Meralco rate reset ruling modified — ERC

THE Energy Regulatory Commission (ERC) said it made "some modifications" to its pending ruling on the fifth regulatory reset of Manila Electric Co. (Meralco), though it gave no further details.

ERC Chairperson and Chief Executive Officer Monalisa C. Dimalanta said at a virtual briefing on Monday that the changes to the ruling follow input from legislators.

"The Commission, I understand, has decided to revisit this matter and has made some modifications," Ms. Dimalanta, did not identify the specific modifications but said that the commission is hoping to issue its decision within the year.

"There is a modification on that (rate reset) in response to the sentiments already articulated in the Senate and also reported by media with respect to that budget hearing," Ms. Dimalanta said.

She confirmed that a decision to forego the rate reset for the 5th regulatory period (5RP) was made before she was suspended in August.

During a Senate budget hearing, ERC Commissioner Catherine P. Maceda said that the commission decided to forego the regular regulatory reset process on the expectation that it will not be completed until 2026.

Senator Sherwin T. Gatchalian said that there should not be "double standards" when it comes to the rate reset process.

"We have to apply the same rules to Meralco. So I don't agree that we should forego the reset of Meralco because we did it for NGCP (National Grid Corp. of the Philippines), which is a much more complex utility — it's nationwide," he said.

"In terms of market power and being a natural monopoly in the NCR (National Capital Region) and the adjacent areas, (Meralco) has to undergo a rate reset as well," he added.

In March 2022, Meralco filed its application for the fifth regulatory period, which spans from July 1, 2022 to June 30, 2026.

The rate-rest process is usually a forward-looking exercise that requires the regulated entity to submit forecast expenditures and proposed projects over a five-year regulatory period for the ERC to review and adjust.

Under the Electric Power Industry Reform Act of 2001, or EPIRA, the ERC is tasked with establishing and enforcing a methodology for setting transmission and distribution wheeling rates for a distribution utility. — **Sheldeen Joy Talavera**

PEZA, Cebu's Topline sign supply deal

THE Philippine Economic Zone Authority (PEZA) said it signed a partnership agreement with Topline Energy Solutions Corp. last month to ensure stable power supply in its economic zones.

In a social media post, PEZA said it signed a memorandum of understanding (MoU) with the Cebu-based fuel trading company on Oct. 19.

"The MoU formalizes a strategic partnership aimed at promoting investment activities in the Philippines by providing stable and reliable power supply to various industries, particularly in the Visayas," the investment promotion agency (IPA) said.

The partnership also aims to promote clean and environmentally friendly energy solutions, including liquefied natural gas, energy efficiency measures, and advanced smart energy technologies.

"These efforts will help reduce carbon emissions across PEZA ecozones and reinforce the Philippines' commitment to sustainable development," PEZA said.

According to PEZA, Topline has been pursuing vertical integration by expanding its presence in the retail and commercial fuel segments.

"Additionally, it is enhancing its depot operations to keep pace with Cebu's increasing market demand. Hence, this will further spur economic growth and trading opportunities in the region," it added.

Topline Energy is an affiliate of Top Line Business Development Corp., a Cebu-based fuel retailer.

Last week, the Philippine Stock Exchange, Inc. approved the initial public offering of Top Line Business scheduled for Nov. 27-Dec. 3.

The company will offer 3.68 billion primary shares, with an up to 368.31 million-share overallotment option at up to 78 centavos each, which will be used to build fuel depots, acquire tankers, and build 10 service stations. — **Justine Irish D. Tabile**

ERC seeks emergency powers during calamities in EPIRA amendments


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THE Energy Regulatory Commission (ERC) is proposing amendments to the 23-year-old Electric Power Industry Reform Act (EPIRA) that would give it emergency powers during calamities.

"One of the things we are studying... is to give authority to either the chair or division of the commission... to respond quickly," ERC Chairperson and Chief Executive Officer Monalisa C. Dimalanta said at a virtual press conference on Monday, noting that the powers would allow the commission to act without a quorum.

"Government agencies, including ERC, need to respond quicker, and it's challenging for ERC that needs to act as a commission. The system is so slow when all five members need to meet to address a situation," she said.

Ms. Dimalanta said the decision-making authority conferred upon the non-quorum body will be limited to "response measures to emergencies."

Under EPIRA, at least three members of the commission are required to constitute a quorum, and the majority vote of two members is needed to adopt any rule, ruling, order, resolution, or decision.

President Ferdinand R. Marcos, Jr. last week ordered the ERC to study ways to provide relief to power consumers in calamity areas hit by Severe Tropical Storm Kristine.

Mr. Marcos cited relief measures like flexible payment options to ease the financial burden on affected communities. — **Sheldeen Joy Talavera**