

**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 2014 - 25 January 2015

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 1,960,117,186.24 - 2,325,976,544.31 + 0.00
 = (365,859,358.07)

$AFC^{2/}$ = $FCB \left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right]$
 = 1,960,117,186.24

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,744,071,398.45 - 3,153,371,686.48 + 0.00
 = 590,699,711.98

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{FXo} + \left[\frac{0.3 CPI n^{3/}}{CPI o} \right] \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 234.812}{210.036} \right) \frac{44.6098}{41.7429} \right] + \frac{0.3 \times 140.50}{105.0} \right\}$
 = 3,744,071,398.45

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (365,859,358.07) + 590,699,711.98
 = 224,840,353.91

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{224,840,353.91}{36,709,710.00}$
 = 6.1248

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 December 2014 - 25 January 2015

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

Current Month FPPCA(pesos)	224,840,353.91
Less: Previous Month FPPCA (pesos)	353,161,790.91
Net	<u>(128,321,437.00)</u>
Divide by Previous Month AFC + APPC (pesos)	5,832,510,021.69
Percent Change	-2.20%
Previous Month FPPCA Rate	0.3976
Increase/Decrease	<u>(0.0087)</u>
Current Month FPPCA Rate	0.3889

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 $= AFC - FCB + OFCA^{1/}$
 $= 369,862,049.56 \quad - \quad 486,642,765.00 \quad + \quad 0.00$
 $= (116,780,715.44)$

$AFC^{/2} = FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 NGn}{NGo} \right)$
 $= 369,862,049.56$

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 $= APPC - PPCB + OPPCA^{1/}$
 $= 850,913,096.37 \quad - \quad 716,665,090.00 \quad + \quad 0.00$
 $= 134,248,006.37$

$APPC = PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 $= 716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 234.812}{210.036} \right) \right] \frac{44.6098}{41.7429} + \frac{0.3 \times 140.50}{105.0} \right\}$
 $= 850,913,096.37$

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 $= (116,780,715.44) \quad + \quad 134,248,006.37$
 $= 17,467,290.93$

D. $FPPCA_{\text{rate}} = \frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 $= \frac{17,467,290.93}{152,140,888.47}$
 $= 0.1148$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 December 2014 - 25 January 2015

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

Current Month FPPCA(pesos)	17,467,290.93
Less: Previous Month FPPCA (pesos)	36,750,601.80
Net	<u>(19,283,310.87)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,240,058,456.80</u>
Percent Change	-1.56%
Previous Month FPPCA Rate	0.2061
Increase/Decrease	<u>(0.0032)</u>
Current Month FPPCA Rate	0.2029

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

$$= AFC - FCB + OFCA^{1/}$$

$$= 377,651,063.98 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (94,847,531.02)$$

$$AFC^{/2} = FCB \left(\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 NGn}{NGo} \right)$$

$$= 377,651,063.98$$

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

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

$$= 653,977,826.85 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 103,177,656.85$$

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

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 234.812}{210.036} \right) \right] \frac{44.6098}{41.7429} + \frac{0.3 \times 140.50}{105.0} \right\}$$

$$= 653,977,826.85$$

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

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

$$= (94,847,531.02) \quad + \quad 103,177,656.85$$

$$= 8,330,125.83$$

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

$$= \frac{8,330,125.83}{605,931,420.20} = 0.0137$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 December 2014 - 25 January 2015	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	8,330,125.83
Less: Previous Month FPPCA (pesos)	53,091,710.92
Net	(44,761,585.09)
Divide by Previous Month AFC + APPC (pesos)	1,076,390,475.92
Percent Change	-4.16%
Previous Month FPPCA Rate	0.0662
Increase/Decrease	(0.0028)
Current Month FPPCA Rate	0.0634

NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amending Resolution No. 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 December 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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