

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

Billing Period Covered: 26 April 2015 - 25 May 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (44.5232 - 44.0494) \times 1,574,822.59 + (44.5232 - 44.0494) \times 109,326,093.64 / 12$$

$$= 5,062,709.54$$

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

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

$$= (44.5232 - 41.7429) \times 0.00$$

$$= 0.00$$

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

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

$$= 5,062,709.54 + 0.00 + 0.00$$

$$= 5,062,709.54$$

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

$$= \frac{5,062,709.54}{36,904,162.09}$$

$$= 0.1372$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month DSA (pesos)	5,062,709.54
Less: Previous Month DSA (pesos)	2,226,777.55
Net	<u>2,835,931.99</u>
Previous Month DSR + DSB	<u>451,760,302.21</u>
Percent Change	0.63%
Previous Month FxA Rate	0.2233
Increase/Decrease	0.0014
Current Month FxA Rate	<u>0.2247</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(44.5232 - 44.0494) \times 231,577.33 + (44.5232 - 44.0494) \times 1,466,258.23 / 12$
 = 167,614.10

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
 = $(44.5232 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 167,614.10 + 0.00 + 0.00
 = 167,614.10

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{167,614.10}{39,689,036.98}$
 = 0.0042

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month DSA (pesos)	167,614.10
Less: Previous Month DSA (pesos)	26,661.46
Net	140,952.64
Previous Month DSR + DSB	5,408,977.73
Percent Change	2.61%
Previous Month FxA Rate	0.0051
Increase/Decrease	0.0001
Current Month FxA Rate	0.0052

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (44.5232 - 44.0494) \times 186,121.90 + (44.5232 - 44.0494) \times 6,991,895.23 / 12$$

$$= 364,247.89$$

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

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

$$= 44.5232 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 364,247.89 + 0.00 + 0.00$$

$$= 364,247.89$$

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

$$= \frac{364,247.89}{511,961,721.67}$$

$$= 0.0007$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)

Billing Period Covered: 26 April 2015 - 25 May 2015

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

Current Month DSR (pesos)	364,247.89
Less: Previous Month DSA (pesos)	127,135.96
Net	<u>237,111.93</u>
Previous Month DSR + DSB	<u>25,792,868.45</u>
Percent Change	0.92%
Previous Month FxA Rate	0.0039
Increase/Decrease	<u>0.0000</u>
Current Month FxA Rate	<u>0.0039</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-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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