

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

Billing Period Covered: 26 January 2014 - 25 February 2014

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 2,594,360,354.67 - 2,325,976,544.31 + 0.00
 = 268,383,810.36

$AFC^{2/}$ = $FCB \left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 NGn}{NGo} \right)$
 = 2,594,360,354.67

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,716,350,609.08 - 3,153,371,686.48 + 0.00
 = 562,978,922.61

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPIn^{3/}}{USCPlo} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPIn^{3/}}{CPIo} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 233.916}{210.036} \right) \frac{44.6426}{41.7429} \right] + \frac{0.3 \times 137.70}{105.0} \right\}$
 = 3,716,350,609.08

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 268,383,810.36 + 562,978,922.61
 = 831,362,732.97

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{831,362,732.97}{24,378,000}$
 = 34,257,857.00
 = 24.2678

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 January 2014 - 25 February 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	831,362,732.97
Less: Previous Month FPPCA (pesos)	859,559,014.02
Net	<u>(28,196,281.04)</u>
Divide by Previous Month AFC + APPC (pesos)	6,338,907,244.80
Percent Change	<u>-0.44%</u>
Previous Month FPPCA Rate	0.4320
Increase/Decrease	<u>(0.0019)</u>
Current Month FPPCA Rate	0.4301

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 485,679,494.15 - 486,642,765.00 + 0.00
 = (963,270.85)

$AFC^{1/2}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 485,679,494.15

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA''$
 = 844,613,007.45 - 716,665,090.00 + 0.00
 = 127,947,917.45

$APPC$ = $PPCB \left\{ 0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \left[\frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right] \right\}$
 = $716,665,090.00 \left\{ 0.40 + \left(\frac{0.3 \times 233.916}{210.036} \right) \left[\frac{44.6426}{41.7429} \right] + \frac{0.3 \times 137.70}{105.0} \right\}$
 = 844,613,007.45

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (963,270.85) + 127,947,917.45
 = 126,984,646.60

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{126,984,646.60}{132,100,760.60}$
 = 0.9613

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 January 2014 - 25 February 2014

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

Current Month FPPCA(pesos)	126,984,646.60
Less: Previous Month FPPCA (pesos)	148,050,266.81
Net	(21,065,620.21)
Divide by Previous Month AFC + APPC (pesos)	1,351,358,121.81
Percent Change	-1.56%
Previous Month FPPCA Rate	0.2247
Increase/Decrease	(0.0035)
Current Month FPPCA Rate	0.2212

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 606,518,071.02 - 472,498,595.00 + 0.00
 = 134,019,476.02

$AFC^{/2}$ = $FCB \left[\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 NGn}{NGo} \right]$
 = 606,518,071.02

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 649,135,830.08 - 550,800,170.00 + 0.00
 = 98,335,660.08

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$
 = 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 233.916}{210.036} \right) \frac{44.6426}{41.7429} \right] + \frac{0.3 \times 137.70}{105.0} \right\}$
 = 649,135,830.08

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 134,019,476.02 + 98,335,660.08
 = 232,355,136.10

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{232,355,136.10}{601,075,095.79}$
 = 0.3866

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)	232,355,136.10
Less: Previous Month FPPCA (pesos)	235,994,988.22
Net	(3,639,852.12)
Divide by Previous Month AFC + APPC (pesos)	1,259,293,753.22
Percent Change	-0.29%
Previous Month FPPCA Rate	0.0775
Increase/Decrease	(0.0002)
Current Month FPPCA Rate	0.0773

NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amending Resolution 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 January 2014

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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