

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

Billing Period Covered: 26 September 2015 - 25 October 2015

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos}	= Fuel Cost Adjustment									
	= AFC - FCB + OFCA ^{1/}									
	= 1,657,421,028.79	-	2,325,976,544.31	+	0.00					
	= (668,555,515.51)									
AFC ^{2/}	= FCB	$\left\{ \frac{0.1751 \text{ Bn}}{\text{Bo}} \right\}$	+	$\frac{0.0231 \text{ Dn}}{\text{Do}}$	+	$\frac{0.1305 \text{ Cn}}{\text{Co}}$	+	$\frac{0.2954 \text{ Sn}^{3/}}{\text{So}}$	+	$\frac{0.3759 \text{ NGo}}{\text{NGo}}$
	= 1,657,421,028.79									
B. $PPCA_{\text{pesos}}$	= Purchased Power Costs Adjustment									
	= APPC - PPCB + OPPCA ^{1/}									
	= 3,858,262,555.21	-	3,153,371,686.48	+	0.00					
	= 704,890,868.73									
APPC	= PPCB	$\left\{ 0.40 + \left(\frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \frac{\text{FX}n}{\text{FX}o} + \frac{0.3 \text{ CPI}n^{3/}}{\text{CPI}o} \right\}$								
	= 3,153,371,686.48	$\left\{ 0.40 + \left(\frac{0.3 \times 237.945}{210.036} \right) \frac{46.2380}{41.7429} \right\}$	+	$\frac{0.3 \times 141.40}{105.0}$						
	= 3,858,262,555.21									
C. $FPPCA_{\text{pesos}}$	= Fuel and Purchased Power Costs Adjustment									
	= $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$									
	= (668,555,515.51)	+	704,890,868.73							
	= 36,335,353.22									
D. $FPPCA_{\text{rate}}$	= $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$									
	= $\frac{36,335,353.22}{30,038,550.44}$									
	= 1.2096									

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2015 - 25 October 2015

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

Current Month FPPCA(pesos)	36,335,353.22
Less: Previous Month FPPCA (pesos)	90,774,355.75
Net	<u>(54,439,002.53)</u>
Divide by Previous Month AFC + APPC (pesos)	5,570,122,586.53
Percent Change	<u>-0.98%</u>
Previous Month FPPCA Rate	0.3796
Increase/Decrease	<u>(0.0037)</u>
Current Month FPPCA Rate	0.3759

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment

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

= 304,105,292.40 - 486,642,765.00 + 0.00

= (182,537,472.60)

$$AFC^{1/2} = FCB \left\{ \frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right\}$$

= 304,105,292.40

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

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

= 876,865,259.25 - 716,665,090.00 + 0.00

= 160,200,169.25

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

$$= 716,665,090.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 237.945}{210.036} \right) \right] \frac{46.2380}{41.7429} + \frac{0.3 \times 141.40}{105.0} \right\}$$

= 876,865,259.25

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

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

= (182,537,472.60) + 160,200,169.25

= (22,337,303.35)

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

= $\frac{(22,337,303.35)}{30,868,054.31}$

= -0.7236

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2015 - 25 October 2015

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

Current Month FPPCA(pesos)	(22,337,303.35)
Less: Previous Month FPPCA (pesos)	302,498.82
Net	(22,639,802.18)
Divide by Previous Month AFC + APPC (pesos)	1,203,610,353.82
Percent Change	-1.88%
Previous Month FPPCA Rate	0.2000
Increase/Decrease	(0.0038)
Current Month FPPCA Rate	0.1962

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment

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

$$= 240,282,613.32 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= (232,215,981.68)$$

$$AFC^{1/2} = FCB \left(\frac{0.9967 Bn}{Bo} + \frac{0.0033 Dn}{Do} + \frac{0.00 Cn}{Co} + \frac{0.00 Sn^{3/}}{So} + \frac{0.00 N Gn}{NGo} \right)$$

$$= 240,282,613.32$$

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

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

$$= 673,923,622.90 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 123,123,452.90$$

$$APPC = PPCB \left\{ \left[0.40 + \left(\frac{0.3 USCPI_n^{3/}}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n^{3/}}{CPI_o} \right\}$$

$$= 550,800,170.00 \left\{ \left[0.40 + \left(\frac{0.3 \times 237.945}{210.036} \right) \right] \frac{46.2380}{41.7429} + \frac{0.3 \times 141.40}{105.0} \right\}$$

$$= 673,923,622.90$$

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

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

$$= (232,215,981.68) \quad + \quad 123,123,452.90$$

$$= (109,092,528.78)$$

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

$$= \frac{(109,092,528.78)}{482,045,556.94}$$

$$= -0.2263$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 September 2015 - 25 October 2015

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

Current Month FPPCA(pesos)	(109,092,528.78)
Less: Previous Month FPPCA (pesos)	(79,817,063.31)
Net	(29,275,465.47)
Divide by Previous Month AFC + APPC (pesos)	943,481,701.69
Percent Change	-3.10%
Previous Month FPPCA Rate	0.0581
Increase/Decrease	(0.0018)
Current Month FPPCA Rate	0.0563

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 September 2015

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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