



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH CONGRESS

First Regular Session

HOUSE BILL NO. **1658**

Introduced by **REPRESENTATIVE CHEENO MIGUEL D. ALMARIO**

EXPLANATORY NOTE

Public utility providers — power, water, internet, cable televisions, telecoms — normally charge their subscribers a fixed overhead monthly fee to ensure uninterrupted quality service.

In most areas of the country, however, interruptions in the services of utility companies occur too often for comfort. These disruptions adversely impact people and the economy resulting in actual and opportunity losses.

This bill seeks to address the losses incurred by the subscribers through minute-based forfeiture on fixed and overhead cost charges of utility service companies when unannounced or unintended service interruptions, not attributable to natural calamities, occur. It mandates public utility providers to create mechanisms to refund or adjust the billings of users and consumers, including subscribers under prepaid plans, who suffered losses due to unscheduled disruptions.

The measure also aims to encourage and challenge companies to improve their services while adopting the best business practices by giving their customers advance notifications of reasonable service interruptions.

A similar version of this bill was filed in the 18th Congress by the

Honorable Joel Mayo Z. Almario and was previously filed by this representation during the 19th Congress. Support for the approval of this bill is earnestly sought.



CHEENO MIGUEL D. ALMARIO
Representative
2nd District, Davao Oriental



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AN ACT
IMPOSING FORFEITURES ON THE OVERHEAD CHARGES DUE TO
UNINTENDED OR UNANNOUNCED UTILITY SERVICE
INTERRUPTION
AND FOR OTHER PURPOSES

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

1 **SECTION 1.** This Act shall be known as the “*Utility Service*
2 *Interruption Forfeiture Act of 2025*”.

3 **SEC. 2.** It is hereby declared the policy of the State to ensure that
4 all citizens have access to water, electricity, and telecommunications
5 services.

6 **SEC. 3.** There shall be a minute-based forfeiture on the overhead
7 and other fixed fees charged by utility service providers to every
8 subscriber or consumer whenever unintended or unannounced utility
9 service outages or interruptions arise.

10 Utility service entities shall apply the minute-based forfeiture, on
11 a pro-rated basis, as a refund credit or bill adjustment to a customer or
12 subscriber who has experienced a service outage or interruption for an
13 aggregate period of twenty-four (24) hours or more covering a billing

14 cycle of one (1) month. The utility service entities shall not require the
15 subscriber or customer to take any action to receive a refund credit or
16 bill adjustment.

17 The refund credit granted under this Act shall likewise be granted
18 to customers subscribing to a service on a prepaid basis. The utility
19 service entities shall provide the necessary mechanisms that prepaid
20 subscribers may use to avail of the refund credit.

21 **SEC. 4.** The minute-based forfeiture granted to subscribers and
22 consumers on the overhead and other fixed fees, within the ambit of
23 this Act, shall apply only to unintended or unannounced utility service
24 outages or interruptions; *Provided*, That said minute-based forfeiture
25 shall not apply to a utility service outages or interruptions due to
26 scheduled maintenance breaks as announced by the utility service
27 providers; *Provided, further*, That the utility service providers shall
28 notify all its consumers or subscribers through print, radio, television,
29 or social medial platforms, at least forty-eight (48) hours prior to the
30 scheduled maintenance break.

31 **SEC. 5.** The minute-based forfeitures shall apply from the time
32 the unintended and unannounced electricity, water, and
33 telecommunications service interruption starts until the service is fully
34 restored.

35 **SEC. 6.** The minute-based forfeiture rates and overhead and
36 other fixed charges shall be determined by the Energy Regulatory
37 Commission (ERC), Local Water Utility Administration (LWUA), and
38 National Telecommunications Commission (NTC), as the case may be,
39 in coordination with the other concerned government agencies.

40 **SEC. 7.** Utility services interruptions due to, but not limited to,
41 force majeure, acts of gods, insurrection, rebellion, or negligence by the
42 consumer or subscriber, shall be excluded from the minute-based
43 forfeitures provided for in this Act.

SEC. 8. Any utility service provider found in violation of the provisions of this Act shall be punished with a fine of not less than Fifty Thousand Pesos (P50,000.00) for each day of non-compliance commencing from the date the violation is committed.

SEC. 9. The Department of Energy (DOE) and Department of Information and Communications Technology (DICT), in coordination with the ERC, LWUA, NTC, and other concerned agencies, shall formulate the implementing rules and regulations (IRR) within sixty (60) days from the enactment of this Act.

SEC. 10. If any part, section, or provision of this Act shall be held invalid or unconstitutional, the rest of the provisions shall not be affected thereby.

SEC. 11. All laws, executive orders, rules and regulations, or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 12. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,