

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

Billing Period Covered: July 26, 2010 - August 25, 2010

**AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT**

**LUZON**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment

$$= (FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$$

$$= [45.0908 - 44.0494] \times 13,711,623.25 + [45.0908 - 44.0494] \times 362,308,304.23 / 12$$

$$= 45,721,606.79$$

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$= (FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$$

$$= [45.0908 - 41.7429] \times 0.00$$

$$= 0.00$$

C.  $FxA_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$$

$$= 45,721,606.79 + 0.00 + 0.00$$

$$= 45,721,606.79$$

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

$$= \frac{45,721,606.79}{135,324,671.00}$$

$$= 0.3379$$

**VISAYAS**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment

$$= (FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$$

$$= [45.0908 - 44.0494] \times 7,710,862.11 + [45.0908 - 44.0494] \times 34,134,895.91 / 12$$

$$= 10,992,431.85$$

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$= (FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$$

$$= [45.0908 - 41.7429] \times 0.00$$

$$= 0.00$$

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$$

$$= 10,992,431.85 + 0.00 + 0.00$$

$$= 10,992,431.85$$

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

$$= \frac{10,992,431.85}{319,786,195.00}$$

$$= 0.0344$$

**MINDANAO**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment

$$= (FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$$

$$= [45.0908 - 44.0494] \times 924,924.33 + [45.0908 - 44.0494] \times 37,226,776.20 / 12$$

$$= 4,193,879.93$$

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B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$\begin{aligned} &= (FX_n - FX_{Opex}) \times FxOpex \\ &= [45.0908 - 41.7429] \times 0.00 \\ &= 0.00 \end{aligned}$$

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment

$$\begin{aligned} &= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA \\ &= 4,193,879.93 + 0.00 + 0.00 \\ &= 4,193,879.93 \end{aligned}$$

D.  $Fx_{\text{rate}}$  =  $FxA_{\text{pesos}} / \text{Sales}$

$$\begin{aligned} &= \frac{4,193,879.93}{618,712,543.00} \\ &= 0.0068 \end{aligned}$$

**NOTES:**

DSR = Actual Debt Service Payments (principal portion) for the month in US Dollar

DSB = Actual Bullet Service Payments for one (1) year in US Dollar

$FxOpex$  = Foreign-related operating expenses in US Dollar