

**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 2011 - 25 September 2011

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,778,555,153.97 - 2,325,976,544.31 + 0.00
 = 452,578,609.66

AFC^{/1} = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 N Gn}{NGo} \right)$
 = 2,778,555,153.97

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,512,981,227.78 - 3,153,371,686.48 + 0.00
 = 359,609,541.30

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{0.3 USCPI_n}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 226.545}{210.036} \right) \right] \frac{43.5144}{41.7429} + \frac{0.3 \times 174.00}{145.1} \right\}$
 = 3,512,981,227.78

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 452,578,609.66 + 359,609,541.30
 = 812,188,150.96

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{812,188,150.96}{113,435,424.00}$
 = 7.1599

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 August 2011 - 25 September 2011

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

Current Month FPPCA(pesos)	812,188,150.96
Less: Previous Month FPPCA (pesos)	740,375,764.88
Net	<u>71,812,386.07</u>
Divide by Previous Month AFC + APPC (pesos)	6,219,723,995.67
Percent Change	<u>1.155%</u>
Previous Month FPPCA Rate	0.4239
Increase/Decrease	<u>0.0049</u>
Current Month FPPCA Rate	0.4288

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 634,846,676.29 - 486,642,765.00 + 0.00
 = 148,203,911.29

$AFC^{/1}$ = FCB $\left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 634,846,676.29

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 798,393,357.36 - 716,665,090.00 + 0.00
 = 81,728,267.36

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPIn}{USCPlo} \right) \right] \left[\frac{FXn}{Fxo} + \frac{.3 CPIIn}{CPIo} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 226.545}{210.036} \right) \right] \left[\frac{43.5144}{41.7429} + \frac{0.3 \times 174.00}{145.1} \right] \right\}$
 = 798,393,357.36

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 148,203,911.29 + 81,728,267.36
 229,932,178.65

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{229,932,178.65}{230,936,184.00}$
 = 0.9957

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 August 2011 - 25 September 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	229,932,178.65
Less: Previous Month FPPCA (pesos)	206,602,943.24
Net	23,329,235.41
Divide by Previous Month AFC + APPC (pesos)	1,409,910,798.24
Percent Change	1.655%
Previous Month FPPCA Rate	0.2346
Increase/Decrease	0.0039
Current Month FPPCA Rate	0.2385

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 654,013,639.61 - 472,498,595.00 + 0.00
 = 181,515,044.61

$AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$
 = 654,013,639.61

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 613,613,252.69 - 550,800,170.00 + 0.00
 = 62,813,082.69

APPC = PPCB $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right) \left(\frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right) \right\}$
 = 550,800,170.00 $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{0.3 \times 226.545}{210.036} \right) \right) \left(\frac{43.5144}{41.7429} + \frac{0.3 \times 174.00}{145.1} \right) \right\}$
 = 613,613,252.69

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 181,515,044.61 + 62,813,082.69
 = 244,328,127.29

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{244,328,127.29}{679,655,650.00}$
 = 0.3595

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 August 2011 - 25 September 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	244,328,127.29
Less: Previous Month FPPCA (pesos)	230,051,519.79
Net	14,276,607.50
Divide by Previous Month AFC + APPC (pesos)	1,253,350,284.79
Percent Change	1.139%
Previous Month FPPCA Rate	0.0770
Increase/Decrease	0.0009
Current Month FPPCA Rate	0.0779

NOTES:

*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.

/1 Refer to the posted graph for MOPS fuel prices

AFC = Adjusted Fuel Costs in pesos

FCB = Fuel Costs Base is equal to (1.6811 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.2789 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (0.8961 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OFCA** = Other Fuel Costs Adjustment in Pesos

APPC = Adjusted Purchased Power Costs in pesos

PPCB = Power Purchase Costs Base is equal to (2.2791 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.8834 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (1.0446 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OPPCA** = Other Purchased Power Costs Adjustment in pesos

***The above calculation does not incorporate the OFCA and OPPCA as we are waiting for the decision in PSALM's response to ERC Case No. 2010-055MC**

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