

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

Billing Period Covered: 26 October 2015 - 25 November 2015

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(47.1004 - 44.0494) \times 14,651,196.83 + (47.1004 - 44.0494) \times 33,252,258.25 / 12$
 = 53,155,188.18

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$
 = $(47.1004 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 53,155,188.18 + 0.00 + 0.00
 = 53,155,188.18

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{53,155,188.18}{28,918,945.65}$
 = 1.8381

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 October 2015 - 25 November 2015

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

Current Month DSA (pesos)	53,155,188.18
Less: Previous Month DSA (pesos)	48,701,591.87
Net	<u>4,453,596.30</u>
Previous Month DSR + DSB	<u>1,028,906,243.77</u>
Percent Change	0.43%
Previous Month FxA Rate	0.2520
Increase/Decrease	0.0011
Current Month FxA Rate	<u>0.2531</u>

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(47.1004 - 44.0494) \times 2,118,848.60 + (47.1004 - 44.0494) \times 3,654,161.37 / 12$
 = 7,393,677.62

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
 = $(47.1004 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 7,393,677.62 + 0.00 + 0.00
 = 7,393,677.62

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{7,393,677.62}{11,857,478.46}$
 = 0.6235

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 October 2015 - 25 November 2015

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

Current Month DSA (pesos)	7,393,677.62
Less: Previous Month DSA (pesos)	3,901,781.87
Net	<u>3,491,895.75</u>
Previous Month DSR + DSB	<u>82,431,961.14</u>
Percent Change	4.24%
Previous Month FxA Rate	0.0063
Increase/Decrease	<u>0.0003</u>
Current Month FxA Rate	0.0066

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (47.1004 - 44.0494) \times 1,440,736.79 + (47.1004 - 44.0494) \times 0.00 / 12$$

$$= 4,395,687.95$$

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

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

$$= 47.1004 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 4,395,687.95 + 0.00 + 0.00$$

$$= 4,395,687.95$$

D. Fx_{rate}

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

$$= \frac{4,395,687.95}{484,357,506.68}$$

$$= 0.0091$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 October 2015 - 25 November 2015

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

Current Month DSR (pesos)	4,395,687.95
Less: Previous Month DSA (pesos)	3,388,605.01
Net	<u>1,007,082.94</u>
Previous Month DSR + DSB	<u>71,590,203.07</u>
Percent Change	1.41%
Previous Month FxA Rate	0.0046
Increase/Decrease	0.0001
Current Month FxA Rate	<u>0.0047</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 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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