

G. ENERGY REGULATORY COMMISSION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>
New General Appropriations	<u>411,841</u>	<u>399,561</u>	<u>453,713</u>
General Fund	411,841	399,561	453,713
Automatic Appropriations	<u>13,434</u>	<u>14,047</u>	<u>16,756</u>
Retirement and Life Insurance Premiums	13,434	14,047	16,756
Continuing Appropriations	<u>202,660</u>	<u>52,412</u>	
Unobligated Releases for Capital Outlays			
R.A. No. 10717	127,485		
R.A. No. 10924		17,912	
Unobligated Releases for MOOE			
R.A. No. 10717	75,175		
R.A. No. 10924		34,500	
Budgetary Adjustment(s)	<u>52,161</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	17,580		
Pension and Gratuity Fund	<u>34,581</u>		
Total Available Appropriations	680,096	466,020	470,469
Unused Appropriations	<u>( 184,647 )</u>	<u>( 52,412 )</u>	
Unreleased Appropriation	( 56 )		
Unobligated Allotment	<u>( 184,591 )</u>	<u>( 52,412 )</u>	
TOTAL OBLIGATIONS	<u>495,449</u>	<u>413,608</u>	<u>470,469</u>

**EXPENDITURE PROGRAM**  
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017 Actual</u>	<u>2018 Current</u>	<u>2019 Proposed</u>
General Administration and Support	<u>337,333,000</u>	<u>208,331,000</u>	<u>273,651,000</u>
Regular	<u>337,333,000</u>	<u>208,331,000</u>	<u>273,651,000</u>
PS	102,654,000	87,121,000	92,376,000
MOOE	97,564,000	105,990,000	161,652,000
CO	137,115,000	15,220,000	19,623,000

Operations	158,116,000	205,277,000	196,818,000
Regular	158,116,000	205,277,000	196,818,000
PS	98,252,000	94,188,000	115,919,000
MOOE	42,864,000	83,387,000	62,302,000
CO	17,000,000	27,702,000	18,597,000
TOTAL AGENCY BUDGET	495,449,000	413,608,000	470,469,000
Regular	495,449,000	413,608,000	470,469,000
PS	200,906,000	181,309,000	208,295,000
MOOE	140,428,000	189,377,000	223,954,000
CO	154,115,000	42,922,000	38,220,000

STAFFING SUMMARY

	2017	2018	2019
TOTAL STAFFING			
Total Number of Authorized Positions	381	381	381
Total Number of Filled Positions	222	223	223

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 453,713,000  
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PROPOSED 2019 ( Cash-Based )

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
ELECTRIC POWER INDUSTRY REGULATORY PROGRAM	105,885,000	62,302,000	18,597,000	186,784,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2019 ( Cash-Based )  
 (in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	191,539,000	223,954,000	38,220,000	453,713,000
National Capital Region (NCR)	191,539,000	223,954,000	38,220,000	453,713,000
TOTAL AGENCY BUDGET	191,539,000	223,954,000	38,220,000	453,713,000

SPECIAL PROVISION(S)

- Reporting and Posting Requirements. The Energy Regulatory Commission (ERC) shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:
  - Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
  - ERC's website.

The ERC shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

2. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects ( Cash-Based )

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS					
1000000000000000	General Administration and Support	85,654,000	161,652,000	19,623,000	266,929,000
100000100001000	General Management and Supervision	84,572,000	161,652,000	19,623,000	265,847,000
100000100002000	Administration of Personnel Benefits	1,082,000			1,082,000
Sub-total, General Administration and Support		85,654,000	161,652,000	19,623,000	266,929,000
3000000000000000	Operations	105,885,000	62,302,000	18,597,000	186,784,000
3100000000000000	00 : Quality and reliability of electricity supply, and reasonable pricing ensured	105,885,000	62,302,000	18,597,000	186,784,000
3101000000000000	ELECTRIC POWER INDUSTRY REGULATORY PROGRAM	105,885,000	62,302,000	18,597,000	186,784,000
310100100001000	Regulation of energy related industries through screening and registration	35,902,000	10,190,000	1,512,000	47,604,000
310100100002000	Enforcement of rules and regulations	16,146,000	6,857,000	710,000	23,713,000
310100100003000	Monitoring of regulated entities	13,313,000	13,595,000	1,155,000	28,063,000
310100100004000	Consumer Education and Protection Program	40,524,000	31,660,000	15,220,000	87,404,000
Sub-total, Operations		105,885,000	62,302,000	18,597,000	186,784,000
TOTAL NEW APPROPRIATIONS		P 191,539,000	P 223,954,000	P 38,220,000	P 453,713,000

