

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	( Cash-Based )		
	<u>2024</u>	<u>2025</u>	<u>2026</u>
New General Appropriations	<u>3,021,892</u>	<u>5,842,337</u>	<u>6,444,200</u>
General Fund	3,021,892	5,842,337	6,444,200
Budgetary Adjustment(s)	<u>3,000,000</u>		
Release(s) from:			
Unprogrammed Appropriation			
Financial Subsidy for Purchase of Photovoltaic			
Mainstreaming (Solar Home System) for Rural			
Electrification	<u>3,000,000</u>		
TOTAL OBLIGATIONS	<u>6,021,892</u>	<u>5,842,337</u>	<u>6,444,200</u>
	=====	=====	=====

EXPENDITURE PROGRAM (in pesos)			
PURPOSE	( Cash-Based )		
	2024 Actual	2025 Current	2026 Proposed
Operations	6,021,892,000	5,842,337,000	6,444,200,000
Regular	5,821,892,000	2,422,500,000	6,244,200,000
MOOE	5,351,892,000	1,627,500,000	5,434,200,000
CO	470,000,000	795,000,000	810,000,000
Projects / Purpose	200,000,000	3,419,837,000	200,000,000
Locally-Funded Project(s)	200,000,000	3,419,837,000	200,000,000
MOOE	200,000,000	3,419,837,000	200,000,000
TOTAL AGENCY BUDGET	6,021,892,000	5,842,337,000	6,444,200,000
Regular	5,821,892,000	2,422,500,000	6,244,200,000
MOOE	5,351,892,000	1,627,500,000	5,434,200,000
CO	470,000,000	795,000,000	810,000,000
Projects / Purpose	200,000,000	3,419,837,000	200,000,000
Locally-Funded Project(s)	200,000,000	3,419,837,000	200,000,000
MOOE	200,000,000	3,419,837,000	200,000,000

STAFFING SUMMARY			
	2024	2025	2026
TOTAL STAFFING			
Total Number of Authorized Positions	410	410	410
Total Number of Filled Positions	328	340	348

Proposed New Appropriations Language  
For subsidy and equity requirements in accordance with the program and project, as indicated hereunder.....P 6,444,200,000  
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OPERATIONS BY PROGRAM	PROPOSED 2026 ( Cash-Based )			
	PS	MOOE	CO	TOTAL
NATIONAL RURAL ELECTRIFICATION PROGRAM		5,634,200,000	810,000,000	6,444,200,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2026 ( Cash-Based )  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation		5,634,200,000	810,000,000	6,444,200,000
National Capital Region (NCR)		5,634,200,000	810,000,000	6,444,200,000
TOTAL AGENCY BUDGET		5,634,200,000	810,000,000	6,444,200,000
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SPECIAL PROVISION(S)

1. Subsidy to the National Electrification Administration. The amount of Five Billion Four Hundred Thirty Four Million Two Hundred Thousand Pesos (P5,434,200,000) appropriated herein under the subsidy to NEA shall be used for the implementation of the National Rural Electrification Program.

The NEA is authorized to deduct engineering and administrative overhead (EAO) expenses not exceeding three percent (3%) of the project cost. The authorized EAO expenses shall be limited to: (i) pre-construction activities after detailed engineering; (ii) construction project management; (iii) testing and quality control; (iv) acquisition, rehabilitation, and repair of related equipment and parts; and (v) contingencies in relation to pre-construction activities. The EAO expenses shall be treated or booked-up as capitalized expenditures and form part of the project cost.

In the implementation of the Strategized Rural Electrification and Operational Reliability for Electric Cooperatives Projects, the NEA shall observe the following:

(a) Prioritize sitios where the absolute number of indigents and the incidence of poverty are high as identified in the latest official poverty statistics of the PSA as well as those with the high probability of being energized;

(b) Loans outlay to electric cooperatives shall be recorded as equity contribution of the National Government to NEA when its authorized capitalization is increased by law, while grants thereto remain to be treated as subsidy;

(c) Release funds only to electric cooperatives which have fully liquidated funds from previous years' electrification projects: Provided, That non-delinquent electric cooperatives with ongoing projects that are not yet due for liquidation are entitled to a release of subsidy upon a new MOA with NEA subject to COA Circular No. 2012-001: Provided, Further, That electric cooperatives must completely liquidate the subsidy within three (3) months from project completion: Provided, Finally, That in cases where the electric cooperatives are not qualified to implement projects for barangay and sitio electrification, the NEA is authorized to download the subsidy to qualified electric cooperatives in strategically located neighboring areas consistent with the National Rural Electrification Program. The electric cooperative that implements the program shall liquidate the subsidy within three (3) months from project completion; and

(d) Prohibition on the use of subsidy for the payment of salaries, allowances, incentives, separation, or retirement benefits.

