

**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 2011 - 25 October 2011

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(43.2722 - 44.0494) \times 6,813,607.70 + (43.2722 - 44.0494) \times 359,889,521.11 / 12$
 = **(28,604,380.55)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{OPEX}}}) \times FxOpex$
 = $43.2722 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(28,604,380.55)** + 0.00 + 0.00
 = **(28,604,380.55)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(28,604,380.55)}{112,163,336.00}$
 = **(0.2550)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 September 2011 - 25 October 2011	
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 = PhP43.5144	
Current Month FPPCA(pesos)	(28,604,380.55)
Less: Previous Month FXA (pesos)	(22,234,874.36)
Net	(6,369,506.19)
*Previous Month DSR + DSB	<u>1,808,480,779.31</u>
Percent Change	-0.35%
Previous Month FXA Rate	0.1973
Increase/Decrease	(0.0007)
Current Month FPP	<u>0.1966</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (43.2722 - 44.0494) \times 3,431,208.66 + (43.2722 - 44.0494) \times 12,459,248.72 / 12$$

$$= (3,473,679.38)$$

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

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

$$= 43.2722 - 41.7429 \times 0.00$$

$$= 0.0000$$

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

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$$

$$= (3,473,679.38) + 0.00 + 0.00$$

$$= (3,473,679.38)$$

D. Fx_{rate}

$$= \frac{FxA_{\text{pesos}}}{\text{Sales}}$$

$$= \frac{(3,473,679.38)}{231,742,822.00}$$

$$= (0.0150)$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
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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 = PhP43.5144	
Current Month FPPCA(pesos)	(3,473,679.38)
Less: Previous Month FXA (pesos)	(1,344,720.10)
Net	(2,128,959.28)
*Previous Month DSR + DSB	109,373,249.31
Percent Change	-1.95%
Previous Month FXA Rate	0.0086
Increase/Decrease	(0.0002)
Current Month FPPCA Rate	0.0084

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment
= $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
= $(43.2722 - 44.0494) \times 18,952.42 + (43.2722 - 44.0494) \times 11,960,663.82 / 12$
= **(789,382.15)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
= $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
= $43.2722 - 41.7429 \times 0.00$
= 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
= $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
= **(789,382.15)** + 0.00 + 0.00
= **(789,382.15)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
= $\frac{\text{(789,382.15)}}{676,989,671.00}$
= **(0.0012)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 September 2011 - 25 October 2011	
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 = PhP43.5144	
Current Month FPPCA(pesos)	(789,382.15)
Less: Previous Month FXA (pesos)	(1,398,872.96)
Net	<u>609,490.81</u>
*Previous Month DSR + DSB	<u>113,777,789.43</u>
Percent Change	0.54%
Previous Month FXA Rate	0.0048
Increase/Decrease	<u>0.0000</u>
Current Month FPPCA Rate	0.0048

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

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

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