## Obligations, by Object of Expenditures

CYs 2017-2019  
(In Thousand Pesos)

	( Obligation-Based )		( Cash-Based )
	2017	2018	2019
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	115,548	122,043	149,496
Total Permanent Positions	115,548	122,043	149,496
Other Compensation Common to All			
Personnel Economic Relief Allowance	5,509	5,880	5,352
Representation Allowance	2,703	2,634	2,466
Transportation Allowance	2,149	2,634	2,466
Clothing and Uniform Allowance	1,154	1,225	1,338
Mid-Year Bonus - Civilian			12,458
Year End Bonus	9,431	10,170	12,458
Cash Gift	1,123	1,225	1,115
Productivity Enhancement Incentive			1,115
Step Increment		546	367
Collective Negotiation Agreement	5,945		
Total Other Compensation Common to All	28,014	24,314	39,135
Other Benefits			
Retirement and Life Insurance Premiums	13,138	14,047	16,756
PAG-IBIG Contributions	268	294	267
PhilHealth Contributions	891	998	1,292
Employees Compensation Insurance Premiums	276	294	267
Retirement Gratuity		15,500	
Loyalty Award - Civilian	310		
Terminal Leave	9,096	3,819	1,082
Total Other Benefits	23,979	34,952	19,664
Other Personnel Benefits			
Pension, Civilian Personnel	33,365		
Total Other Personnel Benefits	33,365		
TOTAL PERSONNEL SERVICES	200,906	181,309	208,295
Maintenance and Other Operating Expenses			
Travelling Expenses	14,695	29,779	26,202
Training and Scholarship Expenses	8,585	22,881	13,991
Supplies and Materials Expenses	24,849	33,676	35,300
Utility Expenses	7,531	9,640	11,500
Communication Expenses	5,069	7,112	12,412
Confidential, Intelligence and Extraordinary Expenses			
Confidential Expenses	15,000		15,000
Extraordinary and Miscellaneous Expenses	1,967	2,156	2,200
Professional Services	19,481	18,200	15,500
General Services	10,323	13,128	16,345
Repairs and Maintenance	2,279	4,503	12,050
Taxes, Insurance Premiums and Other Fees	698	1,500	1,500
Other Maintenance and Operating Expenses			
Advertising Expenses	1,019	2,700	2,700
Printing and Publication Expenses	468	511	550
Rent/Lease Expenses	25,268	40,304	42,691
Subscription Expenses	3,196	3,287	16,013
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	140,428	189,377	223,954
TOTAL CURRENT OPERATING EXPENDITURES	341,334	370,686	432,249

## Capital Outlays

Property, Plant and Equipment Outlay			
Infrastructure Outlay			1,000
Buildings and Other Structures	120,000		
Machinery and Equipment Outlay	25,635	18,342	29,940
Transportation Equipment Outlay		9,400	
Furniture, Fixtures and Books Outlay	8,480	15,180	7,280
TOTAL CAPITAL OUTLAYS	<u>154,115</u>	<u>42,922</u>	<u>38,220</u>
GRAND TOTAL	<u>495,449</u>	<u>413,608</u>	<u>470,469</u>

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL OUTCOME : Quality and reliability of electricity supply, and reasonable pricing ensured

## PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>2017 GAA Targets</u>	<u>2017 Actual</u>
Reasonable pricing of transmission and distribution rates monitored Percentage of Decisions with Motion for Reconsideration (MR) in rate cases and appealed but upheld in favor of the ERC	70% (Total number of ERC rate case decisions that will be upheld if brought on appeal)	N/A (ERC did not receive any Decision or Order pertaining to MR in rate cases in 2017)
Competitive generation and supply of electricity market ensured Percentage of licenses compliant to the terms and conditions of the Certificate of Compliance (COC) and Retail Electricity Suppliers (RES) License with regard to the rules and regulations related to the electricity market	70% (Total number of COC and RES License holders compliant to the set terms and conditions)	91.94%
<u>MFO / Performance Indicators</u>	<u>2017 GAA Targets</u>	<u>2017 Actual</u>

