

COMPUTATION OF THE GENERATION CHARGE FOR FEBRUARY 2011 ¹

(Applicable for Customers Not Under TOU, CCP and Ecozone)

Based on January 2011 Generation Costs

Source	(A) GWH (million kWh) Purchased	(B) Energy Share (%)	(C) Basic Generation Cost (PhP)	(D) Other Cost Adjustments (PhP)	(E = C + D) Total Generation Cost for the Month (PhP)	(F = E/A) Average Gen Cost (January 2011) (PhP/kWh)	(G) Average Gen Cost (December 2010) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ²	819.04	33.06%	3,919.39	135.79 ^b	4,055.17	4.9511	4.9855	(0.0343)
WESM ³	172.21	6.95%	865.85	84.58 ^c	950.43	5.5189	6.8802	(1.3613)
Subtotal	991.26	40.01%	4,785.24	220.36	5,005.60	5.0498	5.5383	(0.4886)
IPPs	Dispatch ^a							
QPPL	76.70%	10.78%	1,317.11	(0.17) ^d	1,316.94	4.9293 ^f	4.2582	0.6711
Sta Rita	73.51%	23.08%	2,681.94	0.62 ^d	2,682.56	4.6914 ^f	3.8319	0.8595
San Lorenzo	78.34%	12.59%	1,431.32	0.75 ^d	1,432.07	4.5928 ^f	4.7273	(0.1345)
Subtotal	75.49%	46.45%	5,430.37	1.20	5,431.57	4.7199	4.0816	0.6383
Philpodeco	0.36	0.01%	1.92	-	1.92	5.3167	5.3478	(0.0311)
MMPC	1.61	0.07%	6.62	0.02 ^e	6.64	4.1204	3.9070	0.2134
Total Generation Cost	2,144.01	86.54%	10,224.15	221.58	10,445.72	4.8721	4.7525	0.1196
Generation Rate Adjustments								
Pilferage Recovery						(0.0292) ^g	(0.0286)	(0.0006)
High Load Factor Rider						0.0149	0.0168	(0.0020)
TOU Differential						0.0045 ^h	0.0032	0.0013
Generation Charge						4.8623	4.7439	0.1184
					billing month →	February 2011	January 2011	
Special Programs Availments ⁴	333.58	13.46%						
TOTAL NET SYSTEM INPUT	2,477.59	100.00%						

Notes:

¹ based on January 2011 supply month preliminary bills of power suppliers

² Includes NPC TSC, Assigned TSC (Masinloc, Makban, Pagbilao, Sual, Calaca and Ilijan), residual from NPC special programs and previous months' generation adjustments

³ based on January 2011 preliminary bill and other PEMC adjustments

⁴ Sum of the energy availments of Sunpower, CCP and Ecozone customers (based from preliminary figures) less the previous months adjustments from NPC

^a The dispatch figures shown are the capacity factors of the IPPs' power plants.

^b For GRAM, ICERA, Franchise and Benefits to Host Communities, FPPCA, Fx and NPC Station Service

^c For Market Fees and other billing adjustments

^d Adjustment for transmission line fee and previous month adjustment due to forex differentials

^e For Franchise and Benefits to Host Communities

^f The increase in IPPs' overall generation cost was mainly due to regular fuel prices of First Gas for its January 2011 supply, as compared to the lower-priced banked gas in December 2010.

^g Represents the amount of PhP62.5 million pilferage recovery returned by Meralco to its customers

^h Calculated based on the formula provisionally-approved by the ERC on June 27, 2007 in ERC Case No. 2007-111 RC