

Bird flu vaccine approved for commercial use

THE Food and Drug Administration (FDA) has approved the commercial use of a vaccine against avian influenza, according to the Department of Agriculture (DA).

"With the FDA's approval of Volvac B.E.S.T. AI plus ND, the poultry sector now has a strong line of defense against a virus that threatens both food security and human health," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said.

The vaccine protects against highly pathogenic avian influenza (HPAI) subtype H5N1 and stimulates the bird's immune system to defend against velogenic Newcastle disease, the DA said.

H5N1 is the most aggressive subtype of the bird flu virus, causing high mortality rates in chickens. It is also zoonotic, meaning

it can be transmitted to humans and other animals.

Velogenic Newcastle disease is the most severe form of Newcastle disease. Highly contagious and often fatal, it affects a wide range of bird species, especially domestic poultry.

Volvac B.E.S.T. is administered by injection, either into the bird's chest muscle or into subcutaneous fat.

It is given when the bird is at least 10 days old. As with most first-time vaccinations, it takes 10 to 14 days for full immunity to develop.

The value of production of the poultry sector in 2024, including eggs, stood at P362 billion, according to the Philippine Statistics Authority. — **Kyle Aristophere T. Atienza**

Pangilinan, Secretary Go explore more severe measures vs hoarders

SENATOR Francis Pancratius N. Pangilinan and Secretary Frederick D. Go, the special assistant to the President for investment and economic affairs met on Tuesday to discuss how to strengthen measures against agricultural smuggling, the Senator's office said in a statement.

Mr. Pangilinan, who chairs the Senate Committee on Agriculture, Food, and Agrarian Reform, and Mr. Go, in his capacity as the President's permanent representative to the Anti-Agricultural Economic Sabotage Council, discussed how to "make accountable the organizations and individuals behind the hoarding of agricultural products, such as rice, vegetables, and others."

Mr. Pangilinan said efforts against economic sabotage have thus far focused on low-level personnel, and pushed for the apprehension of key business figures involved in smuggling.

The Anti-Agricultural Economic Sabotage Act in 2024 (Republic Act 12022) sets monetary

thresholds for classifying food smuggling, hoarding, profiteering or cartel behavior under the separate crime of "economic sabotage."

An economic sabotage prosecution is triggered when the value of the goods involved tops P10 million. Violators charged with the offense are not eligible for bail.

The law also created the Anti-Agricultural Economic Council, which is chaired by the President.

Mr. Pangilinan said only a few cases have been filed since the law came into force and no major violators have been jailed.

The Senate committee recently investigated cases of alleged smuggling involving companies and customs brokers and goods such as frozen mackerel, red and white onions. These shipments crossed the P10 million threshold.

Mr. Pangilinan's committee is due to conduct another hearing focused on rice imports and possible smuggling of the staple grain on Sept. 11. — **Andre Christopher H. Alampay**

Cybersecurity threats leading to 'burnout' among PHL staff, degrading productivity

MANY Philippine organizations are experiencing staff burnout from dealing with cybersecurity threats, British cybersecurity firm Sophos said.

It added that a shortage of chief information security officers (CISOs) is causing "chaos," leading to incoherent responses to cybersecurity incidents.

"When you don't have leaders understanding the risk and the steps towards improved cybersecurity maturity, it's chaos... So, there's a lack of cohesion without a CISO to translate risk to the business," according to Gavin Struthers, senior vice-president at Sophos, said at a briefing on Wednesday.

"Because of the high stakes and the rapidly changing environments around cybersecurity, it's a very acute problem in technology, and organizations are struggling to keep up," he said.

Sophos estimates that cybersecurity workers in the Philippines lose an average of 4.2 hours weekly to dealing with threats, against 4.6 a year earlier.

About 88% of Philippine businesses experience staff burnout due to lack of resources, work overload in response to cyber alerts, and unclear cyber strategies, according to Sophos' "The Future of Cybersecurity Report in Asia Pacific and Japan."

According to Mr. Struthers, cybersecurity-related stress and

burnout often leads to a weaker cybersecurity stance, slow incident response, and underperforming IT (information technology) and cybersecurity teams.

"One of the greatest causes of (cybersecurity-related) burnout is one or two or a few individuals in an organization scrambling every day to deal with these issues."

