



RATES FOR JANUARY 2012 BILLING PERIOD

The effective rates for the billing month of January 2012 (or December 26, 2011 – January 25, 2012) are as follows:

Power Delivery Service (PDS) Rates

Power Delivery Service Rates	Firm Rate (P/kW-month)	Non-firm Rate (P/kW per day)
Luzon	309.6163	10.1792
Visayas	313.4060	10.3038
Mindanao	292.6936	9.6228

Following the Energy Regulatory Commission's (ERC) order dated January 2, 2012 on ERC Case No. 2011-140RC [In the Matter of the Application for the Maximum Allowable Revenue for Calendar Year 2012 (MAR 2012) and the Performance Incentive Scheme (PIS) Compliance in Accordance with the Alternative Form of Rate Setting Methodology under the Rules for Setting the Transmission Wheeling Rates, with Prayer for Provisional Authority], the PDS Rates shall be computed monthly based on the provisionally-approved MAR for 2012 of PhP40,350.78 Million and the PIS of PhP503.12 Million consistent with Module F of the 2006 Revised Open Access Transmission Service (OATS) Rules.

System Operations Charge and Metering Services Provider Charges

For System Operator (SO) Charge and Metering Service Provider (MSP) Charges, the provisionally-approved rates follow the same ERC Order for MAR 2012.

Connection Charges and Residual Sub-transmission Charges (CC/RSTC)

In its Decision dated July 6, 2011 on ERC Case Nos. 2008-066RC and 2009-153RC, the ERC approved the CYs 2008 and 2009 CC/RSTC and directed NGCP and TransCo to implement the approved CY 2009 CC/RSTC as its current charges. Accordingly, effective December 2011, customers shall be billed using the CY 2009 level of CC/RSTC.¹

Ancillary Services (AS) Charges

Consistent with the ERC-approved Ancillary Services-Cost Recovery Mechanism (AS-CRM), the monthly Ancillary Services (AS) charges are computed based on the total cost of AS provision (as billed by AS

¹ Please refer to Customer Bulletin No. 2011-24, *Implementation of the Approved 2009 Connection Charges and Residual Sub-transmission Charges starting December 2011 Billing Period*

in the name of

providers per service type and per grid) and the total billing determinant of customers who benefited from the service.

Kindly note that for the billing month of January 2012, Green Core Geothermal, Inc. (GCGI) provided contingency reserve in the Visayas Grid in accordance with its Ancillary Services Procurement Agreement with NGCP as approved in the August 17, 2011 Order issued on ERC Case No. 2011-065 RC.

The AS Charges for this month are as follows:

AS Type per Customer Segment	AS Cost (in PhP)	Firm Rate (P/kW/mo)	Non-firm Rate (P/kW/day)
Luzon			
Regulating Reserve	271,977,721.67	35.07	1.1530
Contingency Reserve	715,888,508.95	92.32	3.0352
Dispatchable Reserve	313,763,312.67	40.46	1.3302
Black Start Capacity	768,793.54	0.10	0.0033

Visayas			
Regulating Reserve		-	-
Contingency Reserve	31,071,806.09		
<i>Leyte-Samar-Bohol</i>	<i>2,625,594.23</i>	9.12	0.2998
<i>Cebu-Negros-Panay</i>	<i>28,446,211.86</i>	24.63	0.8098
Dispatchable Reserve	23,677,273.36	16.41	0.5395

Mindanao			
Regulating Reserve	24,986,434.20	16.60	0.5458
Contingency Reserve	39,580,514.32	26.30	0.8647
Dispatchable Reserve	202,622,236.12	134.62	4.4259

Done *marks* *f*
