

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

Billing Period Covered: 26 August 2015 - 25 September 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(46.5632 - 44.0494) \times 10,454,342.69 + (46.5632 - 44.0494) \times 109,326,093.64 / 12$
 = 49,182,121.17

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$
 = $(46.5632 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 49,182,121.17 + 0.00 + 0.00
 = 49,182,121.17

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{49,182,121.17}{30,439,512.22}$
 = 1.6157

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 August 2015 - 25 September 2015

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

Current Month DSA (pesos)	49,182,121.17
Less: Previous Month DSA (pesos)	25,598,370.38
Net	<u>23,583,750.79</u>
Previous Month DSR + DSB	<u>500,894,634.20</u>
Percent Change	4.71%
Previous Month FxA Rate	0.2408
Increase/Decrease	0.0113
Current Month FxA Rate	<u>0.2521</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.5632 - 44.0494) \times 1,705,435.08 + (46.5632 - 44.0494) \times 1,466,258.23 / 12$$

$$= 4,594,279.37$$

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

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

$$= (46.5632 - 41.7429) \times 0.00$$

$$= 0.00$$

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

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

$$= 4,594,279.37 + 0.00 + 0.00$$

$$= 4,594,279.37$$

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

$$= \frac{4,594,279.37}{39,472,133.60}$$

$$= 0.1164$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 August 2015 - 25 September 2015

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

Current Month DSA (pesos)	4,594,279.37
Less: Previous Month DSA (pesos)	544,683.48
Net	<u>4,049,595.89</u>
Previous Month DSR + DSB	<u>10,658,062.54</u>
Percent Change	10.00%
Previous Month FxA Rate	0.0058
Increase/Decrease	<u>0.0006</u>
Current Month FxA Rate	0.0064

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.5632 - 44.0494) \times 1,787,592.87 + (46.5632 - 44.0494) \times 6,991,895.23 / 12$$

$$= 5,958,336.48$$

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

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

$$= 46.5632 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 5,958,336.48 + 0.00 + 0.00$$

$$= 5,958,336.48$$

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

$$= \frac{5,958,336.48}{433,758,880.23}$$

$$= 0.0137$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 August 2015 - 25 September 2015

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

Current Month DSR (pesos)	5,958,336.48
Less: Previous Month DSA (pesos)	1,382,297.69
Net	<u>4,576,038.80</u>
Previous Month DSR + DSB	<u>27,048,030.17</u>
Percent Change	10.00%
Previous Month FxA Rate	0.0043
Increase/Decrease	0.0004
Current Month FxA Rate	<u>0.0047</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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