

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

Billing Period Covered: 26 April 2015 - 25 May 2015

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos}	= Fuel Cost Adjustment									
	= AFC - FCB + OFCA ^{1/}									
	= 1,958,719,243.49	-	2,325,976,544.31	+	0.00					
	= (367,257,300.81)									
AFC ^{2/}	= FCB	$\left\{ \frac{0.1751 \text{ Bn}}{\text{Bo}} \right\}$	+	$\frac{0.0231 \text{ Dn}}{\text{Do}}$	+	$\frac{0.1305 \text{ Cn}}{\text{Co}}$	+	$\frac{0.2954 \text{ Sn}^{3/}}{\text{So}}$	+	$\frac{0.3759 \text{ NGn}}{\text{NGo}}$
	= 1,958,719,243.49									
B. $PPCA_{\text{pesos}}$	= Purchased Power Costs Adjustment									
	= APPC - PPCB + OPPCA ^{1/}									
	= 3,755,053,012.44	-	3,153,371,686.48	+	0.00					
	= 601,681,325.97									
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	$\left\{ 0.40 + \left(\frac{0.3 \times 236.599}{210.036} \right) \frac{44.5232}{41.7429} \right\}$	+	$\frac{0.3 \times 141.30}{105.0}$						
	= 3,755,053,012.44									
C. $FPPCA_{\text{pesos}}$	= Fuel and Purchased Power Costs Adjustment									
	= $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$									
	= (367,257,300.81)	+	601,681,325.97							
	= 234,424,025.15									
D. $FPPCA_{\text{rate}}$	= $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$									
	= $\frac{234,424,025.15}{36,904,162.09}$									
	= 6.3522									

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month FPPCA(pesos)	234,424,025.15
Less: Previous Month FPPCA (pesos)	113,725,052.10
Net	<u>120,698,973.06</u>
Divide by Previous Month AFC + APPC (pesos)	5,593,073,282.88
Percent Change	<u>2.16%</u>
Previous Month FPPCA Rate	0.3812
Increase/Decrease	<u>0.0082</u>
Current Month FPPCA Rate	<u>0.3894</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 366,016,906.49 - 486,642,765.00 + 0.00
 = (120,625,858.51)

$AFC^{1/2}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$
 = 366,016,906.49

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 853,408,881.88 - 716,665,090.00 + 0.00
 = 136,743,791.88

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPI n}{CPI o} \right\}$
 = $716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 236.599}{210.036} \right) \right] \frac{44.5232}{41.7429} + \frac{0.3 \times 141.30}{105.0} \right\}$
 = 853,408,881.88

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (120,625,858.51) + 136,743,791.88
 = 16,117,933.37

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{16,117,933.37}{39,689,036.98}$
 = 0.4061

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month FPPCA(pesos)	16,117,933.37
Less: Previous Month FPPCA (pesos)	(11,985,941.44)
Net	28,103,874.81
Divide by Previous Month AFC + APPC (pesos)	1,191,321,913.56
Percent Change	2.36%
Previous Month FPPCA Rate	0.1980
Increase/Decrease	0.0047
Current Month FPPCA Rate	0.2027

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 370,376,632.24 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (102,121,962.76)$$

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

$$= 370,376,632.24$$

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

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

$$= 655,895,987.93 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 105,095,817.93$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 236.599}{210.036} \right) \right] \frac{44.5232}{41.7429} + \frac{0.3 \times 141.30}{105.0} \right\}$$

$$= 655,895,987.93$$

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

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

$$= (102,121,962.76) \quad + \quad 105,095,817.93$$

$$= 2,973,855.17$$

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

$$= \frac{2,973,855.17}{511,961,721.67}$$

$$= 0.0058$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month FPPCA(pesos)	2,973,855.17
Less: Previous Month FPPCA (pesos)	(34,053,830.31)
Net	37,027,685.48
Divide by Previous Month AFC + APPC (pesos)	989,244,934.69
Percent Change	3.74%
Previous Month FPPCA Rate	0.0609
Increase/Decrease	0.0023
Current Month FPPCA Rate	0.0632

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 April 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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