

**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 2014 - 25 August 2014

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 2,500,505,087.50 - 2,325,976,544.31 + 0.00
 = 174,528,543.19

$AFC^{2/}$ = $FCB \left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right]$
 = 2,500,505,087.50

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,709,767,368.60 - 3,153,371,686.48 + 0.00
 = 556,395,682.13

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{FXo} + \frac{0.3 CPI n^{3/}}{CPI o} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 238.25}{210.036} \right) \frac{43.7166}{41.7429} \right] + \frac{0.3 \times 140.40}{105.0} \right\}$
 = 3,709,767,368.60

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 174,528,543.19 + 556,395,682.13
 = 730,924,225.32

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{730,924,225.32}{36,206,850.00}$
 = 20.1875

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 July 2014 - 25 August 2014

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

Current Month FPPCA(pesos)	730,924,225.32
Less: Previous Month FPPCA (pesos)	734,308,467.98
Net	<u>(3,384,242.66)</u>
Divide by Previous Month AFC + APPC (pesos)	6,213,656,698.76
Percent Change	-0.05%
Previous Month FPPCA Rate	0.4235
Increase/Decrease	<u>(0.0002)</u>
Current Month FPPCA Rate	0.4233

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 453,549,358.42 - 486,642,765.00 + 0.00
 = (33,093,406.58)

$AFC^{/2}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 453,549,358.42

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 843,116,837.92 - 716,665,090.00 + 0.00
 = 126,451,747.92

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 = $716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.25}{210.036} \right) \right] \frac{43.7166}{41.7429} + \frac{0.3 \times 140.40}{105.0} \right\}$
 = 843,116,837.92

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (33,093,406.58) + 126,451,747.92
 = 93,358,341.34

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{93,358,341.34}{174,874,693.12}$
 = 0.5339

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 July 2014 - 25 August 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	93,358,341.34
Less: Previous Month FPPCA (pesos)	90,321,177.16
Net	<u>3,037,164.18</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,293,629,032.16</u>
Percent Change	0.23%
Previous Month FPPCA Rate	0.2151
Increase/Decrease	<u>0.0005</u>
Current Month FPPCA Rate	0.2156

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 588,185,542.19 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= 115,686,947.19$$

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

$$= 588,185,542.19$$

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

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

$$= 647,985,933.93 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 97,185,763.93$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.25}{210.036} \right) \right] \frac{43.7166}{41.7429} + \frac{0.3 \times 140.40}{105.0} \right\}$$

$$= 647,985,933.93$$

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

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

$$= 115,686,947.19 \quad + \quad 97,185,763.93$$

$$= 212,872,711.12$$

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

$$= \frac{212,872,711.12}{638,381,967.65}$$

$$= 0.3335$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 July 2014 - 25 August 2014

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

Current Month FPPCA(pesos)	212,872,711.12
Less: Previous Month FPPCA (pesos)	216,990,576.06
Net	(4,117,864.94)
Divide by Previous Month AFC + APPC (pesos)	1,240,289,341.06
Percent Change	-0.33%
Previous Month FPPCA Rate	0.0763
Increase/Decrease	(0.0003)
Current Month FPPCA Rate	0.0760

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 2014

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

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