

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

**Billing Period Covered: 26 March 2016 - 25 April 2016**

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

**LUZON**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 = AFC - FCB + OFCA<sup>1/</sup>  
 = 1,498,664,290.42 - 2,325,976,544.31 + 0.00  
 = -827,312,253.89

AFC<sup>2/</sup> = FCB  $\left( \frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn^{3/}}{So} + \frac{0.3759 NGn}{NGo} \right)$   
 = 1,498,664,290.42

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 = APPC - PPCB + OPPCA<sup>1/</sup>  
 = 3,871,997,517.71 - 3,153,371,686.48 + 0.00  
 = 718,625,831.24

APPC = PPCB  $\left\{ \left[ 0.40 + \left( \frac{0.3 USCPIn^{3/}}{USCPlo} \right) \frac{FXn}{Fxo} + \frac{0.3 CPIn^{3/}}{CPlo} \right] \right\}$   
 = 3,153,371,686.48  $\left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.132}{210.036} \right) \frac{46.2736}{41.7429} \right] + \frac{0.3 \times 142.60}{105.0} \right\}$   
 = 3,871,997,517.71

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 =  $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = -827,312,253.89 + 718,625,831.24  
 = -108,686,422.66

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{-108,686,422.66}{28,171,976.00}$   
 = (3.8580)

<b>REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST</b>	
<b>Billing Period Covered: 26 March 2016 - 25 April 2016</b>	
<b>Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM</b>	
Current Month FPPCA(pesos)	-108,686,422.66
Less: Previous Month FPPCA (pesos)	-123,095,709.69
Net	<u>14,409,287.03</u>
Divide by Previous Month AFC + APPC (pesos)	<u>5,356,252,521.09</u>
Percent Change	0.27%
Previous Month FPPCA Rate	0.3650
Increase/Decrease	<u>0.0010</u>
Current Month FPPCA Rate	<b>0.3660</b>

**VISAYAS**

A.  $FCA_{\text{pesos}}$  = Fuel Cost Adjustment  
 =  $AFC - FCB + OFCA^{1/}$   
 = 282,346,711.80 - 486,642,765.00 + 0.00  
 = -204,296,053.20

$AFC^{/2}$  =  $FCB \left( \frac{0.2041 \text{ Bn}}{\text{Bo}} + \frac{0.0998 \text{ Dn}}{\text{Do}} + \frac{0.5782 \text{ Cn}}{\text{Co}} + \frac{0.1179 \text{ Sn}^{3/}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \right)$   
 = 282,346,711.80

B.  $PPCA_{\text{pesos}}$  = Purchased Power Costs Adjustment  
 =  $APPC - PPCB + OPPCA^{1/}$   
 = 879,986,796.80 - 716,665,090.00 + 0.00  
 = 163,321,706.80

$APPC$  =  $PPCB \left\{ \left[ 0.40 + \left( \frac{0.3 \text{ USCPI}n^{3/}}{\text{USCPI}o} \right) \right] \left[ \frac{\text{FXn}}{\text{FXo}} + \frac{1.3 \text{ CPI}n}{\text{CPI}o} \right] \right\}$   
 =  $716,665,090.00 \left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.132}{210.036} \right) \right] \left[ \frac{46.2736}{41.7429} \right] + \frac{0.3 \times 142.60}{105.0} \right\}$   
 = 879,986,796.80

C.  $FPPCA_{\text{pesos}}$  = Fuel and Purchased Power Costs Adjustment  
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$   
 = -204,296,053.20 + 163,321,706.80  
 = -40,974,346.40

D.  $FPPCA_{\text{rate}}$  =  $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{-40,974,346.40}{2,121,453.00}$   
 = (19.3143)

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
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Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	-40,974,346.40
Less: Previous Month FPPCA (pesos)	-40,923,274.22
Net	-51,072.18
Divide by Previous Month AFC + APPC (pesos)	1,162,384,580.78
Percent Change	0.00%
Previous Month FPPCA Rate	0.1931
Increase/Decrease	(0.0000)
Current Month FPPCA Rate	0.1931

**MINDANAO**

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

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

$$= 183,401,466.88 \quad - \quad 472,498,595.00 \quad + \quad 0.00$$

$$= -289,097,128.12$$

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

$$= 183,401,466.88$$

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

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

$$= 676,322,712.02 \quad - \quad 550,800,170.00 \quad + \quad 0.00$$

$$= 125,522,542.02$$

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

$$= 550,800,170.00 \left\{ \left[ 0.40 + \left( \frac{0.3 \times 238.132}{210.036} \right) \right] \frac{46.2736}{41.7429} + \frac{0.3 \times 142.60}{105.0} \right\}$$

$$= 676,322,712.02$$

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

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

$$= -289,097,128.12 \quad + \quad 125,522,542.02$$

$$= -163,574,586.10$$

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

$$= \frac{-163,574,586.10}{264,627,767.00}$$

$$= (0.6181)$$

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 March 2016 - 25 April 2016	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	-163,574,586.10
Less: Previous Month FPPCA (pesos)	-174,268,185.64
Net	10,693,599.53
Divide by Previous Month AFC + APPC (pesos)	849,030,579.36
Percent Change	1.26%
Previous Month FPPCA Rate	0.0523
Increase/Decrease	0.0007
Current Month FPPCA Rate	0.0530

**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 March 2016

**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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