

**B. DEPARTMENT OF ENERGY**  
**B.1. NATIONAL ELECTRIFICATION ADMINISTRATION**

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
New General Appropriations	2,000,000	2,476,984	1,823,795
General Fund	2,000,000	2,476,984	1,823,795
Continuing Appropriations	32,552		
Unreleased Appropriation for MOOE R.A. No. 10652	32,552		
Budgetary Adjustment(s)	1,726,600		
Transfer(s) from:			
National Disaster Risk Reduction and Management Fund (Calamity Fund)	803,980		
Overall Savings R.A. No. 10633	528,220		
Unprogrammed Fund (RRF)	394,400		
<b>TOTAL OBLIGATIONS</b>	<b>3,759,152</b>	<b>2,476,984</b>	<b>1,823,795</b>

**EXPENDITURE PROGRAM  
(in pesos)**

No./ Code	PURPOSE	<u>2015 Actual</u>	<u>2016 Current</u>	<u>2017 Proposed</u>
00000200000000	Support to Operations			195,000
	MOOE Projects	3,759,152,000	2,476,984,000	1,823,600,000
	MOOE	3,759,152,000	2,476,984,000	1,823,600,000
<b>TOTAL AGENCY BUDGET</b>		<b>3,759,152,000</b>	<b>2,476,984,000</b>	<b>1,823,795,000</b>
	MOOE	3,759,152,000	2,476,984,000	1,823,795,000

**STAFFING SUMMARY**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>TOTAL STAFFING</b>			
Total Number of Authorized Positions	416	416	416
Total Number of Filled Positions	303	396	335

Proposed New Appropriations Language  
 For subsidy requirements in accordance with the projects as indicated hereunder.....P 1,823,795,000  
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EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2017  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):		1,823,795,000		1,823,795,000
National Capital Region (NCR)		1,823,795,000		1,823,795,000
TOTAL AGENCY BUDGET		1,823,795,000		1,823,795,000

SPECIAL PROVISION(S)

1. Subsidy to the National Electrification Administration. The amount of One Billion Eight Hundred Twenty Three Million Seven Hundred Ninety Five Thousand Pesos (P1,823,795,000) appropriated herein as subsidy for the NEA shall be used in support of the following projects:

(a) Sitio Electrification Project - P1,817,100,000

(b) Assistance to Disadvantaged Municipalities for Sitio Electrification and Barangay Line Enhancement Projects - P6,695,000

The NEA is authorized to deduct engineering and administrative overhead (EAO) expenses not exceeding two percent (2%) 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 above Projects, the NEA shall observe the following:

(a) For Sitio Electrification Projects, 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; and

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

Release of funds for Sitio Electrification Projects shall be subject to the submission of a certification from the barangay chairperson on the population and number of houses per sitio, map of the municipality or city indicating the sitios and barangays to be energized and cost of energizing a sitio.

The NEA shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the utilization of funds. The Administrator of NEA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said reports are likewise posted on the NEA website.

2. Assistance to Disadvantaged Municipalities. The amount of Six Million Five Hundred Thousand Pesos (P6,500,000) appropriated under Sitio Electrification and Barangay Line Enhancement Projects shall be used for assistance to disadvantaged municipalities which shall be determined based on the magnitude of poor families, vulnerability to disasters, and other criteria as may be established by the DILG, in consultation with the DBM. The LGU beneficiaries shall be limited to disadvantaged municipalities that are able to: (i) meet the requirements of the DILG Seal of Good Financial Housekeeping; and (ii) assess their Public Financial Management systems and adopt the corresponding improvement measures.

The NEA shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments of the projects. The Administrator of NEA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said reports are likewise posted on the official website of the NEA.

3. Special Provisions Applicable to all Government Corporations. In addition to the foregoing provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NEA.

