

PHILIPPINE NATIONAL OIL COMPANY

ANTONIO M. CAILAO President & CEO

January 3, 2014

HON. CESAR L. VILLANUEVA

Chairman
Office of the President of the Philippines
Governance Commission for GOCC's
3rd Floor Citibank Center, 8741 Paseo de Roxas
Makati City, Philippines 1226



Dear Chairman Villanueva:

We are transmitting herewith PNOC's "Monitoring Report of Performance Targets" for the 4th Quarter of 2013.

If you need anything, please let me know.

Very truly yours,

	Performance Measures			Baseline Data (if available)			Agreed Targets	1st Q	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
		Weight		2010	2011	2012	2013	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
O 1- Evalu	ation and Approval of Pro	2013 jects and	Formula d Programs	2010	2011				25 (27) 27 (27)			•				
	on and approval of the bu															
Quantity	No. of reviewed budget	10	Pass or fail	5	5	, 5	5	5	5						•	
Timeliness	Percentage of submissions approved within 50 days from the receipt of completed documents.	5	100 % of submissions approved within 50 days from the receipt of complete documents.	80% of submissions approved within 50 days from the receipt of complete documents.	100 % of submissions approved within 50 days from the receipt of complete documents.	80% of submissions approved within 50 days from the receipt of complete documents.	100%	100% of submissions approved within 50 days from receipt of complete documents	100% of submissions approved within 36 days from receipt of complete documents							
	W. W. O. Direction Decises	15														
2: Batangas to	o Manila Gas Pipeline Project															
Quality (1)	Determination if there is a shorter route in the implementation of the Project, certified by the Department of Energy (DOE)	10	Pass or fail	N/A	N/A	N/A	. 100%		. NA		NA .		100%		-	
Timeliness	Percentage of completion by 30 September 2013	10	0%- completion after 30 September 2013 90%-completion on 30 September 2013 95%- completion 1-15 days before 30 September 2013 100%- completion >15 days before 30 September 2013	N/A	N/A	N/A	100%		NA .		NA		100%			
alternative ro	ute:	20								72.						
Quality 2a-alternative)	If shorter/alternative route: Certification by the DOE of the acceptability of the alternative route	14	Pass or fail	N/A	N/A	N/A	100%		NA .		N/A		N/A	7		
Timeliness 2a- alternative)	Started in October 2013 with target completion date by 31 December 2013	6	0%- completion after 31 December 2013 90%- completion on 31 December 2013 95%- completion 1-15 days before 31 December 2013 100% - completion 1-15 days before 31 December 2013	N/A	N/A	N/A	100%		NA		NA		N/A			
F PPP:		20														
Quality (2a-PPP)	If PPP Center: Certification by the DOE of the acceptability of the Terms of Reference (TOR) for the engagement of a Transaction Advisor, in the event that there is no shorter route, i.e., use PPP Center.	7	Pass or fail	N/A	N/A	N/A	100%		NA		NA .		100%			
Timeliness (2a- PPP)	Percentage of completion by the 30 September 2013	3	0%- completion after 30 September 2013 90%- completion on 30 September 2013 95%- completion 1-15 days before 30 September 2013 100% - completion >15 days before 30 September 2013	N/A	N/A	N/A	100%		NA		NA -		100%			
Quality (3a-PPP)	Certification by the PPP Center that Request for Proposals was issued for the engagement of Transaction Advisor. i.e. use PPP Center	7	Pass or fail	N/A	N/A	N/A	100%						N/A		100%; request for propos issued on 27 November 20	
Timeliness (3a- PPP)	Submit TOR and advice to proceed to PPP Center within 15 days after PNOC Board approval	3	0% -submission after15 days from PNOC Board approval 90% -submission 11-15 days after PNOC Board approval 95% -submission 6-10 days after PNOC Board approval 100% - submission 1-5 days after PNOC Board approval	N/A	N/A	N/A	100%		. NA		NA		100%		100%; Advice the PPP Cent proceed with the issuance RFP on 24 October 2013, date PNOC verbally secur approval	

Performance Measures				Baseline Data (if available) Agreed				eed Targets		2nd Quarter		3rd Quarter		4th Quarter	
		Weight 2013	Formula	2010	2011	2012	2013	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Il 2: Implement	ation of the Memorandum of Und			oleumBRUNEI							Total 1 to A DIMMORE				
Quality	Recommendation of options of potential sites of the LNG Terminal and Power Plant, certified by the DOE	3	Pass or fail	N/A	N/A	N/A	100%		Conducted meetings with PetroleumBrunei to, among others, determine possible sites for the LNG Terminal and Power Plant Project in Mindanao		Site visits to PHIVIDEC and conducted various meetings with PetroleumBrunei, PHIVIDEC and DOE		100%		
Timeliness	Started in February 2013 with target completion date in 31 December 2013	2	Pass or fail	N/A	N/A	N/Á	100%		N/A		N/A		100%		
		5													
Pl 4: Sale/ Mone	etization of Banked Gas										Initial meetings with SC				
Quality	Determination of the mode of sale whether joint sale with SC38 consortium, to be certified by the DOE	20		N/A	N/A	N/A	100%		N/A		38 consortium on possible joint bidding of banked gas	•	100%		
Timeliness	Started in June 2013 with target completion date in 31 December 2013	10	0%-completion after 31 December 2013 90%-completion on 31 December 2013 95%-completion 1-15 days before 31 December 2013 100%-completion >15 days before 31 December 2013	N/A	N/A ·	N/A	100%		N/A		N/A		100%		
		30	The second secon												
MFQ 2-Eunchy	g Support for Energy Projects														
PII: Ability to F	und Projects								No drawdown request		No drawdown request		No drawdown request from		No drawdown request from
		2	Pass or fail		P1.5 billion for	P1.485 billion	P106.687 million for PNOC-RC		from PNOC RC. Released P3M for winding up expenses of PSTC.		from PNOC RC. Released P20M for winding up expenses of PSTC.		PNOC-RC. Released P10 million for winding up expenses of PSTC.		PNOC RC, no releases to PST0
Quantity	Amount of funding support appropriated for energy projects			N/A	PNOC RC	PNOC RC			Paid operating expenses		Paid P66,216.42 for				amounts to P99,825.37
	appropriated for energy projects	2	Pass or fail				P146.821 million for BATMAN		for Batman telephone bills.		operating expenses for BatMan project (local travel, telepone bills, representation and meeting expenses)				
			1				4		100% of the amount		100% of the amount				
Timeliness	Percentage of funding drawn within 7 banking days from the receipt of complete documents		Pass or fail	N/A	N/A	N/A	100%		requested was released within 7 banking days upon receipt of complete documents		requested was released within 7 banking days upon receipt of complete documents		100%		100%
Quality	Certification of drawdown by Subsidiary or Treasurer	1	Pass or fail	N/A	N/A	N/A	100%		100%		100%		100%		100%
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		10													

Noted by:

RAINIER B. BUTALID Commissioner, GCG ANTONIO M. CAILAO President, PNOC CARLOS JERICHO L. PETILLA Secretary, DOE