

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

Billing Period Covered: 26 March 2016 - 25 April 2016

AUTOMATIC FOREIGN EXCHANGE-RELATED COST ADJUSTMENT

LUZON

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB/12$
 = $(46.2736 - 44.0494) \times 0.00 + (46.2736 - 44.0494) \times 130,575,589.23 / 12$
 = 24,202,185.46

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{OPEX}}}) \times FxOpex$
 = $(46.2736 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 24,202,185.46 + 0.00 + 0.00
 = 24,202,185.46

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{24,202,185.46}{28,171,976.00}$
 = 0.8591

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 March 2016 - 25 April 2016

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

| | |
|----------------------------------|-----------------------|
| Current Month DSA (pesos) | 24,202,185.46 |
| Less: Previous Month DSA (pesos) | 47,584,049.56 |
| Net | <u>-23,381,864.10</u> |
| Previous Month DSR + DSB | 917,819,386.55 |
| Percent Change | -2.55% |

| | |
|-------------------------|-----------------|
| Previous Month FxA Rate | 0.2679 |
| Increase/Decrease | <u>(0.0068)</u> |
| Current Month FxA Rate | 0.2611 |

VISAYAS

A. DSA_{pesos} = Debt Service Adjustment
 = $(FX_n - FX_{O_{\text{DSA}}}) \times DSR + (FX_n - FX_{O_{\text{DSA}}}) \times DSB / 12$
 = $(46.2736 - 44.0494) \times 0.00 + (46.2736 - 44.0494) \times 3,654,161.37 / 12$
 = 677,298.81

B. $FxOpex_{\text{pesos}}$ = Foreign Exchange-Related Cost Adjustment for foreign related operating expenses
 = $(FX_n - FX_{O_{\text{Opex}}}) \times FxOpex$
 = $(46.2736 - 41.7429) \times 0.00$
 = 0.00

C. FxA_{pesos} = Foreign-Exchange-Related Cost Adjustment
 = $DSA_{\text{pesos}} + FxOpex_{\text{pesos}} + OFxCA^{4/}$
 = 677,298.81 + 0.00 + 0.00
 = 677,298.81

D. Fx_{rate} = $\frac{FxA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{677,298.81}{2,121,453.00}$
 = 0.3193

| REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA) | |
|--|----------------------|
| Billing Period Covered: 26 March 2016 - 25 April 2016 | |
| Per Order dated 27 September 2010 under ERC Case. No. 2008-019 RM | |
| Current Month DSA (pesos) | 677,298.81 |
| Less: Previous Month DSA (pesos) | 4,286,677.81 |
| Net | <u>-3,609,379.00</u> |
| Previous Month DSR + DSB | 82,683,084.73 |
| Percent Change | <u>-4.37%</u> |
| | |
| Previous Month FxA Rate | 0.0074 |
| Increase/Decrease | <u>(0.0003)</u> |
| Current Month FxA Rate | <u>0.0071</u> |

MINDANAO

A. DSA_{pesos} = Debt Service Adjustment

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

$$= (46.2736 - 44.0494) \times 0.00 + (46.2736 - 44.0494) \times 0.00 / 12$$

$$= 0.00$$

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

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

$$= 46.2736 - 41.7429 \times 0.00$$

$$= 0.00$$

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

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

$$= 0.00 + 0.00 + 0.00$$

$$= 0.00$$

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

$$= \frac{0.00}{264,627,767.00}$$

$$= 0.0000$$

REVISED AUTOMATIC FOREIGN EXCHANGE-RELATED COST (FxA)

Billing Period Covered: 26 March 2016 - 25 April 2016

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

| | |
|----------------------------------|---------------|
| Current Month DSR (pesos) | 0.00 |
| Less: Previous Month DSA (pesos) | 3,897,100.25 |
| Net | -3,897,100.25 |
| Previous Month DSR + DSB | 75,168,763.34 |
| Percent Change | -5.18% |
| Previous Month FxA Rate | 0.0043 |
| Increase/Decrease | (0.0002) |
| Current Month FxA Rate | 0.0041 |

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.

Disclaimer: This document was created and prepared as a compliance with ERC Resolution Nos. 19 and 25, series of 2009 and shall not be used for any other purposes than intended. You may not edit, change, transform, reproduce, distribute, publish or broadcast the content of this material without prior permission. PSALM shall not be liable for any loss, error, or damage that may be incurred resulting from the use of the data in this document.