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New Appropriations, by Programs/Activities/Projects

	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
PROGRAMS				
000002000000000 Support to Operations	P 195,000		P 195,000	
163002000100000 Monitoring and Evaluation for Assistance to Disadvantaged Municipalities		195,000		195,000
Sub-total, Support to Operations		195,000		195,000
000004000000000 Locally-Funded Projects		1,823,600,000		1,823,600,000
000004040000000 Power and Communication Infrastructure		1,823,600,000		1,823,600,000
000004040100000 Electrification		1,823,600,000		1,823,600,000
163004040100001 Sitio Electrification Project		1,817,100,000		1,817,100,000
163004040100008 Assistance to Disadvantaged Municipalities		6,500,000		6,500,000
Sub-total, Locally-Funded Project(s)		1,823,600,000		1,823,600,000
TOTAL PROJECTS	P 1,823,600,000		P 1,823,600,000	
TOTAL NEW APPROPRIATIONS	P 1,823,795,000		P 1,823,795,000	

Obligations, by Object of Expenditures

CYs 2015-2017  
(In Thousand Pesos)

	2015	2016	2017
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	3,759,152	2,476,984	1,823,795
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	3,759,152	2,476,984	1,823,795
GRAND TOTAL	3,759,152	2,476,984	1,823,795

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Filipino households that have access to electricity increased

ORGANIZATIONAL OUTCOME : 1. Access to electrification expanded

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	Baseline	2017 Targets
Access to electrification expanded Percentage of sitios completed and energized within 120 calendar days from release of funds to ECs	2014 - 80%	Greater than 80%

B.2. NATIONAL POWER CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

Description	2015	2016	2017
New General Appropriations	2,000,000	2,063,341	2,798,245
General Fund	2,000,000	2,063,341	2,798,245
TOTAL OBLIGATIONS	2,000,000	2,063,341	2,798,245

EXPENDITURE PROGRAM  
(in pesos)

No. / Code	PURPOSE	2015 Actual	2016 Current	2017 Proposed
000003000000000	Operations	2,000,000,000	1,757,341,000	949,534,000
	MOOE	2,000,000,000	1,757,341,000	949,534,000
	Projects		306,000,000	1,848,711,000
	MOOE		306,000,000	1,848,711,000
TOTAL AGENCY BUDGET		2,000,000,000	2,063,341,000	2,798,245,000
	MOOE	2,000,000,000	2,063,341,000	2,798,245,000

STAFFING SUMMARY

	2015	2016	2017
TOTAL STAFFING			
Total Number of Authorized Positions	2,183	2,183	2,183
Total Number of Filled Positions	1,964	1,956	1,887

Proposed New Appropriations Language

For subsidy requirements in accordance with the program(s) and projects, as indicated hereunder.....P 2,798,245,000

OPERATIONS BY MFO

	PROPOSED 2017			
	PS	MOOE	CO	TOTAL
MFO 1: SUPPLY OF ELECTRICITY IN MISSIONARY AREAS		949,534,000		949,534,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2017  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):		2,798,245,000		2,798,245,000
National Capital Region (NCR)		2,798,245,000		2,798,245,000
TOTAL AGENCY BUDGET		2,798,245,000		2,798,245,000

SPECIAL PROVISION(S)

- Subsidy to the National Power Corporation. The amount of Nine Hundred Forty Nine Million Five Hundred Thirty Four Thousand Pesos (P949,534,000) appropriated herein as subsidy for NPC shall be used for the capital requirements of the Small Power Utilities Group (SPUG).

Release of funds shall be subject to the submission of the program of work for each SPUG plant covered indicating the project description and implementation schedule.

The NPC shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the utilization of funds. The President of NPC and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the NPC website.

- Subsidy to the National Power Corporation for Implementation of Transmission Lines. The following amounts appropriated herein as subsidy for NPC shall be used exclusively for the purposes specified:

- Construction of the 72-kilometer 69-KV Roxas-Taytay, Palawan Transmission Line P572,711,000;
- Rehabilitation of the 86-kilometer Calapan-Bansud, Mindoro Transmission Line P677,192,000;
- Rehabilitation of the 50-kilometer Calapan-Puerto Galera, Mindoro Transmission Line P418,193,000; and
- Construction of the 15-kilometer Virac-San Miguel, Catanduanes, Transmission Line P180,615,000

In no case shall said amounts be used for any other purpose.

The NPC shall submit to the DBM, the Speaker of the House Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the utilization of funds. The President of NPC and the Corporation's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the NPC website.

