



RATES FOR NOVEMBER 2011 BILLING PERIOD

The effective rates for the billing month of November 2011 (or October 26 – November 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	345.56	11.36
Visayas	296.47	9.75
Mindanao	313.15	10.30

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.

Free for all

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)
Luzon			
Regulating Reserve	254,308,203.41	31.96	1.0507
Contingency Reserve	875,790,057.83	110.06	3.6184
Dispatchable Reserve	627,740,518.24	78.89	2.5936
Black Start Capacity	771,966.00	0.10	0.0033

Visayas			
Regulating Reserve	-	-	-
Contingency Reserve	19,239,544.14		
<i>Leyte-Samar-Bohol</i>		5.30	0.1742
<i>Cebu-Negros-Panay</i>		15.48	0.5089
Dispatchable Reserve	27,617,551.52	19.27	0.6335

Mindanao			
Regulating Reserve	31,206,791.70	20.49	0.6736
Contingency Reserve	61,488,112.32	40.36	1.3269
Dispatchable Reserve	275,044,629.56	180.55	5.9359

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.

The Luzon AS Costs remained relatively high as was the case in the October 2011 billing period. Although the Market Clearing Price eased in November, the scheduled capacity for this month increased thereby pushing AS costs to almost the same level in October.