



FISCAL YEAR
2022

National Expenditure Program

VOLUME III

Sustaining the Legacy of Real Change for the Future Generations



National Expenditure Program

VOLUME III

FISCAL YEAR

2022

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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>2020 GAA Targets</u>	<u>Actual</u>
Access to electrification expanded		
NATIONAL RURAL ELECTRIFICATION PROGRAM		
Outcome indicator		
1. Percentage increase of connections/identified potential consumers	91% by 2020 up to 100% by 2022	89% potential connections
Output indicator		
1. No. of sitios completed and energized	932 sitios	594 sitios

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2021 Targets</u>	<u>2022 NEP Targets</u>
Access to electrification expanded			
NATIONAL RURAL ELECTRIFICATION PROGRAM			
Outcome indicator			
1. Percentage increase of connections/identified potential consumers	89% potential connections	98% by 2021	91% by 2022
Output indicator			
1. No. of sitios completed and energized		1,085 sitios	1,085 sitios

B.2. NATIONAL POWER CORPORATIONAppropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
New General Appropriations	<u>1,186,206</u>	<u>1,036,206</u>	<u>1,186,206</u>
General Fund	1,186,206	1,036,206	1,186,206
Continuing Appropriations		<u>81,796</u>	
Unobligated Releases for MOOE R.A. No. 11465		81,796	
Budgetary Adjustment(s)	<u>(164,861)</u>		

Transfer(s) to:			
Overall Savings			
R.A. No. 11465	(164,861)		
Total Available Appropriations	1,021,345	1,118,002	1,186,206
Unused Appropriations	(81,796)	(81,796)	
Unobligated Allotment	(81,796)	(81,796)	
TOTAL OBLIGATIONS	939,549	1,036,206	1,186,206
	=====	=====	=====

**EXPENDITURE PROGRAM
(in pesos)**

PURPOSE	(Cash-Based)		
	2020 Actual	2021 Current	2022 Proposed
Operations	939,549,000	1,036,206,000	1,186,206,000
Regular	900,314,000	1,036,206,000	1,186,206,000
MOOE	900,314,000	1,036,206,000	1,186,206,000
Projects / Purpose	39,235,000		
MOOE	39,235,000		
TOTAL AGENCY BUDGET	939,549,000	1,036,206,000	1,186,206,000
Regular	900,314,000	1,036,206,000	1,186,206,000
MOOE	900,314,000	1,036,206,000	1,186,206,000
Projects / Purpose	39,235,000		
MOOE	39,235,000		

STAFFING SUMMARY

	2020	2021	2022
TOTAL STAFFING			
Total Number of Authorized Positions	2,455	2,455	2,455
Total Number of Filled Positions	1,902	2,133	2,139

Proposed New Appropriations Language
 For subsidy requirements in accordance with the program(s), as indicated hereunder.....P 1,186,206,000
 =====

OPERATIONS BY PROGRAM	PROPOSED 2022 (Cash-Based)			
	PS	MOOE	CO	TOTAL
MISSIONARY ELECTRIFICATION PROGRAM		1,186,206,000		1,186,206,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2022 (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 2016-2021 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)

	<u>Current Operating Expenditures</u>			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
PROGRAMS				
30000000000000000000 Operations		P 1,186,206,000		P 1,186,206,000
31000000000000000000 00 : Access to electrification expanded		1,186,206,000		1,186,206,000
31010000000000000000 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 2020-2022
(In Thousand Pesos)

	(Cash-Based)		
	2020	2021	2022
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	939,549	1,036,206	1,186,206
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>939,549</u>	<u>1,036,206</u>	<u>1,186,206</u>
GRAND TOTAL	<u>939,549</u>	<u>1,036,206</u>	<u>1,186,206</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Infrastructure development accelerated and operations sustained

ORGANIZATIONAL
OUTCOME : Access to electrification expanded

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2020 GAA Targets	Actual
Access to electrification expanded		
MISSIONARY ELECTRIFICATION PROGRAM		
Outcome Indicators		
1. Percentage increase in SPUG dependable capacity	-2.34%	10.78%
2. Percentage increase in transmission line length over the previous year	11.57%	5.98%
3. Percentage increase in substation capacity over the previous year	15.79%	5.26%
Output Indicators		
1. Commissioned capacity additions completed (MW)	33.47	18.64%
2. Transmission Lines (ckt-kms) completed	154.40	62.42
3. Substation Facilities (MVA) completed	30	10

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	Baseline	2021 Targets	2022 NEP Targets
Access to electrification expanded			
MISSIONARY ELECTRIFICATION PROGRAM			
Outcome Indicators			
1. Percentage increase in SPUG dependable capacity	10.88%		1.43%
2. Percentage increase in transmission line length over the previous year	5.22%	5.87%	4.03%

3. Percentage increase in substation capacity over the previous year	5.88%	18.37%	9.43%
Output Indicators			
1. Commissioned capacity additions completed (MW)	30.65	45.31	39.83
2. Transmission Lines (ckt-kms) completed	296.35	71.30	51.10
3. Substation Facilities (MVA) completed	20	45	25