- Special Provisions Applicable to All Government Corporations. In addition to the foregoing 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

PROGRAMS	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
000003000000000 Operations	P	949,534,000		P 949,534,000
106003010000000 MFO 1: SUPPLY OF ELECTRICITY IN MISSIONARY AREAS		949,534,000		949,534,000
Sub-total, Operations		949,534,000		949,534,000
TOTAL PROGRAMS AND ACTIVITIES	P	949,534,000		P 949,534,000

000004000000000	Locally-Funded Projects	<u>1,848,711,000</u>	<u>1,848,711,000</u>
000004040000000	Power and Communication Infrastructure	<u>1,848,711,000</u>	<u>1,848,711,000</u>
000004040300000	Energy Efficiency and Conservation	<u>1,848,711,000</u>	<u>1,848,711,000</u>
103004040300001	Construction of Transmission Lines and Substation Facilities	<u>1,848,711,000</u>	<u>1,848,711,000</u>
Sub-total, Locally-Funded Project(s)		<u>1,848,711,000</u>	<u>1,848,711,000</u>
TOTAL PROJECTS		P 1,848,711,000 =====	P 1,848,711,000 =====
TOTAL NEW APPROPRIATIONS		P 2,798,245,000 =====	P 2,798,245,000 =====

Obligations, by Object of Expenditures

CYs 2015-2017  
(In Thousand Pesos)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	2,000,000	2,063,341	2,798,245
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>2,000,000</u>	<u>2,063,341</u>	<u>2,798,245</u>
GRAND TOTAL	<u>2,000,000</u>	<u>2,063,341</u>	<u>2,798,245</u>

**STRATEGIC OBJECTIVES**

SECTOR OUTCOME : Percentage of Filipino household in missionary areas served  
 No. of missionary area energized  
 Energy sale delivered in the main grid  
 No. of main grid power customer  
 Volume of water supplied for domestic, irrigation and electricity  
 Percentage of water supplied for irrigation

ORGANIZATIONAL OUTCOME : 1. Reliable Electricity Supply in Small Power Utilities Group (SPUG) Areas Achieved

**PERFORMANCE INFORMATION**

KEY STRATEGIES :

Install 52.4 MW genset rental and additional power capacity of 23,965 KW  
 Preconstruction activities for transmission lines and substations for off-grid areas  
 Improvement in operational reliability indices in the off-grid areas in 2015  
 Efficiently operate and maintain NPC's undisposed generating assets  
 Achieve 7,700 tons/year in carbon sequestrations in support of climate change mitigation

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2017 Targets</u>
Reliable Electricity Supply in Small Power Utilities Group (SPUG) Areas Achieved		
Percentage of readiness of existing plants (Equivalent Availability Factor) improved by 2.32% by 2017	2014 - 66.32%	69.074%
Percentage of Unexpected Power Interruption (Forced Outage Rate) improved by 0.020% by 2017	2014 - 0.20%	0.274%

MFO / PIs	2017 Targets
<b>MFO 1: SUPPLY OF ELECTRICITY IN MISSIONARY AREAS</b>	
Operation of Existing Power Plants	
Percentage of expected power interruption (in terms of % forced outage rate)	0.274%
Percentage of readiness of existing plants (in terms of equivalent % availability)	69.074%
Plant operational efficiency (in terms of in terms of net heat rates in Btu/kwh)	10,953
Capacity Additions and Transmission	
Total Megawatts leased (in MW)	37
Total Megawatts commissioned (in MW)	29.297
Transmission Line and Substations	
Completed transmission lines	161

### B.3. POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

#### Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Budgetary Adjustment(s)	3,789,000		
Transfer(s) from:			
Budgetary Support to Government Corporations			
National Irrigation Administration	3,789,000		
<b>TOTAL OBLIGATIONS</b>	<b>3,789,000</b>		
	=====		

#### EXPENDITURE PROGRAM (in pesos)

No./ Code	PURPOSE	<u>2015</u> Actual	<u>2016</u> Current	<u>2017</u> Proposed
	Projects	3,789,000,000		
	MOOE	3,789,000,000		
<b>TOTAL AGENCY BUDGET</b>		<b>3,789,000,000</b>		
	MOOE	3,789,000,000		

#### Obligations, by Object of Expenditures

CYs 2015-2017

(In Thousand Pesos)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	3,789,000		
<b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b>	<b>3,789,000</b>		
<b>GRAND TOTAL</b>	<b>3,789,000</b>		