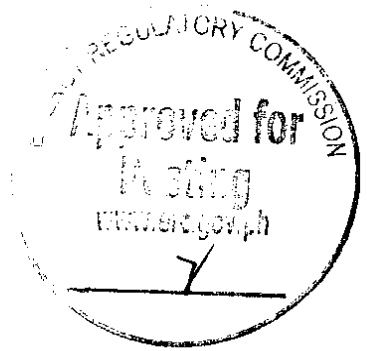


Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
San Miguel Avenue, Pasig City



**EMMIE SAN PEDRO,**  
Complainant,

- versus -

**ERC CASE NO. 2005-094CC**

**MANILA ELECTRIC COMPANY,  
(MERALCO)**

Respondent.

x-----x

**D O C K E T E D**  
Date: **OCT 23 2008**  
By: *[Signature]*

**DECISION**

Before this Commission for resolution is the verified complaint filed by Emmie San Pedro on April 7, 2005 against the Manila Electric Company (MERALCO) for an alleged excessive electric bill in the amount of Forty Six Thousand Six Hundred Eighty Four Pesos and 95/100 (PhP46,684.95) covering the period December 30, 2004 to February 1, 2005.

**FACTS OF THE CASE**

On February 1, 2005, complainant received a letter from the respondent demanding payment of the aforementioned amount. The said amount was originally assessed at Forty Nine Thousand and Seventeen Pesos (PhP49,017.00) but was accordingly reduced to PhP46,684.95 when her electric meter (No. 04AA004558) was found to have an average accuracy of 104.72% or faster by 4.72%. Per complainant's request, the testing of the said meter was witnessed by herself and a representative of this Commission. The said meter was, however, tested for accuracy four (4) times. The results of the first three (3) tests were accurate.

*[Handwritten signatures]*

Complainant's service meter has been replaced twice at her request allegedly due to its defects. The replaced meters were duly tested and it was found that the second meter (104BA304810) was accurate while the original meter was found at slow pace.

The table below shows the date when the meter was removed and replaced by another meter and its corresponding accuracy:

Meter No.	Date Removed and Replaced	Accuracy (in %)	Date of Testing
23ASN80663 (original meter)	August 10, 2004	64.86	August 10, 2004
104BA304810	November 30, 2004	100.53	Sept. 15, 2004
04AA004558		99.92 (1 <sup>st</sup> test)	Feb. 8, 2005
		100.9 (2 <sup>nd</sup> test)	March 1, 2005
		accurate (3 <sup>rd</sup> test)	March 11, 2005
		104.72 (4 <sup>th</sup> test)	March 18, 2005

In response to complainant's complaint of alleged high billing, respondent claimed that the questioned bill was based on its actual reading from the meter abovecited (04AA004558) multiplied by two (2) because the type of meter only registers half of the actual consumption; that it reduced the questioned high billing when the subject meter was tested beyond the tolerable accuracy limit; that it allegedly sent letters explaining to the complainant the basis for the billing and the test results; and that complainant allegedly refused to pay the said billing.

Complainant, in her "Reply to Comment", admitted the installation of the meter with number 04AA004558 which was duly sealed and duly tested by the Commission; that she admitted that the same meter was tested four (4) times in



