

## ANNEX A

### Possible Benchmark Costs per EC Grouping

	Group Number						
	1	2	3	4	5	6	7
<b>benchmark cost [note 1]</b>							
2006 level (median)	1.97	1.59	1.03	1.19	0.89	0.92	0.63
2006 level (70 <sup>th</sup> percentile)	2.15	1.60	1.22	1.28	0.89	0.95	0.65
2009 level (median)	2.29	1.84	1.20	1.39	1.03	1.06	0.73
2009 level (70 <sup>th</sup> percentile)	2.50	1.86	1.41	1.49	1.04	1.10	0.75
<b>actual 2006 dsm costs</b>							
Average	1.71	1.57	1.06	1.05	0.94	0.83	0.53
Maximum	2.50	2.39	1.50	1.53	1.38	1.16	0.73
Minimum	1.20	1.15	0.70	0.65	0.65	0.65	0.37
std dev	0.36	0.48	0.24	0.23	0.23	0.18	0.15
<b>unbundled rates [note 2]</b>							
Average	1.48	1.37	0.88	0.90	0.71	0.70	0.47
Maximum	2.13	2.08	1.39	1.51	1.00	0.84	0.57
Minimum	1.06	0.93	0.62	0.42	0.60	0.63	0.35
std dev	0.29	0.47	0.18	0.26	0.14	0.07	0.09
<b>rate increase (decrease) [note 3]</b>							
Average	0.80	0.47	0.31	0.49	0.33	0.36	0.26
Maximum	1.23	0.91	0.58	0.97	0.43	0.43	0.38
Minimum	0.15	(0.24)	(0.19)	(0.12)	0.04	0.22	0.16
std dev	0.29	0.47	0.18	0.26	0.14	0.07	0.09
<b>% rate increase (decrease)</b>							
Average	60%	46%	40%	69%	50%	53%	60%
Maximum	116%	98%	93%	233%	73%	68%	107%
Minimum	7%	-11%	-14%	-8%	4%	27%	27%
std dev	31%	44%	25%	58%	23%	14%	32%
<b>number of Ecs with rate decrease</b>							
total number of Ecs in group	26	6	19	28	7	6	6

1/ 95% of the wage rate index-adjusted unbundled costs (5% is ORI adjustment)

2/ based on the ERC unbundling decisions

3/ unbundled rate less benchmark cost (median - 2009 level)

### Malmquist TFP Indices Per EC Group

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	pure efficiency change	scale efficiency change	total efficiency change	technical change	total factor productivity change
Group	[1]	[2]	[3]=[1]x[2]	[4]	[5]=[3]x[4]
1	1.000	1.000	1.000	1.012	1.012
2	1.000	1.000	1.000	1.000	1.000
3	1.000	1.000	1.000	1.010	1.010
4	1.000	1.000	1.000	1.010	1.010
5	1.000	1.000	1.000	0.998	0.998
6	1.000	0.999	0.999	1.005	1.004
7	1.000	1.000	1.000	1.009	1.009

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Existing versus Proposed Reinvestment Fund  
Provision Per Kwh

	existing	proposed	increase (decrease) (PhP)	increase (decrease) (%)
<b>average</b>	0.2592	0.2197	-0.0395	-12.69%
<b>max</b>	0.3649	0.2526	0.0461	27.55%
<b>min</b>	0.1493	0.1856	-0.1513	-41.46%