

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

Billing Period Covered: 26 December 2014 - 25 January 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{0_{\text{DSA}}}) \times DSR + (FX_n - FX_{0_{\text{DSA}}}) \times DSB/12$   
 =  $(44.6098 - 44.0494) \times 4,849,520.97 + (44.6098 - 44.0494) \times 237,047,612.94 / 12$   
 = 13,787,795.08

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{0_{\text{OPEX}}}) \times FxOpex$   
 =  $(44.6098 - 41.7429) \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = 13,787,795.08 + 0.00 + 0.00  
 = 13,787,795.08

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{13,787,795.08}{36,709,710.00}$   
 = 0.3756

**REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**

Billing Period Covered: 26 December 2014 - 25 January 2015

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

|                                  |                        |
|----------------------------------|------------------------|
| Current Month DSA (pesos)        | 13,787,795.08          |
| Less: Previous Month DSA (pesos) | 39,907,848.08          |
| Net                              | <u>(26,120,053.00)</u> |
| Previous Month DSR + DSB         | 2,609,961,595.39       |
| Percent Change                   | -1.00%                 |
|                                  |                        |
| Previous Month FxA Rate          | 0.2282                 |
| Increase/Decrease                | <u>(0.0023)</u>        |
| Current Month FxA Rate           | 0.2259                 |

**VISAYAS**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$   
 =  $(44.6098 - 44.0494) \times 983,817.66 + (44.6098 - 44.0494) \times 14,347,616.95 /12$   
 = 1,221,365.13

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$   
 =  $(44.6098 - 41.7429) \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = 1,221,365.13 + 0.00 + 0.00  
 = 1,221,365.13

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{1,221,365.13}{152,140,888.47}$   
 = 0.0080

**REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**

Billing Period Covered: 26 December 2014 - 25 January 2015

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

|                                  |                       |
|----------------------------------|-----------------------|
| Current Month DSA (pesos)        | 1,221,365.13          |
| Less: Previous Month DSA (pesos) | 3,535,595.67          |
| Net                              | <b>(2,314,230.55)</b> |
| Previous Month DSR + DSB         | 231,226,923.30        |
| Percent Change                   | -1.00%                |
| <br>                             |                       |
| Previous Month FxA Rate          | 0.0053                |
| Increase/Decrease                | <b>(0.0001)</b>       |
| Current Month FxA Rate           | 0.0052                |

**MINDANAO**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{0_{\text{DSA}}}) \times DSR + (FX_n - FX_{0_{\text{DSA}}}) \times DSB/12$   
 =  $(44.6098 - 44.0494) \times 412,776.15 + (44.6098 - 44.0494) \times 38,157,282.92 / 12$   
 = 2,013,264.87

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{0_{\text{Opex}}}) \times FxOpex$   
 =  $44.6098 - 41.7429 \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = 2,013,264.87 + 0.00 + 0.00  
 = 2,013,264.87

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{2,013,264.87}{605,931,420.20}$   
 = 0.0033

| REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)             |                       |
|---|-----------------------|
| Billing Period Covered: 26 December 2014 - 25 January 2015        |                       |
| Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM |                       |
| Current Month DSR (pesos)   | 2,013,264.87          |
| Less: Previous Month DSA (pesos)                                  | 6,504,189.68          |
| Net   | <u>(4,490,924.82)</u> |
| Previous Month DSR + DSB  | 425,372,103.42        |
| Percent Change  | -1.06%                |
| Previous Month FxA Rate   | 0.0040                |
| Increase/Decrease   | <u>0.0000</u>         |
| Current Month FxA Rate  | 0.0040                |

## 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-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 (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.

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