital Outlay requirements of the Small Power Utilities Group (SPUG). In no case shall said amount be used for any other purpose.

Releases from said amount shall be subject to the submission by the NPC to the DBM of the program of work for each SPUG plant covered.

2. Special Provisions Applicable to All Government Corporations. In addition to the foregoing special provision, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NPC.

PERFORMANCE INFORMATION**KEY STRATEGIES**

Install 52.4 MW genset rental and additional power capacity of 23,965 KW
 Preconstruction activities for transmission lines and substations for off-grid areas
 Improvement in operational reliability indices in the off-grid areas in 2014
 Efficiently operate and maintain NPC's undisposed generating assets
 Achieve 7,700 tons/year in carbon sequestrations in support of climate change mitigation

MAJOR FINAL OUTPUTS (MFO) / PERFORMANCE INDICATORS**Targets****MFO 1: SUPPLY OF ELECTRICITY IN MISSIONARY AREAS****Operation of Existing Power Plants**

Percentage of expected power interruption (in terms of % forced outage rate)	0.763%
Percentage readiness of existing plants (in terms of equivalent % availability)	71.70%
Plant operational efficiency (in terms of net heat rates in Btu/kwh)	10,865
Plant operational efficiency (in terms of production cost in P/kwh)	20.28
Management of NPPs/QTPs (in terms of no. of processing days of NPP/QTP Billings)	30

Capacity Additions and Transmission

Total megawatts leased (in MW)	52.4
Total megawatts commissioned (in MW)	13.425

Transmission Line/Substation Expansions

Total transmission line energized (in ckt-kms)	222.14
Net operating income/(loss) without UCNE (in PBillions)	P -7.878