

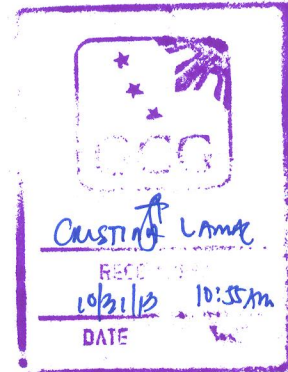


PHILIPPINE NATIONAL OIL COMPANY

ANTONIO M. CAILAO
President & CEO

October 30, 2013

HON. CESAR L. VILLANUEVA
Chairman
Office of the President of the Philippines
Governance Commission for GOCCs
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 3rd Quarter of the year.

If you need anything, please let me know.

Very truly yours,

Performance Measures				Baseline Data (if available)			Agreed Targets	1st Quarter		2nd Quarter		3rd Quarter	
Weight 2013		Formula	2010	2011	2012	2013	Target	Actual	Target	Actual	Target	Actual	
MFO 1- Evaluation and Approval of Projects and Programs													
PI 1: Evaluation and approval of the budget													
Quantity	No. of reviewed budget	10	Pass or fail	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				
		15											
PI 2: Batangas to 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%	
IF alternative route:		20											
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	
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 >15 days before 31 December 2013	N/A	N/A	N/A	100%		NA	NA		N/A	

Performance Measures			Baseline Data (if available)			Agreed Targets	1st Quarter		2nd Quarter		3rd Quarter	
	Weight 2013	Formula	2010	2011	2012	2013	Target	Actual	Target	Actual	Target	Actual
PI 4: Sale/												
Quality	20	Determination of the mode of sale whether joint sale with SC38 consortium, to be certified by the DOE	N/A	N/A	N/A	100%		N/A		Initial meetings with SC 38 consortium on possible joint bidding of banked gas		100%
Timeliness	10	Started in June 2013 with target completion date in 31 December 2013	N/A	N/A	N/A	100%		N/A		N/A		100%
	30											
PI 1: Ability to Fund Projects												
Quantity	2	Amount of funding support appropriated for energy projects	N/A	P1.5 billion for PNOC RC	P1.485 billion PNOC RC	P106.687 million for PNOC-RC		No drawdown request from PNOC RC. Released P3M for winding up expenses of PSTC.		No drawdown request from PNOC RC. Released P20M for winding up expenses of PSTC.		No drawdown request from PNOC-RC. Released P10 million for winding up expenses of PSTC.
	2					P146.821 million for BATMAN		Paid operating expenses for Batman telephone bills.		Paid P66,216.42 for operating expenses for Batman project (local travel, telephone bills, representation and meeting expenses)		
Timeliness	5	Percentage of funding drawn within 7 banking days from the receipt of complete documents	N/A	N/A	N/A	100%		100% of the amount requested was released within 7 banking days upon receipt of complete documents		100% of the amount requested was released within 7 banking days upon receipt of complete documents		100%
Quality	1	Certification of drawdown by Subsidiary or Treasurer	N/A	N/A	N/A	100%		100%		100%		100%
	10											
	100											

Noted by:

RAINIER B. BUTALID
Commissioner, GCG

ANTONIO M. CAILAO
President, PNOC

CARLOS JERICO L. PETILLA
Secretary, DOE