

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

Billing Period Covered: 26 February 2012 - 25 March 2012

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(42.9724 - 44.0494) \times 11,424,077.22 + (42.9724 - 44.0494) \times 359,889,521.11 / 12$
 = **(44,603,815.69)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{OPEX}}}) \times FxOpex$
 = $42.9724 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(44,603,815.69)** + 0.00 + 0.00
 = **(44,603,815.69)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(44,603,815.69)}{66,569,734.00}$
 = **(0.6700)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 February 2012 - 25 March 2012

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 = PhP42.6648

Current Month FPPCA(pesos)	(44,603,815.69)
Less: Previous Month FXA (pesos)	(72,151,495.72)
Net	<u>27,547,680.03</u>
*Previous Month DSR + DSB	<u>2,223,262,411.25</u>
Percent Change	1.24%

Previous Month FXA Rate	0.1923
Increase/Decrease	<u>0.0024</u>
Current Month FPP	0.1947

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB / 12$
 = $(42.9724 - 44.0494) \times 1,428,210.57 + (42.9724 - 44.0494) \times 12,459,248.72 / 12$
 = **(2,656,400.36)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{Opex}}) \times FxOpex$
 = $42.9724 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(2,656,400.36)** + 0.00 + 0.00
 = **(2,656,400.36)**

D. FX_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(2,656,400.36)}{196,165,482.00}$
 = **(0.0135)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 February 2012 - 25 March 2012	
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 = PhP42.6648	
Current Month FPPCA(pesos)	(2,656,400.36)
Less: Previous Month FXA (pesos)	(12,927,288.22)
Net	10,270,887.87
*Previous Month DSR + DSB	398,338,990.75
Percent Change	2.58%
Previous Month FXA Rate	0.0068
Increase/Decrease	0.0002
Current Month FPPCA Rate	0.0070

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment
= $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
= $(42.9724 - 44.0494) \times 1,601,374.12 + (42.9724 - 44.0494) \times 11,960,663.82 / 12$
= **(2,798,149.51)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
= $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
= $42.9724 - 41.7429 \times 0.00$
= 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
= $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
= **(2,798,149.51)** + 0.00 + 0.00
= **(2,798,149.51)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
= $\frac{(2,798,149.51)}{651,926,748.00}$
= **(0.0043)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**Billing Period Covered: 26 February 2012 - 25 March 2012****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 = PhP42.6648

Current Month FPPCA(pesos)	(2,798,149.51)
Less: Previous Month FXA (pesos)	(2,721,314.90)
Net	(76,834.60)
*Previous Month DSR + DSB	83,854,077.78
Percent Change	-0.09%
Previous Month FXA Rate	0.0045
Increase/Decrease	(0.0000)
Current Month FPPCA Rate	0.0045

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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