B.3. POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	(Cash-Based)		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Automatic Appropriations		8,000,000	8,000,000
Special Account		8,000,000	8,000,000
TOTAL OBLIGATIONS		8,000,000	8,000,000
		=====	=====

EXPENDITURE PROGRAM (in pesos)

PURPOSE	(Cash-Based)		
	<u>2020 Actual</u>	<u>2021 Current</u>	<u>2022 Proposed</u>
Support to Operations		8,000,000,000	8,000,000,000
Regular		8,000,000,000	8,000,000,000
MOOE		8,000,000,000	8,000,000,000
TOTAL AGENCY BUDGET		8,000,000,000	8,000,000,000
Regular		8,000,000,000	8,000,000,000
MOOE		8,000,000,000	8,000,000,000

STAFFING SUMMARY

	<u>2020</u>	<u>2021</u>	<u>2022</u>
TOTAL STAFFING			
Total Number of Authorized Positions		260	260
Total Number of Filled Positions		260	260

Table 1.2.a

**NATIONAL POWER CORPORATION
CORPORATE OBJECTIVES AND PRIORITIES FOR FY 2022**

I. CORPORATE OBJECTIVES

- To perform the missionary electrification function through the Small Power Utilities Group (SPUG) and be responsible for providing power generation and its associated power delivery systems in areas that are not connected to the transmission system [Sec. 70 of RA 9136];
- To promote the utilization of indigenous, and new and renewable energy sources, particularly in performing its Missionary Electrification mandate [Section 2(h) of RA 9136];
- To manage and continue the Corporation's responsibility in watershed rehabilitation and management and be entitled to the environmental charge equivalent to one-fourth of one centavo per kilowatt-hour energy sales [Section 34(d) of RA 9136];
- To continue to be responsible for dam structure and all other appurtenant structure necessary for the safe and reliable operation of hydropower plants (Sec. 6 (d), Rule 23 of RA 9136-IRR);
- To continue undertaking the rehabilitation, upgrading and uprating of undisposed generation assets; and
- To venture into business development of its allied products and services to enhance its revenue generation.

II. CORPORATE PRIORITIES FOR THE BUDGET YEAR

- Reliable Supply of Electricity in missionary electrification areas;
- Operation and maintenance, rehabilitation, upgrading and uprating of generation assets in the main grids as needed;
- Rehabilitation and management of watershed areas; and
- Implementation of Corporate Social Responsibility Program.

III. MAJOR PROGRAMS AND PROJECTS

- Develop and implement tariff methodology that shall promote reasonable electricity rates while reflecting true cost of service;
- Develop/implement the overall island/off-grid capacity and transmission system;
- Promote/implement the adoption of renewable hybrid systems;
- Vegetative rehabilitation and watershed protection;
- Dam integrity and safety, dam management protocol and flood forecasting & mitigation; and
- Operation and maintenance of undisposed main grid generation assets.

Table 1.2.b
 NATIONAL POWER CORPORATION
 ASSUMPTIONS, FY 2020 - 2022
 SMALL POWER UTILITIES GROUP (SPUG) SALES & GENERATION

	UNAUDITED	REVISED	PROJECTED	RATE	
				% Inc (Dec)	
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2021/2020</u>	<u>2022/2021</u>
1. ENERGY SALES, GWH	426	585	545	1.37	0.93

	GIGAWATT HOUR			PERCENT MIX		
	UNAUDITED	REVISED	PROJECTED	UNAUDITED	REVISED	PROJECTED
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
2. ENERGY GENERATION, GWH	449	612	571	100%	100%	100%
HYDRO	2	6	5	0.38%	1%	1%
OIL BASED	447	606	566	99.62%	99%	99%

Table 1.2.c
NATIONAL POWER CORPORATION
COMPARATIVE STATEMENT OF FINANCIAL POSITION, FY 2020-2022
(In Thousand Pesos)

