

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

Billing Period Covered: 26 November 2011 - 25 December 2011

**AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT**

**LUZON**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 2,754,898,534.83 - 2,325,976,544.31 + 0.00  
 = 428,921,990.52

AFC<sup>/1</sup> = FCB  $\left( \frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right)$   
 = 2,754,898,534.83

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 3,538,598,654.16 - 3,153,371,686.48 + 0.00  
 = 385,226,967.68

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  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 226.23}{210.036} \right) \right] \frac{43.8314}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right\}$   
 = 3,538,598,654.16

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 428,921,990.52 + 385,226,967.68  
 = 814,148,958.20

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{814,148,958.20}{100,123,504.00}$   
 = 8.1314

**REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST**

Billing Period Covered: 26 November 2011 - 25 December 2011

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

|   |                        |
|---|------------------------|
| Current Month FPPCA(pesos)                  | 814,148,958.20         |
| Less: Previous Month FPPCA (pesos)          | 852,220,891.30         |
| Net   | <u>(38,071,933.10)</u> |
| Divide by Previous Month AFC + APPC (pesos) | 6,331,569,122.08       |
| Percent Change                              | <u>-0.601%</u>         |
| Previous Month FPPCA Rate                   | 0.4315                 |
| Increase/Decrease                           | <u>(0.0026)</u>        |
| Current Month FPPCA Rate                    | <u>0.4289</u>          |

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 601,070,492.71 - 486,642,765.00 + 0.00  
 = 114,427,727.71

$AFC^{/1}$  = FCB  $\left( \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 N Gn}{NGo} \right)$   
 = 601,070,492.71

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 804,215,416.10 - 716,665,090.00 + 0.00  
 = 87,550,326.10

APPC = PPCB  $\left\{ \left[ 0.40 + \left( \frac{3 USCPI_n}{USCPI_o} \right) \right] \left[ \frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right] \right\}$   
 = 716,665,090.00  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 226.23}{210.036} \right) \right] \left[ \frac{43.8314}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right] \right\}$   
 = 804,215,416.10

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 114,427,727.71 + 87,550,326.10  
 = 201,978,053.81

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{201,978,053.81}{202,553,021.00}$   
 = 0.9972

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST  |                         |
|--|-------------------------|
| Billing Period Covered: 26 November 2011 - 25 December 2011          |                         |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM |                         |
| Current Month FPPCA(pesos)   | 201,978,053.81          |
| Less: Previous Month FPPCA (pesos)                                   | 213,111,519.72          |
| Net  | <u>(11,133,465.91)</u>  |
| Divide by Previous Month AFC + APPC (pesos)                          | <u>1,416,419,374.72</u> |
| Percent Change   | -0.786%                 |
| Previous Month FPPCA Rate  | 0.2357                  |
| Increase/Decrease  | (0.0019)                |
| Current Month FPPCA Rate   | <u>0.2338</u>           |

**MINDANAO**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 663,555,787.95 - 472,498,595.00 + 0.00  
 = 191,057,192.95  
 $AFC^{/1}$  = FCB  $\left( \begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$   
 = 663,555,787.95

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 618,087,854.54 - 550,800,170.00 + 0.00  
 = 67,287,684.54  
 APPC = PPCB  $\left\{ \left[ \begin{array}{l} 0.40 + \left( \frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right] \left[ \begin{array}{l} \frac{\text{FX}_{\text{In}}}{\text{FX}_{\text{O}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \end{array} \right] \right\}$   
 = 550,800,170.00  $\left\{ \left[ \begin{array}{l} 0.40 + \left( \frac{0.3 \times 226.23}{210.036} \right) \right] \left[ \begin{array}{l} \frac{43.8314}{41.7429} + \frac{0.3 \times 175.50}{145.1} \end{array} \right] \right\}$   
 = 618,087,854.54

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}}$  +  $PPCA_{\text{pesos}}$   
 = 191,057,192.95 + 67,287,684.54  
 = 258,344,877.49

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{258,344,877.49}{658,596,079.00}$   
 = 0.3923

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST  |                        |
|--|------------------------|
| Billing Period Covered: 26 November 2011 - 25 December 2011          |                        |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM |                        |
| Current Month FPPCA(pesos)   | 258,344,877.49         |
| Less: Previous Month FPPCA (pesos)                                   | 273,007,477.18         |
| Net  | <u>(14,662,599.69)</u> |
| Divide by Previous Month AFC + APPC (pesos)                          | 1,296,306,242.18       |
| Percent Change   | <u>-1.131%</u>         |
| Previous Month FPPCA Rate  | 0.0797                 |
| Increase/Decrease  | <u>(0.0009)</u>        |
| Current Month FPPCA Rate   | <b>0.0788</b>          |

**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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