

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

Billing Period Covered: 26 August 2012 - 25 September 2012

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

**LUZON**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 2,771,043,622.47 - 2,325,976,544.31 + 0.00  
 = 445,067,078.16

$AFC^{/1}$  = FCB  $\left( \frac{0.1751 B_n}{Bo} + \frac{0.0231 D_n}{Do} + \frac{0.1305 C_n}{Co} + \frac{0.2954 S_n}{So} + \frac{0.3759 N_n}{NGo} \right)$   
 = 2,771,043,622.47

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 3,439,431,189.16 - 3,153,371,686.48 + 0.00  
 = 286,059,502.69

APPC = PPCB  $\left\{ 0.40 + \left[ \frac{0.3 USCPIn}{USCPlo} \right] \left[ \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right] \right\}$   
 = 3,153,371,686.48  $\left\{ \left[ 0.40 + \left[ \frac{0.3 \times 230.379}{210.036} \right] \right] \frac{41.6982}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right\}$   
 = 3,439,431,189.16

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 445,067,078.16 + 286,059,502.69  
 = 731,126,580.85

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{731,126,580.85}{69,911,883.00}$   
 = 10.4578

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

Billing Period Covered: 26 August 2012 - 25 September 2012

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

Current Month FPPCA(pesos)	731,126,580.85
Less: Previous Month FPPCA (pesos)	695,119,699.94
Net	<u>36,006,880.91</u>
Divide by Previous Month AFC + APPC (pesos)	<u>6,174,467,930.73</u>
Percent Change	0.583%
Previous Month FPPCA Rate	0.4208
Increase/Decrease	<u>0.0025</u>
Current Month FPPCA Rate	0.4233

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 542,557,917.19 - 486,642,765.00 + 0.00  
 = 55,915,152.19

$AFC^{/1}$  = FCB  $\left( \frac{0.2041 B_n}{Bo} + \frac{0.0998 D_n}{Do} + \frac{0.5782 C_n}{Co} + \frac{0.1179 S_n}{So} + \frac{0.00 N_n}{NGo} \right)$   
 = 542,557,917.19

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 781,677,679.58 - 716,665,090.00 + 0.00  
 = 65,012,589.58

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  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 230.379}{210.036} \right) \right] \left[ \frac{41.6982}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right] \right\}$   
 = 781,677,679.58

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 55,915,152.19 + 65,012,589.58  
 = 120,927,741.77

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{120,927,741.77}{197,646,415.00}$   
 = 0.6118

<b>REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST</b>	
<b>Billing Period Covered: 26 August 2012 - 25 September 2012</b>	
<b>Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM</b>	
Current Month FPPCA(pesos)	120,927,741.77
Less: Previous Month FPPCA (pesos)	122,166,740.14
Net	<u>(1,238,998.37)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,325,474,595.14</u>
Percent Change	-0.093%
Previous Month FPPCA Rate	0.2204
Increase/Decrease	(0.0002)
<b>Current Month FPPCA Rate</b>	<b>0.2202</b>

**MINDANAO**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 680,348,005.55 - 472,498,595.00 + 0.00  
 = 207,849,410.55

$AFC^{/1}$  = FCB  $\left( \frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn}{So} + \frac{0.00 NGn}{NGo} \right)$   
 = 680,348,005.55

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 600,766,250.24 - 550,800,170.00 + 0.00  
 = 49,966,080.24

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  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 230.379}{210.036} \right) \right] \left[ \frac{41.6982}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right] \right\}$   
 = 600,766,250.24

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}}$  +  $PPCA_{\text{pesos}}$   
 = 207,849,410.55 + 49,966,080.24  
 = 257,815,490.79

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{257,815,490.79}{649,078,711.00}$   
 = 0.3972

<b>REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST</b>	
<b>Billing Period Covered: 26 August 2012 - 25 September 2012</b>	
<b>Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM</b>	
Current Month FPPCA(pesos)	257,815,490.79
Less: Previous Month FPPCA (pesos)	237,089,955.37
Net	<u>20,725,535.42</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,260,388,720.37</u>
Percent Change	1.644%
Previous Month FPPCA Rate	0.0776
Increase/Decrease	<u>0.0013</u>
Current Month FPPCA Rate	<b>0.0789</b>

**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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