


ORIGINAL

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

IN THE MATTER OF THE PETITION FOR
RULE CHANGES IN ERC'S RATE-MAKING
METHODOLOGIES AND THE MANNER OF
CONTRACTING BILATERAL GENERATION
CONTRACTS, SUBMITTING THE SAME TO
OPEN, COMPETITIVE BIDDING TO PROTECT
CONSUMERS

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ERC
COMMISSION ON ELECTRICITY
REGULATORY SERVICE
RCW

ERC Case No. _____

MATUWID NA SINGIL SA KURYENTE
CONSUMER ALLIANCE, INC. (MSK,) , OTHER
CONCERNED GROUPS under the umbrella
Php 3 MOVEMENT AND INDIVIDUALS
In METRO MANILA and the PHILIPPINES,
Petitioners,

X-----X



Petitioners **MATUWID NA SINGIL SA KURYENTE CONSUMER ALLIANCE, INC. (MSK)**, and
concerned groups and individuals (as per attached signatures; **Annex "A"**), by counsel and to
this Honorable Commission respectfully states that:

THE PARTIES

1. **MSK** is a non-stock/non-profit non-governmental organization (NGO) duly organized and existing under the laws of the Republic of the Philippines, with office address at Unit 327, Eagle Court Condominium, #26 Matalino Road, Brgy. Central, Quezon City, where it may be served with pleadings and processes of this Honorable Commission. MSK has been formed by concerned Meralco consumers who have deep knowledge of the electric power industry privatization and deregulation and the inner workings of the industry. It seeks to enlighten the public and policy makers on the specific rules and practices that have been causing abusive power costs. It is represented herein by its Executive Director, EVELYN VIRAY-JALLORINA, who is duly authorized to file this Petition. Attached is **Annex "B"** is a copy of the Secretary's Certificate authorizing MS. JALLORINA to represent MSK.

2. **CONCERNED GROUPS UNDER THE UMBRELLA Php3 MOVEMENT and INDIVIDUALS in the PHILIPPINES** are Filipino consumers who are being punished by the high costs of power and have decided to band together with MSK to speak as one voice in order to fight for consumer rights and be recognized in their call for fair and reasonable electric charges.
3. **Respondent ERC** has been created under Executive Order No. 172, as amended, as an independent, quasi-judicial regulatory body tasked to promote competition, encourage market development, ensure customer choice and penalize abuse of market power in the electricity industry. ERC may be served with pleadings at Pacific Center Building, San Miguel Avenue, Ortigas Center 1600 Pasig City, Metro Manila, Philippines.

BACKGROUND

Electricity costs to the residential and commercial consumers in the Philippines is among the highest in the world. It is an undue burden to the hardworking Filipino consumers and commercial establishments—making the country globally uncompetitive in manufacturing, call center and BPO sectors, among others. It also denies Filipinos of their gainful employment opportunities and tax generation for the Philippine government to fund public services, including education.

The Matuwid na Singil sa Kuryente Consumer Alliance, Inc. has determined in its research that Meralco rate of P12.34 per kilowatt hour can be reduced by P3 per/kwh by rationalizing each cost component including the rate-making methodologies used by the Energy Regulatory Commission (ERC), the manner of contracting for bilateral generation contracts, the rules of the Wholesale Electricity Spot Market (WESM) and government taxes. About 50% or P1.50 of this reduction can be achieved from generation charge alone.

