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Republic of the Philippines
ENERGY REGULATORY COMMISSION
Exquadra Tower, 1 Jade Drive
Ortigas Center, Pasig City

26 MAR 30 A10 :14

RECEIVED BY: Cherryl O. Calindog

IN THE MATTER OF THE APPLICATION FOR CONFIRMATION OF THE TRUE-UP CALCULATION OF THE ACTUAL WEIGHTED AVERAGE TARIFF (AWAT) VIS-À-VIS APPROVED FINAL DISTRIBUTION RATE IMPLEMENTED DURING THE LAPSED PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025, WITH PRAYER FOR PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF,

ERC CASE NO. 2026-040RC

March 25, 2026

MANILA ELECTRIC COMPANY (MERALCO),
Applicant.
x----------x

APPLICATION

Applicant **MANILA ELECTRIC COMPANY ("MERALCO")**, by counsel, respectfully states:

1. Applicant MERALCO is a private corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Lopez Building, MERALCO, Ortigas Avenue, Pasig City. It may be served with orders, notices, and other processes of this Honorable Commission through its undersigned counsel at the address indicated herein.

2. MERALCO has a legislative franchise under Republic Act No. 9209 to construct, operate, and maintain an electric power distribution system for the conveyance of electric power to the end-users in the cities and municipalities of Metro Manila, Bulacan, Cavite,

and Rizal, and certain cities/municipalities/barangays in Batangas, Laguna, Quezon, and Pampanga.[1]

3. The Honorable Commission promulgated ERC Resolution No. 23, Series of 2025, entitled, "*A Resolution Directing All Private Distribution Utilities to File their Respective AWAT Applications for the Lapsed Period*" (the "*AWAT Resolution*"), which became effective upon its publication on 22 November 2025.

4. The *Resolution* adopted a confirmation and true-up process to determine the rates of privately-owned distribution utilities ("PDUs") during the Lapsed Period. It further directed all PDUs to file an application, within sixty (60) calendar days from its effectivity, to confirm their respective Actual Weighted Average Tariff ("AWAT") as against their last approved rates, covering the start of their Lapsed Period until 31 December 2025.

5. Thereafter, ERC Resolution No. 1, Series of 2026[2] extended the deadline for the filing of the AWAT application from sixty (60) days (reckoned from 22 November 2025) to one hundred twenty (120) days, or until 22 March 2026. Thus, this *Application* is timely filed.

DETAILS OF MERALCO'S PROPOSED CALCULATION

6. MERALCO's Lapsed Period was from 1 July 2015 to 30 June 2026. Since MERALCO previously filed applications for the confirmation and true up of its last approved rate versus its AWAT, the instant *Application* only covers the period from 1 July 2025 to 31 December 2025.

7. The table below shows the computation of the resulting true up of the AWAT of PhP 1.5169/kWh for the period 1 July 2025 to 31 December 2025, as against the approved Final Distribution Rate of PhP 1.3522/kWh implemented during the same period.

DSM Revenues + 50% of Net Income from Related Business	PhP	a	39,786,888,751
Energy Sales (July - December 2025)	kWh	b	26,228,237,794

1 Pursuant to Republic Act No. 12146, Applicant's franchise has been renewed for another twenty-five (25) years, with the new term set to begin upon the expiration of the current franchise in 2028.

2 Entitled, "*A Resolution Amending Certain Timelines Provided under Resolution No. 23, Series of 2025 (Filing of AWAT Applications) and Resolution No. 24, Series of 2025 (Rationalized Rules for Setting Distribution Wheeling Rates)*".

AWAT (July - December 2025)	PhP/kWh	c = a/b	1.5169
Final Approved Rate for Lapsed Period (MAP)	PhP/kWh	d	1.3522
Difference in Rate	PhP/kWh	e = d - c	(0.1647)
Difference in Amount	PhP	f = b * e	**(4,321,065,606)**
Forecast Sales (36 months)	kWh	g	164,985,397,868
Proposed Average Refund Rate (36 months)	PhP/kWh	h = f/g	**(0.0262)**

8. MERALCO proposes to refund the difference between the AWAT and MERALCO's approved Final Distribution Rate in the total amount of **Four Billion Three Hundred Twenty-One Million Sixty-Five Thousand Six Hundred Six Pesos (PhP 4,321,065,606.00)**, over a period of thirty-six (36) months, or until fully refunded, at an average rate of PhP (0.0262)/kWh.

