Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

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 JANUARY 2025 TO JUNE 2025, WITH PRAYER FOR PROVISIONAL AUTHORITY

ERC CASE NO. 2025-178 RC

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

Promulgated:
July 31, 2026

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. 2026-040 RC

MANILA ELECTRIC COMPANY (MERALCO),
Applicant.
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DECISION

For resolution before the Commission are the following *Applications* filed by Manila Electric Company (MERALCO):

1. *Application* dated 20 August 2025, docketed under ERC Case No. 2025-178 RC, filed on 29 September 2025, seeking the Commission's approval and 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 January 2025 to June 2025, with prayer for provisional authority; and

2. *Application* dated 17 March 2026, docketed under ERC Case No. 2026-040 RC, filed on 25 March 2026, seeking the Commission's approval and confirmation of the true-up calculation of the AWAT vis-à-vis approved final distribution rate implemented during the Lapsed Period from July 2025 to December 2025, with prayer for provisional authority and /or interim relief.

FACTUAL ANTECEDENTS

On 29 September 2025, MERALCO filed an *Application* dated 20 August 2025 docketed under ERC Case No. 2025-178 RC.

On 16 October 2025, the Commission, through Resolution No. 23, Series of 2025[1] (AWAT Resolution), resolved to adopt a confirmation and true-up process in determining the rates of Private Distribution Utilities (PDUs) to address the Lapsed Period for the respective Entry Groups. Moreover, the AWAT Resolution, as amended by Resolution No. 1, Series of 2026,[2] directed all PDUs operating under the Performance-Based Rating (PBR) to file within one hundred twenty (120) days from the effectivity of the AWAT Resolution on 22 November 2025 or until 22 March 2026, an application for the confirmation of their AWAT against their last approved rates.

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[1] Entitled, "A Resolution Directing All Private Distribution Utilities to File Their Respective AWAT Applications for the Lapsed Period."

[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)."

On 25 March 2026, MERALCO filed an *Application* dated 17 March 2026 docketed under ERC Case No. 2026-040 RC, pursuant to the foregoing Resolutions.

On 01 April 2026, the Commission issued an *Order* and a *Notice of Virtual Hearing,* setting the subject cases for hearing on the following dates: (1) 05 May 2026 for the determination of compliance with jurisdictional requirements and expository presentation; and (2) 12 May 2026 for Pre-trial Conference.

On 30 April 2026, MERALCO filed its *Compliance (to the Jurisdictional Requirements)* of even date.

During the 05 May 2026 hearing, only MERALCO appeared. No petition for intervention or opposition was filed, and no intervenor nor oppositor appeared. In the said hearing, MERALCO presented its compliance with the posting and publication requirements of the Commission. The Commission then found MERALCO's submissions to be compliant with the jurisdictional requirements pursuant to the *Order* dated 01 April 2026. Thus, the Commission declared to have acquired jurisdiction over the instant case.[3]

Thereafter, the hearings for expository presentation, Pre-Trial Conference and presentation of evidence proceeded, as scheduled.[4]

On 12 May 2026, the Commission issued an *Order* directing MERALCO to submit additional documents within ten (10) calendar days from receipt of the said *Order*, in order to aid the Commission in the evaluation of the instant *Applications*.

On 25 May 2026, MERALCO filed its *Compliance* dated 22 May 2026, pursuant to the Commission's *Order* dated 12 May 2026.

On 28 May 2026, MERALCO filed its *Formal Offer of Evidence* of even date.

The Commission found the exhibits contained in the *Formal Offer of Evidence* of MERALCO, as well as its submissions, to be

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3 MERALCO presented its *Compliance (to the Jurisdictional Requirements)* dated 30 April 2026, including the publication of the *Notice of Virtual Hearing* In the newspaper issues of the *BusinessWorld* dated 17 April 2026 and 24 April 2026, and *The Philippine Star* dated 17 April 2026 and 24 April 2026.

4 The hearings were held on 05 May 2026, 12 May 2026 and 18 May 2026.

relevant and material to the resolution of the cases. Thus, the Commission admitted the same and declared the case submitted for resolution.

ISSUE

The issue for the Commission's resolution is whether the *Application* dated 20 August 2025 in ERC Case No. 2025-178 RC, and the *Application* dated 17 March 2026 in ERC Case No. 2026-040 RC should be approved.

THE COMMISSION'S RULING

After due deliberation, thorough evaluation of all the documents submitted, and appreciation of all information gathered, the Commission, pursuant to its regulatory powers, hereby resolves to **APPROVE WITH MODIFICATION** the *Application* dated 20 August 2025 in ERC Case No. 2025-178 RC, and the *Application* dated 17 March 2026 in ERC Case No. 2026-040 RC, subject to conditions.

DISCUSSION

MERALCO is a private corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office located at the Lopez Building, Ortigas Avenue, Pasig City. Pursuant to Republic Act No. 9209, MERALCO holds a legislative franchise authorizing it 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.