PARTICULARS	2020 UNAUDITED	2021		2022 PROPOSED
		GAA	ESTIMATE (As Revised)	
ASSETS				
Current Assets	24,803,174	21,491,568	23,242,531	23,663,270
Cash and Cash Equivalents	9,035,294	688,935	3,223,367	4,267,935
Receivables	4,255,267	19,193,879	7,248,567	3,994,348
Inventories	1,825,178	1,469,441	1,855,621	1,855,621
Other Current Assets	9,687,435	139,313	10,914,976	13,545,366
Non-Current Assets	15,821,127	28,486,536	24,189,880	28,345,087
Receivables	389,541	425,251	389,541	389,541
Investments Property	2,317		2,317	2,317
Property, Plant and Equipment	12,881,840	24,423,379	21,250,592	25,405,801
Deferred Tax Assets	1,647,450		1,647,450	1,647,450
Other Investments	1,720	1,720	1,720	1,719
Other Non-Current Assets	898,259	3,636,186	898,260	898,259
TOTAL ASSETS	40,624,301	49,978,104	47,432,411	52,008,357
LIABILITIES				
Current Liabilities	7,799,962	13,770,230	10,597,044	12,591,361
Financial Liabilities	5,594,848	12,209,650	8,830,838	10,679,492
Inter-Agency Payables	484,937	410,167	434,672	434,672
Trust Liabilities	55,351	77,199	55,351	55,351
Deferred Credits/Unearned Income	1,097,797	939,040	1,228,285	1,327,843
Other Payables	567,029	134,174	47,898	94,003
Non-Current Liabilities	3,869,963	2,635,259	2,222,426	2,179,245
Financial Liabilities	484,981	417,537	443,903	400,722
Trust Liabilities	237,477	245,733	237,477	237,477
Deferred Credits/Unearned Income	2,570,950	1,394,958	964,491	964,491
Provisions	576,555	577,031	576,555	576,555
TOTAL LIABILITIES	11,669,925	16,405,489	12,819,470	14,770,606
STOCKHOLDERS' EQUITY				
Government Equity	28,954,376	33,572,615	34,612,941	37,237,751
TOTAL STOCKHOLDERS' EQUITY	28,954,376	33,572,615	34,612,941	37,237,751
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	40,624,301	49,978,104	47,432,411	52,008,357

Table 1.2.d
NATIONAL POWER CORPORATION
COMPARATIVE STATEMENT OF FINANCIAL PERFORMANCE, FY 2020-2022
(In Thousand Pesos)

PARTICULARS	FY 2020 UNAUDITED	2021		FY 2022 PROPOSED
		GAA	ESTIMATE (As Revised)	
I. REVENUES	15,683,694	20,159,360	23,381,202	21,490,662
Operating Revenues	13,778,358	18,541,285	21,711,809	19,189,335
Other Revenues	1,904,829	1,618,075	1,669,393	2,301,327
Extraordinary Gain	507			
II. COST OF SALES	3,806,200	7,793,231	7,098,833	6,308,537
III. GROSS PROFIT	11,877,494	12,366,129	16,282,369	15,182,125
IV. OPERATING EXPENSES/OTHER EXPENSES	10,807,851	15,893,396	15,990,800	16,741,741
Personnel Services	1,007,867	1,822,036	1,827,373	1,843,530
Maintenance and Other Operating Expenses	1,671,856	2,617,849	2,617,849	2,777,761
Interest Expense & Finance Charges	2,228	2,344	2,443	1,965
Non-cash Expenses	1,127,158	1,260,931	1,160,440	1,221,197
Depreciation of fixed assets (operating plants)	401,466	680,651	518,765	556,819
Provision for Doubtful Accounts	506,211	403,728	468,008	472,507
Depreciation of Non-Operating Plants & Others	219,481	176,552	173,667	191,871
Other Expenses	6,998,742	10,190,236	10,382,695	10,897,288
V. NET PROFIT/(LOSS) BEFORE GAIN/(LOSS) ON FOREX FLUCTUATION	1,069,643	(3,527,267)	291,569	(1,559,616)
VI. GAIN/(LOSS) ON FOREX FLUCTUATION		(24,415)		
VII. NET PROFIT/(LOSS) AFTER GAIN (LOSS) ON FOREX FLUCTUATION	1,045,228	(3,527,267)	291,569	(1,559,616)
ADD: Subsidies	1,688,891	5,756,313	5,606,313	4,184,426
Subsidies from National Government	1,688,891	5,756,313	5,606,313	4,184,426
VIII. NET PROFIT/(LOSS) BEFORE INCOME TAX	2,734,119	2,229,046	5,897,882	2,624,810
LESS: Income Tax	243,314	-	239,121	
IX. NET PROFIT/(LOSS)	2,490,805	2,229,046	5,658,761	2,624,810

Table 1.2.e
NATIONAL POWER CORPORATION
STAFFING SUMMARY, FY 2020-2022
(In Thousand Pesos, Except No. of Positions)

POSITIONS	2020 UNAUDITED		2021 ESTIMATE		2022 PROPOSED	
	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
A. Itemized Positions						
Top Three Corporate Positions						
President	1	2,128	1	2,137	1	2,137
Senior Vice President	-	-	-	-	1	1,860
Vice President	4	6,742	6	10,096	6	10,125
Management/Executive Group	123	138,991	145	163,626	145	165,557
Technical Group	1,118	507,766	1,228	558,702	1,231	565,804
Technical Support	372	220,325	431	253,927	430	257,484
Administrative/Others	85	20,102	93	21,226	95	21,875
TOTAL	1,703	896,054	1,904	1,009,714	1,909	1,024,842
B. Non-Itemized Positions						
Co-Terminus	67	41,269	80	45,270	80	45,790
Contractuals	27	5,550	27	5,567	27	5,567
Casuals	105	36,928	122	38,285	123	38,464
TOTAL	199	83,747	229	89,122	230	89,821
GRAND TOTAL	1,902	979,801	2,133	1,098,836	2,139	1,114,663

Table 1.2.f
NATIONAL POWER CORPORATION
COMPENSATION OF ITEMIZED POSITIONS, FY 2020 - 2022
(In Thousand Pesos)

