

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

Billing Period Covered: 26 November 2015 - 25 December 2015

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos}	= Fuel Cost Adjustment									
	= AFC - FCB + OFCA ^{1/}									
	= 1,566,768,030.21	-	2,325,976,544.31	+	0.00					
	= (759,208,514.10)									
AFC ^{2/}	= FCB	$\left\{ \frac{0.1751 \text{ Bn}}{\text{Bo}} \right.$	+	$\frac{0.0231 \text{ Dn}}{\text{Do}}$	+	$\frac{0.1305 \text{ Cn}}{\text{Co}}$	+	$\frac{0.2954 \text{ Sn}^{3/}}{\text{So}}$	+	$\frac{0.3759 \text{ NGo}}{\text{NGo}} \left. \right\}$
	= 1,566,768,030.21									
B. $PPCA_{\text{pesos}}$	= Purchased Power Costs Adjustment									
	= APPC - PPCB + OPPCA ^{1/}									
	= 3,924,450,703.69	-	3,153,371,686.48	+	0.00					
	= 771,079,017.21									
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	$\left\{ 0.40 + \left(\frac{0.3 \times 237.336}{210.036} \right) \frac{47.3328}{41.7429} \right\} + \frac{0.3 \times 142.30}{105.0}$								
	= 3,924,450,703.69									
C. $FPPCA_{\text{pesos}}$	= Fuel and Purchased Power Costs Adjustment									
	= $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$									
	= (759,208,514.10)	+	771,079,017.21							
	= 11,870,503.12									
D. $FPPCA_{\text{rate}}$	= $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$									
	= $\frac{11,870,503.12}{30,443,106.32}$									
	= 0.3899									

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 November 2015 - 25 December 2015

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

Current Month FPPCA(pesos)	11,870,503.12
Less: Previous Month FPPCA (pesos)	63,454,851.79
Net	(51,584,348.67)
Divide by Previous Month AFC + APPC (pesos)	5,542,803,082.57
Percent Change	-0.93%
Previous Month FPPCA Rate	0.3777
Increase/Decrease	(0.0035)
Current Month FPPCA Rate	0.3742

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 293,016,555.49 \quad - \quad 486,642,765.00 \quad + \quad 0.00$$

$$= (193,626,209.51)$$

$$AFC^{1/2} = FCB \left\{ \begin{array}{l} \frac{0.2041 \text{ Bn}}{\text{Bo}} + \frac{0.0998 \text{ Dn}}{\text{Do}} + \frac{0.5782 \text{ Cn}}{\text{Co}} + \frac{0.1179 \text{ Sn}^{3/}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right\}$$

$$= 293,016,555.49$$

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

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

$$= 891,907,804.22 \quad - \quad 716,665,090.00 \quad + \quad 0.00$$

$$= 175,242,714.22$$

$$APPC = PPCB \left\{ \begin{array}{l} \left\{ \begin{array}{l} 0.40 + \left(\frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \\ 0.40 \end{array} \right\} \frac{\text{FX}n}{\text{FX}o} + \frac{0.3 \text{ CPI}n}{\text{CPI}o} \right\} \\ = 716,665,090.00 \left\{ \begin{array}{l} \left(\frac{0.3 \times 237.336}{210.036} \right) \frac{47.3328}{41.7429} + \frac{0.3 \times 142.30}{105.0} \end{array} \right\}$$

$$= 891,907,804.22$$

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

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

$$= (193,626,209.51) \quad + \quad 175,242,714.22$$

$$= (18,383,495.30)$$

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

$$= \frac{(18,383,495.30)}{12,558,760.11}$$

$$= -1.4638$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 November 2015 - 25 December 2015

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

Current Month FPPCA(pesos)	(18,383,495.30)
Less: Previous Month FPPCA (pesos)	(15,462,768.50)
Net	(2,920,726.80)
Divide by Previous Month AFC + APPC (pesos)	1,187,845,086.50
Percent Change	-0.25%
Previous Month FPPCA Rate	0.1973
Increase/Decrease	(0.0005)
Current Month FPPCA Rate	0.1968

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 206,735,746.23 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (265,762,848.77)$$

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

$$= 206,735,746.23$$

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

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

$$= 685,484,722.28 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 134,684,552.28$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 237.336}{210.036} \right) \right] \frac{47.3328}{41.7429} + \frac{0.3 \times 142.30}{105.0} \right\}$$

$$= 685,484,722.28$$

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

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

$$= (265,762,848.77) \quad + \quad 134,684,552.28$$

$$= (131,078,296.49)$$

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

$$= \frac{(131,078,296.49)}{445,267,373.31}$$

$$= -0.2944$$

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)	(131,078,296.49)
Less: Previous Month FPPCA (pesos)	(111,029,782.70)
Net	(20,048,513.78)
Divide by Previous Month AFC + APPC (pesos)	912,268,982.30
Percent Change	-2.20%
Previous Month FPPCA Rate	0.0562
Increase/Decrease	(0.0012)
Current Month FPPCA Rate	0.0550

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 November 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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