

**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 2012 - 25 May 2012
AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT**

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{o_{\text{DSA}}}) \times DSR + (FX_n - FX_{o_{\text{DSA}}}) \times DSB/12$
 = $(43.2752 - 44.0494) \times 0.00 + (43.2752 - 44.0494) \times 359,889,521.11 / 12$
 = **(23,218,872.27)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{o_{\text{OPEX}}}) \times FxOpex$
 = $43.2752 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(23,218,872.27)** + 0.00 + 0.00
 = **(23,218,872.27)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = **(23,218,872.27)**
 = 75,486,178.00
 = **(0.3076)**

| REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA) | |
|--|-------------------------|
| Billing Period Covered: 26 April 2012 - 25 May 2012 | |
| Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM | |
| *Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB}/12)$ | |
| Previous Month 5day Average before the 25th = PhP42.6588 | |
| Current Month FPPCA(pesos) | (23,218,872.27) |
| Less: Previous Month FXA (pesos) | (51,160,298.24) |
| Net | <u>27,941,425.97</u> |
| *Previous Month DSR + DSB | <u>1,569,421,063.39</u> |
| Percent Change | 1.78% |
| | |
| Previous Month FXA Rate | 0.1940 |
| Increase/Decrease | <u>0.0035</u> |
| Current Month FPP | 0.1975 |

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB / 12$
 = $(43.2752 - 44.0494) \times 5,260,082.89 + (43.2752 - 44.0494) \times 12,459,248.72 / 12$
 = **(4,876,185.37)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{Opex}}) \times FxOpex$
 = $43.2752 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(4,876,185.37)** + 0.00 + 0.00
 = **(4,876,185.37)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(4,876,185.37)}{186,983,405.00}$
 = **(0.0261)**

| REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA) | |
|--|-----------------------|
| Billing Period Covered: 26 April 2012 - 25 May 2012 | |
| Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM | |
| *Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB}/12)$ | |
| Previous Month 5day Average before the 25th = PhP42.6588 | |
| Current Month FPPCA(pesos) | (4,876,185.37) |
| Less: Previous Month FXA (pesos) | (6,209,496.64) |
| Net | 1,333,311.27 |
| *Previous Month DSR + DSB | 190,485,887.59 |
| Percent Change | 0.70% |
| | |
| Previous Month FXA Rate | 0.0068 |
| Increase/Decrease | 0.0000 |
| Current Month FPPCA Rate | 0.0068 |

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment
= $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
= $(43.2752 - 44.0494) \times 0.00 + (43.2752 - 44.0494) \times 11,960,663.82 / 12$
= **(771,662.16)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
= $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
= $43.2752 - 41.7429 \times 0.00$
= 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
= $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
= **(771,662.16)** + 0.00 + 0.00
= **(771,662.16)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
= $\frac{(771,662.16)}{629,163,746.00}$
= **(0.0012)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**Billing Period Covered: 26 April 2012 - 25 May 2012****Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM***Applied Formula: $(FX_n(\text{Previous Month}) * \text{Previous Month DSR}) + (FX_n(\text{Previous Month}) * \text{Previous Month DSB} / 12)$

Previous Month 5day Average before the 25th = PhP42.6588

| | |
|----------------------------------|-----------------------|
| Current Month FPPCA(pesos) | (771,662.16) |
| Less: Previous Month FXA (pesos) | (1,411,877.88) |
| Net | 640,215.72 |
| *Previous Month DSR + DSB | 43,311,531.90 |
| Percent Change | 1.48% |
| | |
| Previous Month FXA Rate | 0.0046 |
| Increase/Decrease | 0.0001 |
| Current Month FPPCA Rate | 0.0047 |

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

*The above calculation does not incorporate the OFxA as we are waiting for the decision in PSALM's response to ERC Case No. 2010-055MC

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