

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

Billing Period Covered: 26 June 2012 - 25 July 2012

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,556,992,554.51 - 2,325,976,544.31 + 0.00
 = 231,016,010.20

AFC¹ = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 N Gn}{NGo} \right)$
 = 2,556,992,554.51

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,443,316,167.68 - 3,153,371,686.48 + 0.00
 = 289,944,481.20

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{0.3 US CPI n}{US CPI o} \right) \right] \frac{FX n}{FX o} + \frac{0.3 CPI n}{CPI o} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 229.478}{210.036} \right) \right] \frac{41.8426}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right\}$
 = 3,443,316,167.68

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 231,016,010.20 + 289,944,481.20
 = 520,960,491.40

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{520,960,491.40}{114,185,955.00}$
 = 4.5624

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 June 2012 - 25 July 2012

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

Current Month FPPCA (pesos)	520,960,491.40
Less: Previous Month FPPCA (pesos)	526,003,041.98
Net	(5,042,550.58)
Divide by Previous Month AFC + APPC (pesos)	6,005,351,272.77
Percent Change	-0.084%
Previous Month FPPCA Rate	0.4092
Increase/Decrease	(0.0003)
Current Month FPPCA Rate	0.4089

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 514,257,605.96 - 486,642,765.00 + 0.00
 = 27,614,840.96

$AFC^{/1}$ = FCB $\left(\frac{0.2041 B_n}{Bo} + \frac{0.0998 D_n}{Do} + \frac{0.5782 C_n}{Co} + \frac{0.1179 S_n}{So} + \frac{0.00 N_n}{NGo} \right)$
 = 514,257,605.96

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 782,560,616.56 - 716,665,090.00 + 0.00
 = 65,895,526.56

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 \text{ USCPI}_n}{\text{USCPI}_o} \right) \right] \left[\frac{\text{FX}_n}{\text{FX}_o} + \frac{.3 \text{ CPI}_n}{\text{CPI}_o} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 229.478}{210.036} \right) \right] \left[\frac{41.8426}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right] \right\}$
 = 782,560,616.56

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 27,614,840.96 + 65,895,526.56
 = 93,510,367.52

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{93,510,367.52}{198,771,461.00}$
 = 0.4704

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2012 - 25 July 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	93,510,367.52
Less: Previous Month FPPCA (pesos)	96,901,333.46
Net	<u>(3,390,965.94)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,300,209,188.46</u>
Percent Change	-0.261%
Previous Month FPPCA Rate	0.2162
Increase/Decrease	(0.0006)
Current Month FPPCA Rate	<u>0.2156</u>

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 603,895,678.34 - 472,498,595.00 + 0.00
 = 131,397,083.34
 $AFC^{/1}$ = FCB $\left(\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 603,895,678.34

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 601,444,840.35 - 550,800,170.00 + 0.00
 = 50,644,670.35
 APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPI_n}{USCPI_o} \right) \right] \left[\frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right] \right\}$
 = 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 229.478}{210.036} \right) \right] \left[\frac{41.8426}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right] \right\}$
 = 601,444,840.35

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 131,397,083.34 + 50,644,670.35
 = 182,041,753.68

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{182,041,753.68}{668,843,531.00}$
 = 0.2722

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2012 - 25 July 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	182,041,753.68
Less: Previous Month FPPCA (pesos)	192,172,470.35
Net	(10,130,716.67)
Divide by Previous Month AFC + APPC (pesos)	1,215,471,235.35
Percent Change	-0.833%
Previous Month FPPCA Rate	0.0748
Increase/Decrease	(0.0006)
Current Month FPPCA Rate	0.0742

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**

This document was created and prepared as a compliance to ERC Resolution No.19 and 25, series of 2009 and shall not be used for any other purposes than intended. You may not edit, change, transform, reproduce, distribute, publish or broadcast the content of this material without prior permission. PSALM shall not be liable for any loss, error, or damage which may be incurred resulting from the use of the data in this document.