Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 6007

Introduced by CIBAC Party-List Representatives
Eduardo "Bro. Eddie" C. Villanueva and Domingo C. Rivera

AN ACT PENALIZING THE UNJUSTIFIED INTERRUPTION OF SERVICE PROVIDED BY DISTRIBUTION UTILITIES AND TELECOMMUNICATIONS AND BROADCASTING ENTITIES

EXPLANATORY NOTE

It is not unusual to see posts in social media of customers of public utilities complaining on the failure of a public utility to immediately address their concern. This is even compounded by the fact that despite the service interruption, customers are still expected to pay the full price of their utility bill or plan. Water and electric distribution utilities and telecommunications and broadcasting entities continue to collect the bill, as if nothing happened, without any compensation given to the customers or penalty for the opportunity lost suffered by the customers by reason of their unjustified failure to address the customer’s complaint immediately.

For example, in March 2019, Metro Manila residents experienced water shortage due to the failure of Manila Water Co. Inc. to anticipate and prepare for an increase in demand in water supply, which was further aggravated by the effects of El Niño. Around 52,000 residents reportedly did not have water supply for more than six days during the summer season, and residents were seen lining up for rationed water.¹ Despite this failure, Manila Water Company, the concerned water distribution utility, would have gone with business as usual, if not for the public clamor and the media attention given to the issue, which caused it to voluntarily waive the bill of the affected

customers for the month of March.  

This bill requires seeks to compensate the affected customers and penalize water and electric distribution utilities and public telecommunications or broadcasting entities for service interruption. Under this bill, if service interruption lasts for eight (8) hours or more for prepaid services or services with a fixed regular fee, the customer is entitled to a refund or deduction on the bill corresponding to the month when the service interruption occurred, as the case may be, equivalent to the amount of the prepaid service or prescribed monthly bill divided by the number of days covered by the plan and multiplied by the number of days the interruption occurred.

This bill also mandates these public utilities to address all customer complaints arising from service interruption or other similar problems within one day from receipt of the complaint. Failure to address such complaint within this period will make the concerned entity liable for a penalty payable to the customer equivalent to 0.5% of the bill for every day of delay, but in no case more than twenty percent (20%) of the total bill.

This bill seeks to give relief to our hardworking citizens who expect uninterrupted and quality service from those who hold themselves up to be capable of providing good service.

The immediate passage of this bill is earnestly sought.

HON. EDUARDO “BRO. EDDIE” C. VILLANUEVA

HON. DOMINGO C. RIVERA

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Declaration of Policy. – It is the policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power, water, communications technology and other public services.

It is also the policy of the State to ensure transparent and reasonable prices of electricity, water, telecommunications services and other public services in a regime of free and fair competition and full public accountability to achieve greater operational and economic efficiency and enhance the competitiveness of Philippine products in the global market.

SECTION 2. Unjustified Interruption of Service. – In case the service provided by electric and water distribution utilities, public telecommunications entities and broadcasting companies is interrupted, the concerned entity shall act on customer complaints regarding service interruption or other similar problems within one (1) day from the date the complaint, written or otherwise, was lodged with it; Provided, That if the concerned entity unreasonably fails to act within this period, except when the cause of such delay or failure is due to fortuitous events or causes beyond the control of the concerned entity, it shall be liable for a penalty payable to the customer, equivalent to 0.5% of the bill corresponding to the period when the interruption occurred for every day of delay, but in no case more than twenty percent (20%) of the
bill; Provided further, That nothing herein shall prevent the appropriate regulatory
agency/ies from imposing the penalties prescribed under relevant laws and
regulations; Provided finally, That the penalty herein imposed is separate from the
refund or deduction referred to in the paragraph below for prepaid services or services
with a fixed regular fee.

For prepaid services or services with a fixed regular fee, if service interruption lasts for
eight (8) hours or more, the customer shall be entitled to a refund or deduction on the
bill corresponding to the month when the service interruption occurred, as the case
may be, equivalent to the amount of the prepaid service or prescribed monthly bill
divided by the number of days covered by the prepaid service or prescribed monthly
bill and multiplied by the number of days the interruption occurred.

For this purpose, the distribution utility, telecommunications or broadcasting entity
shall file a monthly report to the appropriate regulatory agency detailing the service
interruptions that occurred during the covered period, the complaints lodged before it
and the actions taken on each complaint.

Any dispute as to the propriety of the refund or deduction or penalty imposed in
accordance with this Section shall be resolved by the appropriate regulatory agency,
on appropriate complaint.

SECTION 3. Implementing Rules and Regulations. – Within sixty (60) days from
the implementation of this Act, the Energy Regulatory Commission, National Water
Resources Board, Metropolitan Waterworks and Sewerage System, Local Water
Utilities Administration, National Telecommunications Commission, and other relevant
government agencies, upon consultation with relevant stakeholders, shall promulgate
the necessary rules and regulations to implement the provisions of this Act.

SECTION 4. Separability Clause. – If any provision or part hereof, is held invalid or
unconstitutional, the remainder of the law or the provision not otherwise affected shall
remain valid and subsisting.

SECTION 5. Repealing Clause. – Any law, presidential decree or issuance, executive
order, letter of instruction, administrative order, rule or regulation contrary to or
inconsistent with, the provisions of this Act is hereby repealed, modified, or amended
accordingly.

SECTION 6. Effectivity Clause. – This Act shall take effect fifteen (15) days after its
publication in the Official Gazette or in at least two (2) newspapers of general
circulation.

Approved,
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