

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

Billing Period Covered: 26 December 2010 - 25 January 2011

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,525,775,891.42 - 2,325,976,544.31 + 0.00
 = 199,799,347.12

$$AFC^{/1} = FCB \left(\frac{0.1751 B_n}{Bo} + \frac{0.0231 D_n}{Do} + \frac{0.1305 C_n}{Co} + \frac{0.2954 S_n}{So} + \frac{0.3759 N_{Gn}}{NGo} \right)$$

= 2,525,775,891.42

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,492,746,705.30 - 3,153,371,686.48 + 0.00
 = 339,375,018.82

$$APPC = PPCB \left\{ \left[0.40 + \left(\frac{0.3 \text{ USCPI}_n}{\text{USCPI}_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 \text{ CPI}_n}{\text{CPI}_o} \right\}$$

$$= 3,153,371,686.48 \left\{ \left[0.40 + \left(\frac{0.3 \times 219.179}{210.036} \right) \right] \frac{44.4586}{41.7429} + \frac{0.3 \times 168.40}{145.1} \right\}$$

= 3,492,746,705.30

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 199,799,347.12 + 339,375,018.82
 = 539,174,365.94

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{539,174,365.94}{297,341,436.00}$
 = 1.8133

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 December 2010 to 25 January 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	539,174,365.94
Less: Previous Month FPPCA (pesos)	414,268,064.04
Net	<u>124,906,301.90</u>
Divide by Previous Month AFC + APPC (pesos)	5,893,616,294.82
Percent Change	2.119%
Previous Month FPPCA Rate	0.4018
Increase/Decrease	0.0085
Current Month FPPCA Rate	<u>0.4103</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 611,092,386.14 - 486,642,765.00 + 0.00
 = 124,449,621.14

$AFC^{/1}$ = FCB $\left(\begin{array}{c} \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 N Gn}{NGo} \end{array} \right)$
 = 611,092,386.14

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 793,794,668.30 - 716,665,090.00 + 0.00
 = 77,129,578.30

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPI_n}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 219.179}{210.036} \right) \right] \frac{44.4586}{41.7429} + \frac{0.3 \times 168.40}{145.1} \right\}$
 = 793,794,668.30

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 124,449,621.14 + 77,129,578.30
 = 201,579,199.44

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{201,579,199.44}{312,015,066.00}$
 = 0.6461

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 December 2010 to 25 January 2011

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

Current Month FPPCA(pesos)	201,579,199.44
Less: Previous Month FPPCA (pesos)	154,935,850.74
Net	46,643,348.71
Divide by Previous Month AFC + APPC (pesos)	1,358,243,705.74
Percent Change	3.434%
Previous Month FPPCA Rate	0.2259
Increase/Decrease	0.0078
Current Month FPPCA Rate	0.2337

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 524,535,368.02 - 472,498,595.00 + 0.00
 = 52,036,773.02

AFC^{11} = FCB $\left[\begin{array}{c} \frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn}{So} + \frac{0.00 NGo}{NGo} \end{array} \right]$
 = 524,535,368.02

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 610,078,883.91 - 550,800,170.00 + 0.00
 = 59,278,713.91

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPI_n}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right\}$
 = 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 219.179}{210.036} \right) \right] \frac{44.4586}{41.7429} + \frac{0.3 \times 168.40}{145.1} \right\}$
 = 610,078,883.91

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 52,036,773.02 + 59,278,713.91
 = 111,315,486.93

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{111,315,486.93}{632,083,203.00}$
 = 0.1761

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 December 2010 to 25 January 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	111,315,486.93
Less: Previous Month FPPCA (pesos)	87,588,844.84
Net	23,726,642.09
Divide by Previous Month AFC + APPC (pesos)	1,110,887,609.84
Percent Change	2.136%
Previous Month FPPCA Rate	0.0682
Increase/Decrease	0.0015
Current Month FPPCA Rate	0.0697

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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