

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

Billing Period Covered: 26 September 2013 - 25 October 2013

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (43.1212 - 44.0494) \times 7,020,022.33 + (43.1212 - 44.0494) \times 0.00 / 12$$

$$= \underline{(6,515,984.73)}$$

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

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

$$= 43.1212 - 41.7429 \times 0.00$$

$$= 0.0000$$

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

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

$$= \underline{(6,515,984.73)} + 0.00 + 0.00$$

$$= \underline{(6,515,984.73)}$$

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

$$= \frac{\underline{(6,515,984.73)}}{54,183,844.46}$$

$$= \underline{(0.1203)}$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 September 2013 - 25 October 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	43.2482
Current Month DSA (pesos)	(6,515,984.73)
Less: Previous Month DSA (pesos)	(9,389,823.66)
Net	<u>2,873,838.93</u>
*Previous Month DSR + DSB	<u>506,855,930.40</u>
Percent Change	0.57%

Previous Month FxA Rate	0.1963
Increase/Decrease	<u>0.0011</u>
Current Month FxA Rate	0.1974

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(43.1212 - 44.0494) \times 3,355,440.11 + (43.1212 - 44.0494) \times 18,637,054.80 / 12$
 = **(4,556,095.70)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{Opex}}}) \times FxOpex$
 = $43.1212 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = **(4,556,095.70)** + 0.00 + 0.00
 = **(4,556,095.70)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(4,556,095.70)}{187,830,543.63}$
 = **(0.0243)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 September 2013 - 25 October 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	43.2482
Current Month DSA (pesos)	(4,556,095.70)
Less: Previous Month DSA (pesos)	(2,426,284.22)
Net	(2,129,811.48)
*Previous Month DSR + DSB	130,969,077.64
Percent Change	-1.63%
Previous Month FxA Rate	0.0046
Increase/Decrease	(0.0001)
Current Month FxA Rate	0.0045

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(43.1212 - 44.0494) \times 18,853.37 + (43.1212 - 44.0494) \times 0.00 / 12$
 = **(17,499.70)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{Opex}}}) \times FxOpex$
 = $43.1212 - 41.7429 \times 0.00$
 = **0.00**

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = **(17,499.70)** + 0.00 + 0.00
 = **(17,499.70)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(17,499.70)}{568,022,153.17}$
 = **(0.0000)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 September 2013 - 25 October 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	43.2482
Current Month DSR (pesos)	(17,499.70)
Less: Previous Month DSA (pesos)	(1,296,336.76)
Net	<u>1,278,837.06</u>
*Previous Month DSR + DSB	<u>69,975,326.38</u>
Real % Inc/Dec in Forex	1.83%
Capped % Inc/Dec in Forex	-10.00%
Previous Month FxA Rate	0.0031
Increase/Decrease	<u>0.0001</u>
Current Month FxA Rate	0.0032

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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