



MEMORANDUM ORDER NO. 2018-06

ORGANIZATIONAL STRENGTHENING OF THE NATIONAL TRANSMISSION CORPORATION (TRANSCO)

WHEREAS, Under Republic Act (R.A.) No. 9136, one of the functions and responsibilities of TRANSCO is to ensure and maintain the reliability, adequacy, security, stability and integrity of the nationwide electrical grid in accordance with the Philippine Grid Code and other applicable laws;

WHEREAS, R.A. No. 9511, granted the National Grid Corporation of the Philippines (NGCP) a congressional franchise to operate, manage, maintain the nationwide transmission system of the Republic of the Philippines;

WHEREAS, TRANSCO, as owner of the nationwide transmission assets, with the corporate power to do acts necessary or proper to carry out the purpose for which it was created, is given the following responsibilities:

- a. Protect national government's interests by ensuring NGCP's compliance with the terms and conditions of the Concession Agreement (CA) and the policies of Department of Energy (DOE);
- b. Handle all existing cases, including right-of-way (ROW) claims which accrued prior to the commencement of the CA;
- c. Divest remaining sub-transmission assets to technically and financially qualified electric distributors nationwide;
- d. Undertake the operation, maintenance, consultancy and other technical services for the Philippine Economic Zone Authority (PEZA); and
- e. Administer the Feed-in-Tariff Allowance Fund for renewable energy generators.

WHEREAS, the strengthening of the organizational structure and staffing pattern of TRANSCO is expected to address gaps and inefficiencies in its current operations, provide positions that are aligned with the needs and functions of the corporation in Right-of-Way (ROW) management, transmission management, policy development, performance monitoring and resource management, as well as its role as the Feed-in-Tariff Allowance (FIT-All) Fund Administrator.

WHEREAS, the Governance Commission for GOCCs (GCG), pursuant to Section 5(a) of the "GOCC GOVERNANCE ACT OF 2011" (R.A. No. 10149), is mandated to "evaluate the performance and determine the relevance of the GOCC, to ascertain whether such GOCC should be reorganized, merged, streamlined, abolished or privatized, in consultation with the department or agency to which a GOCC is attached";

WHEREAS, the Secretary of the DOE duly endorsed the reorganization of TRANSCO.

NOW, BE IT –

RESOLVED, the organizational strengthening of TRANSCO is hereby **APPROVED** with a total of **two hundred ninety-one (291)** plantilla positions, as reflected in the documents below which form part of this Memorandum Order, to wit:

1. Annex A – Overview;
2. Annex B – Organizational Structure;
3. Annex C – Staffing Pattern; and
4. Annex D – Functional Statements

RESOLVED FURTHER, that the implementation of this Order shall comply with the following conditions and guidelines:

1. Filling up of vacant positions shall be programmed to ensure overall financial viability of agency operations, actual revenue collection and operating requirements;
2. Funding requirements for regular positions shall be included in the Corporate Operating Budget of TransCo;
3. TransCo shall adopt and offer the retirement and separation package for the affected personnel using the incentives provided under existing laws;
4. The Governing Board through the President/Chief Executive Officer (PCEO) shall be accountable for the payment of separation benefits to the retirees/separated employees pursuant to existing laws;
5. The implementation of the new organizational structure and staffing shall commence within two (2) months from receipt of the Memorandum Order. A quarterly progress report shall thereafter be submitted to the GCG until such time that the implementation has been completed; and
6. The pertinent civil service, budgetary, accounting, auditing and other relevant laws, rules and regulations shall be complied with.

DONE, in the City of Manila, this 26th day of July 2018.

BY AUTHORITY OF THE COMMISSION:


SAMUEL G. DAGPIN, JR.
Chairman


MICHAEL P. CLORIBEL
Commissioner


MARTES C. DORAL
Commissioner