

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

Billing Period Covered: 26 May 2012 - 25 June 2012

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,539,036,134.53 - 2,325,976,544.31 + 0.00
 = 213,059,590.22

AFC^{/1} = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right)$
 = 2,539,036,134.53

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,466,315,138.23 - 3,153,371,686.48 + 0.00
 = 312,943,451.76

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 $\left\{ \left[0.40 + \left(\frac{0.3 \times 229.815}{210.036} \right) \right] \frac{42.2330}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right\}$
 = 3,466,315,138.23

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 213,059,590.22 + 312,943,451.76
 = 526,003,041.98

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{526,003,041.98}{74,059,185.00}$
 = 7.1025

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 May 2012 - 25 June 2012

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

Current Month FPPCA(pesos)	526,003,041.98
Less: Previous Month FPPCA (pesos)	783,800,527.34
Net	<u>(257,797,485.35)</u>
Divide by Previous Month AFC + APPC (pesos)	6,263,148,758.12
Percent Change	<u>-4.116%</u>
Previous Month FPPCA Rate	0.4268
Increase/Decrease	<u>(0.0176)</u>
Current Month FPPCA Rate	<u>0.4092</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 512,421,608.21 - 486,642,765.00 + 0.00
 = 25,778,843.21

$AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 N Gn}{NGo} \end{array} \right)$
 = 512,421,608.21

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 787,787,580.25 - 716,665,090.00 + 0.00
 = 71,122,490.25

APPC = PPCB $\left\{ \left[\left(0.40 + \left[\frac{3 USCPI_n}{USCPI_o} \right] \right) \left(\frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right) \right] \right\}$
 = 716,665,090.00 $\left\{ \left[\left(0.40 + \left[\frac{0.3 \times 229.815}{210.036} \right] \right) \left(\frac{42.2330}{41.7429} \right) \right] + \frac{0.3 \times 175.30}{145.1} \right\}$
 = 787,787,580.25

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 25,778,843.21 + 71,122,490.25
 = 96,901,333.46

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{96,901,333.46}{195,142,918.00}$
 = 0.4966

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 May 2012 - 25 June 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	96,901,333.46
Less: Previous Month FPPCA (pesos)	160,115,392.62
Net	<u>(63,214,059.17)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,363,423,247.62</u>
Percent Change	-4.636%
Previous Month FPPCA Rate	0.2267
Increase/Decrease	(0.0105)
Current Month FPPCA Rate	<u>0.2162</u>

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 610,009,159.44 - 472,498,595.00 + 0.00
 = 137,510,564.44
 $AFC^{/1}$ = FCB $\left(\frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \right)$
 = 610,009,159.44

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 605,462,075.91 - 550,800,170.00 + 0.00
 = 54,661,905.91
 APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right] \left[\frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right] \right\}$
 = 550,800,170.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 229.815}{210.036} \right) \right] \left[\frac{42.2330}{41.7429} + \frac{0.3 \times 175.30}{145.1} \right] \right\}$
 = 605,462,075.91

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 137,510,564.44 + 54,661,905.91
 = 192,172,470.35

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{192,172,470.35}{632,807,537.00}$
 = 0.3037

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 May 2012 - 25 June 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	192,172,470.35
Less: Previous Month FPPCA (pesos)	270,186,307.08
Net	<u>(78,013,836.72)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,293,485,072.08</u>
Percent Change	-6.031%
Previous Month FPPCA Rate	0.0796
Increase/Decrease	<u>(0.0048)</u>
Current Month FPPCA Rate	<u>0.0748</u>

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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