

ELECTRICITY CONSUMERS' CODE OF RIGHTS AND OBLIGATIONS OF 2003

Pursuant to the provisions of Section 41 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act, the Energy Regulatory Commission hereby promulgates the Electricity Consumers' Code of Rights and Obligations.

CHAPTER 1. GENERAL PROVISIONS

Article 1. This Code shall be known as the “**Electricity Consumers' Code of Rights and Obligations of 2003**”.

Article 2. Definition of Terms. –

- (a) **Bill Deposit**¹ shall mean the deposit required from customers by distribution utilities of new and/or additional service equivalent to the estimated monthly billing to guarantee payment of bills.
- (b) **Consumer**² **or customer or End-user** shall mean any person who is the registered customer of the electric utility or any lawful occupant of the premises being supplied with electricity by the concerned distribution utility;
- (c) **Energy Regulatory Commission or ERC** shall mean the independent regulatory agency created under Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA);
- (d) **Distribution utility**³ shall mean any electric cooperative, private corporation, government-owned utility or existing local government unit which has an exclusive franchise or is authorized by law to distribute electricity to end-users;
- (e) **Differential Billing**⁴ shall mean the amount charged to the consumer for the unbilled electricity illegally consumed as determined through

¹ Section 22 of ERB Resolution 95-21

² Section 4(f) of RA 9136

³ Section 4(q) of RA 9136

⁴ Rule I, Section 2(h) of IRR of RA 7832

the use of methodologies prescribed by law. It is determined by multiplying the unbilled consumption in kWh, the period covered and the current rate of electricity at the time of apprehension.

- (f) **Lawful Occupant** shall mean a tenant or any person authorized by the owner to occupy the premises of a dwelling or establishment provided with electric service;
- (g) **Meter Deposit**⁵ shall refer to the deposit required of applicants for electric service which is equivalent to one-half (1/2) of the current cost of the electric meter and other equipment appurtenant thereto.
- (h) **Month**⁶ is defined to be the element time between succeeding meter readings approximately thirty (30) days apart.
- (i) An **officer of the law**⁷ shall refer to any person who, by direct provision of law or by election or by appointment by competent authority, is charged with the maintenance of public order and the protection and security of life and property, such as barangay captain/chairman, councilman, leader, barangay policeman, PNP policeman, municipal councilor, and municipal mayor.

Article 3. Basic Rights⁸. - All electricity consumers shall be entitled to the following basic rights:

- (a) To have quality, reliable, affordable, safe, regular and uninterrupted supply of electric power;
- (b) To a courteous and prompt service by the electric service provider;
- (c) To a transparent, non-discriminatory and reasonable price of electricity and adequate access to information on matters affecting the electric consumers; and
- (d) To know and choose the electric service provider upon the implementation of Retail Competition and Open Access and operation of the Wholesale Electricity Spot Market (WESM).

Article 4. Basic Obligations⁹ - Every electricity consumer must comply with the following obligations and responsibilities:

⁵ Section 22 of ERB Resolution No. 95-21

⁶ Section 43 of ERB Resolution No. 95-21

⁷ Rule III, Section 1, 5th par. Of IRR of RA 7832

⁸ Sections 2(b), (c), (j) of RA 9136; and Sections 5, 43, 46, 42 of ERB Resolution No. 95-21

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- (a) To observe the terms of his contract including, among others things, paying monthly electricity bills promptly and honestly;
 - (b) To allow the record of consumption to be reflected in the appropriate device faithfully and accurately;
 - (c) To allow the utility's employees/representatives entry/access to the customer's premises for purposes of inspection, installation, reading, testing, removal, replacement or disposal of the utility's apparatus/electric watt-hour meter; and
 - (d) To cooperate with and support programs on the wise and efficient use of electricity.

CHAPTER II. CONSUMERS' RIGHTS

Article 5. Right to Electric Service¹⁰. - An electricity consumer has the right to be connected to a distribution utility for electric power service after compliance with the utility's requirements.

Should a franchise holder fail and/or refuse to service any area within their franchise territory, another distribution utility shall be allowed to service the same.

Article 6. Interest on and Right to an Adjustment and Refund of Bill and Meter Deposits¹¹. – *The bill deposit, based on subsequent monthly billings, shall be correspondingly increased or decreased to approximate the customer's monthly billing within six months from the connection of the electric service. Other adjustments to bill deposit will only be made when there is a change in the registered customer.*

The bill and meter deposits shall bear interest refundable within one month from termination of service; Provided, That the metering facilities are returned in good condition, and all accounts in the name of the customer shall have been paid.

The amount of the refund shall be based on the customer's copy of the receipts or the utility's record thereof. In case of conflict, the ERC shall resolve the same.

