BUDGET OF THE THREE ENERGY CORPORATIONS

BUDGETS OF DEPARTMENT OF ENERGY ATTACHED CORPORATIONS

Sec.2. Approval of Annual Budgets of Corporations under R.A. No. 7638. Pursuant to Section 13, Chapter III of Republic Act No. 7638, the 1996 annual budgets of the Mational Electrification Administration (NEA), the Mational Power Corporation (NPC) and the Philippine Mational Oil Company (PNOC) are hereby approved as follows:

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) SUMMARY

	Curre	nt_Operating	<u>Expenditures</u>		
A. PROGRAM/ACTIVITY/PROJECT		ersonal ervices	Naintenance and Other Operating Expenses	Capital Outlays	Total
1. General Administration and Support	Р	21,003 P	58,095 P	6,728 P	85,826
2. Support to Operations		65,530	48,544	934	115,008
3. Operations		43,468	37,862	3,887,683	3,969,013
3.1 In-house for Lending Operation	*****	43,468	28,041	64	71,573
3.2 Locally-Funded Projects	$\mu \in [n^{-1}]$	•	an a	886,194	886,194
3.2.1 Rural Electrification 3.2.2 Mini-Hydro 3.2.3 Solar Energy Program			-	883,194 3,000	883,194
3.3 Foreign Borrowings			9,821	2,998,425	3,008,246
3.3.1 Rural Electrification 3.3.2 Institutional Strengthening		. –	9,821	2,998,425	2,998,425 9,821
3.4 Foreign Grants				3,000	3,000
3.4.1 Solar Energy Program 3.4.2 Institutional Strengthening				3,000	3,000
1. Debt Servicing			1,592,222		1,592,222
4.1 Loan Repayment 4.2 Reserve for Sinking Fund			1,320,803 271,419		1,320,803 271,419
Total	P ======	130,001 P	1,736,723 *	3,895,345 P	5,762,069

*NOOE, Net of Allowance for Depreciation/Amortization of Deferred Assets of P26.994 N.

495,750 P

495,750

. 495,750

p

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) NATIONAL GOVERNMENT EQUITY AND/OR SUBSIDY

Current Operating Expenditures

					Personal	Maintenance and Other Operating	Capital	
DAN AATTUTTY IND TEAT	1	, , 1	÷	_	Services	Expenses	Outlays	Total
RAM/ACTIVITY/PROJECT						.e.		
1 Administration and Su	pport	14.				1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 -	1	

PROGR

1. General

2. Support to Operations

3. Operations

3.1 In-house for Lending Operation

3.2 Locally-Funded Projects

3.2.1 Rural Electrification 3.2.2 Mini-Hydro

3.2.3 Solar Energy Program

3.3 Foreign Borrowings

3.3.1 Rural Electrification 3.3.2 Institutional Strengthening

3.4 Foreign Grants

3.4.1 Solar Energy Program 3.4.2 Institutional Strengthening

Debt Servicing 4.4

> 4.1 Loan Repayment 4.2 Reserve for Sinking Fund

Total

537,587 537,587 537,587 537,587 537,587 P 495,750 P 1,033,337

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 Schedule II (In Thousand Pesos) CORPORATE BORROWINGS

<u>Current_Operal</u>	ing Expend	<u>itures</u>
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•	Personal	Maintenance and Other Operating	Capital	
-	Services	Expenses	Outlays	Total

