

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

House Bill No. 6007



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

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**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.<sup>1</sup> 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

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<sup>1</sup> 2019, March 12. EXPLAINER: Why is there a water shortage in Metro Manila? Retrieved from: <https://news.abs-cbn.com/news/03/12/19/explainer-why-is-there-a-water-shortage-in-metro-manila> (date last accessed: July 5, 2019).

customers for the month of March.<sup>2</sup>

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.

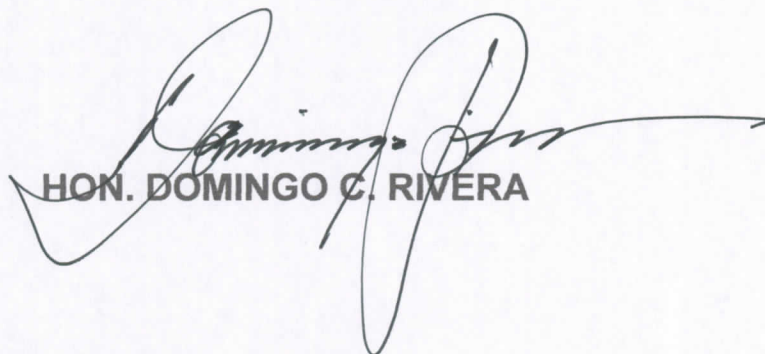
This bill also mandates these public utilities to address all customer complaints arising from service interruption or other similar problems within one day from receipt of the complaint. Failure to address such complaint within this period will make the concerned entity liable for a penalty payable 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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<sup>2</sup> 2019, March 27. Manila Water implements a voluntary, one-time bill waiver scheme. Retrieved from: <https://businessmirror.com.ph/2019/03/27/manila-water-implements-voluntary-one-time-bill-waiver-scheme/> (date last accessed: July 5, 2019).



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TELECOMMUNICATIONS AND BROADCASTING ENTITIES**

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

1 **SECTION 1. Declaration of Policy.** – It is the policy of the State to ensure the quality,  
2 reliability, security and affordability of the supply of electric power, water,  
3 communications technology and other public services.  
4

5 It is also the policy of the State to ensure transparent and reasonable prices of  
6 electricity, water, telecommunications services and other public services in a regime  
7 of free and fair competition and full public accountability to achieve greater operational  
8 and economic efficiency and enhance the competitiveness of Philippine products in  
9 the global market.  
10

11 **SECTION 2. Unjustified Interruption of Service.** – In case the service provided by  
12 electric and water distribution utilities, public telecommunications entities and  
13 broadcasting companies is interrupted, the concerned entity shall act on customer  
14 complaints regarding service interruption or other similar problems within one (1) day  
15 from the date the complaint, written or otherwise, was lodged with it; *Provided*, That if  
16 the concerned entity unreasonably fails to act within this period, except when the  
17 cause of such delay or failure is due to fortuitous events or causes beyond the control  
18 of the concerned entity, it shall be liable for a penalty payable to the customer,  
19 equivalent to 0.5% of the bill corresponding to the period when the interruption  
20 occurred for every day of delay, but in no case more than twenty percent (20%) of the

1 bill; *Provided further*, That nothing herein shall prevent the appropriate regulatory  
2 agency/ies from imposing the penalties prescribed under relevant laws and  
3 regulations; *Provided finally*, That the penalty herein imposed is separate from the  
4 refund or deduction referred to in the paragraph below for prepaid services or services  
5 with a fixed regular fee.  
6

7 For prepaid services or services with a fixed regular fee, if service interruption lasts for  
8 eight (8) hours or more, the customer shall be entitled to a refund or deduction on the  
9 bill corresponding to the month when the service interruption occurred, as the case  
10 may be, equivalent to the amount of the prepaid service or prescribed monthly bill  
11 divided by the number of days covered by the prepaid service or prescribed monthly  
12 bill and multiplied by the number of days the interruption occurred.  
13

14 For this purpose, the distribution utility, telecommunications or broadcasting entity  
15 shall file a monthly report to the appropriate regulatory agency detailing the service  
16 interruptions that occurred during the covered period, the complaints lodged before it  
17 and the actions taken on each complaint.  
18

19 Any dispute as to the propriety of the refund or deduction or penalty imposed in  
20 accordance with this Section shall be resolved by the appropriate regulatory agency,  
21 upon appropriate complaint.  
22

23 **SECTION 3. Implementing Rules and Regulations.** – Within sixty (60) days from  
24 the implementation of this Act, the Energy Regulatory Commission, National Water  
25 Resources Board, Metropolitan Waterworks and Sewerage System, Local Water  
26 Utilities Administration, National Telecommunications Commission, and other relevant  
27 government agencies, upon consultation with relevant stakeholders, shall promulgate  
28 the necessary rules and regulations to implement the provisions of this Act.  
29

30 **SECTION 4. Separability Clause.** – If any provision or part hereof, is held invalid or  
31 unconstitutional, the remainder of the law or the provision not otherwise affected shall  
32 remain valid and subsisting.  
33

34 **SECTION 5. Repealing Clause.** – Any law, presidential decree or issuance, executive  
35 order, letter of instruction, administrative order, rule or regulation contrary to or  
36 inconsistent with, the provisions of this Act is hereby repealed, modified, or amended  
37 accordingly.  
38

39 **SECTION 6. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its  
40 publication in the Official Gazette or in at least two (2) newspapers of general  
41 circulation.  
42

43  
44 **Approved,**



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