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**Rep. GUSTAVO S. TAMBUNTING**  
Chair, Committee on Legislative Franchises  
House of Representatives  
3/F, Ramon Mitra Building  
Batasan Pambansa Complex  
Diliman, Quezon City

Dear Congressman Tambunting:

Greetings from the Management Association of the Philippines (MAP)!


On behalf of the MAP Board of Governors and the MAP Energy Committee, we are pleased to send you a copy of the MAP Statement of Support for MERALCO Franchise Renewal.


The MAP strongly supports the renewal of the franchise of MERALCO which ensures reliable electricity that is crucial for businesses and Filipinos' well-being.

We urge the House Committee on Legislative Franchises, under your leadership, to favorably consider MERALCO's positive impact and approve its franchise renewal, thereby ensuring stability in the power sector and ultimately serving the best interests of the Filipino people and the Philippine economy.

Thank you.

Very truly yours,

  
**RENE D. ALMENDRAS**  
MAP President

  
**RUTH V. OWEN**  
Chair, MAP Energy Committee



## **MAP Statement of Support for MERALCO Franchise Renewal**

*May 30, 2024*

The MANAGEMENT ASSOCIATION OF THE PHILIPPINES (MAP) strongly supports the renewal of the franchise of MERALCO which ensures reliable electricity that is crucial for businesses and Filipinos' well-being.

MAP recognizes MERALCO's commitment to green energy as it actively champions the government's renewable energy (RE) goals by supporting programs under the RE Act of 2008. Its franchise area boasts a remarkable 64% share of the Green Energy Option Program's (GEOP) total energy consumption.

MERALCO prioritizes empowering its customers. It leads the way in customer choice programs under the Electric Power Industry Reform Act (EPIRA), as evidenced by a 65% participation rate (1,450 out of 2,240 eligible customers) in the retail market. Additionally, it facilitates the installation of RE systems for over 7,000 customers.

MERALCO has implemented the country's largest smart meter program providing prepaid electricity service to nearly 100,000 customers. Moreover, its own time-of-use program, marketed as Peak/Off-Peak (POP), allows eligible customers to save on their electric bills for off-peak use of electricity.

Furthermore, it demonstrates its willingness to cater to the needs of global hyperscalers with high power quality demands and adopt cutting-edge solutions like microgrid technology.

It prioritizes operational efficiency and resiliency, meeting or even exceeding standards set by the Energy Regulatory Commission (ERC). It has also consistently improved its System Loss, achieving a rate below the mandated cap and ranking among the lowest nationwide.

Furthermore, a report from the Independent Energy Consultants (IEC) has confirmed the reasonableness of MERALCO's rates, particularly distribution rates. Notably, when adjusted for inflation, the average electricity rate has even decreased since the implementation of the EPIRA. This focus on efficiency translates to cost savings for consumers.

MERALCO achieved almost 100% electrification within its franchise area. Social responsibility is also a cornerstone of its commitment. It implements a Lifeline Rate Program offering a discount range of 20% to 100% for the poorest customers. Additionally, senior citizens receive a 5% discount, reflecting MERALCO's recognition of the importance of supporting all segments of society.

MERALCO's impact goes beyond its own service area. It actively supports fellow utilities, particularly electric cooperatives, in times of natural disasters. This commitment to mutual aid strengthens the overall resilience of the Philippine power grid. Furthermore, MERALCO demonstrates its dedication to national well-being through active collaboration with the government. From initiatives like the Build, Build, Build Program to Public-Private Partnerships (PPP), MERALCO plays a vital role in driving the nation's progress.

In conclusion, we urge the House of Representatives Committee on Legislative Franchises to favorably consider MERALCO's positive impact and approve its franchise renewal, thereby ensuring stability in the power sector and ultimately serving the best interests of the Filipino people and the Philippine economy.



**RENÉ D. ALMENDRAS**  
MAP President



**RUTH Y. OWEN**  
Chair, MAP Energy Committee