## MFO 1: ELECTRIC POWER INDUSTRY REGULATORY SERVICES

Screening and Registration % of applications for Certificate of Public Convenience and Necessity (CPCN)/ Authority to Develop and Own or Operate Dedicated Point-to-Point Limited Transmission Facilities acted upon within 90 days from the time the Commission declares the case as submitted for resolution	80%	95%
% of applications of Certificate of Compliance (COC) [Self-Generating Facility (SGF) - 30 days; Independent Power Producer (IPP) and Qualified End-user (QE) - 50 days] acted upon from receipt of compliant submission	98.25%	100%
% of applications for franchise to operate sub-transmission assets as consortium acted upon within 90 days from the time the Commission declares the case as submitted for resolution	80%	100%

% of applications for Certificate of Authority as Meter Shop acted upon within two (2) months from receipt of compliant applications	78.80%	100%	
<b>Monitoring</b>			
No. of Compliance Reports (licenses) issued	8	8	
No. of watt-hour meters (new and in-service) tested and calibrated	4,620,000	Indicator is no longer applicable per Resolution No. 14, Series 2017	No. of new watt-hour meters tested and calibrated Target: 1,280,000 Actual: 1,554,505
No. of audits conducted in compliance to rules and regulations of ERC	568	1,381	
% of sites and facilities inspected and audits conducted which resulted in the issuance of Notice	3.5%	No sites and facilities inspected and audits conducted which resulted in the issuance of Notice during the period	
% of Show Cause Orders issued (licenses) within 45 days from discovery of violation	98%	100%	
No. of statistical reports [Competitive Retail Electricity Market (CREM)] issued	13	12	
% of Meter Shops inspected	80%	97.63%	
% of inspected/tested tampered meters	80%	100%	
<b>Enforcement</b>			
No. of cases (violations, complaints and disputes, and petitions/applications) resolved/decided	200	201	
No. of rules and regulations promulgated	11	11	
% of consumer complaints resolved at pre-hearing stage	70%	85.42%	
% of total cases (applications/petitions and violations) decided within 90 days from the date the Commission declares the case as submitted for resolution	73%	100%	
% of cases with prayer for provisional authority acted upon within 75 days from filing	82%	100%	
<b>ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)</b>	<b>2018 GAA Targets</b>	<b>Baseline</b>	<b>2019 Targets</b>
Quality and reliability of electricity supply, and reasonable pricing ensured			
<b>ELECTRIC POWER INDUSTRY REGULATORY PROGRAM</b>			
Outcome Indicators			
1. Percentage of cases with prayer for Provisional Authority (PA) acted upon within 75 days from filing	82%		

2. Percentage of pleadings filed within the period required/granted by the appellate courts	80%	
3. Percentage of show cause orders issued involving Certificate of Compliance (COC) and Retail Electricity Suppliers (RES) licenses within 45 days from the discovery of violation	98%	
1. Percentage of Power Supply Agreement (PSA) cases with prayer for provisional authority acted upon within 75 days from filing	82%	82%
2. Percentage of documents for external cases filed within the reglementary period	80%	80%
3. Percentage of show cause orders issued involving Certificate of Compliance (COC) and Retail Electricity Suppliers (RES) licenses within 45 days from the discovery of violation	98%	98%
<b>Output Indicators</b>		
1. Percentage of applications for Certificate of Compliance (COC) acted upon from receipt of compliant submission	98%	
2. Percentage of sites and facilities inspected and audits conducted which resulted in the issuance of Notice	3.5%	
3. Percentage of cases (violations, complaints and disputes and petitions/ applications) resolved/ decided	60%	
1. Percentage of applications for Certificate of Compliance (COC) acted upon within 50 days from receipt of complete requirements	98%	98%
2. Number of audits conducted on sites and facilities (subjected to rate audits and regulatory visits)	836	836
3. Percentage of consumer related cases resolved/ decided within 60 days from the time the case was submitted for resolution	70%	70%
4. Percentage of non-consumer related cases resolved/decided within 90 days from the time the case was submitted for resolution	60%	60%
5. Number of rules and resolutions promulgated	7	7
6. Number of new watt-hour meters tested and calibrated	1,440,000	1,440,000