A. PROGRAM/ACTIVITY/PROJECT

1. General Administration and Support

2. Support to Operations

Schedule I

495,750

495,750

495,750

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. Operations			P	9,821 P	2,978,955 P	2,988,776
3.1 In-house for Lending Operation	,					
3.2 Locally ² Funded Projects	• •				•	•
3.2.1 Rural Electrification 3.2.2 Mini-Hydro 3.2.3 Solar Energy Program			*		N	
3.3 Foreign Borrowings				9,821	2,978,955	2,988,776
3.3.1 Rural Electrification 3.3.2 Institutional Strengthening				9,821	2,978,955	2,978,95 9,82
3.4 Foreign Grants						
3.4.1 Solar Energy Program 3.4.2 Institutional Strengthening	•					
Debt Servicing				357,632		357,63
4.1 Loan Repayment 4.2 Reserve for Sinking Fund				357,632	· · · · ·	357,63
Total			 Р	367,453 P	2,978,955 P	3,346,40
	IONAL ELECTRIFICAT	ION ADMINISTRA	TION			
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 n Thousand Pesos)	IONAL ELECTRIFICAT			2	Sc. Sc	chedule III
URCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 n Thousand Pesos)	IONAL ELECTRIFICAT	ION ADMINISTRA <u>Current_Ope</u>	rating Expe		2 ² 2 2010 - St	chedule III
URCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 n Thousand Pesos)	IONAL ELECTRIFICAT	<u>Current_Ope</u> Persona	erating Expe Main and N Ope	ntenance I Other erating	Capital	
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 n Thousand Pesos) RPORATE FUNDS	IONAL ELECTRIFICAT	<u>Current_Ope</u>	erating Expe Main and N Ope	ntenance I Other		thedule III
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 a Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT	(ONAL ELECTRIFICAT	<u>Current_Ope</u> Persona Service	erating Expe Main and N Ope	ntenance I Other erating	Capital	Total
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 a Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support	IONAL ELECTRIFIÇAT	<u>Current Ope</u> Persona <u>Service</u> P 21,	erating Expe Mair and N Ope S Exp	ntenance Other erating penses	Capital Outlays	<u>Total</u> 85,82
RCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 A Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations	IONAL ELECTRIFICAT	Current Ope Persona Service P 21, 65,	Prating Expe Main and N Ope SS Exp 003 P	otenance 1 Other erating penses 58,095 P	Capital Outlays 6,728 P	<u>Total</u> 85,82 115,00
RCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 A Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations	IONAL ELECTRIFICAT	Current_Ope Persona Service P 21, 65, 43,	Prating Expe Mair and 1 Ope 15 Exp 003 P 1530	otenance I Other erating benses 58,095 P 48,544	Capital Outlays 6,728 P 934	<u>Total</u> 85,82 115,00 484,48
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 A Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations Operations	IONAL ELECTRIFICAT	Current_Ope Persona Service P 21, 65, 43,	Prating Expe Mair and 1 Ope 15 Exp 003 P 1530 1468	Stenance I Other Prating Senses 58,095 P 48,544 28,041	Capital Outlays 6,728 P 934 412,978	<u>Total</u> 85,82 115,00 484,48 71,57
JRCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 In Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations Operations _ 3.1 In-house for Lending Operation	IONAL ELECTRIFICAT	Current_Ope Persona Service P 21, 65, 43,	Prating Expe Mair and 1 Ope 15 Exp 003 P 1530 1468	Stenance I Other Prating Senses 58,095 P 48,544 28,041	Capital Outlays 6,728 P 934 412,978 64	<u>Total</u> 85,82 115,00 484,48 71,57 390,44
URCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 a Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations Operations 3.1 In-house for Lending Operation 3.2 Locally-Funded Projects 3.2.1 Rural Electrification	IONAL ELECTRIFICAT	Current_Ope Persona Service P 21, 65, 43,	Prating Expe Mair and 1 Ope 15 Exp 003 P 1530 1468	Stenance I Other Prating Senses 58,095 P 48,544 28,041	Capital Outlays 6,728 P 934 412,978 64 390,444	<u>Total</u> 85,82 115,00 484,48 71,57 390,44 387,44
URCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 n Thousand Pesos) RPORATE FUNDS PROGRAM/ACTIVITY/PROJECT General Administration and Support Support to Operations Operations 3.1 In-house for Lending Operation 3.2 Locally-Funded Projects 3.2.1 Rural Electrification 3.2.2 Mini-Hydro	IONAL ELECTRIFICAT	Current_Ope Persona Service P 21, 65, 43,	Prating Expe Mair and 1 Ope 15 Exp 003 P 1530 1468	Stenance I Other Prating Senses 58,095 P 48,544 28,041	Capital Outlays 6,728 P 934 412,978 64 390,444 387,444	

3.3.1 Rural Electrification 3.3.2 Institutional Strengthening

		- -	•				-
	3.4 Foreign Grants					3,000	3,000
	3.4.1 Solar Energy Program 3.4.2 Institutional Strengthening					3,000	3,000
4.	Debt Servicing		r.		697,003		697,003
	4.1 Loan Repayment 4.2 Reserve for Sinking Fund	· •			425,584 271,419		425,584 271,419
	Total		р ====	130,001 P	831,683 *	420,640 P	1,382,324

ENERGY CORPORATIONS

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*MODE. Net of Allowance for Depreciation/Amortization of Deferred Assets of P26.994 N.

