

COMPUTATION OF THE GENERATION CHARGE FOR DECEMBER 2010 ¹

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

Based on November 2010 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 Generation Cost for the Month (PhP)	(F = E/A) Average Gen Cost (November 2010) (PhP/kWh)	(G) Average Gen Cost (October 2010) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)
NPC and WESM								
NPC ²	783.83	28.60%	3,837.21	308.62 ^b	4,145.83	5.2892	4.8510	0.4382
WESM ³	379.85	13.86%	2,778.92	(365.66) ^c	2,413.26	6.3532	11.3437	(4.9904)
Subtotal	1,163.68	42.46%	6,616.13	(57.04)	6,559.09	5.6365	6.6160	(0.9795)
IPPs	Dispatch ^a							
QPPL	84.06%	292.82	10.68%	1,227.35	(8.45) ^d	1,218.90	4.1626 ^f	0.0645
Sta Rita	94.08%	730.37	26.65%	3,083.34	5.55 ^d	3,088.88	4.2292 ^f	0.0784
San Lorenzo	52.85%	204.52	7.46%	1,038.60	21.37 ^d	1,059.97	5.1828 ^f	0.5809
Subtotal	81.20%	1,227.71	44.80%	5,349.28	18.47	5,367.76	4.3722	0.1447
Philpodeco	0.42	0.02%	2.16	-	2.16	5.1518	4.9802	0.1716
MMPC	1.75	0.06%	6.91	0.02 ^e	6.93	3.9558	3.9422	0.0137
Total Generation Cost	2,393.56	87.34%	11,974.49	(38.55)	11,935.94	4.9867	5.3048	(0.3181)
Generation Rate Adjustments								
Pilferage Recovery						(0.0270) ^g	(0.0291)	0.0020
High Load Factor Rider						0.0159	0.0160	(0.0001)
TOU Differential						0.0025 ^h	0.0022	0.0003
Generation Charge						4.9781	5.2940	(0.3159)
					billing month →	December 2010	November 2010	
Special Programs Availments ⁴	346.95	12.66%						
TOTAL NET SYSTEM INPUT	2,740.51	100.00%						

Notes:

¹ based on November 2010 supply month preliminary bills of power suppliers

² Includes NPC TSC, Assigned TSC (Masinloc, Makban, Pagbilao, Sual, Calaca and Ilijan), residual from NPC special programs and previous months' generation adjustments

³ based on November 2010 preliminary bill and other PEMC adjustments

⁴ Sum of the energy availments of Sunpower, CCP and Ecozone customers (based from preliminary figures) less the previous months adjustments from NPC and WESM

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

^b For GRAM, ICERA, Franchise and Benefits to Host Communities, FPPCA, FxA and NPC Station Service

^c For Market Fees and other billing adjustments

^d Adjustment for transmission line fee and previous month adjustment due to forex differentials

^e For Franchise and Benefits to Host Communities

^f The increase in IPPs' overall generation cost was mainly due to the weakening of the peso-dollar exchange rate. Also, the dispatch of San Lorenzo remained low due to its scheduled plant maintenance which started on October 16 and lasted on November 17, 2010

^g Represents the amount of PhP64.7 million pilferage recovery returned by Meralco to its customers

^h Calculated based on the formula provisionally-approved by the ERC on June 27, 2007 in ERC Case No. 2007-111 RC