9. The average refund rate of PhP (0.0262)/kWh is proposed to be allocated among MERALCO's customer classes, as follows:

Customer Class	Refund Rate (PhP/kWh)
Residential & General Service A	(0.0445)
General Service B	(0.0295)
General Power	(0.0132)
GHMSCI	(0.0181)
Flat Streetlights	(0.0453)
Generator – Wheeling	(0.0033)
Average Refund Rate	**(0.0262)**

The refund rate will be reflected as a separate line item in the bills of customers during the refund period.

10. In accordance with the *AWAT Resolution*, MERALCO shall file a final Application to fully update and complete the true up of its AWAT covering the period from 1 January 2026 to 30 June 2026, within sixty (60) calendar days from the start of its First Regulatory Period, or on or before 30 August 2026.

ALLEGATIONS IN SUPPORT OF THE PRAYER FOR PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF

11. Pending final approval of the instant *Application*, the issuance of a provisional authority will allow MERALCO's customers to immediately enjoy the benefits of the refund sought to be

implemented, providing welcome relief to consumers during this time.

12. In support of the foregoing allegations, MERALCO hereby submits the *Judicial Affidavit* of Ms. Aileen G. Dalanon, Lead, Core Business Tariff Regulation Management of the Tariff Management Office, attached hereto as **Annex "H"**.

DOCUMENTS IN SUPPORT OF THE *APPLICATION*

13. In compliance with the pre-filing requirements of the Honorable Commission, MERALCO submits the following documentary requirements in support of the *Application*:

DOCUMENT	ANNEX
Breakdown of the Distribution, Supply, and Metering Revenues and Actual Energy Sales (kWh) for 1 July 2025 to 31 December 2025	**"A"**
Detailed AWAT computation for 1 July 2025 to 31 December 2025	**"B"**
Detailed Computation of the Proposed Refund Rate per Customer Class	**"C"**
Forecast Energy Sales for Proposed Refund Period	**"D"**
Summary of the Approved Average Rate Schedule by Customer Class	**"E"**
Business Separation and Unbundling Plan (BSUP) Submission on Related Business Income	**"F"**
Rate Impact Simulation	**"G"**

14. In view of the foregoing, MERALCO prays for the approval of the instant *Application*.

PRAYER

WHEREFORE, premises considered, **MERALCO** respectfully prays that, after due notice and hearing, a Decision be rendered:

1. **CONFIRMING** MERALCO's resulting calculation of the total refund amount to its customers in the amount of **Four Billion Three Hundred Twenty-One Million Sixty-Five Thousand Six Hundred Six Pesos (PhP 4,321,065,606.00)**;

2. **APPROVING** MERALCO's proposed refund scheme and refund period, within thirty-six (36) months or until fully refunded, to its customers, as follows:

Customer Class	Refund Rate (PhP/kWh)
Residential & General Service A	(0.0445)
General Service B	(0.0295)
General Power	(0.0132)
GHMSCI	(0.0181)
Flat Streetlights	(0.0453)
Generator – Wheeling	(0.0033)
Average Refund Rate	**(0.0262)**

3. **DECLARING** MERALCO, upon completion of the refund of the foregoing amounts, to have **COMPLIED** with ERC Resolution No. 23, Series of 2025.

MERALCO further prays that pending a hearing on the merits of the case, a Provisional Authority be **ISSUED** to immediately implement the refund to MERALCO's consumers.

MERALCO prays for such other relief just and equitable under the premises.

Pasig City, 17 March 2026.

MANILA ELECTRIC COMPANY
Applicant
Lopez Building, Ortigas Avenue
Barangay Ugong, Pasig City

By:

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IBP No. 575333; 12/29/2025; Makati City
MCLE Compliance No. N/A - Admitted to the Bar in 2025

7th Floor, Lopez Building
Ortigas Avenue, Barangay Ugong, Pasig City
Tel no. 1622-2260; Fax No: 1622-3550
Email: regaffairs@meralco.com.ph

VERIFIED DECLARATION

I, **JEDIDIAH JOSEPH D. SUPAN**, of legal age, Filipino, with office address at the 7th floor, Lopez Building, Ortigas Avenue, Pasig City, after having been duly sworn in accordance with law, hereby declare that the *Application* in the above-captioned case was electronically served in accordance with ERC Resolution No. 9, Series of 2020, and that the foregoing is a complete and true copy of the original document filed with the Honorable Commission.

JEDIDIAH JOSEPH D. SUPAN

SUBSCRIBED AND SWORN to before me this MAR 17 2026 March 2026 at Pasig City, Philippines, affiant exhibiting to me competent evidence of his identity in the form his Integrated Bar of the Philippines ID with Roll No. 95970, bearing his signature and photograph.

