

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

Billing Period Covered: 26 February 2016 - 25 March 2016

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.4580 - 44.0494) \times 8,874,573.76 + (46.4580 - 44.0494) \times 130,575,859.23 / 12$$

$$= 47,584,049.56$$

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

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

$$= (46.4580 - 41.7429) \times 0.00$$

$$= 0.00$$

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

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

$$= 47,584,049.56 + 0.00 + 0.00$$

$$= 47,584,049.56$$

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

$$= \frac{47,584,049.56}{29,877,247.00}$$

$$= 1.5927$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 February 2016 - 25 March 2016

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

Current Month DSA (pesos)	47,584,049.56
Less: Previous Month DSA (pesos)	43,455,800.28
Net	<u>4,128,249.28</u>
Previous Month DSR + DSB	<u>578,507,770.50</u>
Percent Change	0.71%
Previous Month FXA Rate	0.2660
Increase/Decrease	<u>0.0019</u>
Current Month FxA Rate	<u>0.2679</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.4580 - 44.0494) \times 1,475,224.91 + (46.4580 - 44.0494) \times 3,654,161.37 / 12$$

$$= 4,286,677.81$$

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

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

$$= (46.4580 - 41.7429) \times 0.00$$

$$= 0.00$$

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

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

$$= 4,286,677.81 + 0.00 + 0.00$$

$$= 4,286,677.81$$

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

$$= \frac{4,286,677.81}{2,201,361.00}$$

$$= 1.9473$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)	
Billing Period Covered: 26 February 2016 - 25 March 2016	
Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM	
Current Month DSA (pesos)	4,286,677.81
Less: Previous Month DSA (pesos)	1,407,387.91
Net	<u>2,879,289.91</u>
Previous Month DSR + DSB	<u>18,735,930.16</u>
Percent Change	15.37%
Percent Cap	10.00%
Previous Month FxA Rate	0.0067
Increase/Decrease	<u>0.0007</u>
Current Month FxA Rate	0.0074

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.4580 - 44.0494) \times 1,617,993.96 + (46.4580 - 44.0494) \times 0.00 / 12$$

$$= 3,897,100.25$$

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

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

$$= 46.4580 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 3,897,100.25 + 0.00 + 0.00$$

$$= 3,897,100.25$$

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

$$= \frac{3,897,100.25}{279,797,026.00}$$

$$= 0.0139$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 February 2016 - 25 March 2016

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

Current Month DSR (pesos)	3,897,100.25
Less: Previous Month DSA (pesos)	15,471,640.06
Net	-11,574,539.81
Previous Month DSR + DSB	224,422,184.64
Percent Change	-5.16%
Previous Month FxA Rate	0.0045
Increase/Decrease	(0.0002)
Current Month FxA Rate	0.0043

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 Exchange-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 (amending Resolution No.19) 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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