

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	(Cash-Based)		
	2019	2020	2021
New General Appropriations	1,067,944	2,299,625	1,827,500
General Fund	1,067,944	2,299,625	1,827,500
Automatic Appropriations	11,891		
Customs Duties and Taxes, including Tax Expenditures	11,891		
Continuing Appropriations	4,210		
Unreleased Appropriation for MOOE R.A. No. 10964	4,210		
Budgetary Adjustment(s)	4,388,493		
Transfer(s) from:			
National Disaster Risk Reduction and Management Fund (Calamity Fund)	322,240		
Budgetary Support to Government Corporations - Others	20,161		
Unprogrammed Appropriation Budgetary Support to Government-Owned and/or - Controlled Corporations	4,046,092		
Total Available Appropriations	5,472,538	2,299,625	1,827,500
Unused Appropriations	(4,210)		
Unreleased Appropriation	(4,210)		
TOTAL OBLIGATIONS	5,468,328	2,299,625	1,827,500

EXPENDITURE PROGRAM
(in pesos)

PURPOSE	(Cash-Based)		
	2019 Actual	2020 Current	2021 Proposed
Operations	5,468,328,000	2,299,625,000	1,827,500,000
Projects / Purpose	5,468,328,000	2,299,625,000	1,827,500,000
MOOE	5,468,328,000	2,299,625,000	1,827,500,000
TOTAL AGENCY BUDGET	5,468,328,000	2,299,625,000	1,827,500,000
Projects / Purpose	5,468,328,000	2,299,625,000	1,827,500,000
MOOE	5,468,328,000	2,299,625,000	1,827,500,000

STAFFING SUMMARY

	2019	2020	2021
TOTAL STAFFING			
Total Number of Authorized Positions	416	416	416
Total Number of Filled Positions	287	341	341

Proposed New Appropriations Language
 For subsidy requirements in accordance with the program (s) and project(s), as indicated hereunder.....P 1,827,500,000
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PROPOSED 2021 (Cash-Based)

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
NATIONAL RURAL ELECTRIFICATION PROGRAM		1,827,500,000		1,827,500,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2021 (Cash-Based)
 (in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation		1,827,500,000		1,827,500,000
National Capital Region (NCR)		1,827,500,000		1,827,500,000
TOTAL AGENCY BUDGET		1,827,500,000		1,827,500,000

SPECIAL PROVISION(S)

1. Subsidy to the National Electrification Administration. The amount of One Billion Eight Hundred Twenty Seven Million Five Hundred Thousand Pesos (P1,827,500,000) 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 Sitio Electrification 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; 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 following: (a) submission of National Unified Electrification Strategy as certified by the DOE; (b) submission of parameters for the selection of beneficiary sitios as certified by the DOE; and (c) 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.

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. Prior Years' Subsidy Releases from the National Government. The NEA is hereby authorized to use subsidy released for programs and projects in 2018 and prior years to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NEA shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NEA's Board of Administrators, to be submitted to the DBM for approval.

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)

	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
PROGRAMS				
3000000000000000 Operations	P 1,827,500,000			P 1,827,500,000
3100000000000000 00 : Access to electrification expanded		1,827,500,000		1,827,500,000
3101000000000000 NATIONAL RURAL ELECTRIFICATION PROGRAM		1,827,500,000		1,827,500,000
3101010000000000 Sitio Electrification Sub-program		1,827,500,000		1,827,500,000
Sub-total, Operations		1,827,500,000		1,827,500,000
TOTAL NEW APPROPRIATIONS	P 1,827,500,000			P 1,827,500,000

Obligations, by Object of Expenditures

CYs 2019-2021
(In Thousand Pesos)

	(Cash-Based)		
	2019	2020	2021
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	5,456,437	2,299,625	1,827,500
Taxes, Insurance Premiums and Other Fees	11,891		
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	5,468,328	2,299,625	1,827,500
GRAND TOTAL	5,468,328	2,299,625	1,827,500

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL
OUTCOME : Access to electrification expanded

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2019 GAA Targets	Actual
Access to electrification expanded		
NATIONAL RURAL ELECTRIFICATION PROGRAM		
Outcome indicator		
1. Percentage increase of connections/identified potential consumers	90% by 2019 up to 100% in 2022	95% potential connections

Output indicator		
1. No. of sitios completed and energized	575 sitios	1,085 sitios

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2020 Targets	2021 NEP Targets
Access to electrification expanded			
NATIONAL RURAL ELECTRIFICATION PROGRAM			
Outcome indicator			
1. Percentage increase of connections/identified potential consumers	89% potential connections	91% by 2020 up to 100% in 2022	98% by 2021
Output indicator			
1. No. of sitios completed and energized		932 sitios	1,085 sitios

B.2. NATIONAL POWER CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

Description	(Cash-Based)		
	2019	2020	2021
New General Appropriations	1,028,986	1,186,206	1,186,206
General Fund	1,028,986	1,186,206	1,186,206
TOTAL OBLIGATIONS	1,028,986	1,186,206	1,186,206

**EXPENDITURE PROGRAM
(in pesos)**

PURPOSE	(Cash-Based)		
	2019 Actual	2020 Current	2021 Proposed
Operations	1,028,986,000	1,186,206,000	1,186,206,000
Regular	533,004,000	900,520,000	1,186,206,000
MOOE	533,004,000	900,520,000	1,186,206,000
Projects / Purpose	495,982,000	285,686,000	
MOOE	495,982,000	285,686,000	
TOTAL AGENCY BUDGET	1,028,986,000	1,186,206,000	1,186,206,000
Regular	533,004,000	900,520,000	1,186,206,000
MOOE	533,004,000	900,520,000	1,186,206,000
Projects / Purpose	495,982,000	285,686,000	
MOOE	495,982,000	285,686,000	