Doc. No. 413;
Page No. 84;
Book No. XII;
Series of 2026.

ATTY. MA. ELISHA S. ELORIAGA
NOTARY PUBLIC
ROLL NO. 73497
PASIG CITY & MUN. PATEROS, PHILIPPINES

NOTARY PUBLIC

MA. ELISHA S. ELORIAGA
NOTARY PUBLIC
Appointment No. 175 (2025-2026)
City of Pasig and Municipality of Pateros
Issued on 03 March 2025, until December 31, 2026
Roll No. 73497; IBP No. 589192; 01/06/2026; Quezon City
PTR No. 4005310; 01/07/2026; Pasig City
MCLE Compliance No. VIII-0039682; Valid until 14 April 2027
7th Floor Lopez Bldg., Ortigas Ave., Pasig City

REPUBLIC OF THE PHILIPPINES }
CITY OF PASIG } S.S.

VERIFICATION AND CERTIFICATION AGAINST FORUM SHOPPING

I, **JOSE RONALD V. VALLES**, Filipino, of legal age, married and with office address at 12th Floor, Lopez Building, MERALCO Center, Ortigas Avenue, Pasig City, after being sworn to in accordance with law, hereby depose and say, that:

1. I am the Senior Vice President and Head, Regulatory Affairs and DU Regulatory Management Office, of Manila Electric Company ("MERALCO"). In such capacity, I have caused the preparation of the foregoing *Application*. A copy of the *Secretary's Certificate* authorizing me to cause the preparation of said application and to sign this *Verification and Certification* is attached hereto as ***Annex "A."***

2. I have read and understood the foregoing *Application*, the allegations of which are true and correct based on my own personal knowledge and/or on authentic records.

3. The *Application* is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation.

4. The factual allegations in the *Application* have evidentiary support, or if specifically so identified, will likewise have evidentiary support.

5. I have not commenced any other action involving the same issues in this case with this Honorable Commission, or any tribunal or quasi-judicial agency, and, to the best of my knowledge, no such action or proceeding is pending in this Honorable Commission or any tribunal or quasi-judicial agency.

6. Should I hereafter learn that a similar action or proceeding has been filed or is pending before this Honorable Commission or any tribunal or quasi-judicial agency, I undertake to promptly inform this Honorable Commission and other tribunal or agency thereof within five (5) calendar days therefrom.

IN WITNESS WHEREOF, I have hereunto affixed my signature this MAR 17 2026 at Pasig City, Philippines.

JOSE RONALD V. VALLES
Affiant

SUBSCRIBED and SWORN to before me this MAR 17 2026, affiant exhibited to me his Social Security System ID bearing the number 33-10900088.

Doc. No. 412;
Page No. 84;
Book No. XII;
Series of 2025.

ATTY. MA. ELISHA S. ELORIAGA
NOTARY PUBLIC
ROLL NO. 74107
PASIG CITY & MUN. PATEROS, PHILIPPINES

MA. ELISHA S. ELORIAGA
NOTARY PUBLIC
Appointment No. 175 (2025-2026)
City of Pasig and Municipality of Pateros
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PTR No. 400531; 01/07/2026; Pasig City
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7th Floor Lopez Bldg., Ortigas Ave., Pasig City

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

SECRETARY'S CERTIFICATE

I, WILLIAM S. PAMINTUAN, a duly elected, qualified and incumbent Assistant Corporate Secretary of the Manila Electric Company (MERALCO), a corporation duly organized and existing under and by virtue of the laws of the Philippines, do hereby certify that:

At the regular meeting of the Board of Directors of the Company duly convened and held on January 26, 2026, at which meeting a quorum was present, acted throughout and voted, the following resolution amending the resolution of the Board on October 3, 2025, on the same subject, was approved and that said amendatory resolution is in full force and effect hereof:

"RESOLVED, that the Board of Directors of the Manila Electric Company (MERALCO) authorize, as it hereby authorizes, the following officers:

