

NAME OF DISTRIBUTION UTILITY: _____

ANNEX A

SAMPLE CALCULATION OF THE OVER OR UNDER RECOVERY IN THE SYSTEM LOSS CHARGE

PARTICULARS	May 2004	June 2004	July 2004	Aug 2004	Sept. 2004	October
Generation Charges						
Generation System Charge	2.2907	2.5238	2.5238	2.5238	2.5238	2.7440
Franchise & Benefits to Host Communities	0.0177	0.0177	0.0177	0.0177	0.0177	0.0177
FPCA Under Recovery Charge	0.3100	0.0989	0.0989	0.0000	0.0000	0.0000
ICERA Charge	0.2934	0.2934	0.2934	0.2934	0.2934	0.2934
AGR_i*	2.9118	2.9338	2.9338	2.8349	2.8349	3.0551
ATR_i**	0.8252	0.8252	0.8252	0.8252	0.8252	0.8120
U***	16.49%	16.49%	16.49%	16.49%	16.49%	16.49%
Adjusted System Loss Charge	0.6161	0.6198	0.6198	0.6034	0.6034	0.6376
Existing System Loss Charge	0.5718	0.5718	0.5718	0.5718	0.5718	0.5718
Difference	0.0443	0.0480	0.0480	0.0316	0.0316	0.0658
KWH Sales	34,271,458	33,674,105	32,587,092	32,637,503	35,043,629	33,265,101
Under recovery on System Loss Charge (PhP)	1,519,038	1,614,703	1,562,580	1,032,818	1,108,960	2,187,961
TOTAL Under recovery on System Loss Charge					in PhP	9,026,060
Total sales (May-October 2004)					in KWh	201,478,888
Under recovery on System Loss Charge					in PhP/kWh	0.04480

*AGR_i = *AGR_i = The actual NPC generation rate for month i if DU is sourcing 100% of its power from NPC or the authorized composite generation rate of the DU if has source(s) of power other than NPC

**ATR_i = The authorized Average Transmission Rate of the DU for month i

U = Grossed-up factor or grossed-up System Loss Rate incorporated in the approved unbundled rates
 = System Loss Rate / (1 - System Loss Rate)

sample computation: *** U = 14.1536% divided by (1-14.1536%)
 = 16.49%

Submitted for Verification by ERC:

 General Manager/Authorized Officer
 Date: _____

Submitted and Sworn to before me this _____ day of _____
 affiant exhibiting to me his Residence Certificate No. _____
 issued at _____ on _____.

 Notary Public