STAFFING SUMMARY

	2019	2020	2021
TOTAL STAFFING			
Total Number of Authorized Positions	2,455	2,455	2,455
Total Number of Filled Positions	1,916	2,133	2,133

Proposed New Appropriations Language
 For subsidy requirements in accordance with the program(s), as indicated hereunder.....P 1,186,206,000
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OPERATIONS BY PROGRAM	PROPOSED 2021 (Cash-Based)			
	PS	MOOE	CO	TOTAL
MISSIONARY ELECTRIFICATION PROGRAM		1,186,206,000		1,186,206,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2021 (Cash-Based)
 (in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation		1,186,206,000		1,186,206,000
National Capital Region (NCR)		1,186,206,000		1,186,206,000
TOTAL AGENCY BUDGET		1,186,206,000		1,186,206,000

SPECIAL PROVISION(S)

- Subsidy to the National Power Corporation. The amount of One Billion One Hundred Eighty Six Million Two Hundred Six Thousand Pesos (P1,186,206,000) appropriated herein under the subsidy to NPC shall be used for the capital requirements of the Missionary Electrification Program.
 Release of funds 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.
- Prior Years' Subsidy Releases from the National Government. The NPC is hereby authorized to use subsidy released for programs and projects in 2018 and prior years to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NPC shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NPC's Board of Directors, to be submitted to the DBM for approval.
- 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 NPC.

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

PROGRAMS	Current Operating Expenditures			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
3000000000000000 Operations		P 1,186,206,000		P 1,186,206,000
3100000000000000 00 : Access to electrification expanded		1,186,206,000		1,186,206,000

3101000000000000 MISSIONARY ELECTRIFICATION PROGRAM	1,186,206,000	1,186,206,000
Sub-total, Operations	1,186,206,000	1,186,206,000
TOTAL NEW APPROPRIATIONS	P 1,186,206,000 =====	P 1,186,206,000 =====

Obligations, by Object of Expenditures

CYs 2019-2021
(In Thousand Pesos)

	(Cash-Based)		
	2019	2020	2021
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	1,028,986	1,186,206	1,186,206
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	1,028,986	1,186,206	1,186,206
GRAND TOTAL	1,028,986	1,186,206	1,186,206

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL
OUTCOME : Access to electrification expanded

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>2019 GAA Targets</u>	<u>Actual</u>
Access to electrification expanded		
MISSIONARY ELECTRIFICATION PROGRAM		
Outcome Indicators		
1. Percentage increase in SPUG dependable capacity	1.68%	-11.91%
2. Percentage increase in transmission line length over the previous year	14.34%	15.39%
3. Percentage increase in substation capacity over the previous year	15%	2.70%
Output Indicators		
1. Commissioned capacity additions completed (MW)	50.25	2.50
2. Transmission Lines (ckt-kms) completed	157	139
3. Substation Facilities (MVA) completed	30	5

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2020 Targets</u>	<u>2021 NEP Targets</u>
Access to electrification expanded			
MISSIONARY ELECTRIFICATION PROGRAM			
Outcome Indicators			
1. Percentage increase in SPUG dependable capacity	10.88%	-2.34%	
2. Percentage increase in transmission line length over the previous year	5.22%	11.57%	5.87%
3. Percentage increase in substation capacity over the previous year	5.88%	15.79%	18.37%
Output Indicators			
1. Commissioned capacity additions completed (MW)	30.65	33.47	45.31
2. Transmission Lines (ckt-kms) completed	296.35	154.40	71.30
3. Substation Facilities (MVA) completed	20	30	45

B.3. POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Automatic Appropriations			<u>8,000,000</u>
Special Account			<u>8,000,000</u>
TOTAL OBLIGATIONS			<u>8,000,000</u> =====

EXPENDITURE PROGRAM
(in pesos)

PURPOSE	<u>(Cash-Based)</u>		
	<u>2019 Actual</u>	<u>2020 Current</u>	<u>2021 Proposed</u>
Support to Operations			<u>8,000,000,000</u>
Regular			<u>8,000,000,000</u>
MOOE			<u>8,000,000,000</u>
TOTAL AGENCY BUDGET			<u>8,000,000,000</u>
Regular			<u>8,000,000,000</u>
MOOE			<u>8,000,000,000</u>

STAFFING SUMMARY

	2019	2020	2021
TOTAL STAFFING			
Total Number of Authorized Positions			260
Total Number of Filled Positions			253

SPECIAL PROVISION(S)

1. Proceeds from the Exploration, Development and Exploitation of Energy Resources. In addition to the amounts appropriated herein, 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 Presidential Decree No 910.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

2. Special Provisions Applicable to All Government Corporation. 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 2019-2021
(In Thousand Pesos)

	(Cash-Based)		
	2019	2020	2021
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy			8,000,000
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES			8,000,000
GRAND TOTAL			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)	Baseline	2020 Targets	2021 NEP Targets
Amount of Avoided Universal Charge for Stranded Debts and Stranded Costs to be passed on to power consumer			
Payment of stranded contract costs and stranded debts			
Outcome Indicators			
1. Amount of net reduction in financial obligations	0		P8,000,000,000
Output Indicator			
1. Amount of financial obligations paid	0		P8,000,000,000