In the *Order* dated 17 December 2024 in ERC Case No. 2022-015 RC,[5] the Commission declared the period from 01 July 2022 to 30 June 2025 pertaining to MERALCO's original Fifth Regulatory Period (5RP) as lapsed and directed MERALCO to file, within thirty (30) days from receipt of said *Order*, its appropriate application for the true-up of its Maximum Average Price (MAP) versus its AWAT covering the said

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[5] Entitled, "In the Matter of the Application for Approval of the Annual Revenue Requirement and Performance Incentive Scheme for the Fifth Regulatory Period (Regulatory Years 2023-2026) in Accordance with the Provisions of the Rules for Setting Distribution Wheeling Rates (RDWR)."

period, subject to evaluation, confirmation, and approval of the Commission.

Thereafter, the Commission promulgated Resolution No. 17, Series of 2024 or *A Resolution Adopting Amendments to ERC Resolution No. 10, Series of 2021,* confirming the Commission's declaration of MERALCO's original 5th RP from 01 July 2022 to 30 June 2025 as lapsed, and setting MERALCO's new 5th RP from 01 July 2025 to 30 June 2029.

In compliance therewith, on 28 January 2025, MERALCO filed an *Application* dated 21 January 2025, docketed under ERC Case No. 2025-025 RC,[6] for the Commission to evaluate and determine MERALCO's final refund for the period covering 01 July 2022 to 31 December 2024. In the said *Application*, MERALCO manifested that, for the remaining period from 01 January 2025 to 30 June 2025, a separate or *Supplemental Application* shall be filed after MERALCO completes and determines its AWAT for said period.

Considering the foregoing, MERALCO filed the instant *Application* for the Commission to evaluate and determine MERALCO's final refund covering 01 January 2025 to 30 June 2025.

A. MERALCO's *Application* dated 20 August 2025 under ERC Case No. 2025-178 RC

The *Application* covers the true-up for the period from 01 January to 30 June 2025, which completes the Lapsed Period as determined by the Commission in its *Order* dated 17 December 2024 in ERC Case No. 2022-015 RC, and under Resolution No. 17, Series of 2024.

Based on its *Application*, MERALCO used the available actual data from 01 January 2025 to 30 June 2025 and applied Article VI and Section 4.3.1(a) of Article IV of the Rules Setting for Setting Distribution Wheeling Rates (RDWR), MERALCO's Distribution, Supply, and Metering (DSM) Revenues and Energy Sales are as follows:

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[6] 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 July 2022 to December 2024, with Prayer for Provisional Authority."

Table 1. Actual DSM Revenues & Actual Energy Sales for January to June 2025

	Distribution Revenues (PhP)					Actual Energy Sales (kWh)
	Distribution	**Supply**	**Metering**	**Discounts**	**TOTAL**	
Jan-25	4,397,396,883	1,009,256,080	656,248,936	(990,584)	6,061,911,314	4,005,105,986
Feb-25	4,367,830,023	994,450,531	646,187,529	(1,038,771)	6,007,429,312	4,210,852,439
Mar-25	4,497,245,898	1,020,741,279	664,269,166	(1,067,669)	6,181,188,675	4,103,696,036
Apr-25	5,288,035,712	1,190,206,617	778,502,117	(1,096,074)	7,255,648,372	4,662,092,620
May-25	5,664,291,015	1,271,144,925	833,014,272	(1,044,851)	7,767,405,361	4,864,688,874
Jun-25	5,501,990,208	1,238,142,939	810,662,071	(1,009,493)	7,549,785,725	4,875,893,160
TOTAL	***29,716,789,738***	***6,723,942,370***	***4,388,884,091***	***(6,247,441)***	***40,823,368,759***	***26,722,329,115***

Table 2 shows the computation of the AWAT of PhP1.5277/kWh for the period 01 January 2025 to 30 June 2025. This was compared to MERALCO's approved Final Distribution Rate of PhP1.3522/kWh implemented during the same period.

Table 2. Computation of the Average Refund Rate

DSM Revenues *(PhP)*	PhP	A	40,823,368,759
Energy Sales (January - June 2025)	kWh	B	26,722,329,115
AWAT (January - June 2025)	PhP/kWh	c = a/b	1.5277
Final Approved Rate for Lapsed Period (MAP)	PhP/kWh	D	1.3522
Difference in Rate	PhP/kWh	e = d – c	**(0.1755)**
Difference in Amount	PhP	f = b * e	(4,689,435,33)
Forecast Sales (36 months)	kWh	G	170,079,013,116
Proposed Average Refund Rate (36 months)	PhP/kWh	h = f/g	**(0.0276)**

a. In its calculation, MERALCO proposed to refund the difference between the AWAT and MERALCO's approved Final Approved Rate in the total amount of Four Billion Six Hundred Eighty-Nine Million Four Hundred Thirty-Five Thousand Three Hundred Thirty Pesos (PhP4,689,435,330.00) over a period of thirty-six (36) months, or until fully refunded, at an average rate of PhP(0.0276)/kWh.

b. The average refund rate of PhP(0.0276)/kWh is proposed to be allocated among MERALCO's customer classes, as follows:

Table 3: MERALCO's Proposed Allocation of Refund Rate per Customer Class

Customer Class	Refund Rate (PhP/kWh)
Residential and General Service A	(0.0469)
General Service B	(0.0305)
General Power	(0.0136)
GHMSCI	(0.0190)
Flat Streetlights	(0.0474)
Generator Wheeling	(0.0043)
Average Refund Rate	**(0.0276)**

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

B. MERALCO's *Application* dated 17 March 2026 under ERC Case No. 2026-040 RC

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 01 July 2025 to 31 December 2025.

