

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

**Billing Period Covered: 26 June 2014 - 25 July 2014**

**AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT**

**LUZON**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment

$$= (FX_n - FX_{0_{\text{DSA}}}) \times \text{DSR} + (FX_n - FX_{0_{\text{DSA}}}) \times \text{DSB}/12$$

$$= (43.3976 - 44.0494) \times 22,916,831.60 + (43.3976 - 44.0494) \times 127,721,519.29 / 12$$

$$= \underline{(21,874,598.02)}$$

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

$$= (FX_n - FX_{0_{\text{OPEX}}}) \times FxOpex$$

$$= (43.3976 - 41.7429) \times 0.00$$

$$= 0.00$$

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

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

$$= \underline{(21,874,598.02)} + 0.00 + 0.00$$

$$= \underline{(21,874,598.02)}$$

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

$$= \frac{\underline{(21,874,598.02)}}{37,472,566.20}$$

$$= \underline{(0.5837)}$$

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

**Billing Period Covered: 26 June 2014 - 25 July 2014**

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

Current Month DSA (pesos)	<u>(21,874,598.02)</u>
Less: Previous Month DSA (pesos)	<u>(8,514,615.92)</u>
Net	<u>(13,359,982.11)</u>
Previous Month DSR + DSB	<u>2,021,050,981.45</u>
Percent Change	-0.66%
Previous Month FxA Rate	0.2128
Increase/Decrease	<u>(0.0014)</u>
Current Month FxA Rate	<u>0.2114</u>

**VISAYAS**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$   
 =  $(43.3976 - 44.0494) \times 460,490.57 + (43.3976 - 44.0494) \times 31,518,413.53 /12$   
 = **(2,012,122.91)**

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$   
 =  $(43.3976 - 41.7429) \times 0.00$   
 = 0.00

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = **(2,012,122.91)** + 0.00 + 0.00  
 = **(2,012,122.91)**

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{(2,012,122.91)}{179,724,579.54}$   
 = **(0.0112)**

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

**Billing Period Covered: 26 June 2014 - 25 July 2014**

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

Current Month DSA (pesos)	<b>(2,012,122.91)</b>
Less: Previous Month DSA (pesos)	<b>(1,134,575.70)</b>
Net	<b>(877,547.21)</b>
Previous Month DSR + DSB	<u>269,305,786.13</u>
Percent Change	-0.33%
Previous Month FxA Rate	0.0049
Increase/Decrease	<u><b>(0.0000)</b></u>
Current Month FxA Rate	<b>0.0049</b>

**MINDANAO**

A.  $DSA_{\text{pesos}}$  = Debt Service Adjustment  
 =  $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$   
 =  $(43.3976 - 44.0494) \times 210,180.80 + (43.3976 - 44.0494) \times 31,165,387.68 / 12$   
 = **(1,829,795.82)**

B.  $FxOpex_{\text{pesos}}$  = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses  
 =  $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$   
 =  $43.3976 - 41.7429 \times 0.00$   
 = **0.00**

C.  $FxA_{\text{pesos}}$  = Foreign-Exchange-Related Cost Adjustment  
 =  $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$   
 = **(1,829,795.82)** + 0.00 + 0.00  
 = **(1,829,795.82)**

D.  $Fx_{\text{rate}}$  =  $\frac{FxA_{\text{pesos}}}{\text{Sales}}$   
 =  $\frac{(1,829,795.82)}{647,198,231.58}$   
 = **(0.0028)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 June 2014 - 25 July 2014	
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM	
Current Month DSR (pesos)	(1,829,795.82)
Less: Previous Month DSA (pesos)	(1,586,913.36)
Net	<u>(242,882.46)</u>
Previous Month DSR + DSB	376,673,807.11
Percent Change	-0.06%
Previous Month FxA Rate	0.0038
Increase/Decrease	<u>0.0000</u>
Current Month FxA Rate	<b>0.0038</b>



## 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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