



**RATES FOR SEPTEMBER 2011 BILLING PERIOD**

The effective rates for the billing month of September 2011 (or August 26 – September 25, 2011) 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	346.65	11.3967
Visayas	285.82	9.3968
Mindanao	301.72	9.9196

Following the issuance of the July 4, 2011 Decision on ERC Case No. 2010-152RC, the PDS Rates shall be computed monthly based on the approved Maximum Allowable Revenue (MAR) of PhP44,889.03 Million and the Performance Incentive Scheme (PIS) of PhP322 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 rates remain consistent with the July 4, 2011 Decision on ERC Case No. 2010-152RC.

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 2010.

Ancillary Services (AS) Charges

Effective February 2011 billing month, in accordance with the ERC Decision dated November 22, 2010 and the Final Determination of NGCP's revenue for the Third Regulatory Period (2011-2015), the level of Regulating Reserve for each grid shall be equal to 4% of the forecast demand for the grid. Moreover, the available Dispatchable Reserve shall be equal to the scheduled load and reserve on the second most heavily loaded scheduled generator on each grid.

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The AS Charges for this month are as follows:

Ancillary Service Type per Customer Segment	AS Cost (in PHP)	Firm Rate (P/kW-month)	Non-firm Rate (P/kW per day)
<b>Luzon</b>			
Regulating Reserve	206,680,264.79	26.55	0.8729
Contingency Reserve	439,692,902.20	56.48	1.8572
Dispatchable Reserve	694,214,596.14	89.18	2.9319
Black Start Capacity	771,966.00	0.10	0.0033

<b>Visayas</b>			
Regulating Reserve	-	-	-
Contingency Reserve	21,290,103.27		
<i>Leyte-Samar-Bohol</i>		4.10	0.1348
<i>Cebu-Negros-Panay</i>		17.39	0.5717
Dispatchable Reserve	25,596,506.83	17.71	0.5822

<b>Mindanao</b>			
Regulating Reserve	30,285,233.10	19.94	0.6556
Contingency Reserve	77,828,563.38	51.26	1.6853
Dispatchable Reserve	230,458,429.04	151.77	4.9897

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 who benefited from the service.

Note that effective August 2011 billing period, NGCP implemented its approved Ancillary Services Procurement Agreement with First Gen Hydro Power Corporation (FGHPC) pursuant to June 6, 2011 ERC Order. Accordingly, NGCP utilized FGHPC's Pantabangan Hydro Electric Plant for the provision of ancillary services, particularly Contingency Reserve, Dispatchable Reserve and Reactive Power Support. The corresponding cost of said provision was determined using the rates and conditions approved in the said Order.

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## NGCP CHARGES

In accordance with Module F of the 2006 Revised OATS Rules (ERC Case 2006-15RC)  
and the Decision issued by ERC on ERC Case No. 2010-152 RC  
for CY2011 Maximum Annual Revenue (MAR) of Php44,889.03Mn  
**As of September 2011**

	LUZON		VISAYAS		MINDANAO	
	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)
<b>I. POWER DELIVERY SERVICE (PDS) RATE</b>						
January	355.61	11.69	370.50 <sup>1/</sup>	12.18	381.75 <sup>1/</sup>	12.55
February	352.56	11.59	367.55	12.08	380.49	12.51
March	354.81	11.66	368.30	12.11	379.41	12.47
April	354.96	11.67	369.75	12.16	374.88	12.32
May	355.14	11.68	368.67	12.12	375.33	12.34
June	355.51	11.69	372.97	12.26	374.25	12.30
July	355.43	11.69	369.29	12.14	372.75	12.25
August	348.19	11.45	286.80	9.43	303.37	9.97
September	346.65	11.40	285.82	9.40	301.72	9.92

**II. SYSTEM OPERATOR (SO) CHARGE**

(Uniformly applied to Luzon, Visayas and Mindanao customers)

Firm	Non-Firm
17.10	0.5622
Php/kW/mo.	Php/kW/day

**III. METERING SERVICE PROVIDER (MSP) CHARGE**

**i. COMMON METERING CHARGE<sup>2/</sup>**

2,297.00 *Php per metering point, per month*

**ii. METERING SERVICES CHARGE per VOLTAGE LEVEL**

500/230kV  
138/115kV  
69/67kV  
34.5/23kV  
13.8kV  
Below 13.8kV

	FULL METERING CHARGE <sup>3/</sup> (PhP/Metering Point per month)	METER ONLY CHARGE <sup>4/</sup> (PhP/Metering Point per month)
	25,140.00	9,866.00
	15,818.00	9,800.00
	10,503.00	4,150.00
	2,544.00	534.00
	1,182.00	478.00
	384.00	224.00

**IV. EXCLUDED SERVICES (for Subtrans Assets)**

1. Connection Charge (CC)
2. Residual Sub-trans Charge (RSTC)

Luzon (Php/Month)	Visayas (Php/Month)	Mindanao (Php/Month)
Determined annually (Customer-specific charge)		