The table below shows the computation of the resulting true up of the AWAT of PhP1.5169/kWh for the period 01 July 2025 to 31 December 2025, as against the approved Final Distribution Rate of PhP1.3522/kWh implemented during the same period.

Table 4. Computation of the Average Refund Rate

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
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)**

MERALCO proposed 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 (PhP4,321,065,606.00), over a period of thirty-six (36) months, or until fully refunded, at an average rate of PhP(0.0262)/kWh.

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

Table 5: MERALCO's Proposed Allocation of Refund Rate per Customer Class

Customer Class	Refund Rate (PhP/kWh)
Residential and 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.

C. Commission's *Order* dated 12 May 2026

On 12 May 2026, the Commission issued an *Order* directing MERALCO to submit additional documents, the dispositive portion of which is hereunder quoted:

> In order to aid the Commission in the evaluation of the instant *Application,* MERALCO is hereby DIRECTED to submit within ten (10) calendar days from receipt of this *Order,* the following:
>
> 1. Explanation as to how MERALCO arrived at the monthly DSM revenues provided under Annex "A" of the *Application*, with accompanying computations in excel file format for January to June 2025 and July to December 2025, including the formulas used to compute the DSM revenues. Such computations should clearly show how the billing determinants were applied to the corresponding rates, and reconcile the same with the reported monthly DSM revenues;

2. Explanation relative to the column for 'Discounts' provided under Annex "A" of the *Application*, with supporting documentation and with corresponding amounts for each item, and a monthly breakdown from January to December 2025;

3. Breakdown of the amounts provided under Annex "B" of the *Application*, in relation to the portion covering the DSM revenues, and to the portion corresponding to the fifty percent (50%) Net Income from Related Business; and

4. Explanation and computation on how the monthly forecast sales reflected in Annex "D" of the *Application* were derived; and

5. Monthly itemized breakdown of 'Other Revenues' and 'Other Income (charges),' as reflected in Annex "F" of the *Application*.

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SO ORDERED.

In its *Compliance* dated 22 May 2026, MERALCO submitted the requested data/information, which were attached thereto as "Annex A". It should be noted that the information provided by MERALCO was reconciled with the reported monthly DSM revenues in the *Application*.

D. Commission's Final Evaluation of MERALCO's *Applications*

Article VI (Annual Verification and Adjustment of Rates) of the Modified Rules for Setting the Distribution Wheeling Rates (Modified RDWR)[7] sets the annual review of the maximum average distribution wheeling rate and the distribution tariffs that may be charged by a Regulated Entity for the provision of Regulated Distribution Services in respect of a Regulated Distribution System during a Regulatory Year.

Pursuant to Section 4.3.1 (a) of the Modified RDWR, the annual verification applies the Over/Under Recovery Formula, under which the AWAT is derived using actual revenues and actual kilowatt-hour (kWh) sales for the relevant period. The "actual revenues" come from the DSM charges of the Distribution Utility (DU).

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[7] Resolution No. 10, Series of 2021, entitled, "A Resolution Modifying the Rules for Setting the Distribution Wheeling Rates (RDWR) for Privately-Owned Distribution Utilities Entering Performance-Based Regulation (PBR)," dated 02 December 2021.

Consistent with the Modified RDWR, additional revenue adjustments are incorporated into the actual revenue base, specifically:

- The plowback of fifty percent (50%) of net income derived from distribution-related business; and

- Proceeds from the actual sale of assets only, excluding any estimated or projected asset sales, since the true-up mechanism applies strictly to historical and realized transactions.

Further, Section 26 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (*EPIRA*), authorizes the DUs to engage in related businesses while requiring that a portion of the net income derived from such undertakings not exceeding fifty percent (50%) be used to reduce the distribution wheeling charges, subject to the Commission's determination. The provision further mandates the maintenance of separate accounts to ensure that the regulated distribution business neither subsidize nor is encumbered by the related business activity.

Relative to the foregoing, it must be emphasized that the existence and amount of over-recovery have been duly validated based on actual revenues, actual kWh sales, in accordance with the Over/Under Recovery Formula under Section 4.3.1(a) of the Modified RDWR. The over-recovery determination strictly reflects historical data, including the mandated plowback of related business income and proceeds from actual asset disposal, consistent with Section 26 of *EPIRA*.

Under Resolution No. 23, Series of 2025,[8] the Commission resolved to maintain a confirmation and true-up process in determining the rates to address the lapsed periods. In the said *Resolution*, the Commission clarified that the lapsed period for MERALCO covers the period from 01 July 2015 to 30 June 2026. Further, MERALCO was directed to file its *Supplemental Application* covering the period 01 July 2025 to 31 December 2025, on or before 22 March 2026. The remaining period to complete MERALCO's lapsed period which covers 01 January 2026 to 30 June 2026 should be filed on or before 30 August 2026.

