

COMPUTATION OF THE GENERATION CHARGE FOR SEPTEMBER 2013^a

(Applicable for Customers Not Under Meralco TOU)

Based on August 2013 Generation Costs

Source	(A) GWH (million kWh) Purchased	(B) Energy Share (%)	(C) Basic Generation Cost (PhP million)	(D) Other Cost Adjustments ^b (PhP million)	(E = C + D) Total Gen Cost for the Month (PhP million)	(F = E/A) Average Gen Cost (August 2013) (PhP/kWh)	(G) Average Gen Cost (July 2013) (PhP/kWh)	(H = F - G) Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)								
1. SEM-Calaca Power Corp. (SCPC)	215.31	7.2%	760.19	3.49	763.68	3.5469	3.6718	(0.1249)
2. Masinloc Power Partners Corp. (MPPC)	192.53	6.4%	710.92	0.00	710.93	3.6925	3.5635	0.1290
3. Therma Luzon Inc. (TLI)	161.75	5.4%	690.36	10.02	700.38	4.3301	3.9317	0.3984
4. San Miguel Energy Corp. (SMEC)	250.58	8.3%	955.47	(82.91)	872.56	3.4821	4.1039	(0.6218)
5. South Premiere Power Corp. (SPPC)	585.22	19.4%	2,874.17	1.07	2,875.23	4.9131	4.7997	0.1134
Subtotal	1,405.39	46.7%	5,991.10	(68.33)	5,922.77	4.2143	4.2431	(0.0288)
B. Purchase Power Agreements (PPAs/PPs) Dispatch ^c								
1. Quezon Power Phils Ltd. Co. (QPPL) 63.6%	221.64	7.4%	1,159.10	4.93	1,164.03	5.2519	5.0530	0.1989
2. First Gas Power Corp. (FGPC) – Sta. Rita 82.0%	627.23	20.8%	3,296.25	24.50	3,320.75	5.2943	5.1788	0.1155
3. FGP Corporation (FGP) – San Lorenzo 96.7%	188.62	6.3%	961.75	14.60	976.35	5.1763	5.9758	(0.7995)
Subtotal 79.4%	1,037.49	34.5%	5,417.10	44.03	5,461.13	5.2638	5.2898	(0.0260) ^d
C. Wholesale Electricity Spot Market (WESM)	61.46	2.0%	551.33	347.60	898.94	14.6270	5.9252	8.7018
D. Renewable Energy								
1. Philpodeco	0.26	0.01%	1.16		1.16	4.5536	5.7191	(1.1655)
2. Montalban Methane Power Corporation (MMPC)	0.92	0.03%	3.78	0.01	3.79	4.1373	4.1916	(0.0543)
3. Bacavalley Energy Inc (BEI)	0.29	0.01%	1.12	0.00	1.12	3.8795	4.0045	(0.1250)
4. Pangea Green Energy Philippines	0.45	0.02%	1.79	0.00	1.79	3.9419	4.0480	(0.1061)
Subtotal	1.91	0.1%	7.85	0.02	7.86	4.1077	5.3319	(1.2242)
Total Generation Cost	2,506.26	83.2%	11,967.38	323.32	12,290.70	4.9040	4.7820	0.1220
<i>Generation Rate Adjustments</i>								
Pilferage Recovery						(0.0174) ^e	(0.0188)	0.0014
High Load Factor Rider						0.0026	0.0035	(0.0009)
TOU Differential						0.0297 ^f	0.0290	0.0007
NPC GRAM AND ICERA						0.2558	0.2522	0.0036
Generation Charge						5.1747	5.0479	0.1268
Customers with energy not sourced by Meralco ^g	504.88	16.8%						
TOTAL NET SYSTEM INPUT	3,011.14	100.0%						

Notes:

^a Based on August 2013 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) and Pangea Green Energy Philippines, Inc.

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

^d The reduction in the average generation cost of IPPs was brought about by the lower cost of power sourced from FGP-San Lorenzo.

^e Represents the amount of PhP43.7million pilferage recovery returned by Meralco to its customers:

^f Calculated based on the formula approved by the ERC in its Decision dated December 14, 2009 under ERC Case No. 2007-111 RC

^g Includes energy for a few remaining special programs