

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

Billing Period Covered: 26 February 2014 - 25 March 2014

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

**LUZON**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 =  $AFC - FCB + OFCA^{1/}$   
 = 2,566,525,676.63 - 2,325,976,544.31 + 0.00  
 = 240,549,132.32

$AFC^{2/}$  =  $FCB \left( \frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 N Gn}{NGo} \right)$   
 = 2,566,525,676.63

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 =  $APPC - PPCB + OPPCA^{1/}$   
 = 3,741,216,183.75 - 3,153,371,686.48 + 0.00  
 = 587,844,497.27

$APPC$  =  $PPCB \left\{ \left[ 0.40 + \left( \frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$   
 = 3,153,371,686.48  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 234.781}{210.036} \right) \frac{44.9990}{41.7429} \right] + \frac{0.3 \times 137.80}{105.0} \right\}$   
 = 3,741,216,183.75

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = 240,549,132.32 + 587,844,497.27  
 = 828,393,629.59

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{828,393,629.59}{22.8239}$   
 = 36,295,053.00  
 = 22.8239

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

Billing Period Covered: 26 February 2014 - 25 March 2014

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

Current Month FPPCA(pesos)	828,393,629.59
Less: Previous Month FPPCA (pesos)	832,746,893.06
Net	<u>(4,353,263.46)</u>
Divide by Previous Month AFC + APPC (pesos)	6,312,095,123.84
Percent Change	<u>-0.07%</u>
Previous Month FPPCA Rate	0.4302
Increase/Decrease	(0.0003)
Current Month FPPCA Rate	<u>0.4299</u>

AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COSTS AND FOREIGN-EXCHANGE RELATED COSTS BY  
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AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 =  $AFC - FCB + OFCA^{1/}$   
 = 473,913,949.54 - 486,642,765.00 + 0.00  
 = (12,728,815.46)

$AFC^{1/2}$  =  $FCB \left[ \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 Ngn}{NGo} \right]$   
 = 473,913,949.54

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 =  $APPC - PPCB + OPPCA^{1/}$   
 = 850,264,193.26 - 716,665,090.00 + 0.00  
 = 133,599,103.26

$APPC$  =  $PPCB \left\{ \left[ 0.40 + \frac{0.3 USCPI_n^{3/}}{USCPI_o} \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$   
 =  $716,665,090.00 \left\{ \left[ 0.40 + \frac{0.3 \times 234.781}{210.036} \right] \frac{44.9990}{41.7429} + \frac{0.3 \times 137.80}{105.0} \right\}$   
 = 850,264,193.26

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = (12,728,815.46) + 133,599,103.26  
 = 120,870,287.79

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{120,870,287.79}{131,031,147.00}$   
 = 0.9225

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

Billing Period Covered: 26 February 2014 - 25 March 2014

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

Current Month FPPCA(pesos)	120,870,287.79
Less: Previous Month FPPCA (pesos)	127,153,063.48
Net	<u>(6,282,775.69)</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,330,460,918.48</u>
Percent Change	-0.47%
Previous Month FPPCA Rate	0.2212
Increase/Decrease	<u>(0.0010)</u>
Current Month FPPCA Rate	0.2202

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AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

**MINDANAO**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment

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

$$= 597,691,074.78 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= 125,192,479.78$$

$$AFC^{/2} = FCB \left[ \frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right]$$

$$= 597,691,074.78$$

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

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

$$= 653,479,105.83 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 102,678,935.83$$

$$APPC = PPCB \left\{ \left[ 0.40 + \left( \frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \right] \frac{FXn}{FXo} + \frac{0.3 \text{ CPI}n^{3/}}{\text{CPI}o} \right\}$$

$$= 550,800,170.00 \left\{ \left[ 0.40 + \left( \frac{0.3 \times 234.781}{210.036} \right) \frac{44.9990}{41.7429} \right] + \frac{0.3 \times 137.80}{105.0} \right\}$$

$$= 653,479,105.83$$

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

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

$$= 125,192,479.78 \quad + \quad 102,678,935.83$$

$$= 227,871,415.61$$

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

$$= \frac{227,871,415.61}{587,412,461.00}$$

$$= 0.3879$$

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

Billing Period Covered: 26 February 2014 - 25 March 2014

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

Current Month FPPCA(pesos)	227,871,415.61
Less: Previous Month FPPCA (pesos)	232,690,439.85
Net	(4,819,024.24)
Divide by Previous Month AFC + APPC (pesos)	1,255,989,204.85
Percent Change	-0.38%
Previous Month FPPCA Rate	0.0773
Increase/Decrease	(0.0003)
Current Month FPPCA Rate	0.0770

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**Billing Period Covered: 26 February 2014 - 25 March 2014**

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

**NOTES:**

\*Calculation is based on ERC Resolution Nos. 19 and 25 (amending Resolution 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 February 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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