

**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 2014 - 25 September 2014

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 2,446,960,056.63 - 2,325,976,544.31 + 0.00
 = 120,983,512.32

$AFC^{2/}$ = $FCB \left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right]$
 = 2,446,960,056.63

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,751,650,106.92 - 3,153,371,686.48 + 0.00
 = 598,278,420.45

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPIn^{3/}}{USCPIo} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPIIn^{3/}}{CPIo} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 237.852}{210.036} \right) \frac{44.4352}{41.7429} \right] + \frac{0.3 \times 140.80}{105.0} \right\}$
 = 3,751,650,106.92

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 120,983,512.32 + 598,278,420.45
 = 719,261,932.77

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{719,261,932.77}{38,069,780.80}$
 = 18.8933

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 August 2014 - 25 September 2014

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

Current Month FPPCA(pesos)	719,261,932.77
Less: Previous Month FPPCA (pesos)	730,924,225.32
Net	<u>(11,662,292.55)</u>
Divide by Previous Month AFC + APPC (pesos)	6,210,272,456.10
Percent Change	-0.19%
Previous Month FPPCA Rate	0.4233
Increase/Decrease	<u>(0.0008)</u>
Current Month FPPCA Rate	0.4225

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 441,170,685.18 - 486,642,765.00 + 0.00
 = (45,472,079.82)

$AFC^{2/}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$
 = 441,170,685.18

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 852,635,505.37 - 716,665,090.00 + 0.00
 = 135,970,415.37

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPI n}{CPI o} \right\}$
 = $716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 237.852}{210.036} \right) \right] \frac{44.4352}{41.7429} + \frac{0.3 \times 140.80}{105.0} \right\}$
 = 852,635,505.37

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (45,472,079.82) + 135,970,415.37
 = 90,498,335.55

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{90,498,335.55}{172,113,953.95}$
 = 0.5258

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 August 2014 - 25 September 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	90,498,335.55
Less: Previous Month FPPCA (pesos)	93,358,341.34
Net	<u>(2,860,005.79)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,296,666,196.34</u>
Percent Change	-0.22%
Previous Month FPPCA Rate	0.2156
Increase/Decrease	<u>(0.0005)</u>
Current Month FPPCA Rate	0.2151

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 575,531,631.14 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= 103,033,036.14$$

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

$$= 575,531,631.14$$

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

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

$$= 655,301,601.63 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 104,501,431.63$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 237.852}{210.036} \right) \right] \frac{44.4352}{41.7429} + \frac{0.3 \times 140.80}{105.0} \right\}$$

$$= 655,301,601.63$$

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

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

$$= 103,033,036.14 \quad + \quad 104,501,431.63$$

$$= 207,534,467.76$$

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

$$= \frac{207,534,467.76}{635,210,437.73}$$

$$= 0.3267$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
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Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	207,534,467.76
Less: Previous Month FPPCA (pesos)	212,872,711.12
Net	<u>(5,338,243.35)</u>
Divide by Previous Month AFC + APPC (pesos)	1,236,171,476.12
Percent Change	<u>-0.43%</u>
Previous Month FPPCA Rate	0.0760
Increase/Decrease	<u>(0.0003)</u>
Current Month FPPCA Rate	<u>0.0757</u>

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 August 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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