⁹ Sections 42, 43, 46 of ERB Resolution No. 95-21

¹⁰ Section 6 of ERB Resolution No. 95-21

¹¹ Section 22 of ERB Resolution No. 95-21

Article 7. Right to an Accurate Electric Watthour Meter¹². - No meter shall be installed or placed in service unless it has been tested, certified and sealed by the ERC. All meters must be calibrated to as close to one percent accuracy as possible.

The ERC seal is a warranty that (1) the meter is an acceptable or accepted type and (2) that it operates within the allowable limits of tolerance.

The electricity consumer has a right to demand the production of the meter test report containing the findings of the authorized person who tested the said meter.

Article 8. Right to a Meter Testing by Electric Utility and/or ERC¹³. - A customer has the right to require the electric utility to test, free of charge, the accuracy of the meter installed in his premises. A written report showing the result of such test shall be furnished the customer and the Commission.

The customer may also request the ERC to conduct a meter test subject to the payment of a minimal fee.

In case the meter is found to be inaccurate, the customer may demand the replacement of the said meter or have the electric utility or the ERC calibrate the said meter to restore its accuracy closest to the condition of zero (0) error.

Article 9. Right to a Prompt Investigation of Complaints¹⁴; Customer Dealings. - Electric utilities must conduct a prompt investigation of all complaints referred to them concerning their services.

Within ten (10) days from receipt of the complaint, the electric utility must furnish the complainant a report of the action/s taken thereon.

In dealing with their customers relative to electric power services, all officers and employees of distribution utilities must properly and conspicuously display their identification cards at all times.

Article 10. Right to Extension of Lines and Facilities¹⁵. – In the event that an extension of lines and/or installation of additional facilities *other than*

¹² Sections 33 and 34 of ERB Resolution No. 95-21

¹³ Section 34 of ERB Resolution No. 95-21; CA 349; Section 35(b) of ERB Resolution No. 95-21

¹⁴ Section 50 of ERB Resolution No. 95-21

¹⁵ Section 23 of ERB Resolution No. 95-21

service drop, is required to serve a prospective customer, the electric utilities, as franchise holders, shall extend the lines or install the facilities at their own expense, inasmuch as said assets will form part of their rate base.

Article 11. Right to Information; Scheduled Power Interruptions. – *In order to increase consumer awareness, all offices of distribution utilities must provide a Consumer Bulletin Board where major announcements/documents issued affecting consumers will be posted. Furthermore, they must establish a customer hotline and text facility to cater exclusively to their customers.*

At least two (2) days before a scheduled power interruption, distribution utilities must announce the same to its customers through print, mass or tri-media.

Article 12. Right to a Transparent Billing¹⁶ - *Bills to metered and flat rate service customers, rendered at reasonably regular intervals shall conform with the format as approved by the ERC. The current formats approved by the Commission are shown in the Annexes of this Code.*

Article 13. Right to a Monthly Electricity Bill¹⁷ - *Bills shall be rendered monthly to the customer by the electric utility in accordance with the applicable rate schedule. Said bills shall be payable to collectors, the collection office of the area where the customer resides or at authorized banks.*

Article 14. Right to Notice and Due Process Prior to Disconnection of Electric Service¹⁸ - *No electricity consumer shall be deprived of electric service without prior notice and due process of law.*

Subject to the foregoing paragraph, disconnection of electric service shall only be made under the following circumstances:

- (a) Non-payment of electric bills within the specified period of time in accordance with Article 29 of this Code.
- (b) Illegal use of electricity under Republic Act No. 7832, otherwise known as the Anti-Electricity Pilferage Law.

¹⁶ Section 42 of ERB Resolution No. 95-21

¹⁷ Section 43 of ERB Resolution No. 95-21

¹⁸ Section 48 of ERB Resolution No. 95-21; Rule II, Section 1 of IRR of RA 7832

Article 15. Right to a Notice Prior to Disconnection¹⁹. - For disconnections due to non-payment of electric bills, a forty eight (48)-hour written notice must have been previously served to the customer before such disconnection. The electric utility may discontinue the service notwithstanding the existence of the customer's deposit with the electric utility which will serve as guarantee for the payment of future bill(s) after service is reconnected.

For disconnections due to alleged illegal use of electricity, a written notice *served at least one day before the execution of the disconnection*, which shall indicate the amount of the differential billing, among other things, must have been served to the customer or his duly authorized representative before disconnection could be made.