PARTICULARS	2020 UNAUDITED	2021		2022 PROPOSED
		GAA	ESTIMATE (As Revised)	
A. PERMANENT	1,497,982	2,561,618	2,563,859	2,645,743
GUARANTEED CASH COMPONENT	1,115,341	1,260,377	1,257,396	1,279,570
Salaries	896,054	1,017,139	1,009,714	1,024,842
Personnel Economic Relief Allowance	41,138	45,696	45,696	45,816
Representation and Transportation Allowance	22,359	18,498	24,180	19,014
Mid-Year Bonus	73,309	84,762	84,143	85,404
Year-End Bonus	74,259	84,762	84,143	85,404
Cash Gift	8,222	9,520	9,520	9,545
Productivity Enhancement Incentive (PEI)	-	-	-	9,545
FRINGE BENEFITS	176,518	322,828	330,024	336,248
Night Shift Differential	33,366	80,512	90,086	80,631
Overtime	57,209	136,371	124,095	140,571
Medical	12,123	-	-	-
Special Counsel Allowance	1,470	2,760	2,765	12,245
Uniform/Clothing Allowance	10,302	11,424	11,424	11,454
Loyalty Pay	-	155	165	4,375
Hazard Pay	10,083	59	59	59
Honoraria	-	-	12,900	7,081
Performance-Based Bonus	51,965	47,610	44,596	47,932
PRAISE Allowance	-	38,225	38,225	31,900
Anniversary Bonus	-	5,712	5,709	-
FIXED EXPENDITURES	123,417	143,439	139,493	147,403
Retirement and Life Insurance Premium	107,186	122,057	121,166	122,981
Health Insurance Premium	12,108	16,812	13,757	19,840
Employee's Compensation Insurance Premium	2,055	2,285	2,285	2,291
PAG-IBIG Contributions	2,068	2,285	2,285	2,291
TERMINAL LEAVE & SEPARATION BENEFITS	82,210	687,586	689,558	649,211
PER DIEM OF BOARD MEMBERS	496	1,536	1,536	1,536
COMPENSATION ADJUSTMENT	-	145,852	145,852	231,775
B. CO-TERMINOUS	64,045	108,231	106,356	111,965
Salaries and Allowances	59,903	67,180	66,288	67,653
Terminal Leave & Separation Benefits	4,142	35,056	34,073	35,312
Compensation Adjustment	-	5,995	5,995	9,000
C. CASUAL	59,892	78,277	78,145	85,256
Salaries and Allowances	57,156	59,434	60,273	60,590
Terminal Leave & Separation Benefits	2,736	13,209	12,238	15,187
Compensation Adjustment	-	5,634	5,634	9,479
D. CONTRACTUAL	9,681	10,172	9,938	11,857
Salaries and Allowances	9,234	9,402	9,168	9,433
Terminal Leave & Separation Benefits	447	103	103	1,110
Compensation Adjustment	-	667	667	1,314
TOTAL	1,631,600	2,758,298	2,758,298	2,854,821
Operating	1,530,367	2,631,591	2,641,957	2,645,543
Capitalized	69,343	99,453	80,619	113,763
Other Expenses / Expenditures	31,890	27,254	35,722	95,515
	1,631,600	2,758,298	2,758,298	2,854,821

Table 1.2.g
NATIONAL POWER CORPORATION
DETAILS OF MAINTENANCE & OTHER OPERATING EXPENSES, FY 2020 - 2022
(In Thousand Pesos)

PARTICULARS	2020 UNAUDITED	2021		2022 PROPOSED
		GAA	ESTIMATE (As Revised)	
Travelling Expenses	28,868	77,340	77,340	77,340
Communication Expenses	15,218	14,708	25,526	16,145
Repair and Maintenance of Government Facilities	444,857	524,956	539,945	540,691
Repair and Maintenance of Government Vehicles and Other Equipment	13,161	12,433	31,697	13,963
Transportation Services	8,582	11,441	17,281	11,441
Supplies and Materials	28,985	19,568	70,843	30,750
Rents	390,949	664,262	747,521	828,120
Interests (Debt Service - Interest)	2,119	1,950	2,033	1,965
Grants, Subsidies and Contributions	6,472	11,726	11,726	12,190
Award and Indemnities(Injuries and Damages)	-	1,500	1,500	1,520
Loan Repayments/Debt Service-Principal <i>a/</i> Losses/Depreciation/Depletion/Amortization of Capital Recovery <i>b/</i>	37,974	39,403	41,077	43,182
Water, Illumination and Power Service	401,466	680,651	518,765	556,819
Auditing Services	26,337	31,874	38,177	31,874
Training & Seminar Expense	25,507	32,450	30,680	34,612
Extraordinary and Other Miscellaneous Expenses	2,406	12,947	18,950	12,947
Taxes, Duties & Fees	711	1,003	1,003	1,003
Trading /Production (Fuel)	10,309	48,141	53,089	65,437
Gasoline, Oil, and Lubricants	3,806,200	7,793,232	7,098,834	6,308,537
Fidelity Bonds and Insurance Premium	8,217	10,359	17,491	10,359
Representation and Entertainment Expenses	49,134	73,310	72,525	75,362
Cultural Expenses	546	595	595	839
Honorary Grant	189	800	800	800
Incentive Award	408	408	-	-
Miscellaneous Expenses	68,537	824	824	857
Director's and Officer's Liability Fund	205	529	501	722
Contingencies	-	6,923	6,910	-
Other Services	1,113	-	-	-
Others (Input Vat, Finance Charges, Other Expenses)	541,145	1,059,752	852,924	1,010,789
Total MOOE	12,421,877	12,744,973	13,437,615	12,992,156
	18,341,492	23,878,058	23,716,172	22,680,420

