



# ADVISORY

## 29 October 2020

In view of the recent enactment of Republic Act No. 11494<sup>1</sup> otherwise known as the “Bayanihan to Recover As One Act” (Bayanihan 2), the Energy Regulatory Commission (ERC) issues the following directives:

1. Distribution Utilities (DU) are directed **NOT** to implement any disconnection on account of non-payment of bills until December 31, 2020 for consumers with monthly consumption not higher than twice the ERC approved maximum lifeline consumption level.
2. For all other customers, DUs and Retail Electricity Suppliers (RES) are directed to implement a minimum of 30-day grace period on all payments falling due within the period of Enhanced Community Quarantine (ECQ) and Modified Enhanced Community Quarantine (MECQ)<sup>2</sup> without incurring interests, penalties, and other charges. Any unpaid balance after the lapse of the 30-day grace period shall be payable in three (3) equal monthly installments without incurring interests, penalties, and other charges.
3. Customers who have the ability to pay are encouraged to settle their bills within the original due date to help manage the cash flow in the energy supply chain and ensure the continuous supply of electricity. The DUs may offer less onerous payment terms to encourage early payment.
4. Government Offices, Government Agencies, Government Owned-and-Controlled Corporations and other Government instrumentalities are not covered by the thirty (30) days grace period and installment payment arrangement provided herein.

<sup>1</sup> An Act Providing for Covid-19 Response and Recovery Interventions and Providing Mechanisms to Accelerate the Recovery and Bolster the Resiliency of the Philippine Economy, Providing Funds Therefor, and for Other Purposes;

<sup>2</sup> As declared by the National Inter-Agency Task Force on Emerging Infectious Diseases (IATF-EID)







5. All Distribution Utilities (DUs) and Retail Electricity Suppliers (RES) are directed to inform their respective customers of the directives contained in this Advisory through a bill insert.

In addition to the bill insert, DUs and RES shall inform their customers through any other available means but shall not be limited to: announcements through social media, radio station announcements, posting in bulletin boards of local government units and/or posting in the DUs'/RES' website.

6. 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 30-day grace period, staggered payment, and no disconnection policy provided in item numbers 1 and 2 hereof, to the RES, DUs and other customers.
7. DUs are required to submit monthly the following: (a) power supply contract utilization report; (b) record of payments received from customers; and (c) record of payments made to suppliers, covering the aforementioned grace period and installment periods, by sending to [tariffs@erc.gov.ph](mailto:tariffs@erc.gov.ph).

This Advisory shall be effective from the date of its posting on ERC's website [www.erc.gov.ph](http://www.erc.gov.ph).

Please be guided accordingly.

