

**AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COSTS AND FOREIGN-EXCHANGE RELATED COSTS BY
THE NATIONAL POWER CORPORATION (NPC)***

Billing Period Covered: 26 September 2011 - 25 October 2011

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,727,714,212.80 - 2,325,976,544.31 + 0.00
 = 401,737,668.49

$AFC^{/1}$ = FCB $\left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right]$
 = 2,727,714,212.80

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,502,000,409.73 - 3,153,371,686.48 + 0.00
 = 348,628,723.26

APPC = PPCB $\left\{ \left[0.40 + \left[\frac{0.3 USCPI_n}{USCPI_o} \right] \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left[\frac{0.3 \times 226.889}{210.036} \right] \right] \frac{43.2722}{41.7429} + \frac{0.3 \times 174.10}{145.1} \right\}$
 = 3,502,000,409.73

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 401,737,668.49 + 348,628,723.26
 = 750,366,391.75

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{750,366,391.75}{112,163,336.00}$
 = 6.6899

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2011 - 25 October 2011

Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM

Current Month FPPCA(pesos)	750,366,391.75
Less: Previous Month FPPCA (pesos)	812,188,151.08
Net	(61,821,759.32)
Divide by Previous Month AFC + APPC (pesos)	6,291,536,381.86
Percent Change	-0.983%
Previous Month FPPCA Rate	0.4288
Increase/Decrease	(0.0042)
Current Month FPPCA Rate	0.4246

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 623,298,715.41 - 486,642,765.00 + 0.00
 = 136,655,950.41

$AFC^{/1}$ = FCB $\left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 623,298,715.41

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 795,897,752.74 - 716,665,090.00 + 0.00
 = 79,232,662.74

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPIn}{USCPlo} \right) \right] \left[\frac{FXn}{Fxo} + \frac{.3 CPIIn}{CPIo} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 226.889}{210.036} \right) \right] \left[\frac{43.2722}{41.7429} + \frac{0.3 \times 174.10}{145.1} \right] \right\}$
 = 795,897,752.74

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 136,655,950.41 + 79,232,662.74
 = 215,888,613.15

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{215,888,613.15}{231,742,822.00}$
 = 0.9316

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 September 2011 - 25 October 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	215,888,613.15
Less: Previous Month FPPCA (pesos)	229,932,178.65
Net	<u>(14,043,565.51)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,433,240,033.65</u>
Percent Change	-0.980%
Previous Month FPPCA Rate	0.2385
Increase/Decrease	(0.0023)
Current Month FPPCA Rate	<u>0.2362</u>

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 643,983,731.45 - 472,498,595.00 + 0.00
 = 171,485,136.45
 $AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$
 = 643,983,731.45

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 611,695,230.63 - 550,800,170.00 + 0.00
 = 60,895,060.63
 APPC = PPCB $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right) \left(\frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right) \right\}$
 = 550,800,170.00 $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{0.3 \times 226.889}{210.036} \right) \right) \left(\frac{43.2722}{41.7429} + \frac{0.3 \times 174.10}{145.1} \right) \right\}$
 = 611,695,230.63

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 171,485,136.45 + 60,895,060.63
 = 232,380,197.08

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{232,380,197.08}{676,989,671.00}$
 = 0.3433

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 September 2011 - 25 October 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	232,380,197.08
Less: Previous Month FPPCA (pesos)	244,328,127.29
Net	<u>(11,947,930.22)</u>
Divide by Previous Month AFC + APPC (pesos)	1,267,626,892.29
Percent Change	<u>-0.943%</u>
Previous Month FPPCA Rate	0.0779
Increase/Decrease	<u>(0.0007)</u>
Current Month FPPCA Rate	0.0772

NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amended Resolution19) dated 3 August 2009 and 14 December 2009, respectively, adopting the "Rules for the Automatic Recovery of Monthly Fuel and Purchased Power Costs and Foreign- Exchange Related Costs by the National Power Corporation.

/1 Refer to the posted graph for MOPS fuel prices

AFC = Adjusted Fuel Costs in pesos

FCB = Fuel Costs Base is equal to (1.6811 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.2789 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (0.8961 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OFCA** = Other Fuel Costs Adjustment in Pesos

APPC = Adjusted Purchased Power Costs in pesos

PPCB = Power Purchase Costs Base is equal to (2.2791 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.8834 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (1.0446 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OPPCA** = Other Purchased Power Costs Adjustment in pesos

***The above calculation does not incorporate the OFCA and OPPCA as we are waiting for the decision in PSALM's response to ERC Case No. 2010-055MC**

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