Article 16. Right to Suspension of Disconnection²⁰. - Despite due notice, disconnections of service shall not be effected *before noon*, on Fridays, Saturdays, Sundays and official holidays and under the following or any other similar circumstances:

- (a) Customer or his representative is not around;
- (b) One of the permanent occupants is sick and dependent on a life support system requiring electricity; Provided, That the customer can present a medical certificate issued by a duly licensed physician or public health official certifying that the termination of the electric service would be especially dangerous to the health of the said person;
- (c) During the funeral wake of a deceased permanent resident of the premises; Provided, That the consumer can present a duly certified true copy of the death certificate of the deceased issued by the Local Civil Registry of the city or municipality concerned;
- (d) Customer indubitably prove he did not receive a Statement of Account/Disconnection Notice;
- (e) Customer is being billed in a single statement for consumption covering several months due to the failure of the utility to issue a timely monthly billing statement to the consumer;

For Item (b), the suspension of the disconnection shall only be made during the dependency of the patient on the life support system *which shall not exceed two months from such suspension*.

¹⁹ Section 48 of ERB Resolution No. 95-21; Rule V, Section 1 of RA 7832

²⁰ Section 48 of ERB Resolution No. 95-21

For Item (c), the suspension of the disconnection shall only be made during the period of the wake *which shall not exceed one month from the suspension or until the interment, whichever comes earlier. For Item (d), the non-receipt should not be caused by the refusal of the customer to accept such electric bill or notice.*

With respect to Item (e), the customer must pay the current billing on its due date. The distribution utility, however, must enter into an agreement with the customer for a staggered payment scheme within a period equivalent to the number of months covering the unpaid billings.

Article 17. Right to Tender Payment at the Point of Disconnection²¹; Deposit Representing the Differential Billing²². - If at the time the disconnection is to be made, the customer tenders payment of the unpaid bill to the agent or employee of the electric utility who is to effect the disconnection, the said agent, or employee of the electric utility shall be obliged to accept the tendered payment, issue a temporary receipt, and desist from disconnecting the service.

The utility concerned shall not immediately disconnect or shall immediately restore the electric service of the customer upon the deposit by the customer with the utility or with the competent court, as the case may be, of the amount representing the differential billing.

Article 18. Right to Electric Service Despite Arrearages of Previous Occupant; Collusion²³. - An electric utility shall not refuse or discontinue service to an applicant or customer, who is not in arrears to the electric utility, even though there are unpaid charges due from the premises occupied by the applicant, or customer, on account of unpaid bill of a prior tenant, unless there is evidence of conspiracy to defraud the electric utility.

Article 19. Right to Reconnection of Electric Service²⁴. - Whenever the electric service is disconnected due to non-payment of electric bills, the utility must immediately reconnect the same *not later than twenty four (24 hours)* from payment of the said arrearages by the customer.

²¹ Section 48 of ERB Resolution No. 95-21

²² Section 2, Rule V of the IRR of RA 7832

²³ Section 48 of ERB Resolution No. 95-21

²⁴ Section 49 of ERB Resolution No. 95-21

Article 20. Right to Witness Apprehension; Indispensable Witnesses²⁵. – All apprehensions for illegal use of electricity must be personally witnessed by the customer, and by an officer of the law or by an ERC representative.

Article 21. Right to ERC Testing of Apprehended Meter²⁶. - In case the apprehension is witnessed by an officer of the law and not by an ERC authorized representative, the electric meter subject of the offense must be placed in a suitable container, properly identified and sealed, and shall be opened only for testing in the ERC's meter laboratory by its duly authorized representative; or at the distribution utility's meter laboratory, if authorized by the ERC (formerly ERB) before the passage of RA 7832.

Article 22. Right to Payment Under Protest; Billing Adjustments; Differential Billing²⁷. –

In cases of regular electric bills or billing adjustments in the event of the stoppage or failure of the meter to register correct amount of energy consumed, the consumer shall have the right to pay under protest for purposes of continuous supply of electricity by the utility.

In case there is a differential billing due to alleged illegal use of electricity, the consumer shall have the right to pay or deposit under protest for the same purpose above stated.

Article 23. Right to File Complaints before ERC²⁸.- Every electric consumer has the right to file a complaint before the ERC for violation of ERC laws, rules, regulations, guidelines and policies, including but not limited to RA 9136 and its Implementing Rules and Regulations, RA 7832 and its Implementing Rules and Regulations and ERB Resolution No. 95-21; *Provided, That the complainant has previously discussed/consulted the issue with the Consumer Welfare Desk (CWD) Officer or representative of the concerned distribution utility and no settlement has been reached.*

CHAPTER III. CONSUMERS OBLIGATIONS

²⁵ Section 1, Rule III of IRR of RA 7832

²⁶ Section 6 of Rule VII of IRR of RA 7832

²⁷ Section 48 of ERB Resolution No. 95-21; Rule V, Section 2 of IRR of RA 7832

²⁸ Section 41 of RA 9136

Article 24. *Obligation to Pay Bill and Meter Deposits*²⁹. - Electric utilities may demand the payment of bill and meter deposits from the electric customer before providing electric service.

