

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

Billing Period Covered: 26 June 2013 - 25 July 2013

**AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT**

**LUZON**

A. $DSA_{\text{pesos}}$	= Debt Service Adjustment								
	=	$(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB/12$							
	=	$(43.3036 - 44.0494) \times 23,707,854.94 + (43.3036 - 44.0494) \times 0.00 / 12$							
	=	<b>(17,681,318.21)</b>							
B. $FxOpex_{\text{pesos}}$	=	Foreign Exchange-Related Cost Adjustment for foreign related operating expenses							
	=	$(FX_n - FX_{O_{PEX}}) \times FxOpex$							
	=	$43.3036 - 41.7429 \times 0.00$							
	=	0.0000							
C. $FxA_{\text{pesos}}$	=	Foreign Exchange-Related Cost Adjustment							
	=	$DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$							
	=	<b>(17,681,318.21)</b> + 0.00 + 0.00							
	=	<b>(17,681,318.21)</b>							
D. $Fx_{\text{rate}}$	=	$\frac{FxA_{\text{pesos}}}{\text{Sales}}$							
	=	<b>(17,681,318.21)</b>							
	=	71,428,370.00 **							
	=	<b>(0.2475)</b>							

<b>REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)</b>	
Billing Period Covered: 26 June 2013 - 25 July 2013	
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM	
*Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB}/12)$	
Previous Month 5day Average before the 25th	43.5342
Current Month DSA (pesos)	<b>(17,681,318.21)</b>
Less: Previous Month DSA (pesos)	<b>(17,193,557.56)</b>
Net	<u>(487,760.65)</u>
*Previous Month DSR + DSB	<u>1,452,848,939.23</u>
Percent Change	-0.03%
Previous Month FxA Rate	0.1955
Increase/Decrease	<b>(0.0001)</b>
Current Month FPP	<u>0.1954</u>

**VISAYAS**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$   
 =  $(43.3036 - 44.0494) \times 455,183.77 + (43.3036 - 44.0494) \times 0.00 / 12$   
 = **(339,476.05)**

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$   
 =  $43.3036 - 41.7429 \times 0.00$   
 = 0.0000

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$   
 = **(339,476.05)** + 0.00 + 0.00  
 = **(339,476.05)**

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{(339,476.05)}{199,233,146.60}$   
 = **(0.0017)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
<b>Billing Period Covered: 26 June 2013 - 25 July 2013</b>	
<b>Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM</b>	
*Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB}/12)$	
Previous Month 5day Average before the 25th	43.5342
Current Month DSA (pesos)	<b>(339,476.05)</b>
Less: Previous Month DSA (pesos)	<b>(1,732,119.82)</b>
Net	1,392,643.77
*Previous Month DSR + DSB	146,363,452.29
Percent Change	0.95%
Previous Month FXA Rate	0.0051
Increase/Decrease	0.0000
<b>Current Month FPPCA Rate</b>	<b>0.0051</b>

**MINDANAO**

A. $DSA_{\text{pesos}}$	= Debt Service Adjustment			
	=	$(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB/12$		
	=	$(43.3036 - 44.0494) \times 201,473.15 + (43.3036 - 44.0494) \times 0.00 / 12$		
	=	<b>(150,258.67)</b>		
B. $FxOpex_{\text{pesos}}$	= Foreign Exchange-Related Cost Adjustment for foreign related operating expenses			
	=	$(FX_n - FX_{O_{Opex}}) \times FxOpex$		
	=	$43.3036 - 41.7429 \times 0.00$		
	=	0.00		
C. $FxA_{\text{pesos}}$	= Foreign-Exchange-Related Cost Adjustment			
	=	$DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$		
	=	<b>(150,258.67)</b> + 0.00 + 0.00		
	=	<b>(150,258.67)</b>		
D. $Fx_{\text{rate}}$	=	$\frac{FxA_{\text{pesos}}}{\text{Sales}}$		
	=	$\frac{(150,258.67)}{637,931,033.11}$		
	=	<b>(0.0002)</b>		

<b>REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)</b>	
<b>Billing Period Covered: 26 June 2013 - 25 July 2013</b>	
<b>Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM</b>	
*Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB}/12)$	
Previous Month 5day Average before the 25th	43.5342
Current Month DSR (pesos)	<b>(150,258.67)</b>
Less: Previous Month DSA (pesos)	<b>(2,985,422.04)</b>
Net	2,835,163.36
*Previous Month DSR + DSB	252,267,003.15
Real % Inc/Dec in Forex	1.12%
Previous Month FXA Rate	0.0034
Increase/Decrease	0.0000
Current Month FPPCA Rate	0.0034

**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

**\*The above calculation does not incorporate the OFxA as we are waiting for the decision in PSALM's response to ERC Case No. 2010-055MC**

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