

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
San Miguel Avenue, Pasig City

Pursuant to the provisions of Section 41 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act and Article 36 of the Magna Carta for Residential Electricity Consumers, the Energy Regulatory Commission hereby promulgates these Guidelines to Implement Articles 7, 8, 14 and 28 of the Magna Carta for Residential Electricity Consumers.

**GUIDELINES TO IMPLEMENT ARTICLES 7, 8, 14 and 28 OF  
THE MAGNA CARTA FOR RESIDENTIAL ELECTRICITY CONSUMERS**

**CHAPTER I. GENERAL PROVISIONS**

**Section 1. Title.** – This document shall be known as the Guidelines to Implement Articles 7, 8, 14 and 28 of the Magna Carta for Residential Electricity Consumers.

**Section 2. Definition of Terms.** For purposes of these Guidelines, the following terms shall mean –

- (a) **Bill Deposit** shall mean the deposit required from customers by distribution utilities of new and/or additional service equivalent to the estimated billing for one month to guarantee payment of bills;
- (b) **Consumer or Customer or End-user** shall mean any person who is the registered customer of the electric utility being supplied with electricity by the concerned distribution utility or any person authorized by the registered customer to occupy the premises and enjoy electric service;
- (c) **Distribution Utility** shall mean any electric cooperative, private corporation, government-owned utility or existing local government unit which has an exclusive franchise or is authorized by law to distribute electricity to end-users;
- (d) **Energy Regulatory Commission or Commission or ERC** shall mean the independent regulatory agency created under Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA);
- (e) **Heirs** shall mean those who are called to succeed either by will or the law on succession in accordance with Article 887 of the Civil Code of the Philippines to the estate of the deceased registered customer;

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- (f) A **Registered Customer** shall mean the customer who has a valid service contract with the electric distribution utility;
  - (g) **Residential consumer** shall mean a customer classified as such in the distribution utility's rate scheduled as approved by the ERC;
  - (h) **Legal Heirs** shall mean the compulsory heirs as defined in Article 887 of the Civil Code of the Philippines, and in their absence, the collateral relatives as defined in Article 1003 of the Civil Code of the Philippines of the registered customer.

**Section 3. Coverage.** – These Guidelines shall apply to the provisions of Articles 7, 8, 14 and 28 of the Magna Carta for Residential Electricity Consumers.

## **CHAPTER II. GUIDELINES AND PROCEDURES TO IMPLEMENT ARTICLE 7**

**Section 1. Legal Basis.** – Article 7 of the Magna Carta for Residential Electricity Consumers provides that:

“The bill deposit provided for under Article 28 hereof shall be refunded within one month from the termination of service provided all bills have been paid.

A customer who has paid his electric bills on or before its due date for three (3) consecutive years may, however, demand for the full refund of the deposit even prior to the termination of his service. An application for this purpose shall be filed with the concerned distribution utility which must refund the deposit within one month from receipt of such application.”

**Section 2. General Policies.** – The following policies shall govern the implementation of Article 7 of the Magna Carta:

- (a) Subject to Article 28, all new and existing residential consumers of distribution utilities may avail of the privilege of refund under Article 7.
- (b) Each account shall be treated separate and distinct from one another. Thus, any outstanding obligation related to one or more accounts shall not affect the entitlement to refund in the other accounts.
- (c) Only registered consumers, their heirs, their successors-in-interest or their duly authorized representatives shall be allowed to receive the refund of the bill deposits.

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- (d) For existing customers, the three (3)-year consecutive period shall start at the first billing period after the effectivity of these Guidelines, provided that the customers shall be entitled to refund only if they remain residential customers for such three (3) consecutive years.
  - (e) The amount of the refund shall be based on the customer's copy of the bill deposit. In the absence thereof, the customer shall execute an Affidavit attesting to the loss of the said customer's copy. The utility's copy or any other record thereof, including electronic copies, shall be used as basis for the refund.
  - (f) The amount of the refund shall include the principal bill deposit and interests accruing thereto.
  - (g) For registered customers who are not the actual users of the electric service, they shall be entitled to the refund provided that the actual users meet the conditions under Article 7 of the Magna Carta for Residential Electricity Consumers.
  - (h) If the registered customer is deceased, his legal heirs shall receive the amount of the refund in proportion to their respective shares to the estate of the deceased registered customer unless a waiver has been executed in favor of one (1) heir. All legal heirs must sign the application for refund, unless there is a waiver.
  - (i) Successors-in-interest of registered customers shall only be entitled to receive the refund if they can show proof, through a Deed of Sale or other documents, that they have acquired all the rights and obligations over the property, including the bill deposit from the registered customer who was the previous owner of the property.
  - (j) In the event of exclusion of any or several heirs, the application signed by the persons representing to be the sole heirs of the deceased registered customer shall exempt the utility concerned from any further liability on the amount of deposits and interest covered by such application for refund, provided that such refund was actually paid by the utility concerned to all heirs who signed such application for refund.
  - (k) Unclaimed refunds for bill deposit shall remain with the concerned distribution utility and continue to earn interest.

**Section 3. Procedure for Refund.** – The following procedures shall govern in the refund of bill deposits:

- I. After complying with the three (3) year consecutive payment (on or before its due date) of electric bills, a formal application must be filed by the registered customer, his successors-in-

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interest or duly authorized representative. The mode of refund shall likewise be indicated therein.

