



NATIONAL POWER CORPORATION

05 February 2018

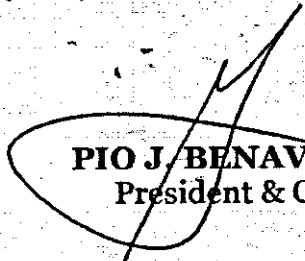
CERTIFICATION

This is to certify that the **NATIONAL POWER CORPORATION (NPC)** is no longer allowed to incur any indebtedness pursuant to EPIRA and DOJ opinion dated 17 August 2010. As such, it has not availed/applied for any local and foreign borrowings, including any guarantees by the government for CY 2017. The last loan obtained by NPC was on 08 March 2006 which was prior to the rendition of the DOJ opinion. The loans were contracted with Natixis and BNP Paribas with total outstanding balance of **EUR11,557,740.20** as of December 31, 2017.

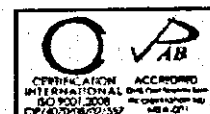
This is to further certify that NPC has received from the National Government the total subsidy of **Php1,191,680,204.00** for CY 2014 – CY 2016 under SARO-BMB-F-14-0005155, SARO-BMB-F-15-0001471, SARO-BMB-C-16-0017381 and SARO-BMB-C-16-0018876 to cover the capital expenditure requirements of NPC Small Power Utilities Group.

Finally, this is to certify that risk exposures on NPC's assets are addressed by securing pertinent insurance coverages.

This Certification is issued in compliance with the requirements of the Governance Commission for GOCCs (GCG).


PIO J. BENAVIDEZ
President & CEO

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Quezon City 1100, Philippines
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**NATIONAL POWER CORPORATION
LOCAL AND FOREIGN BORROWINGS
AS OF DECEMBER 31, 2017**

CREDITOR	PROJECT	DATE OF LOAN	ORIG. CURR	LOAN AMOUNT	TOTAL AVAILMENT	OUTSTANDING BALANCE	USD EQUIVALENT	PESO EQUIVALENT	MATURITY DATE
I. FOREIGN LOANS:									
NATIXIS (NATEXIS BANQUES POPULAIRES)	PRES PROJECT FOR SPUG	November 8, 2006	EUR	10,498,773.28	10,498,104.02	10,387,193.77	12,403,348.08	619,212,820.93	June 30, 2035
BNP PARIBAS	PRES PROJECT FOR SPUG	November 8, 2006	EUR	7,804,108.00	7,803,644.00	1,170,546.43	1,397,749.49	69,779,901.39	June 18, 2019
		TOTAL		18,302,881.28	18,301,748.02	11,557,740.20	13,801,097.57	688,992,722.32	
II. DOMESTIC LOANS:									
NONE									

NOTE: a) BSP conversion rate used dated 29 December 2017

EUR/USD - 1.1941
EUR/PHP - 59.6131

Prepared by:


L. O. DE OCAMPO
OIC, Trade & Insurance Division


Noted:


C. M. MACALINAO
Acting Manager, Treasury Department


**NATIONAL POWER CORPORATION
BORROWINGS GUARANTEED BY THE GOVERNMENT
AS OF 31 DECEMBER 2017**

ACCOUNT DESCRIPTION	PURPOSE	CURRENCY CONTRACTED	DATE OF EXECUTION (Effectivity date)	NAME OF CREDITOR/S	INTEREST RATE	DATE OF MATURITY	CURRENT PORTION (due on or before 31 March, 18 June, 30 September, and 18 & 31 December 2018)	NON-CURRENT PORTION
DAN: 94-2674A	Phil. Rural Electrification Services (PRES) project for SPUG	EUR	08 Nov 06	NATIXIS (NATEXIS BANQUES POPULAIRES)	0.40%	30 Jun 35	310,549,670	10,076,644.10
DAN: 94-2674B	Phil. Rural Electrification Services (PRES) project for SPUG	EUR	08 Nov 06	BNP PARIBAS	5.09%	18 Jun 19	780,364.42	390,182.01
						TOTAL (EUR)	1,090,914.09	10,466,826.11