a/ This account is not considered as an expense item in the Profit and Loss Statement

b/ This is a non-cash expense account, therefore not included in the Statement of Sources and Uses of Funds, by Expense Class.

Table 1.2.h
NATIONAL POWER CORPORATION
DETAILS OF CAPITAL OUTLAYS, FY 2020-2022
(In Thousand Pesos)

PARTICULARS	2020 UNAUDITED	2021		2022 Proposed
		GAA	ESTIMATE (As Revised)	
Land and Land Improvement Outlay	20,117	101,274	111,194	142,902
Infrastructure Outlay	1,184,719	82,564	53,208	23,438
Buildings and Other Infrastructures Outlay	71,141	513,378	378,678	690,927
Machineries and Equipment Outlay	492,527	2,800,787	2,792,159	3,363,517
Transportation Equipment	1,077	138,744	136,065	72,679
Furniture, Fixtures and Books Outlay	1,177	1,082	5,864	3,537
Intangible Assets Outlay	-	230,214	240,875	301,264
TOTAL	1,770,758	3,868,043	3,718,043	4,598,264

Table 1.2.i
NATIONAL POWER CORPORATION
COMPARATIVE STATEMENT OF CASH FLOWS, FY 2020-2022
(In Thousand Pesos)

PARTICULARS	2020 UNAUDITED	2021		2022 PROPOSED
		GAA	ESTIMATE (As Revised)	
Cash flows from operating activities				
Inflows	16,949,866	26,011,266	28,862,556	28,602,464
Cash generated from operations	13,655,116	18,537,954	18,888,648	22,070,605
Collection of receivables	118,031	-	-	-
Receipt of government subsidy	1,688,891	5,756,313	5,606,313	4,184,426
Other inflows	1,487,828	1,716,999	4,367,595	2,347,433
Outflows	(16,333,925)	(25,417,443)	(25,822,117)	(22,259,042)
Payment for salaries	(738,978)	(1,822,036)	(1,827,373)	(1,843,530)
Payment for suppliers	(4,215,649)	(6,704,258)	(7,995,311)	(5,758,353)
Payment of taxes	(429,906)	(4,028)	(281,114)	(66,257)
Other outflows	(10,949,392)	(16,887,121)	(15,718,319)	(14,590,902)
Net cash flow from operating activities	615,941	593,823	3,040,439	6,343,422
Cash flows from investing activities				
Inflows	1,146,428	1,385,648	-	-
Other inflows	1,146,428	1,385,648	-	-
Outflows	(2,151,451)	(3,967,496)	(8,221,520)	(4,992,463)
Purchase of property, plant and equipment	(2,151,451)	(3,967,496)	(8,221,520)	(4,992,463)
Net cash flow from investing activities	(1,005,023)	(2,581,848)	(8,221,520)	(4,992,463)
Cash flows from financing activities				
Outflows	(4,040,093)	(614,951)	(630,846)	(306,391)
Repayment of loan	(37,974)	(39,403)	(41,077)	(43,182)
Dividend payment	(4,000,000)	(573,596)	(587,736)	(261,244)
Other outflows	(2,119)	(1,952)	(2,033)	(1,965)
Net cash flow from financing activities	(4,040,093)	(614,951)	(630,846)	(306,391)
Effect of Exchange Rate changes on cash and cash equivalents	(3,904)			
Net increase/(decrease) in cash and cash equivalents	<u>(4,433,079)</u>	<u>(2,602,976)</u>	<u>(5,811,927)</u>	<u>1,044,568</u>
Cash and cash equivalents, beginning of the year	<u>13,468,373</u>	<u>3,291,911</u>	<u>9,035,294</u>	<u>3,223,367</u>
Cash and cash equivalents, end of year	<u>9,035,294</u>	<u>688,935</u>	<u>3,223,367</u>	<u>4,267,935</u>

Table 1.2.j
 NATIONAL POWER CORPORATION
 SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2020
 (In Thousand Pesos)

