

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

Billing Period Covered: 26 June 2011 - 25 July 2011

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

**LUZON**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 2,789,468,421.38 - 2,325,976,544.31 + 0.00  
 = 463,491,877.07

AFC<sup>1</sup> = FCB  $\left( \frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right)$   
 = 2,789,468,421.38

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 3,466,338,112.14 - 3,153,371,686.48 + 0.00  
 = 312,966,425.66

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  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 225.722}{210.036} \right) \right] \frac{42.7544}{41.7429} + \frac{0.3 \times 173.80}{145.1} \right\}$   
 = 3,466,338,112.14

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 463,491,877.07 + 312,966,425.66  
 = 776,458,302.73

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{776,458,302.73}{180,169,549.00}$   
 = 4.3096

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

Billing Period Covered: 26 June 2011 - 25 July 2011

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

Current Month FPPCA(pesos)	776,458,302.73
Less: Previous Month FPPCA (pesos)	816,545,201.58
Net	<u>(40,086,898.85)</u>
Divide by Previous Month AFC + APPC (pesos)	6,295,893,432.37
Percent Change	<u>-0.637%</u>
Previous Month FPPCA Rate	0.4291
Increase/Decrease	<u>(0.0027)</u>
Current Month FPPCA Rate	<u>0.4264</u>

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 629,013,574.15 - 486,642,765.00 + 0.00  
 = 142,370,809.15

$AFC^{/1}$  = FCB  $\left( \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 N Gn}{NGo} \right)$   
 = 629,013,574.15

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 787,792,801.51 - 716,665,090.00 + 0.00  
 = 71,127,711.51

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  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 225.722}{210.036} \right) \right] \left[ \frac{42.7544}{41.7429} + \frac{0.3 \times 173.80}{145.1} \right] \right\}$   
 = 787,792,801.51

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 142,370,809.15 + 71,127,711.51  
 = 213,498,520.66

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{213,498,520.66}{231,443,460.00}$   
 = 0.9225

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2011 - 25 July 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	213,498,520.66
Less: Previous Month FPPCA (pesos)	219,164,170.55
Net	<u>(5,665,649.89)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,422,472,025.55</u>
Percent Change	-0.398%
Previous Month FPPCA Rate	0.2366
Increase/Decrease	(0.0009)
Current Month FPPCA Rate	<u>0.2357</u>

**MINDANAO**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA  
 = 654,524,716.14 - 472,498,595.00 + 0.00  
 = 182,026,121.14

$AFC^{/1}$  = FCB  $\left( \begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$   
 = 654,524,716.14

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA  
 = 605,466,088.77 - 550,800,170.00 + 0.00  
 = 54,665,918.77

APPC = PPCB  $\left\{ \left( \begin{array}{l} 0.40 + \left( \frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right) \left( \frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right) \right\}$   
 = 550,800,170.00  $\left\{ \left( \begin{array}{l} 0.40 + \left( \frac{0.3 \times 225.722}{210.036} \right) \right) \left( \frac{42.7544}{41.7429} + \frac{0.3 \times 173.80}{145.1} \right) \right\}$   
 = 605,466,088.77

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}}$  +  $PPCA_{\text{pesos}}$   
 = 182,026,121.14 + 54,665,918.77  
 = 236,692,039.91

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{236,692,039.91}{659,962,651.00}$   
 = 0.3586

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2011 - 25 July 2011	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	236,692,039.91
Less: Previous Month FPPCA (pesos)	242,536,292.07
Net	<b>(5,844,252.16)</b>
Divide by Previous Month AFC + APPC (pesos)	1,265,835,057.07
Percent Change	-0.462%
Previous Month FPPCA Rate	0.0778
Increase/Decrease	(0.0004)
<b>Current Month FPPCA Rate</b>	<b>0.0774</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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