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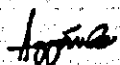

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

NATIONAL POWER CORPORATION
LIST OF NG SUBSIDY RECEIVED FROM NATIONAL GOVERNMENT
CY 2017

Special Allocation Release Order (SARO)	Approved SARO	NCA/ Cash Received
1 BMB-F-14-0005155 PHP 2 BILLION FY 2014 CAPEX	2,000,000,000.00	313,091,307.00
2 BMB-F-15-0001471 PHP 2 BILLION FY 2015 BNPP & SPUG CAPEX BNPP CAPEX	32,526,000.00 1,967,474,000.00 <u>2,000,000,000.00</u>	- 708,439,618.00 <u>708,439,618.00</u>
3. BMB-C-16-0017381 PHP 518.452M BMB-C-16-0018876 PHP 1,544.889B FY 2016 BNPP & SPUG CAPEX BNPP CAPEX	46,438,000.00 2,016,903,000.00 <u>2,063,341,000.00</u>	7,568,359.00 162,580,920.00 <u>170,149,279.00</u>
6. BMB-C-17-0002904 SPUG FY 2017 CAPEX MFO 1-SUPPLY OF ELECTRICITY IN MISSIONARY AREAS CONSTRUCTION OF TRANSMISSION LINES AND SUBSTATION FACILITIES	949,534,000.00 1,848,711,000.00 <u>2,798,245,000.00</u>	- - -
TOTAL	8,861,586,000.00	1,191,680,204.00

Prepared by:

Certified correct:


AMELIA G. GAÑOLA
 Sr. Financial Specialist B


CORAMEN M. MACALINAO
 Acting Manager, Treasury Dept.



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NATIONAL POWER CORPORATION
SCHEDULE OF INSURANCE POLICIES, SCOPE and COVERAGES
CY 2017-2018
(In Phil. Peso)

INSURANCE POLICY	SCOPE AND COVERAGE	PERIOD COVERED		LIMIT OF LIABILITY/ SUM INSURED		DEDUCTIBLE	PREMIUM	INSURER / REINSURER		
		FROM	TO							
1. Industrial All Risks (IAR)	Power plants, substations, buildings, machinery & equipment including power barges and offices	31 Jul 17	31 Jul 18	Machinery Breakdown	400.0 Million any one occurrence	<u>Assets above 100 Mn</u> 10% of the loss or minimum of 1.0 Million	8,521,609.56	GSIS Malayan Ins.	10% 90%	
				Natural Catastrophe	400.0 Million any one occurrence	<u>Assets 50 Mn to 100 Mn</u> 10% of the loss or minimum of 500,000				
				TSI	14,378,466,182	<u>Assets below 50 Mn</u> 10% of the loss or minimum of 250,000				
2. Sabotage & Terrorism (S&T)	All direct physical loss of or damaged to real and personal property caused by or arising from riots and/or strikes and/or civil commotions and/or malicious damage/ sabotage and terrorism - Power plants - Power barges - Tugboat No. 1	31 Jul 17	31 Jul 18	Sabotage & Terrorism	Full value of assets	<u>Assets above 100 Mn</u> 10% of the loss or minimum of 1.0 Million	5,034,722.22	GSIS Malayan Ins.	10% 90%	
				TSI	14,438,466,182	<u>Assets above 50 Mn to 100 Mn</u> 10% of the loss or minimum of 500,000				
						<u>Assets 50 Mn and below</u> 10% of the loss or minimum of 250,000				
3. Marine Hull for Power Barges (MH/PB)	Machinery and equipment of power barges Operational: • Power Barge 106, 108, 109, 113 • Power Barge 114, 116, 119, 120 Non-operational: • Power Barge 110 (sold out deleted in the policy) • Power Barge 111 (GSIS issued credit memo for the premium due to deletion of Power Barge 110)	31 Jul 17	31 Jul 18	Declared Values (as agreed)			20,937,163.93	GSIS Malayan Ins.	10% 90%	
				PB 106	701,800,449	PB 106				900,000
				PB 108	395,387,488	PB 108				450,000
				PB 109	38,598,868	PB 109				225,000
				PB 111	15,604,279	PB 110				225,000
				PB 113	38,901,153	PB 111				225,000
				PB 114	35,095,305	PB 113				225,000
				PB 116	45,123,174	PB 114				225,000
				PB 119	401,387,338	PB 116				225,000
				PB 120	411,163,930	PB 119				450,000
				TSI	2,083,061,984	PB 120				450,000
				TOTAL	14,438,466,182					
							34,493,493.71			
4. Protection & Indemnity (P&I)	Liabilities consequent upon the operation of power barges and other marine vessel like tugboat and motorboat	31 Jul 17	31 Jul 18		450,000,000 any one accident or occurrence arising of one event, combined single limit	800,000 - all collision and FFO claims each accident or occurrence 600,000 - all pollution claims each accident or occurrence 400,000 - all other claims	2,150,169.07	GSIS Pioneer Ins.	10% 90%	

