

COMPUTATION OF THE GENERATION CHARGE FOR JANUARY 2011 ¹

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

Based on December 2010 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 (December 2010) (PhP/kWh)	(G) Average Gen Cost (November 2010) (PhP/kWh)	(H) Incr/(Decr (PhP/kWh)	
NPC and WESM									
NPC ²	737.70	28.31%	3,503.59	174.20 ^b	3,677.79	4.9855	5.2892	(0.3037)	
WESM ³	303.93	11.66% ⁵	1,978.25	112.85 ^c	2,091.10	6.8802	6.3532	0.5270	
Subtotal	1,041.63	39.97%	5,481.84	287.05	5,768.89	5.5383	5.6365	(0.0982)	
IPPs	Dispatch ^a								
QPPL	91.80%	309.45	11.87%	1,321.02	(3.35) ^d	1,317.67	4.2582 ^f	4.1626	0.0956
Sta Rita	95.37%	716.48	27.49%	2,748.24	(2.77) ^d	2,745.47	3.8319 ^f	4.2292	(0.3973)
San Lorenzo	49.96%	192.43	7.38%	915.64	(5.99) ^d	909.65	4.7273 ^f	5.1828	(0.4555)
Subtotal	82.64%	1,218.35	46.75%	4,984.90	(12.11)	4,972.79	4.0816	4.3722	(0.2906)
Philpodeco	0.40	0.02%	2.13	-	2.13	5.3478	5.1518	0.1960	
MMPC	1.61	0.06%	6.27	0.02 ^e	6.28	3.9070	3.9558	(0.0488)	
Total Generation Cost	2,261.99	86.80%	10,475.14	274.95	10,750.09	4.7525	4.9867	(0.2342)	
Generation Rate Adjustments									
Pilferage Recovery						(0.0286) ^g	(0.0270)	(0.0016)	
High Load Factor Rider						0.0168	0.0159	0.0009	
TOU Differential						0.0032 ^h	0.0025	0.0007	
Generation Charge						4.7439	4.9781	(0.2342)	
					billing month →	January 2011	December 2010		
Special Programs Availments ⁴	343.99	13.20%							
TOTAL NET SYSTEM INPUT	2,605.98	100.00%							

Notes:

¹ based on December 2010 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 December 2010 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 and WESM

⁵ Includes previous month kWh adjustment totaling 0.06% of the total NSI

^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 decrease in IPPs' overall generation cost was mainly due to the lower cost of natural gas used by First Gas plants.

^g Represents the amount of PhP64.7 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