

COMPUTATION OF THE GENERATION CHARGE FOR JANUARY 2012¹

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

Based on December 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 Gen Cost for the Month (PhP)	(F = E/A) Average Gen Cost (Dec 2011) (PhP/kWh)	(G) Average Gen Cost (Nov 2011) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ²	905.47	33.3%	4,033.80	589.13 ^b	4,622.93	5.1055	5.1107	(0.0052)
WESM ³	341.13	12.5%	2,122.48	314.49 ^c	2,436.97	7.1438	8.9975	(1.8537)
Subtotal	1,246.60	45.8%	6,156.28	903.62	7,059.90	5.6633	6.0308	(0.3675)
IPPs								
Dispatch ^a								
QPPL 73.4%	247.48	9.1%	1,344.35	(8.67) ^d	1,335.68	5.3970	4.6120	0.7850
Sta Rita 81.2%	602.79	22.1%	3,110.25	30.40 ^d	3,140.65	5.2102	5.0992	0.1110
San Lorenzo 76.1%	287.84	10.6%	1,480.57	11.23 ^d	1,491.80	5.1827	5.6449	(0.4622)
Subtotal 78.1%	1,138.12	41.8%	5,935.16	32.96	5,968.12	5.2439 ^f	5.1165	0.1274
Philpodeco	0.21	0.01%	1.18	-	1.18	5.6752	5.9443	(0.2691)
MMPC	2.43	0.1%	9.47	0.02 ^e	9.50	3.9142	3.8574	0.0568
Bacavalley	0.78	0.03%	3.06	0.01 ^e	3.07	3.9150	3.8999	0.0151
Total Generation Cost	2,388.14	87.7%	12,105.16	936.61	13,041.77	5.4611	5.5173	(0.0562)
Generation Rate Adjustments								
Pilferage Recovery						(0.0240) ^g	(0.0457)	0.0217
High Load Factor Rider						0.0148	0.0310	(0.0162)
TOU Differential						0.0124 ^h	0.0119	0.0005
Generation Charge						5.4643	5.5145	(0.0502)
				billing month →		Jan 2012	Dec 2011	
Special Programs Availments ⁴	335.07	12.3%						
TOTAL NET SYSTEM INPUT	2,723.21	100.00%						

Notes:

¹ based on December 2011 supply month's preliminary bills for NPC and WESM and final bills for the rest of the suppliers

² Includes NPC TSC, assigned TSC (Masinloc, Makban, Pagbilao, Sual, Calaca and Ilijan) and residuals from NPC special programs

³ Includes trading amount, line rentals, market fees and other PEMC adjustments

⁴ Sum of the energy availments of Sunpower, CCP and Ecozone customers

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

^b For Franchise and Benefits to Host Communities, FPPCA, FxA, NPC Station Service and other adjustments

^c For Line Rentals, Net Settlement Surplus, Market Fees and other billing adjustments

^d Adjustment for transmission line fee (QPPL only) and previous month adjustment due to forex differentials

^e For Franchise and Benefits to Host Communities

^f Net increase in the price of energy sourced from IPPs due to lower plant capacity factor driven by scheduled and forced outages during the supply period. The weakening of the peso against the dollar also contributed to the higher price.

^g Represents the amount of PhP57.2 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