2. Electric Cooperatives Emergency and Resiliency Fund. The amount of Two Hundred Million Pesos (P200,000,000) appropriated herein shall be used exclusively for the Electric Cooperatives Emergency and Resiliency Fund pursuant to R.A. No. 11039.
3. Equity from National Government. The amount of Eight Hundred Ten Million Pesos (P810,000,000) shall be used as loans outlay to electric cooperatives and shall be recorded as equity contribution of the National Government to NEA.
4. Special Provisions Applicable to All Government Corporations. In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NEA.

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

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A.REGULAR PROGRAMS					
3000000000000000	Operations		<u>5,434,200,000</u>	<u>810,000,000</u>	<u>6,244,200,000</u>
3101000000000000	NATIONAL RURAL ELECTRIFICATION PROGRAM		5,434,200,000	810,000,000	6,244,200,000
Sub-total, Operations			<u>5,434,200,000</u>	<u>810,000,000</u>	<u>6,244,200,000</u>
Sub-total, Program(s)		P	5,434,200,000	P 810,000,000	P 6,244,200,000
			=====	=====	=====
B.PROJECTS					
B.1 LOCALLY-FUNDED PROJECT(S)					
310101200012000	Electric Cooperatives Emergency and Resiliency Fund		200,000,000		200,000,000
Sub-total, Locally-Funded Project(s)			<u>200,000,000</u>		<u>200,000,000</u>
Sub-total, Project(s)		P	200,000,000		P 200,000,000
			=====		=====
TOTAL NEW APPROPRIATIONS		P	5,634,200,000	P 810,000,000	P 6,444,200,000
			=====	=====	=====

Obligations, by Object of Expenditures

CYs 2024-2026  
(In Thousand Pesos)

	<u>( Cash-Based )</u>		
	<u>2024</u>	<u>2025</u>	<u>2026</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	5,551,892	5,047,337	5,634,200
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	5,551,892	5,047,337	5,634,200
TOTAL CURRENT OPERATING EXPENDITURES	5,551,892	5,047,337	5,634,200
Capital Outlays			
Investment Outlay	470,000	795,000	810,000
TOTAL CAPITAL OUTLAYS	470,000	795,000	810,000
GRAND TOTAL	6,021,892	5,842,337	6,444,200

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL  
OUTCOME : Access to electrification expanded

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	2024 GAA Targets	Actual
Access to electrification expanded		P 6,021,892,000
NATIONAL RURAL ELECTRIFICATION PROGRAM		P 6,021,892,000
Outcome Indicator(s)		
1. Increase in connections over identified potential consumers	16,427,693	16,550,030
2. Amount of loans facilitated by national government equity infusion	P 470 million	P 470 million
Output Indicator(s)		
1. Number of households energized	500,000 (All Sources) 22,000 (NG Support)	500,873 (All Sources) 29,363 (NG Support)
2. Number of Electric Cooperatives (ECs) that were facilitated with a loan	15	17

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2025 Targets	2026 NEP Targets
Access to electrification expanded		P 5,842,337,000	P 6,444,200,000
NATIONAL RURAL ELECTRIFICATION PROGRAM		P 5,842,337,000	P 6,444,200,000
Outcome Indicator(s)			
1. Increase in connections over identified potential consumers	16,550,030	17,024,030	17,524,030
2. Amount of loans facilitated by national government equity infusion	P 470 million	P 795 million	P 810 million
Output Indicator(s)			
1. Number of households energized	500,873 (All Sources) 29,363 (NG Support)	474,000 (All Sources) 53,593 (NG Support)	500,000 (All Sources) 93,783 (NG Support)
2. Number of Electric Cooperatives (ECs) that were facilitated with a loan	17	15	18

B.2. NATIONAL POWER CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

Description	( Cash-Based )		
	2024	2025	2026
New General Appropriations	1,316,421	870,905	1,559,377
General Fund	1,316,421	870,905	1,559,377
Automatic Appropriations	6,004,303		
Grant Proceeds	4,303		
Customs Duties and Taxes, including Tax Expenditures	6,000,000		
Budgetary Adjustment(s)	25,264		
Release(s) from:			
Budgetary Support to Government Corporations - Others	25,264		
TOTAL OBLIGATIONS	7,345,988	870,905	1,559,377

EXPENDITURE PROGRAM  
(in pesos)

