

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

Billing Period Covered: 26 July 2015 - 25 August 2015

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos}	= Fuel Cost Adjustment										
	= AFC - FCB + OFCA ^{1/}										
	= 1,740,791,875.52	-	2,325,976,544.31	+	0.00						
	= (585,184,668.79)										
AFC ^{2/}	= FCB	$\left\{ \frac{0.1751 \text{ Bn}}{\text{Bo}} \right.$	+	$\frac{0.0231 \text{ Dn}}{\text{Do}}$	+	$\frac{0.1305 \text{ Cn}}{\text{Co}}$	+	$\frac{0.2954 \text{ Sn}^{3/}}{\text{So}}$	+	$\frac{0.3759 \text{ NGn}}{\text{NGo}}$	$\left. \right\}$
	= 1,740,791,875.52										
B. $PPCA_{\text{pesos}}$	= Purchased Power Costs Adjustment										
	= APPC - PPCB + OPPCA ^{1/}										
	= 3,872,987,640.84	-	3,153,371,686.48	+	0.00						
	= 719,615,954.37										
APPC	= PPCB	$\left\{ 0.40 + \left(\frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \frac{\text{FX}n}{\text{FX}o} + \frac{0.3 \text{ CPI}n^{3/}}{\text{CPI}o} \right\}$									
	= 3,153,371,686.48	$\left\{ 0.40 + \left(\frac{0.3 \times 238.654}{210.036} \right) \frac{46.4218}{41.7429} \right\} + \frac{0.3 \times 141.50}{105.0}$									
	= 3,872,987,640.84										
C. $FPPCA_{\text{pesos}}$	= Fuel and Purchased Power Costs Adjustment										
	= $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$										
	= (585,184,668.79)	+	719,615,954.37								
	= 134,431,285.58										
D. $FPPCA_{\text{rate}}$	= $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$										
	= $\frac{134,431,285.58}{36,709,474.08}$										
	= 3.6620										

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 July 2015 - 25 August 2015

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

Current Month FPPCA(pesos)	134,431,285.58
Less: Previous Month FPPCA (pesos)	155,110,097.91
Net	(20,678,812.33)
Divide by Previous Month AFC + APPC (pesos)	5,634,458,328.69
Percent Change	-0.37%
Previous Month FPPCA Rate	0.3840
Increase/Decrease	(0.0014)
Current Month FPPCA Rate	0.3826

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment

$$= AFC - FCB + OFCA^{1/}$$

$$= 335,248,694.88 \quad - \quad 486,642,765.00 \quad + \quad 0.00$$

$$= (151,394,070.12)$$

$$AFC^{1/2} = FCB \left\{ \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right\}$$

$$= 335,248,694.88$$

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment

$$= APPC - PPCB + OPPCA^{1/}$$

$$= 880,211,821.56 \quad - \quad 716,665,090.00 \quad + \quad 0.00$$

$$= 163,546,731.56$$

$$APPC = PPCB \left\{ \left[0.40 + \frac{0.3 USCPI_n^{3/}}{USCPI_o} \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$$

$$= 716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.654}{210.036} \right) \right] \frac{46.4218}{41.7429} + \frac{0.3 \times 141.50}{105.0} \right\}$$

$$= 880,211,821.56$$

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment

$$FCA_{\text{pesos}} + PPCA_{\text{pesos}}$$

$$= (151,394,070.12) \quad + \quad 163,546,731.56$$

$$= 12,152,661.44$$

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$

$$= \frac{12,152,661.44}{38,048,097.45}$$

$$= 0.3194$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

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

Current Month FPPCA(pesos)	12,152,661.44
Less: Previous Month FPPCA (pesos)	8,080,385.15
Net	<u>4,072,276.28</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,211,388,240.15</u>
Percent Change	0.34%
Previous Month FPPCA Rate	0.2013
Increase/Decrease	<u>0.0007</u>
Current Month FPPCA Rate	0.2020

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

$$= AFC - FCB + OFCA^{1/}$$

$$= 295,031,979.31 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (177,466,615.69)$$

$$AFC^{1/2} = FCB \left(\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$$

$$= 295,031,979.31$$

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment

$$= APPC - PPCB + OPPCA^{1/}$$

$$= 676,495,657.06 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 125,695,487.06$$

$$APPC = PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$$

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.654}{210.036} \right) \right] \frac{46.4218}{41.7429} + \frac{0.3 \times 141.50}{105.0} \right\}$$

$$= 676,495,657.06$$

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment

$$= FCA_{\text{pesos}} + PPCA_{\text{pesos}}$$

$$= (177,466,615.69) \quad + \quad 125,695,487.06$$

$$= (51,771,128.64)$$

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$

$$= \frac{(51,771,128.64)}{459,345,473.15}$$

$$= -0.1127$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 July 2015 - 25 August 2015

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

Current Month FPPCA(pesos)	(51,771,128.64)
Less: Previous Month FPPCA (pesos)	(30,482,275.97)
Net	(21,288,852.67)
Divide by Previous Month AFC + APPC (pesos)	992,816,489.03
Percent Change	-2.14%
Previous Month FPPCA Rate	0.0611
Increase/Decrease	(0.0013)
Current Month FPPCA Rate	0.0598

NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amending Resolution No. 19) 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/ The above calculation does not incorporate the OFCA and OPPCA as PSALM is waiting for the decision relative to ERC Case No. 2010-055MC

2/ Refer to the posted graph for MOPS fuel prices

3/ The latest available data is until July 2015

AFC = Adjusted Fuel Costs in Pesos

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

OFCA = Other Fuel Costs Adjustment in Pesos

APPC = Adjusted Purchased Power Costs in Pesos

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

OPPCA = Other Purchased Power Costs Adjustment in Pesos

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