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[8] Entitled, "A Resolution Directing all Private Distribution Utilities to file their respective AWAT Applications for the Lapsed Period."

E. Commission's AWAT Computation

Using the available actual data from 01 January to 31 December 2025 and applying Article VI and Section 4.3.1(a) of Article IV of the RDWR, MERALCO's DSM Revenues, Energy Sales, Net Income from Related Business and its corresponding 50% plowback are as follows:

Table 6. Actual DSM Revenues, Net Income from RBR & Actual Energy Sales for January to December 2025

Per Application	Actual DSM Revenues (In PhP)	Net Income from Related Business (NIRB)	50% of NIRB	Total DSM Revenues + 50% of NIRB	Actual Energy Sales (kWh)
January to June 2025	40,823,368,759.00	-	-	40,823,368,759.00	26,722,329,115
July to December 2025	39,291,663,039.00	990,451,425	495,225,712	39,786,888,751.00	26,228,237,794
Total	**80,115,031,798.00**	**990,451,425**	**495,225,712**	**80,610,257,510.00**	**52,950,566,909**

Note: * *Net Income from Related Business ("NIRB") for the period 01 January to 30 June 2025 is zero as the full-year NIRB data only became available in the third quarter of 2025. Consequently, the full-year NIRB was included in the Second AWAT application covering the period 01 July to 31 December 2025.*

Interest for the Over-Recovery

Considering that MERALCO collected the over recovery during the regulatory years covered by the Lapsed Period, the Commission finds it prudent to include the interest cost in the computation of the total refund of MERALCO relative to the instant case.

Consistent with Section 4.3.2 of the RDWR, the Commission adopted the weighted average interest rates for Philippines Treasury (364-day T-bill rates) as published by the Bureau of Treasury in computing for the interest cost, as follows:

Table 7. 2025 Weighted Average Interest Rates for Philippine Treasury Bills (T-bills)

Month	364-day T-bill rate
Jan	5.8470
Feb	5.7330
Mar	5.7270
Apr	5.7070

Month	364-day T-bill rate
May	5.6880
Jun	5.6610
Jul	5.6410
Aug	5.5840
Sep	5.3250
Oct	5.1400
Nov	5.0450
Dec	4.9670
Average	**5.5054**

Source: https://www.treasury.gov.ph/wp-content/uploads/2026/06/GS-Rates_Monthly-2000-May2026.pdf

The computed total interest of the computed refund of MERALCO for January to December 2025 using the figures above, amounted to Four Hundred Ninety-Six Million Sixty-Five Thousand Six Hundred Twenty Pesos (PhP496,065,620.00). The summary of the computed interest is shown below:

Table 8. Summary of Interest for January-December 2025

Period Covered	Refund (PhP)	Interest (PhP)
January - June 2025	4,689,435,330	258,172,954
July - December 2025	4,321,065,606	237,892,666
Total	**9,010,500,936**	**496,065,620**

The table below shows the computation of the AWAT of **PhP1.5224/kWh**, for the period 01 January 2025 to 31 December 2025. This was compared to the Commission-approved Final Distribution Rate of MERALCO equivalent to PhP1.3522/kWh[9] implemented during the same period. Table 9 below shows the comparison of the Commission's AWAT computation vis-à-vis MERALCO's computation in its *Applications, to wit*:

9 *Decision* dated 16 June 2022 under ERC Case No. 2015-112RC, entitled, "In the Matter of the Application for approval of a) Interim Average Rate and b) Translation of the Interim Average Rate into Distribution Rates for its Various Customer Classes, with Prayer for Provisional Authority."

Table 9. Commission's AWAT Computation v. MERALCO's Computation

AWAT COMPUTATION		MERALCO's Application (January-December 2025)	Commission's Computation (January - December 2025)
Actual DSM Revenues (in PhP)	a	80,115,031,798	80,115,031,798
Actual Energy Sales (kWh)	b	52,950,566,909	52,950,566,909
CY Related Business Revenues (in PhP)	c	990,451,425	990,451,425
50% RBR	d = c x 50%	495,225,712	495,225,712
AWAT (Actual DSM + 50% RBR) / (kWh Sales)	x = (a+d)/b	1.5224	1.5224
Final Approved Rate for Lapsed Period (MAP)	y	1.3522	1.3522
Under/(Over) Recovery	z = y - x	(0.1702)	(0.1702)
Total DSM Revenue + 50% RBR	e = a+ d	80,610,257,510	80,610,257,510
Refund Amount	f = z * b	(9,010,500,936)	(9,010,500,936)
Add: Interest	g		(496,065,620)
Subtotal	h=f+g		(9,506,566,556)
Forecast Sales* (for 36 months)	i	164,985,397,868	
Forecast Sales* (for 6 months)	j		27,574,793,106
Average Refund Rate (for 36 months)	k=f/i	(0.0546)	
Average Refund Rate (for 6 months)	l = h/j		**(0. 3448)**

Note: *MERALCO forecast sales (36 months)

