

**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 2015 - 25 October 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(46.2380 - 44.0494) \times 10,584,197.31 + (46.2380 - 44.0494) \times 140,018,373.28 / 12$
 = 48,701,591.87

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$
 = $(46.2380 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 48,701,591.87 + 0.00 + 0.00
 = 48,701,591.87

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{48,701,591.87}{30,038,550.44}$
 = 1.6213

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 September 2015 - 25 October 2015

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

Current Month DSA (pesos)	48,701,591.87
Less: Previous Month DSA (pesos)	49,182,121.17
Net	<u>(480,529.30)</u>
Previous Month DSR + DSB	911,002,046.56
Percent Change	-0.05%
Previous Month FxA Rate	0.2521
Increase/Decrease	<u>(0.0001)</u>
Current Month FxA Rate	0.2520

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(46.2380 - 44.0494) \times 1,441,792.85 + (46.2380 - 44.0494) \times 4,091,788.61 / 12$
 = 3,901,781.87

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
 = $(46.2380 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 3,901,781.87 + 0.00 + 0.00
 = 3,901,781.87

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{3,901,781.87}{30,868,054.31}$
 = 0.1264

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 September 2015 - 25 October 2015
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM

Current Month DSA (pesos)	3,901,781.87
Less: Previous Month DSA (pesos)	4,594,279.37
Net	(692,497.50)
Previous Month DSR + DSB	85,099,987.74
Percent Change	-0.81%
Previous Month FxA Rate	0.0064
Increase/Decrease	(0.0001)
Current Month FxA Rate	0.0063

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment
= $(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB / 12$
= $(46.2380 - 44.0494) \times 999,908.57 + (46.2380 - 44.0494) \times 6,580,673.21 / 12$
= 3,388,605.01

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
= $(FX_n - FX_{O_{Opex}}) \times FxOpex$
= $46.2380 - 41.7429 \times 0.00$
= 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
= $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
= $3,388,605.01 + 0.00 + 0.00$
= 3,388,605.01

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
= $\frac{3,388,605.01}{482,045,556.94}$
= 0.0070

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)	
Billing Period Covered: 26 September 2015 - 25 October 2015	
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM	
Current Month DSR (pesos)	3,388,605.01
Less: Previous Month DSA (pesos)	5,958,336.48
Net	<u>(2,569,731.47)</u>
Previous Month DSR + DSB	<u>110,366,462.45</u>
Percent Change	-2.33%
Previous Month FxA Rate	0.0047
Increase/Decrease	<u>(0.0001)</u>
Current Month FxA Rate	<u>0.0046</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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