

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

IN THE MATTER OF THE APPLICATION FOR APPROVAL OF (1) THE ANNUAL REVENUE REQUIREMENT (ARR) AND PERFORMANCE INCENTIVE SCHEME FOR THE FIRST REGULATORY PERIOD (FROM JANUARY 1, 2027 TO DECEMBER 31, 2030); AND (2) THE MAXIMUM AVERAGE PRICE (MAP) FOR THE FIRST REGULATORY YEAR 2027 (RY 2027) AND TRANSLATION OF THE MAP FOR RY 2027 INTO A DISTRIBUTION RATE STRUCTURE FOR VARIOUS CUSTOMER CLASSES IN ACCORDANCE WITH THE PROVISIONS OF THE RATIONALIZED RULES FOR SETTING DISTRIBUTION WHEELING RATES (RRDWR) UNDER ERC RESOLUTION NO. 24, SERIES OF 2025

ERC CASE NO. 2026-061 RC

MACTAN ELECTRIC COMPANY, INC. (MECO),
Applicant.
X-----X

Promulgated:
May 15, 2026

ORDER

On 04 May 2026, the Mactan Electric Company, Inc. (MECO) filed an *Application* dated 23 April 2026, seeking the Commission's approval of its Annual Revenue Requirement (ARR) and Performance Incentive Scheme (PIS) for the first regulatory period, and its Maximum Average Price (MAP) for the first regulatory year and translation of MAP 2027 into distribution rates for its various

customer classes, in accordance with the provisions of the Rationalized Rules for Setting Distribution Wheeling Rates (RRDWR) under the Commission’s Resolution No. 24, Series of 2025.

The copy of the *Application*, excluding its annexes, is attached as Annex “A” of the *Notice of Virtual Hearing*.

Finding the *Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for hearing, pursuant to the pertinent rules of the Commission, as follows:

Date and Time	Platform	Activity
19 June 2026 (Friday), at two o’clock in the afternoon (2:00 P.M.)	Microsoft Teams	Determination of compliance with jurisdictional requirements and Expository Presentation
26 June 2026 (Friday), at two o’clock in the afternoon (2:00 P.M.)		Pre-Trial Conference and Presentation of Evidence

Accordingly, Applicant is hereby directed to mirror the virtual hearings, to be hosted by the Commission, at **MECO’s Principal Office located at MECO Building, Sangi Road, Pajo, Lapu-Lapu City, Cebu**, as the designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, Applicant shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

RELATIVE THERETO, Applicant is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing*, including Annex “A” thereof, in two (2) newspapers of nationwide circulation in the Philippines at its own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, including Annex “A” thereof, the

Offices of the Provincial Governor, the Mayors, and their respective Local Government Unit (LGU) legislative bodies within MECO's franchise area, for the appropriate posting thereof on its bulletin boards;

- 3) Inform the consumers within MECO's franchise area, by any other means available and appropriate, of the filing of the *Application*, its reasons therefor, and of the scheduled virtual hearings;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, including Annex "A" thereof, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and
- 5) Furnish with copies of the *Application* and its attachments, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within five (5) calendar days prior to the date of the initial virtual hearing, Applicant must submit to the Commission via electronic mail (e-mail) at docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph, the scanned copies of its written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing*, including Annex "A" thereof, consisting of affidavits of the Editors or Business Managers of the newspapers where the same were published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing*, including Annex "A" thereof, consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by the Applicant to inform the consumers within the MECO's franchise area of

the filing of the *Application*, its reasons therefor, and of the scheduled hearings;

- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing*, including Annex “A” thereof, by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Application* and its attachments, by all those making requests therefor, if any; and
- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, Applicant is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements and to submit the proof of posting thereof.

Applicant and all interested parties are also required to submit via e-mail at docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-Trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings thereof, which must be attached to the Pre-Trial Brief; and
- 4) The names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-Trial Brief.

Failure of Applicant to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings.

Applicant must also be prepared to make an expository presentation of the *Application*, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other

concerned parties, the nature of the *Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Application* must be cited in support thereof.

Applicant is hereby directed to file a copy of its Expository Presentation via e-mail at doCKET@erc.ph, copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** prior to the scheduled virtual hearing. Applicant is also required to provide a copy of its Expository Presentation to any stakeholder requesting therefor **at least five (5) calendar days** prior to the scheduled virtual hearing.

Applicant and interested parties are hereby directed to submit, either through personal service, registered or ordinary mail/private courier, all the pleadings and required submissions, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

Finally, Applicant, including its authorized representatives and witnesses, and interested parties who wish to attend the scheduled virtual hearings, are hereby directed to provide the Commission, through legal.virtualhearings@erc.ph, their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

SO ORDERED.

Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ATTY. MARIA CORAZON C. GINES*
Director III, Legal Service


LS: MND/ARG

* Authority granted pursuant to Office Order No. 71, Series of 2025.

**ERC CASE NO. 2026-061 RC
ORDER
PAGE 6 OF 6**

Copy Furnished:

1. Mactan Electric Company, Inc. (MECO)
Applicant
MECO Building, Sangi Road, Pajo, Lapu-Lapu City, Cebu
Email: atty.mish@gmail.com; julito.gultiano@gmail.com;
nitoytolentino@mecomactan.com; rasb.lawoffice@gmail.com;
julito.gultiano@mecomactan.com
2. Rubio & Aguinaldo Attorneys
Attention: Atty. Mishelle Anne R. Rubio-Aguinaldo
Counsel for Applicant MECO
8F/802 Prime Land Tower, Market Street
Madrigal Business Park, Ayala Alabang, Muntinlupa City
Email: legal@raattorneyslaw.com; mra@raattorneyslaw.com
3. Office of the Provincial Governor
Province of Cebu
4. Office of the Sangguniang Panlalawigan
Province of Cebu
5. Office of the City Mayor
Lapu-Lapu City, Cebu
6. Office of the Sangguniang Panlungsod
Lapu-Lapu City, Cebu
7. Office of the Municipality of Mayor
Cordova, Cebu
8. Office of the Sangguniang Bayan
Cordova, Cebu
9. Office of the Solicitor General (OSG)
134 Amorsolo Street, Legaspi Village, Makati City
docket@osg.gov.ph
10. Commission on Audit (COA)
Commonwealth Avenue, Quezon City
citizensdesk@coa.gov.ph
11. Senate Committee on Energy
GSIS Building, Roxas Boulevard, Pasay City
senateenergycommittee@gmail.com
12. House Committee on Energy
Batasan Hills, Quezon City
committee.energy@house.gov.ph
13. Regulatory Operations Service
Energy Regulatory Commission
Pasig City
ros@erc.ph