

COMPUTATION OF THE GENERATION CHARGE FOR SEPTEMBER 2014^a

(Applicable for Customers Not Under Meralco TOU)

Based on August 2014 Generation Costs

		(A)	(B)	(C)	(D)	(E = C + D)	(F = E/A)	(G)	(H = F - G)
Source		GWH (million kWh) Purchased	Energy Share (%)	Basic Generation Cost (PhP million)	Other Cost Adjustments ^b (PhP million)	Total Gen Cost for the Month (PhP million)	Average Gen Cost (August 2014) (PhP/kWh)	Average Gen Cost (July 2014) (PhP/kWh)	Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)	Dispatch ^c								
1. SEM-Calaca Power Corp. (SCPC)	97.0%	194.92	7.7%	664.40	(2.78)	661.63	3.3944	3.4881	(0.0937)
2. Masinloc Power Partners Corp. (MPPC)	87.7%	176.27	7.0%	601.13	(7.24)	593.89	3.3693	4.2152	(0.8459)
3. Therma Luzon Inc. (TLI)	88.1%	163.88	6.5%	631.23	1.05	632.27	3.8582	4.3380	(0.4798)
4. San Miguel Energy Corp. (SMEC)	72.0%	176.77	7.0%	737.88	(27.92)	709.96	4.0164	3.6371	0.3793
5. South Premiere Power Corp. (SPPC)	74.2%	596.17	23.6%	2,831.38	5.27	2,836.66	4.7581	4.5419	0.2162
6. Therma Mobile Inc. (TMO)	9.5%	14.15	0.6%	235.36	(0.00)	235.36	16.6370	9.0235	7.6135
Subtotal	74.0%	1,322.15	52.32%	5,701.39	(31.62)	5,669.77	4.2883	4.4466	(0.1583)
B. Power Purchase Agreements (PPAs/IPPAs)									
1. Quezon Power Phils Ltd. Co. (QPPL)	81.0%	282.02	11.2%	1,191.79	14.27	1,206.06	4.2766	4.4301	(0.1535)
2. First Gas Power Corp. (FGPC) – Sta. Rita	78.9%	606.51	24.0%	3,229.24	44.92	3,274.16	5.3984	5.5925	(0.1941)
3. FGP Corporation (FGP) – San Lorenzo	72.3%	291.55	11.5%	1,534.84	15.92	1,550.76	5.3191	5.1672	0.1519
Subtotal	77.6%	1,180.07	46.70%	5,955.86	75.12	6,030.98	5.1107	5.1736	(0.0629)
C. Wholesale Electricity Spot Market (WESM) ^e		19.77	0.8%	78.05	773.04	851.09	43.0528	13.3372	29.7156
D. Others ^f		4.85	0.2%	180.04	12.52	192.56	39.6949	10.7517	28.9432
Total Generation Cost for Captive		2,526.84	100.0%	11,915.35	829.06	12,744.41	5.0436	5.4874	(0.4438)
Generation Rate Adjustments									
Pilferage Recovery							(0.0127)	(0.0150)	0.0023
Compensation for Deloaded kWhs of ILP Participants ^h							0.0001	0.0000	0.0001
High Load Factor Rider							0.0006	0.0003	0.0003
TOU Differential ⁱ							0.0129	0.0118	0.0011
NPC GRAM							0.1492	0.1507	(0.0015)
Generation Charge for Billing							5.1937	5.6352	(0.4415)
billing month							Sep 2014	Aug 2014	

Notes:

^a Based on August 2014 supply month's preliminary bills of PSAs and Wholesale Electricity Spot Market (WESM), and final bills for the rest of the suppliers.

^b Pertains to Forex Differentials for PSAs (TLI, SMEC and SPPC) and IPPs (QPPL, Sta. Rita, San Lorenzo) and previous and current months' adjustments for WESM, Montalban Methane Power Corporation (MMPC), Bacavalley Energy Incorporated (BEI), Therma Mobile, Pangea Green Energy Philippines, Inc., Panay, Toledo and Bauang

^c The dispatch figures shown are a) the load factors for the PSA plants in relation to their actual supply for the month and, b) the plant capacity factors (PCF) for the IPPs.

^d The reduction in the average generation cost of IPPs was brought about by the increase in their energy deliveries in August 2014 supply month

^e The increase in WESM rate per kWh was largely due to WESM billing of prior period adjustments. Due to improved availability of PSA and IPP generating plants resulting from lesser outages, purchases from WESM was limited to just 19.8 GWH, as compared to last month's 169.5 GWH. Total WESM cost including adjustments divided by this lower volume resulted in a higher rate per kWh.

^f Includes Renewable Energy (Philpodeco, Montalban Methane Power Corp., Bacavalley Enegy Inc., Pangea Green Energy Philippines and export energy from Net Metering customers) and Interim PSAs (Panay Power, Toledo Power and 1590 Energy Corp.). Increase in average rate was driven by the lower purchases from IPSAs likewise due to the improved availability of PSA and IPP plants.

^g Represents the amount of PhP32.0 million pilferage recovery returned by Meralco to its customers

^h In accordance with ERC Order dated April 11, 2014 on Meralco's Interruptible Load Program (ILP) implementation

ⁱ Calculated based on the formula approved by the ERC in its Decision under ERC Case No. 2012-117 RC