

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

Billing Period Covered: 26 May 2011 - 25 June 2011

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(43.5046 - 44.0494) \times 446,499.66 + (43.5046 - 44.0494) \times 362,308,304.23 / 12$
 = **(16,692,050.03)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{OPEX}}}) \times FxOpex$
 = $43.5046 - 41.7429 \times 0.00$
 = **0.0000**

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(16,692,050.03)** + **0.00** + **0.00**
 = **(16,692,050.03)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(16,692,050.03)}{156,586,462.00}$
 = **(0.1066)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 May 2011 - 25 June 2011	
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 = PhP43.2492	
Current Month FPPCA(pesos)	(16,692,050.03)
Less: Previous Month FXA (pesos)	(24,159,925.42)
Net	<u>7,467,875.39</u>
*Previous Month DSR + DSB	<u>1,305,795,359.28</u>
Percent Change	0.57%
Previous Month FXA Rate	0.2001
Increase/Decrease	<u>0.0011</u>
Current Month FPP	0.2012

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB/12$
 = $(43.5046 - 44.0494) \times 0.00 + (43.5046 - 44.0494) \times 34,134,895.91 / 12$
 = **(1,549,724.27)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{Opex}}) \times FxOpex$
 = $43.5046 - 41.7429 \times 0.00$
 = **0.0000**

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(1,549,724.27)** + **0.00** + **0.00**
 = **(1,549,724.27)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(1,549,724.27)}{228,857,675.00}$
 = **(0.0068)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 May 2011 - 25 June 2011	
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 = PhP43.2492	
Current Month FPPCA(pesos)	(1,549,724.27)
Less: Previous Month FXA (pesos)	(6,346,529.83)
Net	4,796,805.55
*Previous Month DSR + DSB	343,017,167.96
Percent Change	1.40%
Previous Month FXA Rate	0.0316
Increase/Decrease	0.0004
Current Month FPPCA Rate	0.0320

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (43.5046 - 44.0494) \times 0.00 + (43.5046 - 44.0494) \times 37,226,776.20 / 12$$

$$= (1,690,095.64)$$

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

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

$$= 43.5046 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= (1,690,095.64) + 0.00 + 0.00$$

$$= (1,690,095.64)$$

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

$$= \frac{(1,690,095.64)}{651,383,324.00}$$

$$= (0.0026)$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**Billing Period Covered: 26 May 2011 - 25 June 2011****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 = PhP43.2492

Current Month FPPCA(pesos)	(1,690,095.64)
Less: Previous Month FXA (pesos)	(2,482,405.53)
Net	<u>792,309.89</u>
*Previous Month DSR + DSB	<u>134,169,024.10</u>
Percent Change	0.59%
Previous Month FXA Rate	0.0065
Increase/Decrease	<u>0.0000</u>
Current Month FPPCA Rate	0.0065

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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