

**COMPUTATION OF THE GENERATION CHARGE FOR DECEMBER 2012<sup>a</sup>**

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

**Based on November 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 (Nov 2012) (PhP/kWh)	(G) Average Gen Cost (Oct 2012) (PhP/kWh)	(H) Incr/(Decr) (PhP/kWh)	
I. Bilateral Contracts									
A. NPC <sup>b</sup>	1,134.40	38.6%	4,581.24	1,178.24 <sup>c</sup>	5,759.48	5.0771	5.3870	(0.3099)	
B. IPPs	Dispatch <sup>d</sup>								
1. QPPL	80.1%	278.94	9.5%	1,271.97	2.37 <sup>e</sup>	1,274.34	4.5686	4.4352	0.1334
2. FGPC- Sta Rita	68.9%	526.30	17.9%	2,740.55	0.90 <sup>e</sup>	2,741.45	5.2090	5.2310	(0.0220)
3. FGP- San Lorenzo	77.9%	304.96	10.4%	1,539.45	0.39 <sup>e</sup>	1,539.84	5.0493	4.8837	0.1656
Subtotal	73.8%	1,110.19	37.8%	5,551.97	3.65	5,555.62	5.0042 <sup>f</sup>	4.9229	0.0813
C. PSAs									
1. SEM-Calaca	150.54	5.1%	545.61	-	545.61	3.6243	3.7208	(0.0965)	
D. Others									
1. Philpodeco (PPDC)	0.25	0.0%	1.45	-	1.45	5.7996	5.7283	0.0713	
2. Montalban Methane (MMPC)	1.33	0.0%	5.09	0.01 <sup>g</sup>	5.11	3.8482	4.0492	(0.2010)	
3. Bacavalley Energy Inc. (BEI)	0.35	0.0%	1.30	0.00 <sup>g</sup>	1.31	3.7873	4.0410	(0.2537)	
Subtotal	1.92	0.1%	7.85	0.02	7.87	4.0916	4.3055	(0.2139)	
II. WESM <sup>h</sup>	172.18	5.86%	1,830.93	359.59 <sup>i</sup>	2,190.52	12.7223	12.2025	0.5198	
<b>Total Generation Cost</b>	<b>2,569.23</b>	<b>87.5%</b>	<b>12,517.59</b>	<b>1,541.50</b>	<b>14,059.09</b>	<b>5.4721</b>	<b>5.6281</b>	<b>(0.1560)</b>	
<i>Generation Rate Adjustments</i>									
Pilferage Recovery						(0.0174) <sup>j</sup>	(0.0203)	0.0029	
High Load Factor Rider						0.0174	0.0159	0.0015	
TOU Differential						0.0096 <sup>k</sup>	0.0094	0.0002	
<b>Generation Charge</b>						<b>5.4817</b>	<b>5.6331</b>	<b>(0.1514)</b>	
				<i>billing month</i> →		<i>Dec 2012</i>	<i>Nov 2012</i>		
Special Programs Availments <sup>l</sup>	368.27	12.5%							
<b>TOTAL NET SYSTEM INPUT</b>	<b>2,937.50</b>	<b>100.0%</b>							

**Notes:**

<sup>a</sup> based on November 2012 supply month's preliminary bills for NPC, SEM-Calaca and WESM and final bills for the rest of the suppliers

<sup>b</sup> Includes NPC TSC, assigned TSC (MPPCL, AP Renewables, Therma Luzon Inc., SMEC and SPPC) and residuals from NPC special programs

<sup>c</sup> For Franchise and Benefits to Host Communities, FPPCA, FxA, NPC Station Service and other adjustments

<sup>d</sup> The dispatch figures shown are the capacity factors of the IPPs' power plants.

<sup>e</sup> Adjustment for transmission line fee (QPPL only) and previous month adjustment due to forex differentials

<sup>f</sup> The average increase in the price of energy sourced from IPPs was mainly due to their lower energy deliveries and the slight increase in their cost of fuel.

<sup>g</sup> For Franchise and Benefits to Host Communities

<sup>h</sup> Includes trading amount, line rentals, net settlement surplus, market fees and other PEMC adjustments

<sup>i</sup> For line rentals, net settlement surplus, market fees and other billing adjustments

<sup>j</sup> Represents the amount of PhP44.6 million pilferage recovery returned by Meralco to its customers

<sup>k</sup> Calculated based on the formula approved by the ERC in its Decision dated December 14, 2009 under ERC Case No. 2007-111 RC

<sup>l</sup> Sum of the energy availments of Sunpower, CCP and Ecozone customers