A RESOLUTION

DIRECTING THE APPROPRIATE COMMITTEE(S) OF THE HOUSE OF REPRESENTATIVES, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, CALLING DISTRIBUTION UTILITIES AND THE ENERGY REGULATORY COMMISSION, RELATIVE TO THE USE OF AVERAGE BILLING SYSTEM FOR ELECTRICAL CONSUMPTION IN RESIDENTIAL HOUSEHOLDS

WHEREAS, the Energy Power Industry Reform Act of 2001, mandates the protection of public interest as it is affected by the rates and services of electric utilities and other providers of electric power,

WHEREAS, numerous complaints have been filed before the Energy Regulatory Commission with regard to the bill shock issue, in particular the use of estimated billings during the imposition of enhanced community quarantine, and the failure of distribution utilities to explain to the public the computation used in measuring electric charges,

WHEREAS, the bill shock issue is not entirely novel, nor an isolated issue of the pandemic. Each year, consumers experience bill shock in their electrical consumption especially on specific months during summer.

WHEREAS, the use of the Average Billing System can address the issue of bill shock among consumers, by allowing consumers to pay an average amount every month instead of adapting to the highs and lows of the seasons.

WHEREAS, in this system, the bill amounts for the last 12 months are totaled and divided by 12. Then, the cumulative difference between the monthly average billing amount and what the consumers would owe if they were not signed up for average billing is added or subtracted, before adding other institutional charges.
WHEREAS, this billing system has been available in other countries such as the United States, and has proven to be an effective solution in avoiding bill shock and making monthly payments more manageable and predictable for the consumers.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, by the House of Representatives that the appropriate committee/s be directed to conduct an inquiry in aid of legislation, to consider the use of average billing system as an option to measure and bill electricity consumption for Filipino households.

Adopted,

HON. VIRGILIO S. LACSON