Article 25. *Obligation to Allow Inspection, Installation & Removal of Electricity Apparatus*³⁰. - Customers shall allow the employees and/or representatives of the electric utility to enter their premises for the purpose of inspecting, installing, reading, testing, removing, replacing, or otherwise disposing of its apparatus and property, and/or removing the electric utility's entire property in the event of the termination of the electricity service contract for any cause; Provided, However, That only authorized employees of the electric utility with proper identification cards shall be allowed to make any external adjustments of any meter or any internal or external adjustments of any other pieces of apparatus owned by the electric utility.

Article 26. *Obligation to Allow Construction of Poles, Lines & Circuits*³¹. - Consumers shall allow the distribution utility, if necessary, to construct its poles, lines and circuits on their property and to place its transformers and other apparatus thereon or within their buildings, at a point or points convenient for such purpose.

The customer shall further grant the right to use a suitable space for the installation of necessary metering equipment in order that such equipment will be protected from damage by the elements, or through the negligence or deliberate acts of any person or persons.

Article 27. *Obligation to Allow Right of Way; Payment of Just Compensation*³². - In case the distribution utility, pursuant to the preceding article, erects poles and lines on the property of a customer in order to be able to service him, it shall, upon payment of just compensation to the latter, also have the right to connect to said poles and lines any neighbor or neighbors of said customer, who may thereafter also apply for service connections and who cannot otherwise be connected or reached by the utility.

Article 28. *Obligation to Receive Monthly Bills.* – *Consumers must accept their electric bills, without prejudice to the exercise of their right to pay under protest pursuant to Article 22 of this Code in order to contest the same.*

²⁹ Section 43 of ERB Resolution No. 95-21

³⁰ Section 51 of ERB Resolution No. 95-21

³¹ Section 24 of ERB Resolution No. 95-21

³² Section 24 of ERB Resolution No. 95-21

Article 29. *Obligation to Pay Monthly Electric Bills*³³. - Consumers must pay their bills not later than ten (10) days after receipt of the monthly bill.

Article 30. *Obligation to Pay Billing Adjustments*³⁴. - An electricity consumer may be compelled to pay a billing adjustment in case there is a stoppage or failure by the customer's meter to register the full amount of energy consumed without any fault on the part of the customer.

The customer shall be billed for such period based on his average use of energy for the immediately preceding six-month period of like use or the registration of a check meter subject to the approval of the ERC.

In case of disagreement on such bill, the Commission shall resolve the same.

Article 31. *Obligation not to Commit Illegal Use of Electricity*³⁵. No consumer is allowed to perform acts constituting illegal use of electricity. The following circumstances constitute prima facie evidence of illegal use of electricity:

- (a) The presence of a bored hole on the glass cover of the electric meter, or at the back or any other part of said meter;
- (b) The presence inside the electric meter of salt, sugar and other elements that could result in the inaccurate registration of the meter's internal parts to prevent its accurate registration of consumption of electricity;
- (c) The existence of any wiring connection which affects the normal operation or registration of the electric meter;
- (d) The presence of a tampered, broken, or fake seal on the meter, or mutilated, altered or tampered meter recording chart or graph or computerized chart, graph or log;
- (e) The presence in any part of a building or its premises which is subject to the control of the consumer, or on the electric meter, of a current reversing transformer, jumper, shorting and/or shunting wire, and/or loop connection or any other similar device;

³³ Section 43 of ERB Resolution No. 95-21

³⁴ Section 43 of ERB Resolution No. 95-21

³⁵ Section 4 of RA 7832; Rule III, Section 1 of the IRR of RA 7832

- (f) The mutilation, alteration, reconnection, disconnection, bypassing or tampering of instruments, transformers and accessories;
- (g) The destruction of, or attempt to destroy, any integral accessory of the metering device box which encases an electric meter, or its metering accessories.
- (h) The acceptance of money and/or other valuable consideration by any officer or employee of the electric utility concerned or the making of such an offer to any such officer or employee for not reporting the presence of any of the circumstances enumerated in subparagraphs (a), (b), (c), (d), (e), (f), or (g) hereof.

The discovery of any of the foregoing circumstances must be personally witnessed and attested to by an officer of the law or a duly authorized representative of the Energy Regulatory Commission.

Article 32. *Obligation to Pay Differential Billing*³⁶. – A consumer who is discovered to have committed the offense of illegal use of electricity shall, in addition to the imposition of appropriate penal sanction, be required to pay a differential billing to the electric distribution utility to be computed in accordance with existing laws, rules and regulations.

CHAPTER IV. FINAL PROVISIONS

Article 33. *Separability Clause*. – If any provision of this Code is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in force and effect.

Article 34. *Effectivity*. – This Code shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the country.

Pasig City, _____

³⁶ Section 6 of RA 7832

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