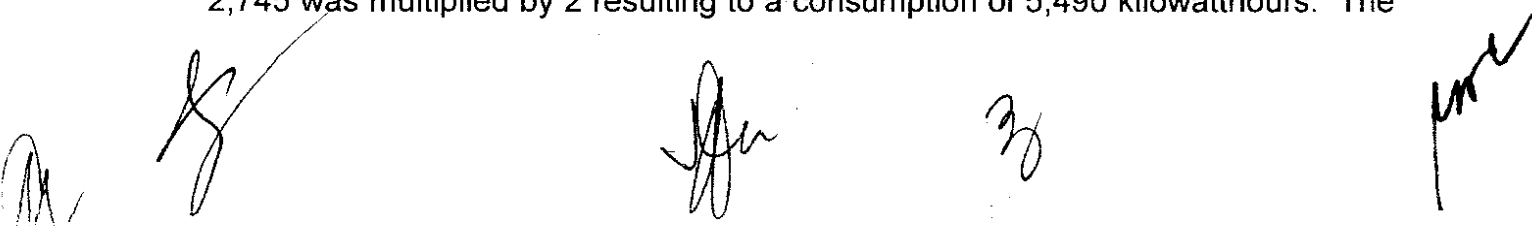
her presence, the first three (3) tests were found accurate, while the fourth, which was witnessed by a Commission representative, yielded a 104.72% accuracy; that respondent reduced the questioned bill due to the preceding meter test result, but she was not allegedly informed of how it arrived at the reduced amount; that her average monthly consumption did not allegedly exceed PhP6,017.11; that even respondent's inspectors who made an ocular inspection of her house found no reason how her monthly bill reached the questioned amount; and that she instead offered to pay the amount of Five Thousand Eight Hundred Pesos (PhP5,800.00) just to buy peace.

Several pre-hearing conferences were conducted by the Commission to explore the possibility of an amicable settlement between the parties. However, no settlement was reached and by agreement of both parties, the Rules on Summary Procedure was applied to this case.

On various dates, the complainant and the respondent filed their respective "Memoranda" with documentary evidence.

### DISCUSSION

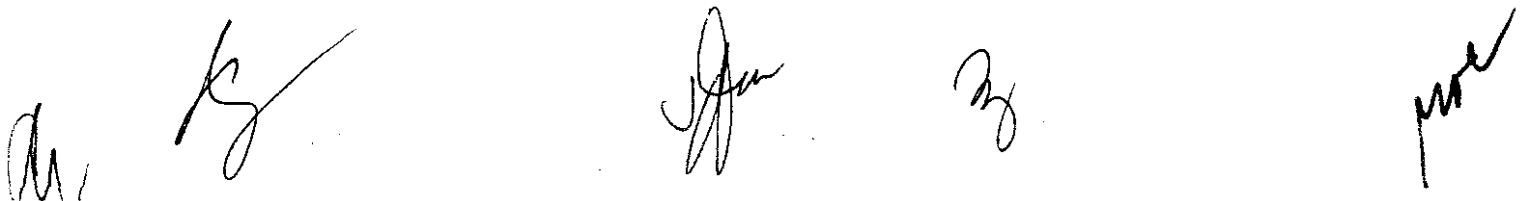
According to the respondent, the questioned bill was based on the readings actually obtained from the complainant's new electric meter with No. 04AA004558 which was installed on November 30, 2004. The actual (present) reading for the bill in question which covered the period December 30, 2004 to February 1, 2005 was 3,024 kilowatthours. From this figure, the previous month's consumption of 279 kilowatthours was deducted, resulting to a net electric consumption of 2,745 kilowatthours. The net electric consumption of 2,745 was multiplied by 2 resulting to a consumption of 5,490 kilowatthours. The



respondent used the 2 as multiplier because the meter in service only registers half of what is actually consumed due to the prevailing distribution system at the time of discovery.

What is peculiar in this case is that per evidence on record, the average electricity consumption of the complainant for the previous two (2) months covering the period September 29, 2004 to November 29, 2004 or prior to the billing period in question was 907.5 kilowatthours. This was based on the actual registration on Meter No. 104BA304810. When the said meter was eventually replaced by another meter bearing No. 04AA004558 on November 30, 2004 upon complainant's request, her total consumption for two (2) months or from November 29, 2004 to February 1, 2005 was 6,048 kilowatthours (3,024 kilowatthours multiplied by 2), or with an average monthly consumption of 3,024 kilowatthours. Let it be stressed that respondent estimated complainant's electric consumption at 572 kilowatthours for the billing period November 29, 2004 to December 30, 2004, although it can obtain a complete one month registration of electricity consumption because the subject meter was installed as early as November 30, 2004.

