



NATIONAL POWER CORPORATION

2018 National Power Board Audit Committee Report

The National Power Board Audit Committee (NPBAC) is composed of the following duly-designated members:

Chairperson	Lorenzo C. Drapete (January to May 2018) Rowena Candice M. Ruiz Ryan S. Lita Carmencita P. Mahinay	Department of Budget and Management (DBM)
Vice Chairperson	Rolando G. Tungpalan Roderick M. Planta (<i>Alternate</i>) Marie Christine G. Danao (<i>Representative</i>)	National Economic and Development Authority (NEDA)
Members	Bayani H. Agabin Danielle Marie S. Rieza-Culangen (<i>Alternate</i>) Sherwin S. Rigor Rabindranath P. Quilala (<i>Alternate</i>) Epimaco V. Densing Raul V. Angeles Ariel T. Cayanan Bernadette F. San Juan (<i>Alternate</i>)	Department of Finance (DOF) Department of Environment and Natural Resources (DENR) Department of Interior and Local Government (DILG) Department of Trade and Industry (DTI) Department of Agriculture (DA)

The NPBAC held four meetings in 2018. The highlights of the meetings are summarized below:

Meeting 1. 15 March 2018

Members in Attendance:

Lorenzo C. Drapete	Chairperson – DBM
Marie Christine G. Danao	Representative – NEDA
Danielle Marie S. Rieza-Culangen	Member – DOF
Asterio P. Saliot	Representative – DA
Illac Bohol	Representative – DENR
Jeff Kevin C. Carbonel	Representative – DILG

Matter Discussed:

Authority to Fill-up Two Internal Audit Vacant Positions. The NPBAC approved and authorized the immediate filling-up of the two 2 vacancies in IAD.

Meeting 2. 19 June 2018

Members in Attendance:

Elena Regina S. Brillantes	Chairperson – DBM
Marie Christine G. Danao	Representative – NEDA
Danielle Marie S. Rieza-Culangen	Member – DOF
Raul V. Angeles	Member – DTI

Matters Discussed:

1. Results of IAD Audit Projects. The NPBAC discussed the results of the Plant Operations Audit of selected SPUG plants under Luzon, Visayas and Mindanao. It directed IAD to prepare a summary of its instructions for discussion as Other Matters in the next Board meeting.
2. IAD Vacant Positions. The NPBAC directed IAD to coordinate with the Human Resources (HR) and the Corporate Secretary, and submit the results of the evaluation of the applicants to the Board Nomination and Remuneration Committee for deliberation.

Meeting 3. 16 August 2018

Members in Attendance:

Rowena Candice M. Ruiz	Chairperson – DBM
Carmencita P. Mahinay	Representative – DBM
Marie Christine G. Danao	Representative – NEDA
Danielle Marie S. Rieza-Culangen	Member – DOF
Sherwin S. Rigor	Member – DENR
Raul V. Angeles	Member – DTI
Bernadette F. San Juan	Member – DA
Reagan John A. Gabriel	Representative – DILG

Matters Discussed:

1. 2017 Commission on Audit Annual Audit Report on NPC. The NPBAC instructed IAD to:
 - Elevate to the NP Board the discussion on the Trust Accounts issue;
 - Report to the NPBAC the actions taken by Management after the sixty-day deadline set by COA for the submission of Management response.
2. Update on the NPC Bids and Awards Committee (BAC) Chairmanship. Pending receipt of the opinion of the Government Procurement Policy Board (GPPB) on the appointment of the Vice President – Administration and Finance as BAC Chairman, the NPBAC agreed that Atty. Melchor P. Ridulme, Vice President, Office of the Legal Counsel shall continue as BAC Chairman.

Meeting 4. 20 November 2018

Members in Attendance:

Ryan S. Lita	Chairperson - DBM
Danielle Marie S. Rieza-Culangen	Member – DOF
Rabindranath P. Quilala	Member – DENR
Raul V. Angeles	Member – DTI
Bernadette F. San Juan	Member – DA

Matters Discussed:

1. Management Actions on the 2017 COA Annual Audit Report. The IAD informed the NPBAC that Management has carried out most of the recommendations/instructions of the NPBAC and the Board to address the COA findings.
2. Results of IAD Audit Projects.

Based on the discussions, the NPBAC gave instructions for Management to provide the Committee with a timeline of activities, status, and identity of the responsible persons/groups on the updating/revision of the Work Order Manual.

To further improve the timeliness of Universal Charge – Missionary Electrification (UCME) fund transfers from the Power Sector Assets and Liabilities Management Corporation (PSALM), the NPBAC instructed IAD to monitor Management’s submission of requirements.

As to the installation of telecommunication facilities by Globe and Smart Telecommunications inside the Angat Rainforest and Ecological Park (AREP), the NPBAC required Management to update the NP Board on the status of the negotiation with the telecommunication companies.