PROGRAM/ACTIVITY/PROJECT	NG SUBSIDY				CORPORATE FUNDS				GRAND TOTAL			
	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL
1. General Administration and Support	-	-	-	-	441,288	496,576	746,591	1,684,455	441,288	496,576	746,591	1,684,455
a. Head Office Support Group					287,496	457,506	4,598	749,600	287,496	457,506	4,598	749,600
b. Eng'g. Admin./Survey/ Development Studies Planning					153,792	39,070	741,993	934,856	153,792	39,070	741,993	934,856
2. Support to Operations	-	-	-	-	-	82,427	-	82,427	-	82,427	-	82,427
a. Other Expenses						82,427		82,427		82,427		82,427
3. Operations	-	-	1,021,345	1,021,345	628,373	4,981,479	2,823	5,612,674	628,373	4,981,479	1,024,168	6,634,019
a. Small Power Utilities Group			1,021,345	1,021,345	583,003	1,105,091		1,688,093	583,003	1,105,091	1,021,345	2,709,438
b. Spares												
c. Production of Goods						3,806,200		3,806,200		3,806,200		3,806,200
d. Watershed Management					45,370	70,188	2,823	118,381	45,370	70,188	2,823	118,381
4. Debt Servicing	-	-	-	-	-	40,094	-	40,094	-	40,094	-	40,094
5. Other Expenditures	-	-	-	-	31,890	11,992,099	-	12,023,989	31,890	11,992,099	-	12,023,989
a. Input VAT						1,690,453		1,690,453		1,690,453		1,690,453
b. BNPP Preservation/Non-Optg Expenses					31,890	27,998		59,888	31,890	27,998		59,888
c. NPP Subsidy						6,030,334		6,030,334		6,030,334		6,030,334
d. Income Tax						243,314		243,314		243,314		243,314
e. Dividends Paid						4,000,000		4,000,000		4,000,000		4,000,000
b. Personal Services and Maintenance and Other Operating Expenses	-	-	-	-	530,049	347,351	-	877,400	530,049	347,351	-	877,400
As operator of PSALM's Assets					530,049	347,351		877,400	530,049	347,351		877,400
TOTAL BEFORE PRIOR YEAR'S NG SUBSIDY	-	-	1,021,345	1,021,345	1,631,600	17,940,026	749,413	20,321,039	1,631,600	17,940,026	1,770,758	21,342,384
PRIOR YEAR'S NG SUBSIDY (FY2016-2019)	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	1,021,345	1,021,345	1,631,600	17,940,026	749,413	20,321,039	1,631,600	17,940,026	1,770,758	21,342,384

a/ MOOE, net of allowance for depreciation of P411.466 Million

Table 1.2.k
NATIONAL POWER CORPORATION
SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2021
 (In Thousand Pesos)

PROGRAM/ACTIVITY/PROJECT	NG SUBSIDY			CORPORATE FUNDS			GRAND TOTAL					
	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL
1. General Administration and Support Services	-	-	-	-	776,379	550,031	636,418	1,962,828	776,379	550,031	636,418	1,962,828
a. Head Office Support Group	-	-	-	-	579,470	516,012	223,687	1,319,169	579,470	516,012	223,687	1,319,169
b. Engineering Admin./Survey/Development Studies Planning	-	-	-	-	196,909	34,019	412,731	643,659	196,909	34,019	412,731	643,659
2. Support to Operations	-	-	-	-	-	817,939	-	817,939	-	817,939	-	817,939
a. Other Expenses	-	-	-	-	-	817,939	-	817,939	-	817,939	-	817,939
3. Operations	-	-	1,036,206	1,036,206	1,145,110	9,166,649	2,012,040	12,323,799	1,145,110	9,166,649	3,048,246	13,360,005
a. Small Power Utilities Group	-	-	1,036,206	1,036,206	1,045,377	1,972,844	1,390,050	4,408,271	1,045,377	1,972,844	2,426,256	5,444,477
b. Spares	-	-	-	-	-	7,098,834	605,316	605,316	-	7,098,834	605,316	605,316
c. Production of Goods	-	-	-	-	99,733	94,971	16,674	211,378	99,733	94,971	16,674	211,378
d. Watershed Management	-	-	-	-	-	-	-	-	-	-	-	-
4. Debt Service	-	-	-	-	-	43,111	-	43,111	-	43,111	-	43,111
5. Other Expenditures	-	-	-	-	27,254	11,835,896	33,379	11,896,529	27,254	11,835,896	33,379	11,896,529
a. Input VAT	-	-	-	-	27,254	3,082,829	33,379	3,082,829	27,254	3,082,829	33,379	3,082,829
b. BNPP Preservation	-	-	-	-	-	30,519	-	30,519	-	30,519	-	30,519
c. NPP Subsidy	-	-	-	-	-	8,722,548	-	8,722,548	-	8,722,548	-	8,722,548
6. Personal Services and Maintenance and Other Operating Expenses	-	-	-	-	809,555	783,778	-	1,593,333	809,555	783,778	-	1,593,333
As operator of PSALM's Assets	-	-	-	-	809,555	783,778	-	1,593,333	809,555	783,778	-	1,593,333
TOTAL BEFORE PRIOR YEAR'S NG SUBSIDY	-	-	1,036,206	1,036,206	2,758,298	23,197,404	2,681,837	28,637,539	2,758,298	23,197,404	3,718,043	29,673,745
PRIOR YEAR'S NG SUBSIDY (FY2016-2020)	-	-	4,570,107	4,570,107	-	-	-	-	-	-	4,570,107	4,570,107
TOTAL	-	-	5,606,313	5,606,313	2,758,298	23,197,404	2,681,837	28,637,539	2,758,298	23,197,404	8,288,150	34,243,852

a/ MOOE, net of allowance for depreciation of P518.765 Million

Table 1.2.1
NATIONAL POWER CORPORATION
SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2022
(In Thousand Pesos)