Special Provisions

1. Audit of Government Funds - The status or use of all government funds received, whether in the form of equity, subsidy, grant, loan, contribution or any kind of assistance shall be subject to audit by the Commission on Audit up to and including any end-user entity.

2. Budget Flexibility and Report - The Mational Electrification Administration, through its Board of Administrators, is authorized to realign/reallocate the projects/programs and their corresponding budgetary requirements as contained in its submission pursuant to the 1996 Budget Call, as well as augment the requirements which may arise from factors beyond the Corporation's control. These may include, but shall not be limited to, currency depreciation, inflation, change in interest rate, new loans/financing that may be contracted or sourced, substitute projects and programs, and schedule of project implementation should conditions warrant: PROVIDED, That augmentation funds shall not be used for the acquisition of motor vehicles and payment of travelling, representation and discretionary expenses: PROVIDED, FURTHER, That the Personal Services shall not be augmented by savings from Maintenance and Other Operating Expenses as well as Capital Outlays, or by new funding sources, except in cases when there is government-wide general salary increase.

A report on the aforesaid budgetary adjustments shall be submitted to the House Committee on Appropriations and the Senate Committee on Finance, copy furnished the Department of Budget and Management, within thirty (30) days after such adjustments are made.

II. NATIONAL POWER CORPORATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) SUMMARY

A. Utility Operations/SD/ IBMG/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 D. Production of Goods (Power Generation) 39,815,000 5,972,000 E. Other Expenses 5,972,000 4. Locally-Funded Projects 629,000 5. Foreign-Assisted Projects 27,829,641 A. Generation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	
I. Semeral Administration and Support P 805,216 P 836,968 P 3,626,059 P A. Head Office Support Group 805,216 P 836,968 P 3,626,059 P A. Head Office Support Group 805,216 P 836,968 P 3,626,059 P A. Head Office Support Group 805,216 P 836,968 P 3,626,059 P B. Engineering Admin./Surveys/Dev. Studies/lanning 2,594,059 2,594,059 2. Support to Operations 46,411 570,000 2,594,059 3. Operations 46,411 570,000 3,025,000 4. HPC Training Center/Test-Run Plants 46,411 570,000 3,051,000 3. Operations 4,466,585 50,912,838 3,551,000 5,772,000 4. Utility Operations/SU/ IBEK/SPUG 4,183,784 4,905,838 3,551,000 552,000 5. Saall Island Grids 282,801 220,000 552,000 552,000 C. Spares 1,669,000 39,015,000 629,000 E. Other Expanses 5,772,000 4 629,000 S. Foreign-Assisted Projects 27,829,641 629,000 5,737,000 A. Generation 5,737,000 5,737,000 5,737,000 <t< th=""><th><u>Total</u></th></t<>	<u>Total</u>
Support P 805,216 P 836,968 P 3,626,059 P A. Head Office Support Group 805,216 836,968 1,032,000 8 1,032,000 B. Engineering Adain./Surveys/Dev. Studies/Planning 2,594,059 2 2,594,059 2. Support to Operations 46,411 570,000 7 7 A. HPC Training Center/Test-Run Plants 46,411 570,000 7 7 7 3. Operations 4,466,585 50,912,838 5,772,000 7 8 8 3,551,000 4. Utility Operations/SO/ IMMC/SPUG 4,183,784 4,905,838 3,551,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 57,000 629,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 552,000 <td< th=""><th></th></td<>	
Group B05,216 B36,968 1,032,000 B. Engineering Adain./Surveys/Dev. Studies/Planning 2,594,059 2,594,059 2. Support to Operations 46,411 570,000 A. MPC Training Center/Test-Run Plants 46,411 570,000 3. Operations 4,466,585 50,912,838 5,772,000 A. Willity Operations/SO/ IBMC/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 552,000 552,000 D. Production of Goods (Power Generation) 39,815,000 629,000 E. Other Expenses 5,972,000 4 Locally-Funded Projects 629,000 5,737,000 B. Transmission Lines & Substation 19,108,641 5,737,000 B. Transmission Lines & Substation 19,108,641 2,599,000 D. Interest during Construction 2,599,000 5,599,000	5,268,243
