

AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COSTS AND FOREIGN-EXCHANGE RELATED COSTS BY



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AL POWER CORPORATION (NPC)*

Period: 26 March 2014 - 25 April 2014

FUEL AND PURCHASED POWER COST ADJUSTMENT

$$= AFC - FCB + UFCA$$

$$= 2,563,754,818.58 \quad - \quad 2,325,976,544.31 \quad + \quad 0.00$$

$$= 237,778,274.27$$

$$AFC^{2/} = FCB \left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 NGn}{NGo} \right)$$

$$= 2,563,754,818.58$$

B. PPCA_{pesos} = Purchased Power Costs Adjustment

$$= APPC - PPCB + OPPCA^{1/}$$

$$= 3,722,273,699.55 \quad - \quad 3,153,371,686.48 \quad + \quad 0.00$$

$$= 568,902,013.08$$

$$APPC = PPCB \left\{ 0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$$

$$= 3,153,371,686.48 \left\{ 0.40 + \left(\frac{0.3 \times \frac{236.293}{210.036}}{\frac{44.5434}{41.7429}} \right) + \frac{0.3 \times \frac{137.70}{105.0}}{\frac{44.5434}{41.7429}} \right\}$$

$$= 3,722,273,699.55$$

C. FPPCA_{pesos} = Fuel and Purchased Power Costs Adjustment

$$= FCA_{pesos} + PPCA_{pesos}$$

$$= 237,778,274.27 \quad + \quad 568,902,013.08$$

$$= 806,680,287.35$$

D. FPPCA_{rate} = $\frac{FPPCA_{pesos}}{Sales}$

Sales

$$= \frac{806,680,287.35}{34,019,280.92}$$

$$= 23.7124$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 March 2014 - 25 April 2014

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

Current Month FPPCA(pesos)	806,680,287.35
Less: Previous Month FPPCA (pesos)	828,393,629.59
Net	<u>(21,713,342.24)</u>
Divide by Previous Month AFC + APPC (pesos)	6,307,741,860.37
Percent Change	<u>-0.34%</u>
Previous Month FPPCA Rate	0.4299
Increase/Decrease	<u>(0.0015)</u>
Current Month FPPCA Rate	0.4284



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$$\begin{aligned}
 &= 470,415,649.78 && - && 486,642,765.00 && + && 0.00 \\
 &= (16,227,115.22) \\
 \text{AFC}^{/2} &= \text{FCB} \left(\frac{0.2041 \text{ Bn}}{\text{Bo}} + \frac{0.0998 \text{ Dn}}{\text{Do}} + \frac{0.5782 \text{ Cn}}{\text{Co}} + \frac{0.1179 \text{ Sn}^{3/}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \right) \\
 &= 470,415,649.78 \\
 \text{B. PPCA}_{\text{pesos}} &= \text{Purchased Power Costs Adjustment} \\
 &= \text{APPC} - \text{PPCB} + \text{OPPCA}'' \\
 &= 845,959,145.04 && - && 716,665,090.00 && + && 0.00 \\
 &= 129,294,055.04 \\
 \text{APPC} &= \text{PPCB} \left\{ 0.40 + \left(\frac{0.3 \text{ USCPI}_{\text{In}}^{3/}}{\text{USCPI}_{\text{lo}}} \right) \right\} + \left\{ \frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{0.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{lo}}} \right\} \\
 &= 716,665,090.00 \left\{ 0.40 + \left(\frac{0.3 \times 236.293}{210.036} \right) \frac{44.5434}{41.7429} \right\} + \frac{0.3 \times 137.70}{105.0} \\
 &= 845,959,145.04 \\
 \text{C. FPPCA}_{\text{pesos}} &= \text{Fuel and Purchased Power Costs Adjustment} \\
 &= \text{FCA}_{\text{pesos}} + \text{PPCA}_{\text{pesos}} \\
 &= (16,227,115.22) + 129,294,055.04 \\
 &= 113,066,939.82 \\
 \text{D. FPPCA}_{\text{rate}} &= \frac{\text{FPPCA}_{\text{pesos}}}{\text{Sales}} \\
 &= \frac{113,066,939.82}{138,690,873.00} \\
 &= 0.8152
 \end{aligned}$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 March 2014 - 25 April 2014

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

Current Month FPPCA(pesos)	113,066,939.82
Less: Previous Month FPPCA (pesos)	120,870,287.79
Net	<u>(7,803,347.97)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,324,178,142.79</u>
Percent Change	-0.59%
Previous Month FPPCA Rate	0.2202
Increase/Decrease	<u>(0.0013)</u>
Current Month FPPCA Rate	0.2189



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$$\begin{aligned}
 &= \text{AFC} - \text{FCB} + \text{OFCA}^{1/} \\
 &= 590,994,684.80 \quad - \quad 472,498,595.00 \quad + \quad 0.00 \\
 &= 118,496,089.80
 \end{aligned}$$

$$\begin{aligned}
 \text{AFC}^{/2} &= \text{FCB} \left(\frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}^{3/}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \right) \\
 &= 590,994,684.80
 \end{aligned}$$

B. $\text{PPCA}_{\text{pesos}}$ = Purchased Power Costs Adjustment

$$\begin{aligned}
 &= \text{APPC} - \text{PPCB} + \text{OPPCA}^{1/} \\
 &= 650,170,417.68 \quad - \quad 550,800,170.00 \quad + \quad 0.00 \\
 &= 99,370,247.68
 \end{aligned}$$

$$\begin{aligned}
 \text{APPC} &= \text{PPCB} \left\{ \left[0.40 + \left(\frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \right] \frac{\text{FX}n}{\text{FX}o} + \frac{0.3 \text{ CPI}n^{3/}}{\text{CPI}o} \right\} \\
 &= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 236.293}{210.036} \right) \frac{44.5434}{41.7429} \right] + \frac{0.3 \times 137.70}{105.0} \right\} \\
 &= 650,170,417.68
 \end{aligned}$$

C. $\text{FPPCA}_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment

$$\begin{aligned}
 &= \text{FCA}_{\text{pesos}} + \text{PPCA}_{\text{pesos}} \\
 &= 118,496,089.80 \quad + \quad 99,370,247.68 \\
 &= 217,866,337.48
 \end{aligned}$$

D. $\text{FPPCA}_{\text{rate}}$ = $\frac{\text{FPPCA}_{\text{pesos}}}{\text{Sales}}$

$$\begin{aligned}
 &= \frac{217,866,337.48}{467,781,282.00} \\
 &= 0.4657
 \end{aligned}$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 March 2014 - 25 April 2014

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

Current Month FPPCA(pesos)	217,866,337.48
Less: Previous Month FPPCA (pesos)	227,871,415.61
Net	(10,005,078.13)
Divide by Previous Month AFC + APPC (pesos)	1,251,170,180.61
Percent Change	-0.80%
Previous Month FPPCA Rate	0.0770
Increase/Decrease	(0.0006)
Current Month FPPCA Rate	0.0764



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NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amending Resolution 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.

1/ The above calculation does not incorporate the OFCA and OPPCA as PSALM is waiting for the decision relative to ERC Case No. 2010-055MC

2/ Refer to the posted graph for MOPS fuel prices

3/ The latest available data is until March 2014

AFC = Adjusted Fuel Costs in pesos

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

OFCA = Other Fuel Costs Adjustment in Pesos

APPC = Adjusted Purchased Power Costs in pesos

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

OPPCA = Other Purchased Power Costs Adjustment in pesos

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