However, based on the same evidence on record, complainant's electricity consumption for the following month, that is from February 1, 2005 to February 28, 2005, went down drastically to 658 kilowatthours using the same meter. To reiterate, this meter was tested for accuracy four (4) times, the last being beyond the tolerable accuracy limit. Though the first three (3) tests were found to be accurate (the third test was merely an allegation of the respondent as there was no percentage accuracy being mentioned or being offered in evidence), such tests yielded varying accuracy, from a bit slow to a bit fast, in a span of

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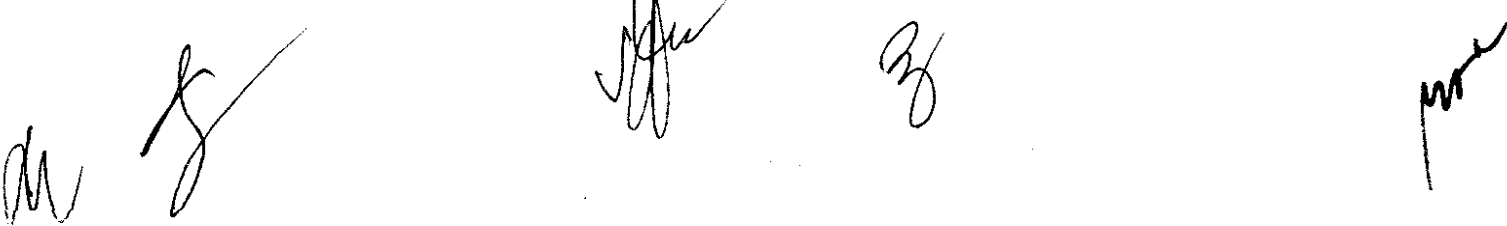
approximately thirty two (32) days. The fourth test or exactly seven (7) days after the third test, showed that the meter was fast.

The Commission finds it highly improbable for a normal electric meter to have varying accuracies during a short period. Under normal conditions, the accuracy of a meter does not easily change. Thus, Section 3 of Commonwealth Act 349 requires electric distribution utilities to test its meters at least once every two (2) years. The requirement of the law to have the meters tested only once every two (2) years indicates that the accuracy of an electric meter does not change so frequently in such a short period of time.

Given this situation, respondent should determine complainant's electric consumption for the billing period in question by using her average monthly consumption from the previous three (3) months (available records are bills for July 30, 2004 to August 30, 2004 and from September 29, 2004 to November 29, 2004), or 988.33 kilowatthours, multiplied by the average rate for the billing month in question (December 30, 2004 to February 1, 2005) which was PhP8.9284. The estimated billing for the period November 29, 2004 to December 30, 2004, or prior to the billing month in question should be excluded because the meter involved was installed during this period.

Accordingly, the billing adjustment should be **PhP8,824.21**, computed as follows:

$$\text{Billing Adjustment} = 988.33 \times \text{PhP}8.9284$$



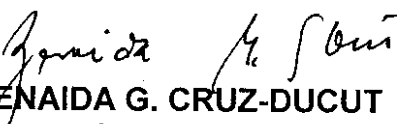
Where:

- 988.33 kwhs** - average monthly consumption before the questioned bill
- PhP8.9284/kwh** - average rate for the billing month in question

**WHEREFORE**, the foregoing premises considered, complainant EMMIE SAN PEDRO should be made liable to pay the amount of only Eight Thousand Eight Hundred Twenty Four Pesos and 21/100 (PhP8,824.21) covering the period December 30, 2004 to February 1, 2005, and is hereby directed to remit the same to the MANILA ELECTRIC COMPANY (MERALCO).

SO ORDERED.


Pasig City, September 26, 2008.

  
**ZENAIDA G. CRUZ-DUCUT**  
Chairperson

  
**RAUF A. TAN**  
Commissioner

  
**ALEJANDRO Z. BARIN**  
Commissioner

  
**MARIA TERESA R. CASTAÑEDA**  
Commissioner

  
**JOSE C. REYES**  
Commissioner

EMA/CCC/IJPT  
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