Admin./Surveys/Dev. Studies/Planning 2,594,059 2. Support to Operations 46,411 570,000 A. WPC Training Center/Test-Run Plants 46,411 570,000 3. Operations 4,466,585 50,912,838 5,772,000 A. Utility Operations/SD/ IBMG/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 52,900 552,000 D. Production of Goods (Power Generation) 39,815,000 5,972,000 E. Other Expenses 5,972,000 629,000 5. Foreign-Assisted Projects 27,829,641 629,000 A. Generation 5,737,000 9,108,641 19,108,641 C. Others 385,000 9, 114,000 19,108,641 C. Others 385,000 2,599,000 6. Debt Servicing 20,446,000	2,674,184
A. HPC Training Center/Test-Run Plants 46,411 570,000 3. Operations 4,466,585 50,912,838 5,772,000 A. Utility Operations/SD/ IBME/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 1,669,000 D. Production of Goods (Power Generation) 39,815,000 1,669,000 E. Other Expenses 5,972,000 4 4. Locally-Funded Projects 629,000 5 5. Foreign-Assisted Projects 629,000 5 5. Foreign-Assisted Projects 5,737,000 8 8. Transmission Lines & Substation 19,108,641 19,108,641 C. Others 385,000 2,599,000 2,599,000 J. Interest during Construction 2,599,000 2,599,000	2,594,059
3. Operations 4,466,585 50,912,838 5,772,000 A. Utility Operations/SO/ IBME/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 D. Production of Goods (Power Generation) 39,815,000 5,972,000 E. Other Expenses 5,972,000 4. Locally-funded Projects 629,000 5. Foreign-Assisted Projects 27,829,641 A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	616,411
A. Utility Operations/SD/ IBMG/SPUG 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 D. Production of Goods (Power Generation) 39,815,000 1,669,000 E. Other Expenses 5,972,000 4. Locally-Funded Projects 629,000 5. Foreign-Assisted Projects 27,829,641 A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	616,411
IBNG/SPUE 4,183,784 4,905,838 3,551,000 B. Small Island Grids 282,801 220,000 552,000 C. Spares 1,669,000 D. Production of Goods (Power Generation) 39,815,000 1,669,000 E. Other Expenses 5,972,000 4. Locally-Funded Projects 629,000 5. Foreign-Assisted Projects 27,829,641 A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 Ø. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	61,151,423
C. Spares1,669,000D. Production of Goods (Power Generation)39,815,000E. Other Expenses5,972,0004. Locally-Funded Projects629,0005. Foreign-Assisted Projects27,829,641A. Generation5,737,000B. Transmission Lines & Substation19,108,641C. Others385,000D. Interest during Construction2,599,0006. Debt Servicing20,446,000	12,640,622
D. Production of Goods (Power Generation)39,815,000E. Other Expenses5,972,0004. Locally-Funded Projects629,0005. Foreign-Assisted Projects27,829,641A. Generation5,737,000B. Transmission Lines & Substation19,108,641C. Others385,000D. Interest during Construction2,599,0006. Debt Servicing20,446,000	1,054,801
(Power Generation) 39,815,000 E. Other Expenses 5,972,000 4. Locally-Funded Projects 629,000 5. Foreign-Assisted Projects 27,829,641 A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	1,669,000
4. Locally-Funded Projects629,0005. Foreign-Assisted Projects27,829,641A. Generation5,737,000B. Transmission Lines & Substation19,108,641C. Others385,000D. Interest during Construction2,599,0006. Debt Servicing20,446,000	39,815,000
5. Foreign-Assisted Projects 27,829,641 A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	5,972,000
A. Generation 5,737,000 B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	629,000
B. Transmission Lines & Substation 19,108,641 C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	27,829,641
C. Others 385,000 D. Interest during Construction 2,599,000 6. Debt Servicing 20,446,000	5,737,000
D. Interest during Construction2,599,0006. Debt Servicing20,446,000	19,108,641
6. Debt Servicing 20,446,000	385 ,000
	2,599,000
7 011-1 [20,446,000
7. Other Expenditures 1,881,642 306,000	2,187,642
TOTAL P 5,318,212 P 74,647,448 P 38,162,700 P	118,128,360

