

BREAKDOWN OF GENERATION CHARGE

Applicable for December 2010 Billing (Based on November 2010 Generation Costs)

| Source | % to Total kWh Purchased | (A) kWh Purchased | (B) Basic Generation Cost (PhP) | (C) Other Cost Adjustments | (D = B + C) Total Generation Cost for the Month (PhP) | (D / Total A) Average Generation Cost (PhP/kWh) |
|--|--------------------------|------------------------|--|------------------------------------|--|--|
| PSALM - NPC | 92.99% | 59,960,414 | 169,246,233 | | 169,246,233 | 2.6248 |
| Bilateral Contracts with Independent Power Producers (IPPs): | | | | | | |
| 1. Mindanao Energy Systems, Inc. (MINERGY) | 0.50% | 319,812 | 24,635,677 | | 24,635,677 | 0.3821 |
| 2. Bubunawan Power Corporation (BPC) | 4.68% | 3,014,600 | 12,398,574 | | 12,398,574 | 0.1923 |
| 3. FG Bukidnon Power Corporation (FGBPC) | 1.68% | 1,085,974 | 3,999,282 | | 3,999,282 | 0.0620 |
| WESM | | | | | | |
| Self-Generation (Photovoltaic Plant) | 0.15% | 99,200 | 407,994 | | 407,994 | 0.0063 |
| Sale for Resale | | | | | | |
| Others | | | | | | |
| Total | 100.00% | 64,480,000 | 210,687,760 | - | 210,687,760 | 3.2675 |