



National Association of Electricity Consumers for Reforms

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MR. JESUS P. FRANCISCO

President

Manila Electric Company

Ortigas Center , Pasig City

Dear Mr. Francisco:

Greetings!

We received a letter from Mr. Monico Jacob, in your behalf, dated March 28, 2008 which we hope you have been furnished. It explains that Meralco regularly submits to the ERC certain data in compliance with the rules on Automatic Generation Rate Adjustment (AGRA) and ERC Resolution 20-2005 and being so, subtly suggest that we course our request to ERC.

It is very unfortunate that the largest power distributor in the country with a Congressional franchise and controlling more than 70% of the Luzon market can resort to this manner of denying a request for certain documents which should be open to the public in the spirit of transparency called for under the Electric Power Industry Reform Act. This denial only creates the unwanted impression that Meralco is trying to hide documents that may put it in a bad light.

The letter further buttresses this impression with its explanation that our request for the "actual total demand load (energy requirement) on an hourly basis per month are commercially sensitive information, especially at this time that the power industry is about to enter retail competition and open access regime is also denied.

As much as we would like to understand Meralco's explanation, it is very hard to accept such denials for the following reasons:


1. Our first request was denied by telling us to make our request to ERC, instead. This does not reflect a good management practice from a giant power monopolist, especially at a time, when the industry is being restructured to introduce reforms meant to protect electricity consumers.

2. Our second request was denied on the explanation that retail competition and open access is about to enter. We understand that the Power Purchase Agreements of Meralco with its IPPs are on a "Take or Pay" basis and all the capacities of these IPPs are contracted by Meralco and paid for by Meralco customers whether consumed or not. This means that these contracts between Meralco and its IPPs will not be affected in anyway by the entry of retail competition and open access. As such, the data we have requested will not also affect Meralco's position as it will remain a monopolist even when competition starts.

In this regard, may we humbly request Meralco to reconsider its position and grant us our requests?

Thank you and God bless.

Very truly yours,



PETE L. HAGAN
President