

COMPUTATION OF THE GENERATION CHARGE FOR FEBRUARY 2012¹

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

Based on January 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 (Jan 2012) (PhP/kWh)	(G) Average Gen Cost (Dec 2011) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ²	936.43	34.9%	4,205.32	609.75 ^b	4,815.07	5.1419	5.1055	0.0364
WESM ³	131.54	4.9%	1,157.66	346.14 ^c	1,503.80	11.4327	7.1438	4.2889
Subtotal	1,067.96	39.8%	5,362.98	955.89	6,318.87	5.9167	5.6633	0.2534
IPPs								
Dispatch ^a								
QPPL 60.5%	210.88	7.9%	1,280.04	(1.87) ^d	1,278.17	6.0610	5.3970	0.6640
Sta Rita 79.8%	612.19	22.8%	3,232.50	3.16 ^d	3,235.66	5.2854	5.2102	0.0752
San Lorenzo 85.3%	333.33	12.4%	1,748.95	(4.95) ^d	1,744.01	5.2321	5.1827	0.0494
Subtotal 76.8%	1,156.40	43.0%	6,261.49	(3.66)	6,257.84	5.4115 ^f	5.2439	0.1676
SEM-Calaca	111.73	4.2%	476.65	-	476.65	4.2661	0.0000	4.2661
Philpodeco	0.29	0.01%	1.61	-	1.61	5.5488	5.6752	(0.1264)
MMPC	1.99	0.1%	8.50	0.02 ^e	8.52	4.2736	3.9142	0.3594
Bacavalley	0.76	0.03%	3.17	0.01 ^e	3.18	4.1653	3.9150	0.2503
Total Generation Cost	2,339.14	87.1%	12,114.42	952.26	13,066.68	5.5861	5.4611	0.1250
Generation Rate Adjustments								
Pilferage Recovery						(0.0248) ^g	(0.0240)	(0.0008)
High Load Factor Rider						0.0110	0.0148	(0.0038)
TOU Differential						0.0051 ^h	0.0124	(0.0073)
Generation Charge						5.5774	5.4643	0.1131
			billing month →			Feb 2012	Jan 2012	
Special Programs Availments ⁴	347.21	12.9%						
TOTAL NET SYSTEM INPUT	2,686.35	100.00%						

Notes:

¹ based on January 2012 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 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 Average price of energy sourced from IPPs went up due to higher cost of fuel; lower plant capacity factor driven by scheduled and forced outages during the supply period also contributed to the increase

^g Represents the amount of PhP58.0 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