**V. ANCILLARY SERVICES CHARGE<sup>5/</sup>, Php/kW/month**

*ERC Case 2007-049 RC (ERC Order on Ancillary Services - Cost Recovery Mechanism (AS-CRM))*

**1. Regulating Reserve**

January  
February  
March  
April  
May  
June  
July  
August  
September

	LUZON		VISAYAS		MINDANAO	
	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)
January	23.92	0.7864	6.77	0.2226	9.39	0.3087
February	23.77	0.7815	8.87	0.2916	9.46	0.3110
March	23.10	0.7595	11.55	0.3797	9.61	0.3159
April	21.05	0.6921	11.99	0.3942	9.94	0.3268
May	26.55	0.8729	12.50	0.4110	12.22	0.4018
June	22.36	0.7351	11.84	0.3893	13.76	0.4524
July	24.43	0.8032	7.29	0.2397	13.78	0.4530
August	25.78	0.8476	0.00	0.0000	18.67	0.6138
September	26.55	0.8729	0.00	0.0000	19.94	0.6556

**2. Contingency Reserve**

January  
February  
March  
April  
May  
June  
July  
August  
September

	LUZON		VISAYAS		MINDANAO	
	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)	Firm C-N-P*/ L-S-B*	Non-Firm C-N-P*/ L-S-B*	Firm (Php/kW/mo.)	Non-Firm (Php/kW/day)
January	47.36	1.5570	29.35/19.67	0.9649/0.6467	38.79	1.2753
February	38.21	1.2562	18.88/10.84	0.6207/0.3564	37.76	1.2414
March	31.86	1.0475	26.13/18.45	0.8591/0.6066	19.99	0.6572
April	40.18	1.3210	32.95/25.55	1.0833/0.8400	25.13	0.8262
May	45.63	1.5002	23.12/14.84	0.7601/0.4879	29.65	0.9748
June	37.40	1.2296	15.67/8.49	0.5152/0.2791	21.91	0.7203
July	46.84	1.5399	20.62/12.53	0.6779/0.4119	30.37	0.9985
August	41.09	1.3509	18.24/7.86	0.5997/0.2584	46.96	1.5439
September	56.48	1.8572	17.39/4.10	0.5717/0.1348	51.26	1.6853



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for CY2011 Maximum Annual Revenue (MAR) of Php44,889.03Mn  
**As of September 2011**

	LUZON		VISAYAS		MINDANAO	
	Firm	Non-Firm	Firm	Non-Firm	Firm	Non-Firm
	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)
<b>3. Dispatchable Reserve</b>						
January	52.33	1.7204	12.45	0.4093	79.87	2.6259
February	44.51	1.4633	14.39	0.4731	79.05	2.5989
March	34.35	1.1293	20.29	0.6671	109.84	3.6112
April	42.44	1.3953	31.03	1.0202	224.96	7.3959
May	80.75	2.6548	29.50	0.9699	208.53	6.8558
June	67.10	2.2060	25.86	0.8502	214.87	7.0642
July	70.38	2.3139	21.74	0.7147	193.64	6.3662
August	79.03	2.5982	20.81	0.6842	194.92	6.4083
September	89.18	2.9319	17.71	0.5822	151.77	4.9897

	LUZON		VISAYAS		MINDANAO	
	Firm	Non-Firm	Firm	Non-Firm	Firm	Non-Firm
	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)
<b>4. Black Start Capacity</b>						
January	0.11	0.0036	0.00	0.000	0.00	0.000
February	0.10	0.0033	0.00	0.000	0.00	0.000
March	0.10	0.0033	0.00	0.000	0.00	0.000
April	0.10	0.0033	0.00	0.000	0.00	0.000
May	0.09	0.0030	0.00	0.000	0.00	0.000
June	0.10	0.0033	0.00	0.000	0.00	0.000
July	0.10	0.0030	0.00	0.000	0.00	0.000
August	0.10	0.0033	0.00	0.000	0.00	0.000
September	0.00	0.0033	0.00	0.000	0.00	0.000

	LUZON		VISAYAS		MINDANAO	
	Firm	Non-Firm	Firm	Non-Firm	Firm	Non-Firm
	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)
<b>5. Energy Imbalance<sup>4/</sup></b>						
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

	LUZON		VISAYAS		MINDANAO	
	Firm	Non-Firm	Firm	Non-Firm	Firm	Non-Firm
	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)	(Php/kW/mo.)	(Php/kW/day)
<b>5. Reactive Power Support<sup>4/</sup></b>						
August	0.86	0.0283	0.00	0.000	0.00	0.000
September						
October						
November						
December						

**Notes:**

1/ Adjusted rate for the billing month

2/ Recovery of the cost of metering software and hardware, and associated costs. Charged to all customers per metering point/s.

3/ All metering facilities wholly-owned by NGCP.

4/ Metering facilities not wholly-owned by NGCP.

5/ Computed AS rates for the Ancillary Services (Pass-through cost)

\*C-N-P = CEBU NEGROS PANAY, L-S-B = LEYTE SAMAR BOHOL