

COMPUTATION OF THE GENERATION CHARGE FOR DECEMBER 2013^a
(Applicable for Customers Not Under Meralco TOU)
Based on November 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 (Nov 2013) (PhP/kWh)	(G) Average Gen Cost (Oct 2013) (PhP/kWh)	(H = F - G) Incr/(Decr) (PhP/kWh)
A. Power Supply Agreements (PSAs)								
1. SEM-Calaca Power Corp. (SCPC)	141.81	4.7%	547.96	0.17	548.14	3.8653	3.5186	0.3467
2. Masinloc Power Partners Corp. (MPPC)	190.25	6.3%	1,124.04	1.75	1,125.79	5.9173	4.4477	1.4696
3. Therma Luzon Inc. (TLI)	175.69	5.8%	692.65	5.56	698.21	3.9740	3.9217	0.0523
4. San Miguel Energy Corp. (SMEC)	234.71	7.8%	879.39	1.06	880.45	3.7513	15.5527	(11.8014)
5. South Premiere Power Corp. (SPPC)	396.97	13.2%	2,711.06	(5.99)	2,705.06	6.8143	4.7560	2.0583
6. Therma Mobile Inc. (TMO)	14.82	0.5%	128.10	0.02	128.12	8.6466	6.2030	2.4436
Subtotal	1,154.25	38.3%	6,083.20	2.58	6,085.78	5.2725	4.4376	0.8349
B. Purchase Power Agreements (PPAs/PPs) Dispatch ^c								
1. Quezon Power Phils Ltd. Co. (QPPL) 76.7%	267.23	8.9%	1,211.85	2.36	1,214.21	4.5437	4.9213	(0.3776)
2. First Gas Power Corp. (FGPC) – Sta. Rita 96.1%	735.21	24.4%	4,981.10	41.57	5,022.67	6.8316	4.8828	1.9488
3. FGP Corporation (FGP) – San Lorenzo 18.8%	36.58	1.2%	356.71	8.12	364.83	9.9748	4.9400	5.0348
Subtotal 79.4%	1,039.01	34.5%	6,549.65	52.06	6,601.71	6.3538	4.9002	1.4536 ^d
C. Wholesale Electricity Spot Market (WESM)	286.38	9.5%	8,889.10	623.35	9,512.44	33.2160	13.7359	19.4801
D. Renewable Energy								
1. Montalban Methane Power Corporation (MMPC)	1.91	0.06%	7.46	0.02	7.48	3.9056	3.9932	(0.0876)
2. Bacavalley Energy Inc (BEI)	0.31	0.01%	1.16	0.00	1.17	3.8057	3.9750	(0.1693)
3. Pangea Green Energy Philippines	0.33	0.01%	1.27	0.00	1.27	3.8089	3.9866	(0.1777)
4. Others	0.33	0.01%	1.74		1.74	5.2841	5.1788	0.1053
Subtotal	2.88	0.1%	11.63	0.03	11.66	4.0409	4.1719	(0.1310)
Total Generation Cost	2,482.53	82.4%	21,533.58	678.00	22,211.59	8.9472	5.4951	3.4521
<i>Generation Rate Adjustments</i>								
Pilferage Recovery						(0.0165) ^e	(0.0184)	0.0019
High Load Factor Rider						0.0023	0.0021	0.0002
TOU Differential						0.0184 ^f	0.0313	(0.0129)
NPC GRAM						0.1556	0.1572	(0.0016)
Generation Charge Before Deferral						9.1070	5.6673	3.4397
Deferred Generation Charge						(1.4397) ^g	0.0000	(1.4397)
Generation Charge for Billing						7.6673	5.6673	2.0000
						<i>Dec 2013</i>	<i>Nov 2013</i>	
Customers with energy not sourced by Meralco ^h	530.98	17.6%						
TOTAL NET SYSTEM INPUT	3,013.51	100.0%						

Notes:
^a Based on November 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), Therma Mobile and Pangea Green Energy Philippines, Inc.

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

^d The increase in the average generation cost of IPPs was brought about by the higher cost of fuel used by First Gas plants due to Malampaya shutdown and the reduction in the energy delivery of San Lorenzo due to its scheduled plant maintenance. Weakening of the peso against the US dollar also contributed to the average increase in IPP costs.

^e Represents the amount of PhP41.0 million pilferage recovery returned by Meralco to its customers

^f Calculated based on the formula approved by the ERC in its Decision under ERC Case No. 2012-117 RC

^g Deferred generation cost for recovery in February and March 2014 billing periods

^h Includes energy for a few remaining special programs