



ADVISORY

15 April 2020

In view of the national government's extension of the Enhanced Community Quarantine (ECQ) until 30 April 2020, the ERC hereby issues the following directives to guide the electric power industry stakeholders:

1. The Commission will continue to implement a work from home policy for its employees in all its offices, both regular and contractual during the period of 15 April to 30 April 2020;
2. All applications, pleadings, compliances falling due on or before 31 May 2020 may be submitted sixty (60) days from 30 April 2020;
3. The provisions of the Distribution Services and Open Access Rules (DSOAR) and Magna Carta for Residential Electricity Consumers (MREC) for the adjustment of bill deposits are hereby suspended until further notice;
4. For the safety of the meter readers and to comply with the physical distancing directive for the containment of COVID-19, Section 3.5.4 of the Distribution Services and Open Access Rules (DSOAR) on the utilization of estimated billing may be applied, provided that the word "ESTIMATE" be clearly written on the consumer bill and that corresponding adjustments be made as soon as practicable;
5. Implementation of the ERC Orders dated 05 December 2019 relating to confirmation of pass through charges of certain DUs may be deferred until 31 July 2020;
6. All Distribution Utilities (DUs) and Retail Electricity Suppliers (RES) are directed to provide a grace period to all captive and contestable customers through the deferment of their electricity bill falling due within the period of the ECQ or from 16 March to 30 April 2020, without interest, penalties, fees and other charges;



The cumulative amount of electricity bills that was supposed to have fallen due within the ECQ shall be amortized in four (4) equal monthly installments, payable in the four (4) succeeding billing months following the end of the ECQ. This shall be reflected as a separate item in the electricity bill due on those succeeding months, provided that the first billing due date following the ECQ shall be no earlier than 15 May 2020.

This is shown in the illustration below:

For payment falling due on every 1st to 14th of the month

Original Due Date	Bill Amount	Remarks
April 10, 2020	2,000	Deferred bill
May 10, 2020	2,000	Current bill

Total deferred bill = P2,000 for April Billing to be applied in four (4) equal monthly installments beginning May 2020.

Payment Schedule:

Due Date	Extended Due Date	Current Bill*, PhP	Amortized Payments of Deferred Bill, PhP	Total Bill, PhP
May 10, 2020	May 15, 2020	2,000	500	2,500
June 10, 2020	no extension	2,000	500	2,500
July 10, 2020	no extension	2,000	500	2,500
August 10, 2020	no extension	2,000	500	2,500
September 10, 2020	no extension	2,000	0	2,000

*Note: *Current bill is for illustration purposes and will depend on each customer's actual monthly consumption.*

For payment falling due on every 15th to 31st of the month

Original Due Date	Bill Amount	Remarks
March 16, 2020	2,000	Deferred bill
April 16, 2020	2,000	Deferred bill
May 16, 2020	2,000	Current bill

Total deferred bill = P4,000 for March and April Billings to be applied in four (4) equal monthly installments beginning May 2020.



Payment Schedule:

Due Date	Current Bill*, PhP	Amortized Payments of Deferred Bill, PhP	Total Bill, PhP
May 16, 2020	2,000	1,000	3,000
June 16, 2020	2,000	1,000	3,000
July 16, 2020	2,000	1,000	3,000
August 16, 2020	2,000	1,000	3,000
September 16, 2020	2,000	0	2,000

*Note: *Current bill is for illustration purposes and will depend on each customer's actual monthly consumption.*

Provided, that actual payments received by the DU during the ECQ period are still required to be immediately remitted proportionately to the concerned entities.

7. Customers who have the ability to pay are encouraged to settle their bills within the original due date to help manage the cashflow in the energy supply chain and ensure the continuous supply of electricity. Consequently, DUs are authorized to adopt incentive schemes to encourage early payment of the deferred amount by customers who are able to settle ahead of the four (4) months;

8. The Generators/Suppliers, Power Sector Assets and Liabilities Management Corporation (PSALM), National Power Corporation (NPC), National Transmission Corporation (TransCo), National Grid Corporation of the Philippines (NGCP), Independent Power Producers (IPPs), Independent Power Producer Administrators (IPPAs) and the Market Operator (MO) shall extend the same payment scheme as provided in the preceding paragraph, to the RES, DU and other customers. Availment of Prompt Payment Discount (PPD) will still be in accordance with the parties' approved supply contract;

9. The collection of the FIT-ALL from electricity customers is suspended for another billing period to be implemented on the next electricity bill to be issued by the Collection Agents;



10. All DUs are reminded of their obligation to procure their power requirements in the least cost manner, taking into consideration all attendant circumstances, including the approved contract's minimum contracted capacity and fixed costs, and to ensure efficient and equitable utilization of their approved power supply contracts; and

11. All DUs are required to submit the following: power supply contract utilization report, record of payments received from customers, and record of payments made to suppliers, covering the period 16 March to 30 April 2020 not later than 31 May 2020 by sending to tariffs@erc.gov.ph.

The ERC is closely and continuously monitoring the activities in the electric power industry and will come up with the necessary announcements or advisories, as needed, to ensure that the interest, especially of the consuming public, is not compromised amid the nationwide extended ECQ¹.

This supersedes the 26 March 2020 Advisory of the ERC.

Please be guided accordingly.

¹ECQ period refers to March 16, 2020 until April 30, 2020.

