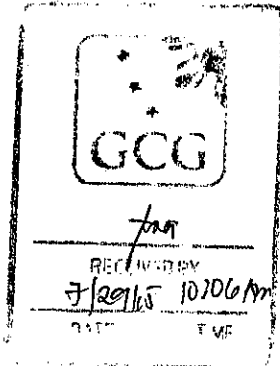




National Transmission Corporation

July 24, 2015

HON. CESAR L. VILLANUEVA
Chairman
GOVERNANCE COMMISSION for GOCCs (GCG)
3rd Floor, Citibank Center, Citibank Plaza
8741 Paseo de Roxas,
Makati City, Philippines 1126



ATTENTION: Mr. Kenneth M. Rafols
Corporate Governance Officer IV
Corporate Governance Office B (CGO-B)

SUBJECT : Submission of the 2nd Quarter Monitoring
Report for CY 2015 Performance Scorecard

We respectfully submit TransCo's 2nd Quarter Monitoring Report (attached) on our 2015
Performance Scorecard. Please take note that the quarterly targets for following measures
are not applicable:

Table with 2 columns: MEASURES and REMARKS. Rows include SM 1, SM 4A, SM 5, SM 10, SM 12, SM 16A, SM 17A, SM 18, SM 19, SM 20, and SM 21.

As agreed during the PAN meeting on April 22, 2015, the targets for Performance Measure
Nos. SM4A, SM5, SM12, SM16A and SM17A shall be set in October 2015. These will be
presented for approval of the TransCo Board and thereafter, renegotiation with GCG. Also,
we would like to formally request for a GCG-TWG meeting on July 29, 2015 to discuss the
targets under Measure Nos. SM4A, SM16A and SM17A before presenting same to the
TransCo Board for approval.

Thank you for your usual support and assistance to TransCo.

Truly yours,

[Signature]
ROLANDO T. BACANI
President and CEO

Component	Baseline	RESPONSE	2015
Objective/Measure	Formula	Weight	2014
SO 6	Ensure TransCo's financial viability	Target	1st Quarter Actual
		Target	2nd Quarter Actual
		Target	3rd Quarter Actual
		Target	4th Quarter Actual
		Target	Revised Full Year Target

SO	Objective/Measure	Formula	Weight	Baseline	RESPONSE	2015	1st Quarter	Actual	Target	2nd Quarter	Actual	Target	3rd Quarter	Actual	Target	4th Quarter	Actual
SM 8	Cost Efficiency - TransCo	Actual Utilization of Opex Budget	8.00%	n/a	FINANCE	P68.8											
SM 9	Cost Efficiency - Utility Management Department (UMD)	UMD Expenses over Revenue	2.00%	n/a	FINANCE/UMD	P0.9064 for every P1 revenue generated	P1.9377 for every P1 revenue generated	P0.9064 for every P1 revenue generated	P0.7601 for every P1 revenue generated								
SM 10	Collection of Revenues re 3rd Reg. ROW Related Capex	Actual amount collected	2.50%	n/a	FINANCE	Programmed quarterly targets cannot be applied. The target set are for the entire year.											
SM 11	Collection Efficiency (UMD Economics)	Total Collections over Total Receivables X 100 (UMD)	3.50%	99.14%	UMD	99.12%			99.12%	90.3% for further validation of locators with promissory note included		99.12%					
SO 7	Enhance performance on mandated roles and responsibilities	Sub-total	16.00%														
SM 12	Collection Efficiency (FIT-All)	FIT-All Fund Collection over Total FIT-All Fund Receivables	2.00%	n/a	FIT-ALL TEAM	Target to be set 6 months after implementation (October 2015)											
SM 13	Availability Funder (Measures the electrical power ready available to customers of BGEZ and AFAB)	(Period Hours - Outage Hours)/Period Hours X 100	4.00%	99.90%	UMD	100.00%			100%	99.99%		100%					
SM 14	Technical Review/assessment of Projects	Ratio of projects reviewed and acted upon within 60 working days from publication date over that filed by NCCP to the ERRC	5.00%	n/a	GTMD	85%			85%	100% (9/9)		85.00%					
SM 15	No. of inspection conducted in accordance with the Annual Inspection Schedule, and aligned with the Board approved COB, including Projects Under Construction and New Projects	Σ No. of inspection conducted to NCCP facilities in accordance with the Annual Inspection Schedule	8.00%	61	GTMD	18			18	17		65 (Unbundle 65)					
SM 16	No. of ROW claims Validated	Σ Actual number of ROW claims validated	5.00%	159	ROW	27			36	60		175					
SM 16A	Presentation of comprehensive time-bound action plans on how to address the issues on ROW claims validation	N/A	2.00%	n/a	ROW	The new targets were agreed between GCG and TransCo only on April 22, 2015			The targets are for discussion/ deliberation by TransCo Management	on going data consolidation for presentation to GCG TWG, BTEC and TransCo Board		Submission to GCG by October 2015 TO BE RENEGOTIATED SUBMISSION BY END OF DECEMBER 2015					
SM 17	Length of Transmission Lines Surveyed	Σ Actual length of Transmission Lines Surveyed	6.00%	66 kms	ROW	12 kms			15 kms	8.5kms		72 kms					

Internal Process

NATIONAL TRANSMISSION CORPORATION
MONITORING REPORT OF PERFORMANCE TARGETS AS OF JUNE 30, 2015

Component	Priority/Initiative	Formula	Weight	Baseline 2014	RESPONSIBLE F. SINDUP	2015							
						1 st Quarter Actual	2 nd Quarter Actual	Revised Full Year Target	3 rd Quarter Actual				
SM 17A	Presentation of comprehensive line-bound action plans on how to address the issues in the survey of Transmission Lines	N/A	2.00%	n/a	ROW	The new targets were agreed between GCG and Transco only on April 22, 2015	The targets are for discussion/deliberation by Transco Management	on going data consolidation for presentation to GCG TNG, BTRC and Transco Board	Submission to GCG by October 2015 TO BE RENEGOTIATED SUBMISSION BY END OF DECEMBER 2015				
SO 8	Divest remaining sub-transmission assets (STRAs) to qualified distribution utilities even as the operation and maintenance of such assets are already transferred to NGCP.												
SM 18	Compliance with Rule 6, Section 8e of EPRA BRR Mandate to divest STRAs to qualified Distribution Utilities	Σ No. of negotiated sales contracts	3%	3	SDD				3				
SM 19	Signed Joint Application	Σ No. of Joint Applications Filed with ERG	4%	5	SDD				11				
SM 20	Amount of Sale Packages contracted in 2015	Σ Amount in Million sales	3%	P45.56 M	SDD				PEDM				
		Sub-total	44.00%										
SO 9	Comprehensively link individual performance to the goals of the organization.												
SM 21	Development of a Competency Framework	N/A	4%	n/a	ADMIN/HRD	on going discussion with CSC - CSL MOA with CSC and Transco already reviewed by Legal. PR is now submitted to BAC			Submission to GCG by 2015				
		TOTAL	6.00%	100%									

[1] Based on computed WACC recovery for 3rd regulation actual ROW payments at 15.04%

NOTED BY: ESMIT Members

Juanilda R. Omban
Atty. Noel Z. De Leon
Genarosa M. Seriel
Diana O. Dixon
Bienvenido D. Valeros
Ernesto M. Daluz
Rudolfo G. Nera
Atty. Jose Jesus M. Moreno
Leonor S. Quinila
Jose Mari M. Ilagan