PURPOSE	( Cash-Based )		
	2024 Actual	2025 Current	2026 Proposed
Operations	7,345,988,000	870,905,000	1,559,377,000
Regular	7,341,685,000	870,905,000	1,559,377,000
MOOE	7,341,685,000	870,905,000	1,559,377,000
Projects / Purpose	4,303,000		
Foreign-Assisted Project(s)	4,303,000		
MOOE	4,303,000		
TOTAL AGENCY BUDGET	7,345,988,000	870,905,000	1,559,377,000
Regular	7,341,685,000	870,905,000	1,559,377,000
MOOE	7,341,685,000	870,905,000	1,559,377,000
Projects / Purpose	4,303,000		
Foreign-Assisted Project(s)	4,303,000		
MOOE	4,303,000		

## STAFFING SUMMARY

	2024	2025	2026
TOTAL STAFFING			
Total Number of Authorized Positions	2,260	2,260	2,260
Total Number of Filled Positions	1,910	2,241	2,133

## Proposed New Appropriations Language

For subsidy requirements in accordance with the program, as indicated hereunder.....P 1,559,377,000  
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## OPERATIONS BY PROGRAM

## PROPOSED 2026 ( Cash-Based )

	PS	MOOE	CO	TOTAL
MISSIONARY ELECTRIFICATION PROGRAM		1,559,377,000		1,559,377,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2026 ( Cash-Based )  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation		1,559,377,000		1,559,377,000
National Capital Region (NCR)		1,559,377,000		1,559,377,000
TOTAL AGENCY BUDGET	=====	1,559,377,000	=====	1,559,377,000

## SPECIAL PROVISION(S)

1. Subsidy to the National Power Corporation. The amount of One Billion Five Hundred Fifty Nine Million Three Hundred Seventy Seven Thousand Pesos (P1,559,377,000) appropriated herein under the subsidy to NPC shall be used for the requirements of the Missionary Electrification Program.

The implementation of this provision shall be subject to the submission of: (i) program of work for each Small Power Utilities Group plant covered indicating the project description and implementation schedule; and (ii) originating letter request from electric cooperatives which shall contain the description of work.

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.

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

	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
A.REGULAR PROGRAMS				
3000000000000000 Operations		1,559,377,000		1,559,377,000
3101000000000000 MISSIONARY ELECTRIFICATION PROGRAM		1,559,377,000		1,559,377,000
Sub-total, Operations		1,559,377,000		1,559,377,000
TOTAL NEW APPROPRIATIONS		P 1,559,377,000 =====		P 1,559,377,000 =====

Obligations, by Object of Expenditures

CYs 2024-2026  
(In Thousand Pesos)

	( Cash-Based )		
	2024	2025	2026
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	1,345,988	870,905	1,559,377
Taxes, Insurance Premiums and Other Fees	6,000,000		
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	7,345,988	870,905	1,559,377
GRAND TOTAL	7,345,988	870,905	1,559,377

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL  
OUTCOME : Access to electrification expanded

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2024 GAA Targets	Actual
Access to electrification expanded		P 7,345,988,000
MISSIONARY ELECTRIFICATION PROGRAM		P 7,345,988,000
Outcome Indicator(s)		
1. Percentage increase in transmission line length over the previous year	2.69%	3.07%



2. Percentage increase in substation capacity over the previous year	16.98%	2.27%
Output Indicator(s)		
1. Percentage of Households (HHs) served over potential coverage	81.10%	71.55%
2. Number of projects completed	Transmission Lines: 32.00 ckt-kms	Transmission Lines: 35.00 ckt-kms
	Substation Facilities: 45.00 MWA	Substation Facilities: 10.00 MWA
	Distribution Line: 63.43 ckt-kms	Distribution Line: 63.45 ckt-kms
	Renewable Energy (RE) Hybridization: 2,802 kWp	Renewable Energy (RE) Hybridization: 500 kWp

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2025 Targets	2026 NEP Targets
Access to electrification expanded		P 870,905,000	P 1,559,377,000
MISSIONARY ELECTRIFICATION PROGRAM		P 870,905,000	P 1,559,377,000
Outcome Indicator(s)			
1. Percentage increase in transmission line length over the previous year	0.11%	N/A	2.62%
2. Percentage increase in substation capacity over the previous year	2.33%	15.22%	5.00%
Output Indicator(s)			
1. Percentage of Households (HHs) served over potential coverage	N/A	85.94%	N/A
2. Number of projects completed	Substation Facilities: 10.00 MWA	Substation Facilities: 35.00 MWA	Substation Facilities: 15.00 MWA
	Distribution Line: 63.45 ckt-kms	Distribution Line: 29.50 ckt-kms	Distribution Line: 22.30 ckt-kms
	Renewable Energy (RE) Hybridization: 500 kWp	Renewable Energy (RE) Hybridization: 2,681 kWp	Renewable Energy (RE) Hybridization: 2,152 kWp
	N/A	Mini-Grid Generation: 1,490 kW	N/A
	Transmission Lines 35.00 ckt-kms	N/A	Transmission Lines 32.00 ckt-kms

