

**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 2013 - 25 March 2013

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,659,856,309.38 - 2,325,976,544.31 + 0.00
 = 333,879,765.07

AFC¹ = FCB $\left(\frac{0.1751 \text{ Bn}}{\text{Bo}} + \frac{0.0231 \text{ Dn}}{\text{Do}} + \frac{0.1305 \text{ Cn}}{\text{Co}} + \frac{0.2954 \text{ Sn}}{\text{So}} + \frac{0.3759 \text{ NGn}}{\text{NGo}} \right)$
 = 2,659,856,309.38

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,444,172,657.51 - 3,153,371,686.48 + 0.00
 = 290,800,971.03

APPC = PPCB $\left\{ \left\{ 0.40 + \left[\frac{0.3 \text{ USCPIn}}{\text{USCPlo}} \right] \right\} \frac{\text{FXn}}{\text{Fxo}} + \frac{0.3 \text{ CPIIn}}{\text{CPIlo}} \right\}$
 = 3,153,371,686.48 $\left\{ \left\{ 0.40 + \left[\frac{0.3 \times 232.166}{210.036} \right] \right\} \frac{40.7344}{41.7429} + \frac{0.3 \times 132.40}{105.0} \right\}$
 = 3,444,172,657.51

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 333,879,765.07 + 290,800,971.03
 = 624,680,736.11

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{624,680,736.11}{64,583,712.00}$
 = 9.6724

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST | |
|--|------------------------|
| Billing Period Covered: 26 February 2013 - 25 March 2013 | |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM | |
| Current Month FPPCA(pesos) | 624,680,736.11 |
| Less: Previous Month FPPCA (pesos) | 699,660,531.09 |
| Net | <u>(74,979,794.98)</u> |
| Divide by Previous Month AFC + APPC (pesos) | 6,179,008,761.87 |
| Percent Change | -1.21% |
| Previous Month FPPCA Rate | 0.4211 |
| Increase/Decrease | <u>(0.0051)</u> |
| Current Month FPPCA Rate | 0.4160 |

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 533,535,316.37 - 486,642,765.00 + 0.00
 = 46,892,551.37
 $AFC^{/1}$ = FCB $\left(\frac{0.2041 B_n}{Bo} + \frac{0.0998 D_n}{Do} + \frac{0.5782 C_n}{Co} + \frac{0.1179 S_n}{So} + \frac{0.00 N_{Gn}}{NGo} \right)$
 = 533,535,316.37

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 782,755,270.54 - 716,665,090.00 + 0.00
 = 66,090,180.54
 APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPIn}{USCPlo} \right) \right] \left[\frac{FXn}{Fxo} + \frac{0.3 CPIIn}{CPIo} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 232.166}{210.036} \right) \right] \left[\frac{40.7344}{41.7429} + \frac{0.3 \times 132.40}{105.0} \right] \right\}$
 = 782,755,270.54

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 46,892,551.37 + 66,090,180.54
 = 112,982,731.91

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{112,982,731.91}{199,812,397.00}$
 = 0.5654

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST | |
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| Billing Period Covered: 26 February 2013 - 25 March 2013 | |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM | |
| Current Month FPPCA(pesos) | 112,982,731.91 |
| Less: Previous Month FPPCA (pesos) | 126,597,870.51 |
| Net | (13,615,138.59) |
| Divide by Previous Month AFC + APPC (pesos) | 1,329,905,725.51 |
| Percent Change | -1.02% |
| Previous Month FPPCA Rate | 0.2212 |
| Increase/Decrease | (0.0023) |
| Current Month FPPCA Rate | 0.2189 |

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 629,805,045.91 - 472,498,595.00 + 0.00
 = 157,306,450.91

$AFC^{/1}$ = FCB $\left\{ \begin{array}{l} \underline{0.9967 \text{ Bn}} \\ \text{Bo} \end{array} \right\} + \left\{ \begin{array}{l} \underline{0.0033 \text{ Dn}} \\ \text{Do} \end{array} \right\} + \left\{ \begin{array}{l} \underline{0.00 \text{ Cn}} \\ \text{Co} \end{array} \right\} + \left\{ \begin{array}{l} \underline{0.00 \text{ Sn}} \\ \text{So} \end{array} \right\} + \left\{ \begin{array}{l} \underline{0.00 \text{ NGn}} \\ \text{NGo} \end{array} \right\}$

= 629,805,045.91

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 601,594,443.62 - 550,800,170.00 + 0.00
 = 50,794,273.62

APPC = PPCB $\left\{ \begin{array}{l} 0.40 \\ \text{USCPIo} \end{array} \right\} + \left\{ \begin{array}{l} 3 \text{ USCPI n} \\ \text{USCPIo} \end{array} \right\}$ + $\left\{ \begin{array}{l} \text{FXn} + 0.3 \text{ CPI n} \\ \text{FXo} + 0.3 \text{ CPIo} \end{array} \right\}$

= 550,800,170.00 + $\left\{ \begin{array}{l} \underline{0.3 \times 232.166} \\ 210.036 \end{array} \right\} \left\{ \begin{array}{l} \underline{40.7344} \\ 41.7429 \end{array} \right\} + \left\{ \begin{array}{l} \underline{0.3 \times 132.40} \\ 105.0 \end{array} \right\}$

= 601,594,443.62

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 157,306,450.91 + 50,794,273.62
 = 208,100,724.53

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{208,100,724.53}{601,699,121.00}$
 = 0.3459

| REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST | |
|--|------------------|
| Billing Period Covered: 26 February 2013 - 25 March 2013 | |
| Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM | |
| Current Month FPPCA(pesos) | 208,100,724.53 |
| Less: Previous Month FPPCA (pesos) | 219,102,780.59 |
| Net | (11,002,056.06) |
| Divide by Previous Month AFC + APPC (pesos) | 1,242,401,545.59 |
| Percent Change | -0.89% |
| Previous Month FPPCA Rate | 0.0765 |
| Increase/Decrease | (0.0007) |
| Current Month FPPCA Rate | 0.0758 |

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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