

COMPUTATION OF THE GENERATION CHARGE FOR MAY 2011 ¹

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

Based on April 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 (April 2011) (PhP/kWh)	(G) Average Gen Cost (March 2011) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ²	853.74	32.73%	4,097.77	576.09 ^b	4,673.86	5.4745	5.5088	(0.0343)
WESM ³	98.05	3.76%	623.78	163.83 ^c	787.62	8.0332	9.6387	(1.6055)
Subtotal	951.79	36.49%	4,721.55	739.93	5,461.48	5.7381	5.8003	(0.0622)
IPPs								
Dispatch ^a								
QPPL	305.33	11.71%	1,290.11	(3.02) ^d	1,287.09	4.2154 ^f	4.8565	(0.6411)
Sta Rita	668.43	25.63%	3,083.52	(4.65) ^d	3,078.87	4.6061 ^f	4.4621	0.1440
San Lorenzo	338.78	12.99%	1,559.87	(2.93) ^d	1,556.94	4.5957 ^f	4.3764	0.2193
Subtotal	1,312.54	50.32%	5,933.50	(10.59)	5,922.91	4.5125	4.5228	(0.0102)
Philpodeco	0.20	0.01%	1.13	-	1.13	5.5177	4.9648	0.5529
MMPC	2.85	0.11%	11.63	0.03 ^e	11.66	4.0931	4.3030	(0.2099)
Bacavalley	0.83	0.03%	3.41	0.01 ^e	3.42	4.1353	4.5617	(0.4264)
Total Generation Cost	2,268.21	86.96%	10,671.22	729.37	11,400.59	5.0262	5.0543	(0.0281)
Generation Rate Adjustments								
Pilferage Recovery						(0.0315) ^g	(0.0282)	(0.0033)
High Load Factor Rider						0.0170	0.0178	(0.0008)
TOU Differential						0.0044 ^h	0.0035	0.0009
Generation Charge						5.0161	5.0474	(0.0313)
					billing month →	May 2011	April 2011	
Special Programs Availments ⁴	340.19	13.04%						
TOTAL NET SYSTEM INPUT	2,608.40	100.00%						

Notes:

¹ based on April 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 cost adjustments

³ based on April 2011 preliminary bill and other PEMC adjustments

⁴ Sum of the energy availments of Sunpower, CCP and Ecozone customers (based on 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, FxA 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 IPPs' overall generation cost was lower due to the improvement in the peso-dollar exchange rate and the significant reduction in the cost of power sourced from QPPL.

^g Represents the amount of PhP71.6 million pilferage recovery returned by Meralco to its customers

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