II. NATIONAL POWER CORPORATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) CORPORATE BORROWINGS

Current_Operating_Expenditures_

· · · · · · · ·		·	Maintenance and Other	ун ^{на}	· · · ·
		Personal Services	Operating Expenses	Capital Outlays	_Total
A. PROGRAM/ACTIVITY/PROJECT					
1. General Administration and Support			P	3,610,059 P	3,610,059
A. Head Office Support Group		•		1,016,000	1,016,000
8. Engineering Admin./Surveys/Dev. Studies/Planning				2,594,059	2,594,059
2. Support to Operations	 V Barth M. States and Stat States and States and Stat	. ,			• . • . • . •
A. NPC Training Center/Tes Plants	st-Run		· · · · ·		
3. Operations		All and a second se		5,772,000	5,772,000
A. Utility Operations/SO IBMG/SPUG				3,551,000	3,551,000
8. Small Island Grids			•	552,000	552,000
C. Spares				1,669,000	1,669,000
D. Production of Goods (Power Generation)		3 			
E. Other Expenses					· .
4. Locally-Funded Projects				629,000	629,000
5. Foreign-Assisted Projects				26,757,641	26,757,641
A. Generation		•		5,737,000	5,737,000
B. Transmission Lines & Substation				18,036,641	18,036,641
C. Others		a Agar		385,000	385,000
D. Interest during Construction		- · · ·		2,599,000	2,599,000
6. Debt Servicing		• • • • • • • • • • • • • • • • • • •		1	
7. Other Expenditures			602,000	306,000	908,000
TOTAL		P ==	602,000 P	37,074,700 P	37,676,700

Schedule I

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II. NATIONAL POWER CORPORATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) CORPORATE FUNDS

Schedule II

		Cu	rent Operating	Expenditures_		1
		,	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A	PROGRAM/ACTIVITY/PROJECT				e de les sector	
1.	General Administration and Support	P	805,216 P	836,968 P	16,000 P	1,658,184
. 7	A. Head Office Support	-	99622222229# 9			
ж.	Group		805,216	836,968	16,000	1,658,184
	8. Engineering Admin./Surveys/Dev. Studies/Planning					
2.	Support to Operations		46,411	570,000		616,411
•	A. NPC Training Center/ Test-Run Plants		46,411	570,000		616,411
3.	Operations		4,466,585	50,912,838	· ·	55,379,423
	A. Utility Operations/SO IBMG/SPUG		4,183,784	4,905,838	:	9,089,622
	B. Small Island Grids		282,801	220,000		502,801
;	C. Spares					
	D. Production of Goods (Power Generation)			39,815,000		39,815,000
	E. Other Expenses			5,972,000	· · · ·	5,972,000
4.	Locally-Funded Projects				an a	
5.	Foreign-Assisted Projects			-	1,072,000	1,072,000
	A. Generation					•
	B. Transmission Lines & Substation				1,072,000	1,072,000
•.	C. Others					
	D. Interest during Construction			1		
6.	Debt Servicing			20,446,000		20,446,000
7.	Other Expenditures			1,279,642		1,279,642
	TOTAL	P ==	5,318,212 P	74,045,448 P	1,088,000 P	80,451,660

Special Provision

1. Restrictions on the Use of Fund. In the event that certain NPC power plants have been completely subsidiarized and privatize before the end of 1996, any balance of the amounts earmarked for rehabilitation and other costs intended for said power plants (reflected in the Corporate Operating Rudget, shall not be made available for such plants.

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III. PHILIPPINE MATIONAL OIL COMPANY

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, CY 1996 (In Thousand Pesos) SUMMARY

A.	PROGRAM/ACTIVITY/PROJECT		Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
1.	General Administration and Support	P	30,254 P	165,583 P	26,165 P	222,002
2.	Operations	~	5,399	487,721	4,192,238	4,685,358
3.	Others Debt Servicing Principal Interest Expense		•	551,688 131,786		551,688 131,786
TOT	AL A CALENCE AND A	р ====	35,653 P	*/ 1,336,778 P	4,218,403 P	5,590,834

*/ MODE, net of allowance for depreciation of P21.911 N

III. PHILIPPINE NATIONAL OIL COMPANY

SOURCES AND USES OF FUNDS BY EXPENSE CLASS (In Thousand Pesos) Corporate Borrowings

