

COMPUTATION OF THE GENERATION CHARGE FOR OCTOBER 2012^a

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

Based on September 2012 Generation Costs

Source	(A) GWH (million kWh) Purchased	(B) Energy Share (%)	(C) Basic Generation Cost (PhP million)	(D) Other Cost Adjustments (PhP million)	(E = C + D) Total Gen Cost for the Month (PhP million)	(F = E / A) Average Gen Cost (Sep 2012) (PhP/kWh)	(G) Average Gen Cost (Aug 2012) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ^b	1,071.11	36.1%	4,479.65	1,126.93 ^f	5,606.58	5.2343	5.4549	(0.2206)
WESM ^c	206.25	6.9%	1,622.10	420.50 ^g	2,042.60	9.9037	8.7440	1.1597
Subtotal	1,277.36	43.0%	6,101.75	1,547.43	7,649.18	5.9883	5.7520	0.2363
IPPs/SGC Dispatch ^e								
SEM-Calaca (SGC)	148.03	5.0%	541.90	-	541.90	3.6607	3.6625	(0.0018)
QPPL 74.4%	259.25	8.7%	1,307.19	(1.24) ^h	1,305.95	5.0374	5.4171	(0.3797)
Sta Rita 83.7%	638.88	21.5%	3,308.21	(19.70) ^h	3,288.52	5.1473	5.3360	(0.1887)
San Lorenzo 66.7%	261.03	8.8%	1,416.00	(13.38) ^h	1,402.62	5.3733	5.0973	0.2760
Subtotal 77.1%	1,307.20	44.0%	6,573.30	(34.32)	6,538.98	5.0023 ^j	5.0938	(0.0915)
Philpodeco	0.29	0.01%	1.44	-	1.44	4.9409	5.7828	(0.8419)
MMPC	1.53	0.1%	6.13	0.02 ⁱ	6.15	4.0194	3.9490	0.0704
Bacavalley	0.37	0.01%	1.47	0.00 ⁱ	1.47	3.9253	3.9368	(0.0115)
Total Generation Cost	2,586.75	87.1%	12,684.08	1,513.13	14,197.22	5.4884	5.3880	0.1004
<i>Generation Rate Adjustments</i>								
Pilferage Recovery						(0.0176) ^k	(0.0181)	0.0005
High Load Factor Rider						0.0178	0.0175	0.0003
TOU Differential						0.0093 ^l	0.0091	0.0002
Generation Charge						5.4979	5.3965	0.1014
			billing month →			Oct 2012	Sep 2012	
Special Programs Availments ^d	383.90	12.9%						
TOTAL NET SYSTEM INPUT	2,970.656	100.00%						

Notes:

^a based on September 2012 supply month's preliminary bills for NPC and WESM and final bills for the rest of the suppliers

^b Includes NPC TSC, assigned TSC (MPPCL, AP Renewables, Therma Luzon Inc and SPPC) and residuals from NPC special programs

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

^d Sum of the energy availments of Sunpower, CCP and Ecozone customers

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

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

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

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

ⁱ For Franchise and Benefits to Host Communities

^j Average reduction in the price of energy sourced from IPPs was mainly due to lower cost of power sourced from QPPL and First Gas Sta. Rita which was driven by the improvement in its capacity factor. The strengthening of peso against dollar also contributed to the average IPP rate decline.

^k Represents the amount of PhP45.5 million pilferage recovery returned by Meralco to its customers

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