

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

Billing Period Covered: 26 July 2015 - 25 August 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.4218 - 44.0494) \times 1,679,565.70 + (46.4218 - 44.0494) \times 109,326,093.64 / 12$$

$$= 25,598,370.38$$

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

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

$$= (46.4218 - 41.7429) \times 0.00$$

$$= 0.00$$

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

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$$

$$= 25,598,370.38 + 0.00 + 0.00$$

$$= 25,598,370.38$$

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

$$= \frac{25,598,370.38}{36,709,474.08}$$

$$= 0.6973$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 July 2015 - 25 August 2015

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

Current Month DSA (pesos)	25,598,370.38
Less: Previous Month DSA (pesos)	11,209,568.80
Net	<u>14,388,801.58</u>
Previous Month DSR + DSB	<u>412,521,971.25</u>
Percent Change	3.49%
Previous Month FxA Rate	0.2327
Increase/Decrease	0.0081
Current Month FxA Rate	<u>0.2408</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(46.4218 - 44.0494) \times 107,403.57 + (46.4218 - 44.0494) \times 1,466,258.23 / 12$
 = 544,683.48

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
 = $(46.4218 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 544,683.48 + 0.00 + 0.00
 = 544,683.48

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{544,683.48}{38,048,097.45}$
 = 0.0143

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 July 2015 - 25 August 2015

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

Current Month DSA (pesos)	544,683.48
Less: Previous Month DSA (pesos)	267,952.59
Net	<u>276,730.89</u>
Previous Month DSR + DSB	<u>9,860,890.66</u>
Percent Change	2.81%
Previous Month FxA Rate	0.0056
Increase/Decrease	<u>0.0002</u>
Current Month FxA Rate	0.0058

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.4218 - 44.0494) \times 0.00 + (46.4218 - 44.0494) \times 6,991,895.23 / 12$$

$$= 1,382,297.69$$

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

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

$$= 46.4218 - 41.7429 \times 0.00$$

$$= 0.00$$

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

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$$

$$= 1,382,297.69 + 0.00 + 0.00$$

$$= 1,382,297.69$$

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

$$= \frac{1,382,297.69}{459,345,473.15}$$

$$= 0.0030$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 July 2015 - 25 August 2015

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

Current Month DSR (pesos)	1,382,297.69
Less: Previous Month DSA (pesos)	716,902.32
Net	<u>665,395.36</u>
Previous Month DSR + DSB	<u>26,382,634.81</u>
Percent Change	2.52%
Previous Month FxA Rate	0.0042
Increase/Decrease	0.0001
Current Month FxA Rate	<u>0.0043</u>

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 Exchange-related operating expenses in US Dollar

4/The above calculation does not incorporate the OFxA as PSALM is waiting for the decision relative to ERC Case No. 2010-055MC

*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.

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