

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

Billing Period Covered: 26 September 2014 - 25 October 2014

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 2,295,036,336.32 - 2,325,976,544.31 + 0.00
 = (30,940,207.99)

$AFC^{2/}$ = $FCB \left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right]$
 = 2,295,036,336.32

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,775,288,767.19 - 3,153,371,686.48 + 0.00
 = 621,917,080.72

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPIn^{3/}}{USCPlo} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPIn^{3/}}{CPIo} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 238.031}{210.036} \right) \frac{44.8266}{41.7429} \right] + \frac{0.3 \times 140.90}{105.0} \right\}$
 = 3,775,288,767.19

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (30,940,207.99) + 621,917,080.72
 = 590,976,872.73

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{590,976,872.73}{37,068,132.00}$
 = 15.9430

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2014 - 25 October 2014

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

Current Month FPPCA(pesos)	590,976,872.73
Less: Previous Month FPPCA (pesos)	719,261,932.77
Net	<u>(128,285,060.04)</u>
Divide by Previous Month AFC + APPC (pesos)	6,198,610,163.55
Percent Change	<u>-2.07%</u>
Previous Month FPPCA Rate	0.4225
Increase/Decrease	<u>(0.0087)</u>
Current Month FPPCA Rate	<u>0.4138</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 417,204,018.57 - 486,642,765.00 + 0.00
 = (69,438,746.43)

$AFC^{/2}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$
 = 417,204,018.57

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 858,007,851.00 - 716,665,090.00 + 0.00
 = 141,342,761.00

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPI n}{CPI o} \right\}$
 = $716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.031}{210.036} \right) \right] \frac{44.8266}{41.7429} + \frac{0.3 \times 140.90}{105.0} \right\}$
 = 858,007,851.00

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (69,438,746.43) + 141,342,761.00
 = 71,904,014.57

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{71,904,014.57}{165,851,223.12}$
 = 0.4335

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 September 2014 - 25 October 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	71,904,014.57
Less: Previous Month FPPCA (pesos)	90,498,335.55
Net	<u>(18,594,320.98)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,293,806,190.55</u>
Percent Change	-1.44%
Previous Month FPPCA Rate	0.2151
Increase/Decrease	<u>(0.0031)</u>
Current Month FPPCA Rate	0.2120

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 517,982,992.18 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= 45,484,397.18$$

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

$$= 517,982,992.18$$

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

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

$$= 659,430,571.95 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 108,630,401.95$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.031}{210.036} \right) \right] \frac{44.8266}{41.7429} + \frac{0.3 \times 140.90}{105.0} \right\}$$

$$= 659,430,571.95$$

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

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

$$= 45,484,397.18 \quad + \quad 108,630,401.95$$

$$= 154,114,799.13$$

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

$$= \frac{154,114,799.13}{637,183,486.17}$$

$$= 0.2419$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2014 - 25 October 2014

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

Current Month FPPCA(pesos)	154,114,799.13
Less: Previous Month FPPCA (pesos)	207,534,467.76
Net	(53,419,668.63)
Divide by Previous Month AFC + APPC (pesos)	1,230,833,232.76
Percent Change	-4.34%
Previous Month FPPCA Rate	0.0757
Increase/Decrease	(0.0033)
Current Month FPPCA Rate	0.0724

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 September 2014

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

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