

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

Billing Period Covered: 26 January 2011 - 25 February 2011

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,650,034,015.08 - 2,325,976,544.31 + 0.00
 = 324,057,470.78

$AFC^{/1}$ = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGo}{NGo} \right)$
 = 2,650,034,015.08

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,456,936,795.26 - 3,153,371,686.48 + 0.00
 = 303,565,108.79

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 $\left\{ \left[0.40 + \left(\frac{0.3 \times 220.223}{210.036} \right) \right] \frac{43.5454}{41.7429} + \frac{0.3 \times 169.70}{145.1} \right\}$
 = 3,456,936,795.26

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 324,057,470.78 + 303,565,108.79
 = 627,622,579.56

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{627,622,579.56}{191,174,048.00}$
 = 3.2830

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST | |
|---|----------------------|
| Billing Period Covered: 26 January 2011 to 25 February 2011 | |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM | |
| Current Month FPPCA(pesos) | 627,622,579.56 |
| Less: Previous Month FPPCA (pesos) | 539,174,365.94 |
| Net | <u>88,448,213.63</u> |
| Divide by Previous Month AFC + APPC (pesos) | 6,018,522,596.72 |
| Percent Change | 1.470% |
| Previous Month FPPCA Rate | 0.4103 |
| Increase/Decrease | 0.0060 |
| Current Month FPPCA Rate | <u>0.4163</u> |

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 628,765,639.91 - 486,642,765.00 + 0.00
 = 142,122,874.91

$AFC^{/1}$ = FCB $\left[\begin{array}{c} \frac{0.2041 B_n}{Bo} + \frac{0.0998 D_n}{Do} + \frac{0.5782 C_n}{Co} + \frac{0.1179 S_n}{So} + \frac{0.00 N_{Gn}}{NGo} \end{array} \right]$
 = 628,765,639.91

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 785,656,169.28 - 716,665,090.00 + 0.00
 = 68,991,079.28

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 \text{ USCPI}_n}{\text{USCPI}_o} \right) \right] \frac{FX_n}{FX_o} + \frac{.3 \text{ CPI}_n}{\text{CPI}_o} \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 220.223}{210.036} \right) \right] \frac{43.5454}{41.7429} + \frac{0.3 \times 169.70}{145.1} \right\}$
 = 785,656,169.28

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 142,122,874.91 + 68,991,079.28
 = 211,113,954.19

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{211,113,954.19}{249,018,299.00}$
 = 0.8478

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 January 2011 to 25 February 2011

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

| | |
|---|------------------|
| Current Month FPPCA(pesos) | 211,113,954.19 |
| Less: Previous Month FPPCA (pesos) | 201,579,199.44 |
| Net | 9,534,754.74 |
| Divide by Previous Month AFC + APPC (pesos) | 1,404,887,054.44 |
| Percent Change | 0.679% |
| Previous Month FPPCA Rate | 0.2337 |
| Increase/Decrease | 0.0016 |
| Current Month FPPCA Rate | 0.2353 |

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

= AFC - FCB + OFCA

= 576,955,249.58 - 472,498,595.00 + 0.00

= 104,456,654.58

AFC^{11} = FCB $\left[\begin{array}{c} \frac{0.9967 B_n}{Bo} + \frac{0.0033 D_n}{Do} + \frac{0.00 C_n}{Co} + \frac{0.00 S_n}{So} + \frac{0.00 N_{Gn}}{NGo} \end{array} \right]$

= 576,955,249.58

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

= APPC - PPCB + OPPCA

= 603,823,958.55 - 550,800,170.00 + 0.00

= 53,023,788.55

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 \text{ USCPI}_n}{\text{USCPI}_o} \right) \right] \frac{FX_n}{FX_o} + \frac{.3 \text{ CPI}_n}{\text{CPI}_o} \right\}$

= 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 220.223}{210.036} \right) \right] \frac{43.5454}{41.7429} + \frac{0.3 \times 169.70}{145.1} \right\}$

= 603,823,958.55

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

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

= 104,456,654.58 + 53,023,788.55

= 157,480,443.13

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

= $\frac{157,480,443.13}{630,215,273.00}$

= 0.2499

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

| | |
|---|------------------|
| Current Month FPPCA(pesos) | 157,480,443.13 |
| Less: Previous Month FPPCA (pesos) | 111,315,486.93 |
| Net | 46,164,956.20 |
| Divide by Previous Month AFC + APPC (pesos) | 1,134,614,251.93 |
| Percent Change | 4.069% |
| Previous Month FPPCA Rate | 0.0697 |
| Increase/Decrease | 0.0028 |
| Current Month FPPCA Rate | 0.0725 |

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

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