PROGRAM/ACTIVITY/PROJECT	NG SUBSIDY			CORPORATE FUNDS			GRAND TOTAL					
	PS	MODE	CO	TOTAL	PS	MODE	CO	TOTAL	PS	MODE	CO	TOTAL
1. General Administration and Support Services	-	-	-	-	807,740	580,329	2,135,078	3,523,147	807,740	580,329	2,135,078	3,523,147
a. Head Office Support Group				-	589,689	547,167	142,020	1,278,876	589,689	547,167	142,020	1,278,876
b. Engineering Admin./Survey/ Development Studies Planning				-	218,051	33,162	1,993,058	2,244,271	218,051	33,162	1,993,058	2,244,271
2. Support to Operations	-	-	-	-	-	410,502	-	410,502	-	410,502	-	410,502
a. Other Expenses				-	-	410,502	-	410,502	-	410,502	-	410,502
3. Operations	-	-	1,186,206	1,186,206	1,211,160	8,505,969	1,271,015	10,988,144	1,211,160	8,505,969	2,457,221	12,174,350
a. Small Power Utilities Group			1,186,206	1,186,206	1,111,612	2,088,022	545,034	3,744,668	1,111,612	2,088,022	1,731,240	4,930,874
b. Spares			-	-	-	6,308,537	720,506	720,506	-	6,308,537	720,506	720,506
c. Production of Goods			-	-	99,548	109,410	5,475	214,433	99,548	109,410	5,475	214,433
d. Watershed Management			-	-	-	-	-	-	-	-	-	-
4. Debt Service	-	-	-	-	-	43,182	-	43,182	-	43,182	-	43,182
5. Other Expenditures	-	-	-	-	33,908	11,877,855	5,965	11,917,728	33,908	11,877,855	5,965	11,917,728
a. Input VAT			-	-	-	2,731,152	-	2,731,152	-	2,731,152	-	2,731,152
b. Bataan Nuclear Power Plant Preservation			-	-	33,908	28,246	5,965	68,119	33,908	28,246	5,965	68,119
c. New Power Provider Subsidy			-	-	-	9,118,457	-	9,118,457	-	9,118,457	-	9,118,457
6. Personal Services and Maintenance and Other Operating Expenses	-	-	-	-	802,013	705,764	-	1,507,777	802,013	705,764	-	1,507,777
As operator of PSALIM's Assets			-	-	802,013	705,764	-	1,507,777	802,013	705,764	-	1,507,777
TOTAL BEFORE PRIOR YEAR'S NG SUBSIDY	-	-	1,186,206	1,186,206	2,854,821	22,123,601	3,412,058	28,390,480	2,854,821	22,123,601	4,598,264	29,576,686
PRIOR YEAR'S NG SUBSIDY (FY2016-2020)	-	-	2,998,220	2,998,220	-	-	-	-	-	-	2,998,220	2,998,220
TOTAL	-	-	4,184,426	4,184,426	2,854,821	22,123,601	3,412,058	28,390,480	2,854,821	22,123,601	7,596,484	32,574,906

a/ MOOE, net of allowance for depreciation of P556.819 Million

II. NATIONAL POWER CORPORATION

1. Approval of the FY 2022 Corporate Operating Budget of the National Power Corporation under R.A. No. 7638. The FY 2022 Corporate Operating Budget (COB) of the NPC is hereby approved by the Congress of the Philippines pursuant to Section 13, Chapter III of R.A. No. 7638.

2. Acquisition of Equipment. The acquisition of equipment included in the approved COB shall be subject to the provisions of Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular (B.C.) No. 2016-5 dated August 22, 2016, as amended by B.C. No. 2017-1 dated April 26, 2017, A.O. No. 14 dated December 10, 2018 and other guidelines issued thereon.

3. Payment of Compensation and Benefits. Payment of salaries, allowances and other benefits shall be in accordance with applicable laws, rules and regulations such as, but not limited to P.D. No. 985, as amended, R.A. No. 6758, as amended, R.A. No. 10149, Corporate Compensation Circular No. 10 dated February 15, 1999, Memorandum Order No. 20, s. 2001 and E.O. No. 36 dated July 28, 2017.

4. Payment of Terminal Leave, Separation or Retirement Benefits. Payment of terminal leave, separation or retirement benefits shall be computed in accordance with the rates, conditions and procedure prescribed under applicable laws and guidelines issued thereon.