The resulting average refund rate, including interest, equivalent to PhP0. 3448/kWh is allocated among MERALCO's customer classes using MERALCO's forecast sales for six (6) months from July 2026 to December 2026, as follows:

Table 10. Commission's Computation of the Refund Rate

Customer Class	Refund Amount (PhP) Allocation (a)	Forecast Sales Allocation (b)	Refund Rate (a/b)
Residential & General Service A	6,302,853,627	10,754,169,311	0.5861
General Service B	513,354,594	1,323,590,069	0.3879
General Power	2,585,786,103	14,862,813,484	0.1740
GHMSCI	38,026,266	165,448,759	0.2298
Flat Streetlights	47,532,833	82,724,379	0.5746
Generator-Wheeling	19,013,133	386,047,103	0.0493
TOTAL	**9,506,566,556**	**27,574,793,106**	**0.3448**

Relative thereto, the Commission finds that the total amount to be refunded by MERALCO is **Nine Billion Five Hundred Six Million Five Hundred Sixty-Six Thousand Five Hundred Fifty-Six Pesos (PhP9,506,566,556.00)** or an average refund rate of **PhP0.3448** per kWh.

WHEREFORE, the *Application* dated 20 August 2025 docketed under ERC Case No. 2025-178 RC and the *Application* dated 17 March 2026 docketed under ERC Case No. 2026-040 RC are hereby **APPROVED WITH MODIFICATION**, subject to conditions.

1. MERALCO is **DIRECTED** to refund the total amount of **Nine Billion Five Hundred Six Million Five Hundred Sixty-Six Thousand Five Hundred Fifty-Six Pesos (PhP9,506,566,556.00)** or an equivalent average refund rate for all customer classes in the amount of **PhP0.3448**/kWh;

2. The refund scheme and implementation period shall be within **six (6) months** or until such time that the amount of over recovery shall have been fully refunded, to its customers, *to wit*:

Customer Class	Refund Rate
Residential and General Service A	0.5861
General Service B	0.3879
General Power	0.1740
GHMSCI	0.2298
Flat Streetlights	0.5746
Generator Wheeling	0.0493
Average Refund Rate	**0.3448**

3. MERALCO is **DIRECTED** to reflect the refund rates as a separate line item in the bills to customers during the refund period using the term *"AWAT (Refund)/Collect"*; and

4. MERALCO is **DIRECTED** to accomplish and submit a *Report* in accordance with the herein prescribed format (Annex "A") on or before the 30th day of the following month, until such time that the amount of over recovery shall have been fully refunded.

SO ORDERED.

Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:

FRANCIS SATURNINO C. JUAN
Chairperson and CEO[10]

LS: VMA/MVM/MCCG

ROS: JTE/ABS/AJMO

**Deliberated and approved during the 29 July 2026 Commission Meeting.*

[10] Granted authority on 29 July 2026.

Copy Furnished:

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19. Office of the City Mayor
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20. Office of the Local Government Unit (LGU) Legislative Body
City of Marikina

