

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

Billing Period Covered: 26 February 2012 - 25 March 2012

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,920,135,111.59 - 2,325,976,544.31 + 0.00
 = 594,158,567.28

$AFC^{/1}$ = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right)$
 = 2,920,135,111.59

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,498,318,271.61 - 3,153,371,686.48 + 0.00
 = 344,946,585.13

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{0.3 USCPI_n}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 = $\left\{ \left[0.40 + \left(\frac{0.3 \times 227.663}{210.036} \right) \right] \frac{42.9724}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right\}$
 = 3,498,318,271.61

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 594,158,567.28 + 344,946,585.13
 = 939,105,152.41

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{939,105,152.41}{66,569,734.00}$
 = 14.1071

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 February 2012 - 25 March 2012

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

Current Month FPPCA(pesos)	939,105,152.41
Less: Previous Month FPPCA (pesos)	894,952,760.37
Net	<u>44,152,392.05</u>
Divide by Previous Month AFC + APPC (pesos)	6,374,300,991.15
Percent Change	<u>0.693%</u>
Previous Month FPPCA Rate	0.4344
Increase/Decrease	<u>0.0030</u>
Current Month FPPCA Rate	<u>0.4374</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 614,511,862.25 - 486,642,765.00 + 0.00
 = 127,869,097.25

$AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 N Gn}{NGo} \end{array} \right)$
 = 614,511,862.25

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 795,060,915.19 - 716,665,090.00 + 0.00
 = 78,395,825.19

APPC = PPCB $\left\{ \left[\begin{array}{l} 0.40 + \left(\frac{3 USCPI_n}{USCPI_o} \right) \right] \left[\begin{array}{l} \frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \end{array} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[\begin{array}{l} 0.40 + \left(\frac{0.3 \times 227.663}{210.036} \right) \right] \left[\begin{array}{l} 42.9724 \\ 41.7429 \end{array} \right] + \frac{0.3 \times 175.50}{145.1} \right\}$
 = 795,060,915.19

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 127,869,097.25 + 78,395,825.19
 = 206,264,922.44

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{206,264,922.44}{196,165,482.00}$
 = 1.0515

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 February 2012 - 25 March 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	206,264,922.44
Less: Previous Month FPPCA (pesos)	224,645,824.59
Net	<u>(18,380,902.16)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,427,953,679.59</u>
Percent Change	-1.287%
Previous Month FPPCA Rate	0.2375
Increase/Decrease	(0.0031)
Current Month FPPCA Rate	<u>0.2344</u>

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 738,413,597.49 - 472,498,595.00 + 0.00
 = 265,915,002.49
 $AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$
 = 738,413,597.49

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 611,052,070.70 - 550,800,170.00 + 0.00
 = 60,251,900.70
 APPC = PPCB $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right) \left(\frac{\text{FX}_{\text{In}}}{\text{FX}_{\text{O}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right) \right\}$
 = 550,800,170.00 $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{0.3 \times 227.663}{210.036} \right) \right) \left(\frac{42.9724}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right) \right\}$
 = 611,052,070.70

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 265,915,002.49 + 60,251,900.70
 = 326,166,903.19

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{326,166,903.19}{651,926,748.00}$
 = 0.5003

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 February 2012 - 25 March 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	326,166,903.19
Less: Previous Month FPPCA (pesos)	304,772,598.61
Net	<u>21,394,304.59</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,328,071,363.61</u>
Percent Change	1.611%
Previous Month FPPCA Rate	0.0817
Increase/Decrease	<u>0.0013</u>
Current Month FPPCA Rate	0.0830

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**

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