

**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 2015 - 25 July 2015**

**AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT**

**LUZON**

|                                 |  |   |                  |                                       |        |                                       |   |  |   |   |
|---------------------------------|--|---|------------------|---------------------------------------|--------|---------------------------------------|---|--|---|---|
| <b>A. FCA<sub>pesos</sub></b>   | = Fuel Cost Adjustment                               |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = AFC - FCB + OFCA <sup>1/</sup>                     |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = 1,827,265,975.97                                   | -   | 2,325,976,544.31 |                                       | + 0.00 |                                       |   |  |   |   |
|                                 | = (498,710,568.33)                                   |   |                  |                                       |        |                                       |   |  |   |   |
| <b>AFC<sup>2/</sup></b>         | = FCB  | $\left[ \frac{0.1751 \text{ Bn}}{\text{Bo}} \right]$  | +                | $\frac{0.0231 \text{ Dn}}{\text{Do}}$ | +      | $\frac{0.1305 \text{ Cn}}{\text{Co}}$ | + | $\frac{0.2954 \text{ Sn}^{3/}}{\text{So}}$ | + | $\frac{0.3759 \text{ NGr}}{\text{NGo}}$ |
|                                 | = 1,827,265,975.97                                   |   |                  |                                       |        |                                       |   |  |   |   |
| <b>B. PPCA<sub>pesos</sub></b>  | = Purchased Power Costs Adjustment                   |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = APPC - PPCB + OPPCA <sup>1/</sup>                  |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = 3,807,192,352.71                                   | -   | 3,153,371,686.48 |                                       | + 0.00 |                                       |   |  |   |   |
|                                 | = 653,820,666.24                                     |   |                  |                                       |        |                                       |   |  |   |   |
| <b>APPC</b>                     | = PPCB   | $\left\{ \left[ 0.40 + \left( \frac{0.3 \text{ USCPI}^{3/}}{\text{USCPIo}} \right) \right] \frac{\text{FXn}}{\text{FXo}} + \frac{0.3 \text{ CPI}^{3/}}{\text{CPIo}} \right\}$ |                  |                                       |        |                                       |   |  |   |   |
|                                 | = 3,153,371,686.48                                   | $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.638}{210.036} \right) \frac{45.2798}{41.7429} \right] + \frac{0.3 \times 141.30}{105.0} \right\}$                          |                  |                                       |        |                                       |   |  |   |   |
|                                 | = 3,807,192,352.71                                   |   |                  |                                       |        |                                       |   |  |   |   |
| <b>C. FPPCA<sub>pesos</sub></b> | = Fuel and Purchased Power Costs Adjustment          |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = FCA <sub>pesos</sub> + PPCA <sub>pesos</sub>       |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = (498,710,568.33)                                   | +   | 653,820,666.24   |                                       |        |                                       |   |  |   |   |
|                                 | = 155,110,097.91                                     |   |                  |                                       |        |                                       |   |  |   |   |
| <b>D. FPPCA<sub>rate</sub></b>  | = $\frac{\text{FPPCA}_{\text{pesos}}}{\text{Sales}}$ |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = $\frac{155,110,097.91}{38,655,122.12}$             |   |                  |                                       |        |                                       |   |  |   |   |
|                                 | = 4.0127   |   |                  |                                       |        |                                       |   |  |   |   |

**REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST**

**Billing Period Covered: 26 June 2015 - 25 July 2015**

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

|   |                        |
|---|------------------------|
| Current Month FPPCA(pesos)                  | 155,110,097.91         |
| Less: Previous Month FPPCA (pesos)          | 232,612,702.43         |
| Net   | <u>(77,502,604.53)</u> |
| Divide by Previous Month AFC + APPC (pesos) | 5,711,960,933.22       |
| Percent Change                              | <u>-1.36%</u>          |
| <br>  |                        |
| Previous Month FPPCA Rate                   | 0.3893                 |
| Increase/Decrease                           | <u>(0.0053)</u>        |
| <b>Current Month FPPCA Rate</b>             | <b>0.3840</b>          |

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 =  $AFC - FCB + OFCA^{1/}$   
 = 346,129,678.40 - 486,642,765.00 + 0.00  
 = (140,513,086.60)

$AFC^{1/2}$  =  $FCB \left( \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$   
 = 346,129,678.40

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 =  $APPC - PPCB + OPPCA^{1/}$   
 = 865,258,561.75 - 716,665,090.00 + 0.00  
 = 148,593,471.75

$APPC$  =  $PPCB \left\{ \left[ 0.40 + \left( \frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPI n}{CPI o} \right\}$   
 =  $716,665,090.00 \left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.638}{210.036} \right) \right] \frac{45.2798}{41.7429} + \frac{0.3 \times 141.30}{105.0} \right\}$   
 = 865,258,561.75

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = (140,513,086.60) + 148,593,471.75  
 = 8,080,385.15

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{8,080,385.15}{40,102,046.46}$   
 = 0.2015

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST  |                  |
|--|------------------|
| Billing Period Covered: 26 June 2015 - 25 July 2015                  |                  |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM |                  |
| Current Month FPPCA(pesos)   | 8,080,385.15     |
| Less: Previous Month FPPCA (pesos)                                   | 13,953,216.63    |
| Net  | (5,872,831.47)   |
| Divide by Previous Month AFC + APPC (pesos)                          | 1,217,261,071.63 |
| Percent Change   | -0.48%           |
| Previous Month FPPCA Rate  | 0.2023           |
| Increase/Decrease  | (0.0010)         |
| Current Month FPPCA Rate   | 0.2013           |

**MINDANAO**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment

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

$$= 327,813,310.34 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (144,685,284.66)$$

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

$$= 327,813,310.34$$

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

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

$$= 665,003,178.69 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 114,203,008.69$$

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

$$= 550,800,170.00 \left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.638}{210.036} \right) \right] \frac{45.2798}{41.7429} + \frac{0.3 \times 141.30}{105.0} \right\}$$

$$= 665,003,178.69$$

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

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

$$= (144,685,284.66) \quad + \quad 114,203,008.69$$

$$= (30,482,275.97)$$

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

$$= \frac{(30,482,275.97)}{502,548,348.11}$$

$$= -0.0607$$

**REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST**

Billing Period Covered: 26 June 2015 - 25 July 2015

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

|   |                  |
|---|------------------|
| Current Month FPPCA(pesos)                  | (30,482,275.97)  |
| Less: Previous Month FPPCA (pesos)          | 2,980,663.52     |
| Net   | (33,462,939.48)  |
| Divide by Previous Month AFC + APPC (pesos) | 1,026,279,428.52 |
| Percent Change                              | -3.26%           |
| Previous Month FPPCA Rate                   | 0.0632           |
| Increase/Decrease                           | (0.0021)         |
| Current Month FPPCA Rate                    | 0.0611           |

**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 June 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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