21. Office of the City Mayor
City of Muntinlupa

22. Office of the Local Government Unit (LGU) Legislative Body
City of Muntinlupa

23. Office of the City Mayor
City of Navotas

24. Office of the Local Government Unit (LGU) Legislative Body
City of Navotas

25. Office of the City Mayor
City of Paranaque

26. Office of the Local Government Unit (LGU) Legislative Body
City of Paranaque

27. Office of the City Mayor
City of Pasay

28. Office of the Local Government Unit (LGU) Legislative Body
City of Pasay

29. Office of the City Mayor
City of Pasig

30. Office of the Local Government Unit (LGU) Legislative Body
City of Pasig

31. Office of the Municipal Mayor
Municipality of Pateros

32. Office of the Local Government Unit (LGU) Legislative Body
Municipality of Pateros

33. Office of the City Mayor
City of Quezon

34. Office of the Local Government Unit (LGU) Legislative Body
City of Quezon

35. Office of the City Mayor
City of San Juan

36. Office of the Local Government Unit (LGU) Legislative Body
City of San Juan

37. Office of the City Mayor
City of Taguig

38. Office of the Local Government Unit (LGU) Legislative Body
City of Taguig

39. Office of the City Mayor
City of Valenzuela

40. Office of the Local Government Unit (LGU) Legislative Body
City of Valenzuela

41. Office of the Mayor
Angat, Bulacan

42. Office of the Local Government Unit (LGU) Legislative Body
Angat, Bulacan

43. Office of the Mayor
Balagtas, Bulacan

44. Office of the Local Government Unit (LGU) Legislative Body
Balagtas, Bulacan

45. Office of the Mayor
Baliwag, Bulacan

46. Office of the Local Government Unit (LGU) Legislative Body
Baliwag, Bulacan

47. Office of the Mayor
Bocaue, Bulacan

48. Office of the Local Government Unit (LGU) Legislative Body
Bocaue, Bulacan

49. Office of the Mayor
Bulacan, Bulacan

50. Office of the Local Government Unit (LGU) Legislative Body
Bulcan, Bulacan

51. Office of the Mayor
Bustos, Bulacan

52. Office of the Local Government Unit (LGU) Legislative Body
Bustos, Bulacan

53. Office of the Mayor
Calumpit, Bulacan

54. Office of the Local Government Unit (LGU) Legislative Body
Calumpit, Bulacan

55. Office of the Mayor
Dona Remedios Trinidad, Bulacan

56. Office of the Local Government Unit (LGU) Legislative Body
Dona Remedios Trinidad, Bulacan

57. Office of the Mayor
Guiguinto, Bulacan

58. Office of the Local Government Unit (LGU) Legislative Body
Guiguinto, Bulacan

59. Office of the Mayor
Hagonoy, Bulacan

60. Office of the Local Government Unit (LGU) Legislative Body
Hagonoy, Bulacan

61. Office of the City Mayor
Malolos, Bulacan

62. Office of the Local Government Unit (LGU) Legislative Body
Malolos, Bulacan

63. Office of the Mayor
Marilao, Bulacan

64. Office of the Local Government Unit (LGU) Legislative Body
Marilao, Bulacan

65. Office of the City Mayor
Meycauayan, Bulacan

66. Office of the Local Government Unit (LGU) Legislative Body
Meycauayan, Bulacan

67. Office of the Mayor
Norzagaray, Bulacan

68. Office of the Local Government Unit (LGU) Legislative Body
Norzagaray, Bulacan

69. Office of the Mayor
Obando, Bulacan

70. Office of the Local Government Unit (LGU) Legislative Body
Obando, Bulacan

71. Office of the Mayor
Pandi, Bulacan

72. Office of the Local Government Unit (LGU) Legislative Body
Pandi, Bulacan

73. Office of the Mayor
Paombong, Bulacan

74. Office of the Local Government Unit (LGU) Legislative Body
Paombong, Bulacan

75. Office of the Mayor
Plaridel, Bulacan

76. Office of the Local Government Unit (LGU) Legislative Body
Plaridel, Bulacan

77. Office of the Mayor
Pulilan, Bulacan

78. Office of the Local Government Unit (LGU) Legislative Body
Pulilan, Bulacan

79. Office of the Mayor
San Ildefonso, Bulacan

80. Office of the Local Government Unit (LGU) Legislative Body
San Ildefonso, Bulacan

81. Office of the City Mayor
San Jose del Monte, Bulacan

82. Office of the Local Government Unit (LGU) Legislative Body
San Jose del Monte, Bulacan

83. Office of the Mayor
San Miguel, Bulacan

84. Office of the Local Government Unit (LGU) Legislative Body
San Miguel, Bulacan

85. Office of the Mayor
San Rafael, Bulacan

86. Office of the Local Government Unit (LGU) Legislative Body
San Rafael, Bulacan

87. Office of the Mayor
Sta. Maria, Bulacan

88. Office of the Local Government Unit (LGU) Legislative Body
Sta. Maria, Bulacan

89. Office of the Mayor
Alfonso, Cavite

90. Office of the Local Government Unit (LGU) Legislative Body
Alfonso, Cavite

91. Office of the Mayor
Amadeo, Cavite

92. Office of the Local Government Unit (LGU) Legislative Body
Amadeo, Cavite

93. Office of the Mayor
Bacoor, Cavite

94. Office of the Local Government Unit (LGU) Legislative Body
Bacoor, Cavite

95. Office of the Mayor
Carmona, Cavite

96. Office of the Local Government Unit (LGU) Legislative Body
Carmona, Cavite

97. Office of the Mayor
Cavite, Cavite

98. Office of the Local Government Unit (LGU) Legislative Body
Cavite, Cavite

99. Office of the Mayor
Dasmarinas, Cavite

100. Office of the Local Government Unit (LGU) Legislative Body
Dasmarinas, Cavite

101. Office of the Mayor
General Emilio Aguinaldo, Cavite

