



## ACCOMPLISHMENT REPORT FOR CY 2015

<b>Concession Contract Management Group (CCMG)</b>
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### I. INSPECTION OF ASSETS OPERATED AND MAINTAINED BY NGCP

This activity covers the technical inspection, assessment, monitoring and reporting of the operating condition of the TransCo-owned electric power transmission grid being managed by NGCP nationwide. This include, but are but not limited to, the inspection of NGCP's books and records and all equipment and facilities in compliance with the provisions of the Concession Agreement, the Philippine Grid Code, environmental, safety and security requirements and other pertinent laws.

For 2015, TransCo conducted a total of sixty-five (65) inspections of transmission facilities and transmission projects, which include Projects Under Construction (PUCs). Of these, 56 were on transmission facilities (Annex A) while nine (9) were on transmission projects (Annex B).

Of the 3,801 open observations (those that were not yet corrected) on transmission facilities as of December 2014, a total of 2,725 observations were finally corrected or closed by NGCP in 2015. The observations are classified as either 'major' and 'minor' observations as follows:

#### A. Status of Observations on Transmission Facilities

Observations	Total	Number of Open Observations	Number/Percentage of Closed Observations
Major Observations	498	137	361 (72.49%)
Minor Observations	3,303	939	2,364 (71.57%)
	<b>3,801</b>	<b>1,076</b>	<b>2,725</b>

Annexes C and D show the summary status of the 42 PUCs & 74 new NGCP transmission projects respectively.

## B. Status of Projects Under Construction (PUCs)

Status of Projects	As of January 15, 2009	As of November 30, 2015*
Energized / Completed	8	35
Under Construction	10	6
Tendering Stage	11	0
Pre-construction Stage	13	0
Cancelled	0	1
<b>Total</b>	<b>42</b>	<b>42</b>

## C. Status of New Projects

Status of Projects	As of November 30, 2015*
Energized & Completed	11
Under Construction	33
Tendering Stage	21
Pre-construction Stage	9
Cancelled	0
<b>Total</b>	<b>74</b>

\* - Latest NGCP Project Status Report

Further, TransCo conducted reviews of NGCP projects filed with the ERC and, when necessary, intervened during the hearings at ERC.

TransCo's asset inspection teams also monitored the environmental compliance of NGCP pertinent to its operation and maintenance of the transmission facilities in Luzon, Visayas and Mindanao. The environmental inspectors checked for the availability of relevant permits, assessed the sufficiency of structures that conform with environmental protection requirements, looked at proper storage of hazardous/chemical substances and availability of required storage facilities, and validated NGCP's corrective actions done to address previous observations.

## II. ASSESSMENT OF NGCP'S COMPLIANCE WITH THE CONCESSION AGREEMENT

In connection with the conduct of the annual assessment on the National Grid Corporation of the Philippines' compliance with the Concession Agreement, a joint TransCo-PSALM group called Technical, Financial, and Legal Assessment Team (TFLAT) was created.

The first assessment review covered the Concession Years 2010 and 2011 and the Final Assessment Report was submitted by the Team to both Presidents of TransCo and PSALM in September 2012.