



RATES FOR AUGUST 2010 BILLING PERIOD

The effective rates for the billing month of August 2010 (or July 26 – August 25, 2010) 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	338.99	11.14
Visayas	361.14	11.87
Mindanao	371.43	12.21

The PDS Rates are computed monthly based on the provisionally approved effective Maximum Allowable Revenue of Php 44,991.45 Million, in accordance 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 rates remain consistent with the January 19, 2010 Order on ERC Case No. 2009-160RC.

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

Pursuant to ERC Order dated January 11, 2010, the monthly Connection Charges and Residual Sub-transmission Charges of customers shall be based on the ERC-approved CY 2007 CC & RSTC level until the ERC issues its Final Decision on the Application for the Approval of the CC & RSTC for CY 2009.

Ancillary Services (AS) Charges

Ancillary Service Type per Customer Segment	Firm Rate (P/kW-month)	Non-firm Rate (P/kW per day)
Luzon		
Regulating Reserve	7.40	0.2433
Contingency Reserve	20.15	0.6625
Black Start Capacity	0.10	0.0033

Visayas		
Regulating Reserve	4.51	0.1483
Contingency Reserve		
<i>Leyte-Samar-Bohol</i>	10.23	0.3363
<i>Cebu-Negros-Panay</i>	29.21	0.9603
Dispatchable Reserve	12.30	0.4044

Mindanao		
Regulating Reserve	8.40	0.2762
Contingency Reserve	23.91	0.7861
Dispatchable Reserve	227.85	7.4910

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 providers per service type and per grid) and the total billing determinant of customers in a grid.

For August 2010 billing month, the Ancillary Services Providers were as follows:

- *Luzon Grid*
 - SN Aboitiz Power-Magat (SNAP-Magat)
 - SN Aboitiz Power-Benguet (SNAP-Benguet)
 - National Power Corporation (NPC)
- *Visayas Grid*
 - NPC
 - Panay Power Corporation (PPC)
- *Mindanao Grid*
 - NPC
 - Therma Marine, Inc. (TMI)