

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

Billing Period Covered: 26 July 2012 - 25 August 2012

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA _{pesos}	= Debt Service Adjustment			
	=	(FXn - FX _{ODSA}) x DSR + (FXn - FX _{ODSA}) x DSB/12		
	=	(42.2552 - 44.0494) x	13,548,451.39	+ (42.2552 - 44.0494) x 0.00 /12
	=	(24,308,631.48)		
B. FxOpex _{pesos}	= Foreign Exchange-Related Cost Adjustment for foreign related operating expenses			
	=	(FXn - FX _{OPEX}) x FxOpex		
	=	42.2552 - 41.7429 x 0.00		
	=	0.0000		
C. FxA _{pesos}	= Foreign Exchange-Related Cost Adjustment			
	=	DSA _{pesos} + FxOpex _{pesos} + OFxCA		
	=	(24,308,631.48)	+ 0.00	+ 0.00
	=	(24,308,631.48)		
D. Fx _{rate}	=	$\frac{FxA_{pesos}}{Sales}$		
	=	(24,308,631.48)		
	=	76,868,892.00		
	=	(0.3162)		

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 July 2012 - 25 August 2012	
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM	
*Applied Formula: (FXn(Previous Month) * Previous Month DSR) + (FXn(Previous Month) * Previous Month DSB/12)	
Previous Month 5day Average before the 25th = PhP41 41.8426	
Current Month FPPCA(pesos)	(24,308,631.48)
Less: Previous Month FxA (pesos)	(123,673,936.59)
Net	<u>99,365,305.11</u>
*Previous Month DSR + DSB	<u>2,344,951,540.40</u>
Percent Change	4.24%
Previous Month FxA Rate	0.1827
Increase/Decrease	<u>0.0077</u>
Current Month FPP	0.1904

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{DSA}}) \times DSR + (FX_n - FX_{O_{DSA}}) \times DSB/12$
 = $(42.2552 - 44.0494) \times 7,840,865.88 + (42.2552 - 44.0494) \times 0.00 / 12$
 = **(14,068,081.56)**

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{Opex}}) \times FxOpex$
 = $42.2552 - 41.7429 \times 0.00$
 = 0.0000

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$
 = **(14,068,081.56)** + 0.00 + 0.00
 = **(14,068,081.56)**

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{(14,068,081.56)}{189,591,574.00}$
 = **(0.0742)**

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)	
Billing Period Covered: 26 July 2012 - 25 August 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 = PhP41 41.8426	
Current Month FPPCA(pesos)	(14,068,081.56)
Less: Previous Month FXA (pesos)	(3,284,318.80)
Net	(10,783,762.77)
*Previous Month DSR + DSB	62,273,172.78
Percent Change	-17.32%
Previous Month FXA Rate	0.0067
Increase/Decrease	(0.0012)
Current Month FPPCA Rate	0.0055

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (42.2552 - 44.0494) \times 597,560.97 + (42.2552 - 44.0494) \times 0.00 / 12$$

$$= (1,072,143.89)$$

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

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

$$= 42.2552 - 41.7429 \times 0.00$$

$$= 0.00$$

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

$$= DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA$$

$$= (1,072,143.89) + 0.00 + 0.00$$

$$= (1,072,143.89)$$

D. Fx_{rate}

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

$$= \frac{(1,072,143.89)}{629,821,199.00}$$

$$= (0.0017)$$

REVISED AUTOMATIC FOREIGN EXCHANGE RELATED COST (FxA)**Billing Period Covered: 26 July 2012 - 25 August 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 = PhP41 41.8426

Current Month FPPCA(pesos)	(1,072,143.89)
Less: Previous Month FxA (pesos)	(2,623,038.42)
Net	<u>1,550,894.53</u>
*Previous Month DSR + DSB	<u>49,734,795.77</u>
Percent Change	3.12%
Previous Month FxA Rate	0.0045
Increase/Decrease	<u>0.0001</u>
Current Month FPPCA Rate	0.0046

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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