Current_Operating_Expenditures_

• •	N	Maintenance and Other		
	Personal Services	Operating Expenses	Capital Outlays	Total

A. PROGRAM/ACTIVITY/PROJECT

- 1. General Administration and Support
- 2. Operations

3. Others Debt Servicing Principal Interest Expense

TOTAL

P 2,863,900 P 2,863,900

Schedule I

P 2,863,900 P 2,863,900

Schedule II

III. PHILIPPINE NATIONAL OIL COMPANY

SOURCES AND USES OF	FUNDS	BY	EXPENSE	CLASS
(In Thousand Pesos)			÷ .	
COODODATE FUNDS				

		. · ·		<u>Cu</u>	urrent Operating	<u>ı Expenditures</u>	· .	
•			and and a second se Second second second Second second second Second second	_	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A.	PROGRAM/ACTIVITY/PROJECT							an a
1.	General Administration and Support		• · · · · ·	р	30,254 P	165,583 P	26,165 P	222,002
2.	Operations	ta portuna de la composición de la comp			5,399	487,721	1,328,338	1,821,458
3.	Others Debt Servicing Principal Interest Expense			• • • • • •		551,688 131,786		551,688 131,786
TO	TAL		n An Starten An Starten	 p	35,653 P	*/ 1,336,778 P	1,354,503 P	2,726,934

*/ NODE, net of allowance for depreciation of P21.911 M

Special Provision

1. Budget Flexibility and Report. The Philippine National Oil Company (PNOC), through its Board of Directors, is authorized to realign/reallocate the projects/programs and their corresponding budgetary requirements as contained in its submission pursuant to the 1996 budget call, as well as augment the requirements which may arise from factors beyond the Company's control. These may include, but shall not be limited to, increase in costs associated with the privatization of subsidiaries, increase in lending and equity infusion to subsidiaries, changes in foreign exchange rate, taxes, inflation, interest rates, payment of obligations as a result of final judgment of the court, and changes in programs/projects: PROVIDED, That augmentation funds shall not be used for the acquisition of motor vehicles and payment of travelling, representation and discretionary expenses: PROVIDED, FURTHER, That the Personal Services shall not be augmented by savings from Maintenance and Other Operating Expenses (MODE), as well as, Capital Outlays, or by new funding sources, except in cases when there is a government-wide salary increase.

A report on the aforesaid budgetary adjustments shall be submitted to the House Committee on Appropriations and the Senate Committee on Finance, copy furnished the Department of Budget and Management, within thirty (30) days after such adjustments are made.

2. Dividends Accruing to the Mational Government. The Philippine National Dil Company and its subsidiaries shall declare and remit at least fifty percent (50%) of their annual earnings as dividends to the national government: PROVIDED, HOWEVER That the additional cash dividends of PNOC for 1994 amounting to P3,440,602,117 pursuant to E.O. No. 260 shall form part of the total PNOC contribution to OPSF as herein provided.

3 . Support to the OPSF. The Philippine National Oil Company shall remit to the Bureau of the Treasury, through the Secretary of Energy, the sum of Ten Billion Pesos (P10,000,000,000) or so much thereof as may be necessary, which amount is deemed automatically appropriated, to support the Oil Price Stabilization Fund (OPSF) established under Presidential Decree No. 1956.

Special Provisions Applicable to All of the Above-named Corporations

1. Payment of Compensation. Payment of salaries, wages, and allowances or other forms of compensation shall be in accordance with Republic Act No. 6758 (Salary Standardization Law), as amended by Joint Resolution No.1, s. 1994 of Congress and Executive Order No. 164, s. 1994, as well as Corporate Compensation Circular No. 10 and other pertinent implementing rules and regulations, unless the corporation is exempted therefrom by special law.

2. Compliance with the Attrition Law. Republic Act No. 7430 or the Attrition Law shall be strictly observed.

3. Remittance of Dividends. Dividends equivalent to at least fifty percent (50%) of annual net earnings shall accorue to the National Government and shall be remitted to the National Treasury pursuant to Republic Act No. 7656.

4. Acquisition of Equipment. The acquisition of equipment, whether funded from internally generated funds, budgetary support or authorized borrowings, shall be subject to existing statutory requirements and/or Presidential issuances.

5. Jurisdiction of the Commission on Audit. The constitutional jurisdiction of the Commission on Audit over government funds and resources shall remain unimpaired.