

COMPUTATION OF THE GENERATION CHARGE FOR OCTOBER 2014^a

(Applicable for Customers Not Under Meralco TOU)

Based on September 2014 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 (Sep 2014) (PhP/kWh)	(G) Average Gen Cost (Aug 2014) (PhP/kWh)	(H = F - G) Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)	Dispatch ^c								
1. SEM-Calaca Power Corp. (SCPC)	99.1%	184.38	7.3%	616.38	(0.14)	616.24	3.3422	3.3944	(0.0522)
2. Masinloc Power Partners Corp. (MPPC)	97.7%	177.36	7.0%	619.03	-	619.03	3.4903	3.3693	0.1210
3. Therma Luzon Inc. (TLI)	93.9%	174.72	6.9%	655.07	8.63	663.70	3.7986	3.8582	(0.0596)
4. San Miguel Energy Corp. (SMEC)	82.9%	203.55	8.1%	792.12	(32.31)	759.81	3.7328	4.0164	(0.2836)
5. South Premiere Power Corp. (SPPC)	71.6%	575.62	22.9%	2,758.00	7.01	2,765.01	4.8035	4.7581	0.0454
6. Therma Mobile Inc. (TMO)	14.2%	21.19	0.8%	293.63	-	293.63	13.8564	16.6370	(2.7806)
Subtotal	76.3%	1,336.83	53.1%	5,734.23	(16.82)	5,717.41	4.2769	4.2883	(0.0114)
B. Power Purchase Agreements (PPAs/IPPs)									
1. Quezon Power Phils Ltd. Co. (QPPL)	82.3%	281.72	11.2%	1,276.26	20.71	1,296.97	4.6038	4.2766	0.3272
2. First Gas Power Corp. (FGPC) – Sta. Rita	73.2%	562.49	22.3%	3,206.58	71.90	3,278.49	5.8286	5.3984	0.4302
3. FGP Corporation (FGP) – San Lorenzo	75.6%	304.90	12.1%	1,767.73	34.53	1,802.26	5.9110	5.3191	0.5919
Subtotal	75.9%	1,149.10	45.6%	6,250.57	127.14	6,377.71	5.5502	5.1107	0.4395 ^d
C. Wholesale Electricity Spot Market (WESM)		22.64	0.9%	321.53	484.50	806.03	35.5994	43.0528	(7.4534)
D. Others ^e		10.49	0.4%	221.32	0.02	221.34	21.1019	39.6949	(18.5930)
Total Generation Cost for Captive		2,519.06	100.0%	12,527.65	594.84	13,122.49	5.2093	5.0436	0.1657
<i>Generation Rate Adjustments</i>									
Pilferage Recovery							(0.0149)	(0.0127)	(0.0022)
Compensation for Deloaded kWhs of ILP Participants ^g							0.0003	0.0001	0.0002
High Load Factor Rider							0.0007	0.0006	0.0001
TOU Differential ^h							0.0113	0.0129	(0.0016)
NPC GRAM							0.1456	0.1492	(0.0036)
Generation Charge for Billing							5.3523	5.1937	0.1586
<i>billing month</i>							<i>Oct 2014</i>	<i>Sep 2014</i>	

Notes:

^a Based on September 2014 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, Pangea Green Energy Philippines, Inc., Panay, Toledo and 1590 Energy Corp.

^c The dispatch figures shown are a) the load factors for the PSA plants in relation to their actual supply for the month and, b) the plant capacity factors (PCF) for the IPPs.

^d The increase in the average generation cost of IPPs was brought about by the cumulative 5-day Malampaya restriction (September 8-11 and September 21-23) which forced the First Gas plants to use more expensive alternative fuel. Higher peso-dollar conversion rate also contributed to the rate increase.

^e Includes Renewable Energy (Philpodeco, Montalban Methane Power Corp., Bacavalley Energy Inc., Pangea Green Energy Philippines and export energy from Net Metering customers) and Interim PSAs (Panay Power, Toledo Power and 1590 Energy Corp.).

^f Represents the amount of PhP37.4 million pilferage recovery returned by Meralco to its customers

^g In accordance with ERC Order dated April 11, 2014 on Meralco's Interruptible Load Program (ILP) implementation

^h Calculated based on the formula approved by the ERC in its Decision under ERC Case No. 2012-117 RC