B.3. NATIONAL TRANSMISSION CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

Description	( Cash-Based )		
	2024	2025	2026
Automatic Appropriations	2,010,185		
Customs Duties and Taxes, including Tax Expenditures	2,010,185		
TOTAL OBLIGATIONS	2,010,185		

EXPENDITURE PROGRAM  
(in pesos)

PURPOSE	( Cash-Based )		
	2024 Actual	2025 Current	2026 Proposed
General Administration and Support	2,010,185,000		
Regular	2,010,185,000		
MOOE	2,010,185,000		
TOTAL AGENCY BUDGET	2,010,185,000		
Regular	2,010,185,000		
MOOE	2,010,185,000		

Obligations, by Object of Expenditures

CYs 2024-2026  
(In Thousand Pesos)

	( Cash-Based )		
	2024	2025	2026
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Taxes, Insurance Premiums and Other Fees	2,010,185		
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	2,010,185		
GRAND TOTAL	2,010,185		

## B.4. POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	( Cash-Based )		
	2024	2025	2026
Automatic Appropriations	8,000,000	8,000,000	8,000,000
Special Account	8,000,000	8,000,000	8,000,000
TOTAL OBLIGATIONS	8,000,000	8,000,000	8,000,000
	=====	=====	=====

EXPENDITURE PROGRAM  
(in pesos)

PURPOSE	( Cash-Based )		
	2024 Actual	2025 Current	2026 Proposed
Support to Operations	8,000,000,000	8,000,000,000	8,000,000,000
Regular	8,000,000,000	8,000,000,000	8,000,000,000
MOOE	8,000,000,000	8,000,000,000	8,000,000,000
TOTAL AGENCY BUDGET	8,000,000,000	8,000,000,000	8,000,000,000
Regular	8,000,000,000	8,000,000,000	8,000,000,000
MOOE	8,000,000,000	8,000,000,000	8,000,000,000

## STAFFING SUMMARY

	2024	2025	2026
TOTAL STAFFING			
Total Number of Authorized Positions	260	260	260
Total Number of Filled Positions	260	260	260

## SPECIAL PROVISION(S)

1. Proceeds from the Exploration, Development and Exploitation of Energy Resources. The amount of Eight Billion Pesos (P8,000,000,000) shall be used for the payment of stranded contract costs and stranded debts transferred to and assumed by the Power Sector Assets and Liabilities Management Corporation (PSALM), including anticipated shortfalls in accordance with Section 4 of R.A. No. 11371, sourced from the proceeds of the net national government share from the Malampaya fund under Section 8 of P.D. No. 910.

Implementation of this provision shall be subject to judicious fiscal programming by the National Government.

Release of funds shall be subject to the submission of a Special Budget Request, and other relevant budgetary requirements in accordance with applicable laws, rules, and regulations.

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 PSALM.

Obligations, by Object of Expenditures

CYs 2024-2026  
(In Thousand Pesos)

	(	Cash-Based	)
	2024	2025	2026
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	8,000,000	8,000,000	8,000,000
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	8,000,000	8,000,000	8,000,000
GRAND TOTAL	8,000,000	8,000,000	8,000,000

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Economic opportunities in industry and services expanded

ORGANIZATIONAL  
OUTCOME : Amount of Avoided Universal Charge for Stranded Debts and Stranded Costs to be passed on to power consumer

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2024 GAA Targets	Actual
Amount of Avoided Universal Charge for Stranded Debts and Stranded Costs to be passed on to power consumer		P 8,000,000,000
Payment of stranded contract costs and stranded debts		P 8,000,000,000
Outcome Indicator(s)		
1. Amount of net reduction in financial obligations	P 8,000,000,000	P 20,230,000,000
Output Indicator(s)		
1. Amount of financial obligations paid	P 8,000,000,000	P 8,000,000,000

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	Baseline	2025 Targets	2026 NEP Targets
Amount of Avoided Universal Charge for Stranded Debts and Stranded Costs to be passed on to power consumer		P 8,000,000,000	P 8,000,000,000
Payment of stranded contract costs and stranded debts		P 8,000,000,000	P 8,000,000,000
Outcome Indicator(s)			
1. Amount of net reduction in financial obligations	P 8,000,000,000	P 8,000,000,000	P 8,000,000,000
Output Indicator(s)			
1. Amount of financial obligations paid	P 8,000,000,000	P 8,000,000,000	P 8,000,000,000