

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

Billing Period Covered: 26 November 2015 - 25 December 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment

$$= (FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$$

$$= (47.3328 - 44.0494) \times 32,897,541.74 + (47.3328 - 44.0494) \times 130,575,859.23 / 12$$

$$= 143,743,519.90$$

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$= (FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$$

$$= (47.3328 - 41.7429) \times 0.00$$

$$= 0.00$$

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$$

$$= 143,743,519.90 + 0.00 + 0.00$$

$$= 143,743,519.90$$

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

$$= \frac{143,743,519.90}{30,443,106.32}$$

$$= 4.7217$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 November 2015 - 25 December 2015

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

Current Month DSA (pesos)	143,743,519.90
Less: Previous Month DSA (pesos)	53,155,188.18
Net	<u>90,588,331.72</u>
Previous Month DSR + DSB	<u>820,593,453.06</u>
Percent Change	11.04%
Percent Change	10.00%
Previous Month FxA Rate	0.2531
Increase/Decrease	<u>0.0253</u>
Current Month FxA Rate	<u>0.2784</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment

$$= (FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$$
$$= (47.3328 - 44.0494) \times 4,179,453.77 + (47.3328 - 44.0494) \times 3,654,161.37 / 12$$
$$= 14,722,657.95$$

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$= (FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$$
$$= (47.3328 - 41.7429) \times 0.00$$
$$= 0.00$$

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$$
$$= 14,722,657.95 + 0.00 + 0.00$$
$$= 14,722,657.95$$

D. Fx_{rate}

$$= \frac{FxA_{\text{pesos}}}{\text{Sales}}$$
$$= \frac{14,722,657.95}{12,558,760.11}$$
$$= 1.1723$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 November 2015 - 25 December 2015

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

Current Month DSA (pesos)	14,722,657.95
Less: Previous Month DSA (pesos)	7,393,677.62
Net	<u>7,328,980.33</u>
Previous Month DSR + DSB	<u>114,141,321.96</u>
Percent Change	6.42%
Previous Month FxA Rate	0.0066
Increase/Decrease	<u>0.0004</u>
Current Month FxA Rate	0.0070

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

$$= (FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB / 12$$

$$= (47.3328 - 44.0494) \times 4,712,078.96 + (47.3328 - 44.0494) \times 0.00 / 12$$

$$= 15,471,640.06$$

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses

$$= (FX_n - FX_{O_{Opex}}) \times FxOpex$$

$$= 47.3328 - 41.7429 \times 0.00$$

$$= 0.00$$

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$$

$$= 15,471,640.06 + 0.00 + 0.00$$

$$= 15,471,640.06$$

D. Fx_{rate}

$$= \frac{FxA_{\text{pesos}}}{\text{Sales}}$$

$$= \frac{15,471,640.06}{445,267,373.31}$$

$$= 0.0347$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 November 2015 - 25 December 2015

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

Current Month DSR (pesos)	15,471,640.06
Less: Previous Month DSA (pesos)	4,395,687.95
Net	<u>11,075,952.11</u>
Previous Month DSR + DSB	<u>67,859,279.16</u>
Percent Change	16.32%
Percent Change Cap	10.00%
Previous Month FxA Rate	0.0047
Increase/Decrease	<u>0.0005</u>
Current Month FxA Rate	<u>0.0052</u>

NOTES:

DSR = Actual Debt Service Payments (principal portion) for the month in US Dollar

DSB = Actual Bullet Service Payments for one (1) year in US Dollar

FxOpex = Foreign Exchange-related operating expenses in US Dollar

4/The above calculation does not incorporate the OFxA as PSALM is waiting for the decision relative to ERC Case No. 2010-055MC

*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.

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