

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

Billing Period Covered: 26 October 2014 - 25 November 2014

**AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT**

**LUZON**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{0_{\text{DSA}}}) \times DSR + (FX_n - FX_{0_{\text{DSA}}}) \times DSB/12$   
 =  $(45.0088 - 44.0494) \times 0.00 + (45.0088 - 44.0494) \times 237,047,612.94 / 12$   
 = 18,951,956.65

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{0_{\text{OPEX}}}) \times FxOpex$   
 =  $(45.0088 - 41.7429) \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = 18,951,956.65 + 0.00 + 0.00  
 = 18,951,956.65

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{18,951,956.65}{36,174,438.92}$   
 = 0.5239

**REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**

Billing Period Covered: 26 October 2014 - 25 November 2014

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

|                                  |                       |
|----------------------------------|-----------------------|
| Current Month DSA (pesos)        | 18,951,956.65         |
| Less: Previous Month DSA (pesos) | 9,499,085.35          |
| Net                              | <u>9,452,871.31</u>   |
| Previous Month DSR + DSB         | <u>547,879,180.56</u> |
| Percent Change                   | 1.73%                 |
| <br>                             |                       |
| Previous Month FxA Rate          | 0.2191                |
| Increase/Decrease                | 0.0038                |
| Current Month FxA Rate           | <u>0.2229</u>         |

**VISAYAS**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FXn - FXo_{\text{DSA}}) \times DSR + (FXn - FXo_{\text{DSA}}) \times DSB/12$   
 =  $(45.0088 - 44.0494) \times 0.00 + (45.0088 - 44.0494) \times 14,347,616.95 / 12$   
 = 1,147,091.98

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FXn - FXo_{\text{Opex}}) \times FxOpex$   
 =  $(45.0088 - 41.7429) \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = 1,147,091.98 + 0.00 + 0.00  
 = 1,147,091.98

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{1,147,091.98}{176,200,804.31}$   
 = 0.0065

**REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**

Billing Period Covered: 26 October 2014 - 25 November 2014

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

|                                  |                      |
|----------------------------------|----------------------|
| Current Month DSA (pesos)        | 1,147,091.98         |
| Less: Previous Month DSA (pesos) | 941,478.12           |
| Net                              | <u>205,613.85</u>    |
| Previous Month DSR + DSB         | <u>54,301,676.89</u> |
| Percent Change                   | 0.38%                |
|                                  |                      |
| Previous Month FxA Rate          | 0.0051               |
| Increase/Decrease                | <u>0.0000</u>        |
| Current Month FxA Rate           | 0.0051               |

**MINDANAO**

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

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

$$= (45.0088 - 44.0494) \times 0.00 + (45.0088 - 44.0494) \times 38,157,282.92 / 12$$

$$= 3,050,674.77$$

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

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

$$= 45.0088 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 3,050,674.77 + 0.00 + 0.00$$

$$= 3,050,674.77$$

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

$$= \frac{3,050,674.77}{630,819,763.99}$$

$$= 0.0048$$

| REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)             |                       |
|---|-----------------------|
| Billing Period Covered: 26 October 2014 - 25 November 2014        |                       |
| Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM |                       |
| Current Month DSR (pesos)   | 3,050,674.77          |
| Less: Previous Month DSA (pesos)                                  | 2,058,924.29          |
| Net   | <u>991,750.48</u>     |
| Previous Month DSR + DSB  | <u>118,752,670.37</u> |
| Percent Change  | 0.84%                 |
| Previous Month FxA Rate   | 0.0039                |
| Increase/Decrease   | <u>0.0000</u>         |
| Current Month FxA Rate  | <u>0.0039</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-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 (amended Resolution19) 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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