



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 Quarter		2nd Quarter		3rd Quarter		4th Quarter	
		Weight 2013	Formula	2010	2011	2012	2013	Target	Actual	Target	Actual	Target	Actual	Target	Actual
PI 3: Implementation of the Memorandum of Understanding (MOU) between PNOC and PetroleumBRUNEI															
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 Petroleum Brunei 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 Petroleum Brunei, 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/A	100%		N/A		N/A		100%		
		5													
PI 4: Sale/ Monetization of Banked Gas															
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		Initial meetings with SC 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													
PI I: Ability to Fund Projects															
Quantity	Amount of funding support appropriated for energy projects	2	Pass or fail	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.				No drawdown request from PNOC RC, no releases to PSTC	
		2	Pass or fail				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)		Total paid to-date for Batman amounts to P99,825.37				
Timeliness	Percentage of funding drawn within 7 banking days from the receipt of complete documents	5	Pass or fail	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%		100%
Quality	Certification of drawdown by Subsidiary or Treasurer	1	Pass or fail	N/A	N/A	N/A	100%		100%		100%		100%		100%
		10													
		100													

Noted by:

RAINIER B. BUTALID
Commissioner, GCG

ANTONIO M. CAILAO
President, PNOC

CARLOS JERICO L. PETILLA
Secretary, DOE