

COMPUTATION OF THE GENERATION CHARGE FOR OCTOBER 2013^a
(Applicable for Customers Not Under Meralco TOU)
Based on September 2013 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 2013) (PhP/kWh)	(G) Average Gen Cost (Aug 2013) (PhP/kWh)	(H = F - G) Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)								
1. SEM-Calaca Power Corp. (SCPC)	233.20	7.5%	809.40	1.09	810.49	3.4755	3.5469	(0.0714)
2. Masinloc Power Partners Corp. (MPPC)	189.83	6.1%	677.41	0.47	677.88	3.5709	3.6925	(0.1216)
3. Therma Luzon Inc. (TLI)	166.14	5.4%	671.17	(14.85)	656.32	3.9504	4.3301	(0.3797)
4. San Miguel Energy Corp. (SMEC)	153.70	5.0%	583.72	1.66	585.38	3.8087	3.4821	0.3266
5. South Premiere Power Corp. (SPPC)	600.06	19.3%	2,950.85	(84.43)	2,866.42	4.7769	4.9131	(0.1362)
Subtotal	1,342.93	43.3%	5,692.54	(96.05)	5,596.49	4.1674	4.2143	(0.0469)
B. Purchase Power Agreements (PPAs/IPPs) Dispatch ^c								
1. Quezon Power Phils Ltd. Co. (QPPL)	253.98	8.2%	1,239.29	0.19	1,239.47	4.8803	5.2519	(0.3716)
2. First Gas Power Corp. (FGPC) – Sta. Rita	604.19	19.5%	3,109.63	(60.74)	3,048.88	5.0463	5.2943	(0.2480)
3. FGP Corporation (FGP) – San Lorenzo	168.63	5.4%	865.10	(17.77)	847.33	5.0246	5.1763	(0.1517)
Subtotal	1,026.80	33.1%	5,214.01	(78.33)	5,135.68	5.0017	5.2638	(0.2621)
C. Wholesale Electricity Spot Market (WESM)	213.78	6.9%	974.88	229.23	1,204.11	5.6324	14.6270	(8.9946)
D. Renewable Energy								
1. Philpodeco	0.30	0.01%	1.55		1.55	5.2465	4.5536	0.6929
2. Montalban Methane Power Corporation (MMPC)	1.06	0.03%	4.30	0.01	4.31	4.0769	4.1373	(0.0604)
3. Bacavalley Energy Inc (BEI)	0.22	0.01%	0.86	0.00	0.86	3.9733	3.8795	0.0938
4. Pangea Green Energy Philippines	0.38	0.01%	1.51	0.00	1.51	3.9555	3.9419	0.0136
Subtotal	1.95	0.1%	8.22	0.02	8.23	4.2187	4.1077	0.1110
Total Generation Cost	2,585.46	83.3%	11,889.65	54.87	11,944.51	4.6199	4.9040	(0.2841)
<i>Generation Rate Adjustments</i>								
Pilferage Recovery						(0.0175) ^e	(0.0174)	(0.0001)
High Load Factor Rider						0.0026	0.0026	0.0000
TOU Differential						0.0294 ^f	0.0297	(0.0003)
NPC GRAM AND ICERA						0.0488 ^g	0.2558	(0.2070)
Generation Charge						4.6832	5.1747	(0.4915)
				<i>billing month</i> →		<i>Oct 2013</i>	<i>Sep 2013</i>	
Customers with energy not sourced by Meralco ^h	518.91	16.7%						
TOTAL NET SYSTEM INPUT	3,104.37	100.0%						

Notes:
^a Based on September 2013 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), and Pangea Green Energy Philippines, Inc.

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

^d The reduction in the average generation cost of IPPs was brought about by the appreciation of the peso against the US dollar. Significant improvement in QPPL's plant capacity factor and increase in energy deliveries also contributed to average IPP rate reduction.

^e Represents the amount of PhP45.2million pilferage recovery returned by Meralco to its customers

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

^g GRAM only

^h Includes energy for a few remaining special programs