MANUEL V. PANGILINAN	Chairman and Chief Executive Officer
SIMEON KEN R. FERRER	Corporate Secretary
RONNIE L. APEROCHO	Executive Vice President and Chief Operating Officer
WILLIAM S. PAMINTUAN	Senior Vice President, Assistant Corporate Secretary, Compliance Officer and Head, Legal and Corporate Governance
FERDINAND O. GELUZ	Senior Vice President and Chief Revenue Officer
MARIA LUISA V. ALVENDIA	Senior Vice President and Chief Supply Chain Officer
JOSE RONALD V. VALLES	Senior Vice President and Head, Regulatory Affairs & DU Regulatory Management
JERRY B. LAO	First Vice President & Head, Facilities and Safety Management
HANS JOACHIM R. MONTENEGRO	First Vice President and Head, Human Resources and Corporate Services
MARIA ZARAH R. VILLANUEVA-CASTRO	Vice President & Head, Corporate Legal Services,
CHRISTOPHER REDEEMSON R. BROCALES	Vice President and Head, Shared Services HR and Employee Relations
FRANCIS DINO S. ANTONIO	Senior Assistant Vice President and Head, Regulatory Legal Case Management Office
CARMEN GRACE S. RAMOS	Senior Assistant Vice President and Head, Regulatory Legal Contract Management Office
CRISTOPHER B. ARPON	Assistant Vice President and Head, Litigation Services
MICHELLE O. DELOS SANTOS-BONA	Assistant Vice President & Head, Legal Operations Support
HAZEL ROSE B. SEE	Assistant Vice President and Lead Legal Counsel, Regulatory Legal Case Management Office
RAYMOND B. YAP	Assistant Vice President and Lead Legal Counsel, Regulatory Legal Case Management Office
ROMMEL L. YAP	Assistant Vice President and Head, Regulatory Affairs, MPower
CORNELIO MANUEL III C. DICCION	Head, Litigation Team 2
SHEILA MARIE C. GRANADOS	Head, Litigation Team 1
CATHERINE Y. VIRAY	Lead, Tax Force

and any lawyer or employee of MERALCO and/or other external counsels and law firms that any of them may designate, name or appoint:

(1) to represent the Company, in the institution, prosecution, and defense of any claim, complaint, action, proceeding, petition, application, protest, suit, or case, for or against the Company, before any court, prosecutor's office, regulatory, quasi-judicial, or administrative body, agency, or office of the national or any local government;

(2) to sign, execute, and deliver in connection therewith the necessary or appropriate complaint, petition, application, position paper, memorandum, all types of pleadings and motions, verifications, affidavit-complaint, counter-affidavit, affidavit of merit, affidavit of desistance, affidavit of witness, and all other affidavits of whatever nature, certificate of non-forum shopping, powers of attorney, certifications, and all other instruments as may be necessary or proper;

(3) to represent the Company or to designate, name, and appoint a representative or an attorney-in-fact in behalf of the company during the investigation, inquest, preliminary investigation, preliminary conference, pre-trial, mediation, conciliation, arbitration, trial, execution, and all other stages of or incidents related to the case, proceeding or action; to negotiate, enter into, and agree to an amicable settlement, compromise agreement, plea bargaining, admissions or stipulations of fact or documents, simplification of issues, limitation on the number of witnesses, alternative modes of dispute resolution, withdrawal, dismissal or waiver of claim or action; and to perform and execute any and all actions or deeds as may aid in the prompt disposition of such cases, proceedings, or actions filed in behalf of or against the Company;

"RESOLVED, FURTHER, that any previous resolution of the Board of Directors on the same subject matter that is inconsistent herewith shall be deemed terminated, superseded and revoked."

Pursuant to the above resolutions, JOSE RONALD V. VALLES, Senior Vice President and Head of Regulatory Affairs and DU Regulatory Management Office, is an authorized representative and signatory of the Company with respect to MERALCO's filing of its Application entitled "IN THE MATTER OF THE APPLICATION FOR CONFIRMATION OF THE TRUE-UP CALCULATION OF THE ACTUAL WEIGHTED AVERAGE TARIFF (AWAT) VIS-À-VIS APPROVED FINAL DISTRIBUTION RATE IMPLEMENTED DURING THE LAPSED PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025, WITH PRAYER FOR PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF," before the Energy Regulatory Commission (ERC).

WITNESS THE SIGNATURE of the undersigned as such officer of the Company and its corporate seal hereunto affixed on this _____ day of March 2026.

MAR 17 2026

WILLIAM S. PAMINTUAN
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAR 17 2026 day of March 2026, affiant exhibited to me his Unified Multi-Purpose Identification Number (UMID) with CRN 0033-3281253-6 as his competent evidence of identity.

Doc. No. 410;
Page No. 83;
Book No. XII;
Series of 2026.

ATTY. MA. ELISHA S. ELOSIBO
NOTARY PUBLIC
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