102. Office of the Local Government Unit (LGU) Legislative Body
General Emilio Aguinaldo, Cavite

103. Office of the Mayor
General Mariano Alvarez, Cavite

104. Office of the Local Government Unit (LGU) Legislative Body
General Mariano Alvarez, Cavite

105. Office of the Mayor
General Trias, Cavite

106. Office of the Local Government Unit (LGU) Legislative Body
General Trias, Cavite

107. Office of the Mayor
Imus, Cavite

108. Office of the Local Government Unit (LGU) Legislative Body
Imus, Cavite

109. Office of the Mayor
Indang, Cavite

110. Office of the Local Government Unit (LGU) Legislative Body
Indang, Cavite

111. Office of the Mayor
Kawit, Cavite

112. Office of the Local Government Unit (LGU) Legislative Body
Kawit, Cavite

113. Office of the Mayor
Magallanes, Cavite

114. Office of the Local Government Unit (LGU) Legislative Body
Magallanes, Cavite

115. Office of the Mayor
Maragondon, Cavite

116. Office of the Local Government Unit (LGU) Legislative Body
Maragondon, Cavite

117. Office of the Mayor
Mendez, Cavite

118. Office of the Local Government Unit (LGU) Legislative Body
Mendez, Cavite

119. Office of the Mayor
Naic, Cavite

120. Office of the Local Government Unit (LGU) Legislative Body
Naic, Cavite

121. Office of the Mayor
Noveleta, Cavite

122. Office of the Local Government Unit (LGU) Legislative Body
Noveleta, Cavite

123. Office of the Mayor
Rosario, Cavite

124. Office of the Local Government Unit (LGU) Legislative Body
Rosario, Cavite

125. Office of the Mayor
Silang, Cavite

126. Office of the Local Government Unit (LGU) Legislative Body
Silang, Cavite

127. Office of the Mayor
Tagaytay, Cavite

128. Office of the Local Government Unit (LGU) Legislative Body
Tagaytay, Cavite

129. Office of the Mayor
Tanza, Cavite

130. Office of the Local Government Unit (LGU) Legislative Body
Tanza, Cavite

131. Office of the Mayor
Ternate, Cavite

132. Office of the Local Government Unit (LGU) Legislative Body
Ternate, Cavite

133. Office of the Mayor
Trece Martires, Cavite

134. Office of the Local Government Unit (LGU) Legislative Body
Trece Martires, Cavite

135. Office of the Mayor
Angono, Rizal

136. Office of the Local Government Unit (LGU) Legislative Body
Angono, Rizal

137. Office of the Mayor
Antipolo, Rizal

138. Office of the Local Government Unit (LGU) Legislative Body
Antipolo, Rizal

139. Office of the Mayor
Baras, Rizal

140. Office of the Local Government Unit (LGU) Legislative Body
Baras, Rizal

141. Office of the Mayor
Binangonan, Rizal

142. Office of the Local Government Unit (LGU) Legislative Body
Binangonan, Rizal

143. Office of the Mayor
Cainta, Rizal

144. Office of the Local Government Unit (LGU) Legislative Body
Cainta, Rizal

145. Office of the Mayor
Cardona, Rizal

146. Office of the Local Government Unit (LGU) Legislative Body
Cardona, Rizal

147. Office of the Mayor
Jala-Jala, Rizal

148. Office of the Local Government Unit (LGU) Legislative Body
Jala-Jala, Rizal

149. Office of the Mayor
Morong, Rizal

150. Office of the Local Government Unit (LGU) Legislative Body
Morong, Rizal

151. Office of the Mayor
Pililla, Rizal

152. Office of the Local Government Unit (LGU) Legislative Body
Pililla, Rizal

153. Office of the Mayor
Rodriguez, Rizal

154. Office of the Local Government Unit (LGU) Legislative Body
Rodriguez, Rizal

155. Office of the Mayor
San Mateo, Rizal

156. Office of the Local Government Unit (LGU) Legislative Body
San Mateo, Rizal

157. Office of the Mayor
Tanay, Rizal

158. Office of the Local Government Unit (LGU) Legislative Body
Tanay, Rizal

159. Office of the Mayor
Taytay, Rizal

160. Office of the Local Government Unit (LGU) Legislative Body
Taytay, Rizal

161. Office of the Mayor
Teresa, Rizal

162. Office of the Local Government Unit (LGU) Legislative Body
Teresa, Rizal

163. Office of the Mayor
Batangas, Batangas

164. Office of the Local Government Unit (LGU) Legislative Body
Batangas, Batangas

165. Office of the Mayor
San Pascual, Batangas

166. Office of the Local Government Unit (LGU) Legislative Body
San Pascual, Batangas

167. Office of the Mayor
Sto. Tomas, Batangas

168. Office of the Local Government Unit (LGU) Legislative Body
Sto. Tomas, Batangas

169. Office of the Mayor
Alaminos, Laguna

170. Office of the Local Government Unit (LGU) Legislative Body
Alaminos, Laguna

171. Office of the Mayor
Bay, Laguna

172. Office of the Local Government Unit (LGU) Legislative Body
Bay, Laguna

173. Office of the Mayor
Binan, Laguna

174. Office of the Local Government Unit (LGU) Legislative Body
Binan, Laguna

175. Office of the Mayor
Cabuyao, Laguna

176. Office of the Local Government Unit (LGU) Legislative Body
Cabuyao, Laguna

177. Office of the Mayor
Calamba, Laguna

178. Office of the Local Government Unit (LGU) Legislative Body
Calamba, Laguna

179. Office of the Mayor
Calauan, Laguna

180. Office of the Local Government Unit (LGU) Legislative Body
Calauan, Laguna

181. Office of the Mayor
Liliw, Laguna

182. Office of the Local Government Unit (LGU) Legislative Body
Liliw, Laguna

183. Office of the Mayor
Los Banos, Laguna

184. Office of the Local Government Unit (LGU) Legislative Body
