

COMPUTATION OF THE GENERATION CHARGE FOR AUGUST 2013^a

(Applicable for Customers Not Under Meralco TOU)

Based on July 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 (July 2013) (PhP/kWh)	(G) Average Gen Cost (June 2013) (PhP/kWh)	(H = F - G) Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)								
1. SEM-Calaca Power Corp. (SCPC)	196.62	6.3%	722.66	(0.71)	721.95	3.6718	3.8252	(0.1534)
2. Masinloc Power Partners Corp. (MPPC)	192.42	6.2%	689.47	(3.78)	685.70	3.5635	3.6600	(0.0965)
3. Therma Luzon Inc. (TLI)	179.82	5.7%	702.94	4.04	706.98	3.9317	3.9653	(0.0336)
4. San Miguel Energy Corp. (SMEC)	229.46	7.3%	886.34	55.34	941.69	4.1039	3.9041	0.1998
5. South Premiere Power Corp. (SPPC)	594.74	19.0%	2,852.24	2.38	2,854.62	4.7997	4.7308	0.0689
Subtotal	1,393.07	44.5%	5,853.65	57.28	5,910.94	4.2431	4.1917	0.0514
B. Independent Power Producers (IPPs) Dispatch ^c								
1. Quezon Power Phils Ltd. Co. (QPPL)	235.42	7.5%	1,184.06	5.54	1,189.60	5.0530	5.1798	(0.1268)
2. FGPC- Sta Rita	631.70	20.2%	3,243.53	27.91	3,271.44	5.1788	5.1067	0.0721
3. FGP- San Lorenzo	183.56	5.9%	1,089.66	7.25	1,096.91	5.9758	6.5675	(0.5917)
Subtotal	1,050.68	33.6%	5,517.25	40.70	5,557.95	5.2898	5.3422	(0.0524)
C. Others ^e	192.23	6.1%	870.50	265.83	1,136.33	5.9112	11.1797	(5.2685)
Total Generation Cost	2,635.99	84.3%	12,241.40	363.82	12,605.22	4.7820	5.2835	(0.5015)
Generation Rate Adjustments								
Pilferage Recovery						(0.0188) ^f	(0.0129)	(0.0059)
High Load Factor Rider						0.0035	0.0152	(0.0117)
TOU Differential						0.0290 ^g	0.0411	(0.0121)
NPC GRAM AND ICERA						0.2522	0.0000	0.2522
Generation Charge						5.0479	5.3269	(0.2790)
					<i>billing month</i> →	Aug 2013	July 2013	
Customers with energy not sourced by Meralco ^h	491.83	15.7%						
TOTAL NET SYSTEM INPUT	3,127.82	100.0%						

Notes:

^a Based on July 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), Therma Mobile 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 QPPL and FGP-San Lorenzo. This was driven by the reduction of Real Property Tax cost of QPPL and forex differential adjustment for San Lorenzo. Lower coal and natural gas price also contributed to reduction in average cost of IPPs.

^e Consists of volumes from WESM, Philpodeco, MMPC, BEI, Therma Mobile and Pangea Green Energy Philippines, Inc.

^f Represents the amount of PhP49.5million pilferage recovery returned by Meralco to its customers

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

^h Includes energy for a few remaining special programs