

**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 2014 - 25 July 2014

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 2,528,501,368.57 - 2,325,976,544.31 + 0.00
 = 202,524,824.26

$AFC^{2/}$ = $FCB \left[\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right]$
 = 2,528,501,368.57

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 3,685,155,330.20 - 3,153,371,686.48 + 0.00
 = 531,783,643.72

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPIn^{3/}}{USCPlo} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPIn^{3/}}{CPIo} \right\}$
 = 3,153,371,686.48 $\left\{ \left[0.40 + \left(\frac{0.3 \times 238.343}{210.036} \right) \frac{43.3976}{41.7429} \right] + \frac{0.3 \times 139.60}{105.0} \right\}$
 = 3,685,155,330.20

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 202,524,824.26 + 531,783,643.72
 = 734,308,467.98

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{734,308,467.98}{37,472,566.20}$
 = 19.5959

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 June 2014 - 25 July 2014

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

Current Month FPPCA(pesos)	734,308,467.98
Less: Previous Month FPPCA (pesos)	788,290,662.95
Net	<u>(53,982,194.97)</u>
Divide by Previous Month AFC + APPC (pesos)	6,267,638,893.73
Percent Change	-0.86%
Previous Month FPPCA Rate	0.4272
Increase/Decrease	<u>(0.0037)</u>
Current Month FPPCA Rate	0.4235

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 456,105,758.99 - 486,642,765.00 + 0.00
 = (30,537,006.01)

$AFC^{/2}$ = $FCB \left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$
 = 456,105,758.99

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 837,523,273.17 - 716,665,090.00 + 0.00
 = 120,858,183.17

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI n^{3/}}{USCPI o} \right) \right] \frac{FXn}{Fxo} + \frac{0.3 CPI n}{CPI o} \right\}$
 = $716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 238.343}{210.036} \right) \right] \frac{43.3976}{41.7429} + \frac{0.3 \times 139.60}{105.0} \right\}$
 = 837,523,273.17

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = (30,537,006.01) + 120,858,183.17
 = 90,321,177.16

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{90,321,177.16}{179,724,579.54}$
 = 0.5026

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2014 - 25 July 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	90,321,177.16
Less: Previous Month FPPCA (pesos)	107,124,186.51
Net	(16,803,009.35)
Divide by Previous Month AFC + APPC (pesos)	1,310,432,041.51
Percent Change	-1.28%
Previous Month FPPCA Rate	0.2180
Increase/Decrease	(0.0028)
Current Month FPPCA Rate	0.2152

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = $AFC - FCB + OFCA^{1/}$
 = 596,602,397.64 - 472,498,595.00 + 0.00
 = 124,103,802.64

$AFC^{/2}$ = $FCB \left(\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 NGo}{NGo} \right)$
 = 596,602,397.64

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = $APPC - PPCB + OPPCA^{1/}$
 = 643,686,943.42 - 550,800,170.00 + 0.00
 = 92,886,773.42

$APPC$ = $PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$
 = 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 238.343}{210.036} \right) \right] \frac{43.3976}{41.7429} + \frac{0.3 \times 139.60}{105.0} \right\}$
 = 643,686,943.42

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 124,103,802.64 + 92,886,773.42
 = 216,990,576.06

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{216,990,576.06}{647,198,231.58}$
 = 0.3353

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 June 2014 - 25 July 2014	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	216,990,576.06
Less: Previous Month FPPCA (pesos)	233,470,634.33
Net	(16,480,058.26)
Divide by Previous Month AFC + APPC (pesos)	1,256,769,399.33
Percent Change	-1.31%
Previous Month FPPCA Rate	0.0773
Increase/Decrease	(0.0010)
Current Month FPPCA Rate	0.0763

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 June 2014

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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