Los Banos, Laguna

185. Office of the Mayor
Luisiana, Laguna

186. Office of the Local Government Unit (LGU) Legislative Body
Luisiana, Laguna

187. Office of the Mayor
Magdalena, Laguna

188. Office of the Local Government Unit (LGU) Legislative Body
Magdalena, Laguna

189. Office of the Mayor
Majayjay, Laguna

190. Office of the Local Government Unit (LGU) Legislative Body
Majayjay, Laguna

191. Office of the Mayor
Nagcarlan, Laguna

192. Office of the Local Government Unit (LGU) Legislative Body
Nagcarlan, Laguna

193. Office of the Mayor
Pila, Laguna

194. Office of the Local Government Unit (LGU) Legislative Body
Pila, Laguna

195. Office of the Mayor
Rizal, Laguna

196. Office of the Local Government Unit (LGU) Legislative Body
Rizal, Laguna

197. Office of the Mayor
San Pablo, Laguna

198. Office of the Local Government Unit (LGU) Legislative Body
San Pablo, Laguna

199. Office of the Mayor
San Pedro, Laguna

200. Office of the Local Government Unit (LGU) Legislative Body
San Pedro, Laguna

201. Office of the Mayor
Sta. Cruz, Laguna

202. Office of the Local Government Unit (LGU) Legislative Body
Sta. Cruz, Laguna

203. Office of the Mayor
Sta. Rosa, Laguna

204. Office of the Local Government Unit (LGU) Legislative Body
Sta. Rosa, Laguna

205. Office of the Mayor
Victoria, Laguna

206. Office of the Local Government Unit (LGU) Legislative Body
Victoria, Laguna

207. Office of the Mayor
Candelaria, Quezon

208. Office of the Local Government Unit (LGU) Legislative Body
Candelaria, Quezon

209. Office of the Mayor
Dolores, Quezon

210. Office of the Local Government Unit (LGU) Legislative Body
Dolores, Quezon

211. Office of the Mayor
Lucban, Quezon

212. Office of the Local Government Unit (LGU) Legislative Body
Lucban, Quezon

213. Office of the Mayor
Lucena, Quezon

214. Office of the Local Government Unit (LGU) Legislative Body
Lucena, Quezon

215. Office of the Mayor
Mauban, Quezon

216. Office of the Local Government Unit (LGU) Legislative Body
Mauban, Quezon

217. Office of the Mayor
Pagbilao, Quezon

218. Office of the Local Government Unit (LGU) Legislative Body
Pagbilao Quezon

219. Office of the Mayor
Sampaloc, Quezon

220. Office of the Local Government Unit (LGU) Legislative Body
Sampaloc, Quezon

221. Office of the Mayor
San Antonio, Quezon

222. Office of the Local Government Unit (LGU) Legislative Body
San Antonio, Quezon

223. Office of the Mayor
Sariaya, Quezon

224. Office of the Local Government Unit (LGU) Legislative Body
Sariaya, Quezon

225. Office of the Mayor
Tayabas, Quezon

226. Office of the Local Government Unit (LGU) Legislative Body
Tayabas, Quezon

227. Office of the Mayor
Tiaong, Quezon

228. Office of the Local Government Unit (LGU) Legislative Body
Tiaong, Quezon

229. Office of the Mayor
Apalit, Pampanga

230. Office of the Local Government Unit (LGU) Legislative Body
Apalit, Pampanga

231. Office of the Mayor
Candaba, Pampanga

232. Office of the Local Government Unit (LGU) Legislative Body
Candaba, Pampanga

233. Office of the Mayor
San Simon, Pampanga

234. Office of the Local Government Unit (LGU) Legislative Body
San Simon, Pampanga

235. Office of the Governor
Province of Bulacan

236. Office of the Local Government Unit (LGU) Legislative Body
Province of Bulacan

237. Office of the Governor
Province of Cavite

238. Office of the Local Government Unit (LGU) Legislative Body
Province of Cavite

239. Office of the Governor
Province of Rizal

240. Office of the Local Government Unit (LGU) Legislative Body
Province of Rizal

241. Office of the Governor
Province of Batangas

242. Office of the Local Government Unit (LGU) Legislative Body
Province of Batangas

243. Office of the Governor
Province of Laguna

244. Office of the Local Government Unit (LGU) Legislative Body
Province of Laguna

245. Office of the Governor
Province of Quezon

246. Office of the Local Government Unit (LGU) Legislative Body
Province of Quezon

247. Office of the Governor
Province of Pampanga

248. Office of the Local Government Unit (LGU) Legislative Body
Province of Pampanga

This report should be submitted on or before the 30th of the following month, until the amount shall have been fully refunded/recovered.

Annex "A"

Name of DU: ____________
ERC Case No: ____________
Date of Order: ____________
Total Amount to be (Refunded)/Collected: ____________
Rate per kWh (PhP/kWh): ____________

Amount (Refunded)/Collected
For the Period Covering: ______________________________

Month	Rate/kWh	kWh Sold	Amount (Refunded)/ Collected	Balance (in PhP)
Beginning Balance				0.00
Customer Class:				
1.				
2.				
3.				
4.				
5.				
TOTAL				
Ending Balance				

Prepared by: Reviewed by: Certifiied True and Correct

______________________ ______________________ ______________________
Name & Position Name & Position Name & Position
(Head of the Company)

SUBSCRIBED AND SWORN to before me this ______ day of _________________202___ at __________ ___________________________. The affiant exhibited to me his/her CTC No. ________________________ issued on _________________________ at _____________________________________.

____
Notary Public