NATIONAL POWER CORPORATION
 SCHEDULE OF INSURANCE POLICIES, SCOPE and COVERAGES
 CY 2017-2018
 (In Phil. Peso)

INSURANCE POLICY	SCOPE AND COVERAGE	PERIOD COVERED		LIMIT OF LIABILITY/ SUM INSURED	DEDUCTIBLE	PREMIUM	INSURER / REINSURER
		FROM	TO				
5. Comprehensive General Liability (CGL)	Liabilities consequent upon NPC's operations like pollution, public and product liability	31 May 17	31 May 18	<u>Assets above 1.0 Mn</u> 100.0 Million any one occurrence and in annual aggregate <u>Assets 1.0Mn & below</u> 50.0 Million any one occurrence and in annual aggregate	<u>Assets above 1.0 Mn</u> 1.0 Million each & every loss in respect of Property Damage <u>Assets 1.0Mn & below</u> 500,000 each & every loss in respect of Property Damage	2,017,800.00	100% retained by GSIS
6. Marine Hull (MH) for Tugboat and Motorboat	Tugboat No. 1 Motorboat	30 Nov 17	29 Nov 18	60,000,000 1,675,000	1% of sum insured for each and every loss Motor boat - Php15,000 for each and every loss	365,220.00	100% retained by GSIS
						10,195.73	
7. Marine Cargo (MC) - General Merchandise - Fuel Oil in Bulk	Inter-island shipments of gensets, spare parts transformer, panel board and motor vehicle fuel oil in bulk incidental to NPC's operations	30 Nov 17	30 Nov 18	399,000,000 any one vessel 399,000,000 any one vessel	0.5% of sum insured 0.5% of sum insured	On a per declaration basis	100% retained by GSIS
8. Motor Vehicle Fleet (MV) - Private Car - 86 - Commercial Vehicle - 77 - Motorcycle - 19 Total of 182 MV	NPC vehicles corporate-wide	30 Nov 17	30 Nov 18	46,313,000 55,958,770 6,074,087 108,345,857	0.5% of sum insured 1.0% of sum insured 1.0% of sum insured	289,562.00	100% retained by GSIS
						403,148.82	
						24,761.94	
						717,472.76	
9. Scheduled Property Floater (SPF)	Mobile heavy equipment and test instruments	31 May 17	31 May 18	166,011,059	1.0% of sum insured min. of 1,000 e.e.l. max. of 10,000 e.e.l.	1,202,369.12	100% retained by GSIS
10. Money, Securities & Payroll Robbery (MSPR) - Section I - Section II/III	Money & Payroll within and outside premises MSPR - within premises Money & Payroll Route - outside premises	31 May 17	31 May 18	154,777,000 52,335,000 207,112,000	5% e.e.l. minimum of 10,000	264,668.67	100% retained by GSIS
						134,239.28	
						398,907.95	