



August 27, 2020

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Gentlemen:

We reply to your letter dated August 27, 2020 (received thru EDGE Submission System at 02:34 p.m.) requiring us to clarify and/or confirm the information contained in the news article entitled “ERC slaps P19-M fine vs. Meralco for alleged violations on quarantine advisories” posted in GMA News Online on August 27, 2020 02:10 p.m. The article reported in part that:

“The Energy Regulatory Commission (ERC) is imposing a P19-million fine against Manila Electric Co. (Meralco) for its alleged violations on advisories issued by the regulator, which provided guidelines how distribution utilities should deal with its customers during the lockdown periods.

In its decision dated August 20, the ERC said the penalty is slapped against Meralco for violating the power sector regulator’s advisories issued during the community quarantine period starting in March until July, particularly the company’s ‘failure to clearly indicate that the bills were estimated’ and ‘failure to comply with the mandated installment payment arrangement.’

‘Meralco’s neglect to provide accurate and timely information especially during this time of pandemic has created chaos and confusion to most of the electricity consuming public,’ ERC Chairperson and CEO Agnes Devanadera said.

'The Commission issued the relevant Advisories with the intention of alleviating the financial burden of the electricity consumers who were mostly adversely affected by the community quarantine measures implemented by the government. This serious neglect by MERALCO resulted in a multitude of complaints filed by its consumers to this Commission', Devanadera said.

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'Based on the Commission's evaluation, Meralco incurred a total number of 190 days of violation,' the ERC said.

Sought for comment, Meralco Head for Regulatory Management Atty. Jose Ronald Valles said the distribution utility 'will study the order and we will file the appropriate pleading after consultation with our lawyers.'

..."

We confirm our receipt today of the Decision dated 20 August 2020 in ERC Case No. 2020-001 SC mentioned in the said news article. MERALCO is currently evaluating the said Decision and its available legal remedies given that it is the position of the Company that it has fully complied with the advisories issued by the ERC during the enhanced community quarantine period.

Sincerely,



WILLIAM S. PAMINTUAN
Senior Vice President
Assistant Corporate Secretary &
Information Disclosure Officer