The amounts of Three Hundred Twenty Million Eight Hundred Sixty Five Thousand Pesos (P320,865,000) and Three Hundred Seventy Nine Million Nine Hundred Fifty Five Thousand Pesos (P379,955,000) shall be used exclusively for the payment of terminal leave and separation benefits, respectively, to the affected NPC personnel based on the list submitted by NPC to the DBM. In no case shall said amount be used to pay affected personnel who are eligible to receive separation or retirement benefits under applicable laws.

5. Budget Flexibility and Report. The NPC Board of Directors is authorized to modify programs and projects, reallocate the corresponding budgetary requirements approved herein, as well as augment the deficiencies which may arise from factors beyond the NPC's control such as, but not limited to: (i) occurrence of natural calamities; (ii) currency depreciation; (iii) inflation; (iv) change in interest rates; (v) increase in oil, steam, coal or natural gas prices; (vi) change in generation mix and demand including purchased power; (vii) change in generation or transmission system plan or program; (viii) change in programs or projects; (ix) change in schedule of project implementation; (x) transfer or elimination of projects or installations that are hazardous to the health or safety of inhabitants; and (xi) reorganization, subsidiarization or privatization should conditions warrant.

In the exercise of said authority, the NPC shall observe the following limitations:

- (a) No acquisition of motor vehicles and payment of travelling, representation, discretionary, or extraordinary and miscellaneous expenses; and
- (b) Personnel Services allocation in the approved COB shall not be augmented by new funding sources.

6. Augmentation Beyond the Approved Corporate Operating Budget. The NPC Board of Directors is authorized to augment and disburse funds beyond the total amount approved in this Act exclusively for the MOOE and Capital Outlay requirements related to missionary electrification, and rehabilitation and management of watershed areas due to the effects of peso devaluation, fuel price increase in the market, improvement or changes in power generation activities or demand of customers, electrification of new areas, increase in taxes and production costs, or imposition of new taxes.

The fund shall be sourced from new funding sources, such as income arising from increase in universal and generation charges approved by the Energy Regulatory Commission or grant of financial assistance by LGUs as certified by the Chief Accountant and President of NPC.

In no case shall Personnel Services allocation be augmented beyond the total amount approved in this Act.

7. Collection of Delinquent Receivables from Electric Cooperatives under the Small Power Utilities Group. In order to augment the fund sources necessary to support the budgetary requirements of the NPC and ensure the viability of its operations, the NPC Board of Directors is hereby authorized to act with finality, without further need of confirmation, appraisal, or assessment from other government agencies, the settlement and compromise of accrued penalties, interest and other charges due from electric cooperatives. In all cases, the NPC Board of Directors shall ensure that the approved settlement and compromise shall not be against provisions of law or public policy, and shall be consistent with public interest and redound to the benefit of the National Government.

8. Procurement of Critical Supplies. The NPC shall ensure the timely and sufficient provision of fuel and spare parts for its Small Power Utilities Group to ensure adequate power supply in areas covered. For this purpose, the NPC shall resort to available modalities in the procurement thereof, subject to the pertinent provisions of R.A. No. 9184, its IRR, and other guidelines issued thereon.

9. Remittance of Cash Dividends. Cash dividends equivalent to at least fifty percent (50%) of the annual net earnings of the NPC shall be deposited with the National Treasury as income of the General Fund pursuant to R.A. No. 7656.

10. Audit of Government Funds. Government funds authorized herein to be invested as equity by the corporation to its subsidiaries, as well as the grant of subsidy, loan contribution or any kind of financial assistance to end-user entities both in the private or public sector, shall be subject to audit by the COA pursuant to the provisions of P.D. No. 1445, as amended.

11. Transparency Seal. To enhance transparency and enforce accountability, the NPC shall maintain a Transparency Seal to be posted on its website. The Transparency Seal shall contain the following: (i) corporation's mandates and functions, names of its officials with their position and designation, and its contact information; (ii) approved COB and corresponding targets including any amount of budgetary support from the National Government; (iii) budgetary adjustments made in its COB; (iv) annual procurement plan/s and contracts awarded with the winning suppliers, contractor or consultant; (v) major programs and projects categorized in accordance with the 0+10 point socioeconomic agenda; (vi) status of implementation, evaluation or assessment reports of said programs or projects; (vii) Budget and Financial Accountability Reports; (viii) Final People's Freedom to Information (FOI) Manual signed by the head of agency, Agency Information Inventory, 2020 and 2021 FOI Summary Report, and 2020 and 2021 FOI Registry; and (ix) year-end financial reports and trial balances for the last three (3) fiscal years.

The President of the NPC and the Corporation's web administrator or his/her equivalent shall be responsible for ensuring compliance with this requirement.

The DBM shall post on its website the status of compliance of the NPC.

12. Reporting and Posting Requirements. The NPC shall submit, within thirty (30) days after budgetary adjustments are made, to the DBM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, a comprehensive financial and narrative report on the budgetary adjustments. The President of NPC and the Corporation's web administrator or his/her equivalent shall be responsible for ensuring that said report is likewise posted on the NPC website.