Less than 1% of organizations globally have a CISO, he added.

"There needs to be stronger leadership in organizations to not only provide lip service in dealing with the issues of cybersecurity, but actually taking responsibility and being more involved in how to put together the right strategy for an organization," Mr. Struthers said.

The report also found that 89% of organizations in the Philippines use artificial intelligence (AI) solutions in their operations.

However, some employees use "shadow AI" tools, or AI solutions unauthorized by their organization, which could lead to data exposure and cybersecurity risks.

"It means you could be sharing your quarterly financial results with a LLM (large language model) or a GenAI platform... And suddenly, you've shared private information, or maybe, intellectual property to an LLM that other people have access to," Mr. Struthers said. — **Beatriz Marie D. Cruz**

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

IN THE MATTER OF THE
APPLICATION FOR
CONFIRMATION OF THE TRUE-
UP CALCULATION OF THE
ACTUAL WEIGHTED AVERAGE
TARIFF (AWAT) VIS-A-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 - RC

MANILA ELECTRIC COMPANY
(MERALCO),
Applicant.

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APPLICATION

Applicant Manila Electric Company (MERALCO), by counsel, respectfully states:

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

2. Pursuant to Republic Act No. 9209, MERALCO has a legislative franchise 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. It should be noted that Republic Act No. 121461 extended MERALCO's franchise to operate from another twenty-five (25) years upon the expiration of its original term under R.A. 9209.

3. In its Order dated 17 December 2024 in ERC Case No. 2022-015 RC,² the Honorable 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 Actual Weighted Average Tariff ("AWAT") covering the period declared as lapsed, subject to evaluation, confirmation, and approval of the Honorable Commission.³

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

5. In compliance therewith, on 28 January 2025, MERALCO filed its Application dated 21 January 2025, docketed as ERC Case No. 2025-025 RC, for the Honorable Commission to evaluate and determine MERALCO's final refund for the period covering 01 July 2022 to 31 December 2024. In the 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.

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

DETAILS OF MERALCO'S PROPOSED CALCULATION

7. 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 Honorable Commission in its Order dated 17 December 2024 in ERC Case No. 2022-015 RC and under ERC Resolution No. 17, Series of 2024.

8. Using available actual data from 01 January 2025 to 30 June 2025 and applying Article VI and Section 4.3.1(a) of Article IV of the RDWR,⁴ MERALCO's Distribution, Supply and Metering ("DSM") Revenues and Energy Sales are as follows:

Distribution Revenues (PhP)						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	4,387,830,023	994,450,531	646,187,529	(1,038,771)	6,007,429,312	4,210,852,439
Mar-25	4,487,245,898	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	4,652,092,620
May-25	5,684,291,015	1,271,144,925	833,014,272	(1,044,851)	7,767,405,361	4,854,688,874
Jun-25	5,501,980,208	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)	40,823,368,759	26,722,329,115

9. The table below shows the computation of the AWAT of PhP 1.5277/kWh for the period 01 July 2022 to 31 December 2024, and MERALCO's approved Final Distribution Rate of PhP 1.3522/kWh implemented during the same period.

DSM Revenues	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	(4,689,435,330)
Forecast Sales (36 months)	kWh	g	170,079,013,116
Proposed Average Refund Rate (36 months)	PhP/kWh	h = fg	(0.0276)

10. MERALCO proposes to refund the difference between the AWAT and MERALCO's approved Final Approved Rate, net of DRTU over-refunds 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)** over a period of thirty six (36) months, or until fully refunded, at an average rate of PhP(0.0276)/kWh.

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

Customer Class	Refund Rate (PhP/kWh)
Residential & 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)

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

ALLEGATIONS IN SUPPORT OF THE PRAYER FOR PROVISIONAL AUTHORITY

13. 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.

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

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

DOCUMENTS IN SUPPORT OF THE APPLICATION

15. 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 January 2025 to June 2025	A
Detailed Computation of the (Over)Under-recoveries or the AWAT computation	B
Detailed Computation of the Proposed Refund Rate per Customer Class	C
Detailed Computation of the Proposed Refund Period (forecast energy sales)	D
Summary of the approved Average Rate by Rate Schedule or Customer Class	E
Rate Impact Simulation	F

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

PRAYER

WHEREFORE, premises considered, Manila Electric Company (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