- II. The mode of refund shall be in cash, check or credit to future billings.
- III. The application, must be accompanied by the following supporting documents:

**A. For applicants who are the registered customers:**

- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance
  - Credit Card
- Proof of payment of electric bills on or before the due date for the immediately preceding 3 consecutive years from the time of application. While the application is pending, any payment by the applicant of his monthly bill after its due date shall constitute an automatic denial of the said application for refund.

**B. For applicants who are the heirs or successors-in-interest of the registered customers:**

- The application must be signed by the heir/s instituted in the deceased registered customer's will, all legal heirs, successors-in-interest or the duly authorized representative of the said heirs or successor/s-in-interest.
- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance

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Credit Card

- Death Certificate or proof of death of the registered customer;
- The applicants must present proof of filiation or any pertinent document that will prove their successional right/s to the registered customer, such as but not limited to the birth certificates of the applicants and their ascendants, or marriage certificate;
- Applicants who are successors-in-interest to the registered customer must present proof of transfer of rights and obligations over the property, including the bill deposit, from the registered customer who was the previous owner of the property, such as but not limited to the Deed of Sale;
- Undertaking that there are no other legal heirs of the registered customer.
- Proof of payment of electric bills on or before the due date for the immediately preceding 3 consecutive years from the time of application. While the application is pending, any payment by the applicant of his monthly bill after its due date shall constitute an automatic denial of the said application for refund.

**C. For applicants who are the duly authorized representatives of the registered customers**

- The application must be signed by the duly authorized representative.
- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance
  - Credit Card
- The applicant must submit a Special Power of Attorney from the registered customer stating that the applicant is

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authorized to receive the refund in behalf of the registered customer.

- Proof of payment of electric bills on or before the due date for the immediately preceding three (3) consecutive years from the time of application. While the application is pending, any payment by the applicant of his monthly bill after its due date shall constitute an automatic denial of the said application for refund.
- IV. The distribution utility shall process the aforementioned application and pay the refund not later than one month from filing of the said application.
- V. After approval of the refund by the distribution utility, the latter shall notify the applicant in writing, that his application was granted, indicating therein, among others, the amount of refund and the date or period within which to claim the refund. In case of denial, the applicant shall likewise be notified, in writing, stating therein the reasons for the denial of said application.
- VI. The mode of refund may be in the form of cash, cashier's or manager's checks, postal money order or a credit to the customer's future billings at the option of the customer.
- VII. If a customer was notified of the approval of his application for refund but fails to claim the same, the refund shall remain with the concerned distribution utility and continue to earn interest.
- VIII. If a customer was notified of the approval of his application for refund but fails to claim the same, and eventually defaults in the payment of his regular monthly bill, the refund shall be applied to the payment of the reimposed bill deposit. Any excess amount of the refund shall be applied to his future billings.

### **CHAPTER III. GUIDELINES AND PROCEDURES TO IMPLEMENT ARTICLE 8 ON METER DEPOSITS**

**Section 1. Legal Basis.** - Article 8 of the Magna Carta for Residential Electricity Consumers provides that:

"All consumers shall be exempt from payment of meter deposits since private distribution utilities have incorporated the cost of these electric watt-hour meters in their rate base. Electric cooperatives shall use their respective Reinvestment Funds to procure electric watt-hour meters for their consumers.

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In cases of loss and/or damage to the electric meter due to the fault of the customer, he shall bear the replacement cost of the meter."

**Section 2. General Policies.** – The following policies shall govern the implementation of Article 8 of the Magna Carta:

- (a) All new residential consumers of distribution utilities shall be exempt from payment of meter deposits.
- (b) Subject to the provisions of these Guidelines, existing residential consumers of distribution utilities may opt to avail of the refund of their respective meter deposits; otherwise, the said deposits shall continue to earn interest.
- (c) Customers who have paid for their electric watthour meters shall be entitled to reimbursement of the costs thereof by the present occupants who continued to use the said electric watthour meters provided that said occupants shall be subsequently reimbursed by the concerned electric cooperative;
- (d) Only registered consumers, their heirs, their successors-in-interest or their duly authorized representatives shall be allowed to receive the refund of the meter deposits.
- (e) The amount of the refund shall be based on the customer's copy of the meter deposit. In the absence thereof, the customer shall execute an Affidavit attesting to the loss of the said customer's copy. The utility's copy or any other record thereof, including electronic copies, shall be used as basis for the refund.
- (f) The amount of the refund shall include the principal meter deposit and interests accruing thereto. For private utilities, the interest rate shall be the rate applicable at the time the residential customer applied for electric service which may either be six (6%) percent, the rate provided for in the Revised Order No. 1, or ten (10%) under Section 22 of ERB Resolution No. 95-21, as amended. For electric cooperatives, the refund shall be without interest.
- (g) If the registered customer is deceased, his legal heirs shall receive the amount of the refund in proportion to their respective shares to the estate of the deceased registered customer unless a waiver has been executed in favor of one (1) heir. All legal heirs must sign the application for refund, unless there is a waiver.
- (h) Successors-in-interest of registered customers shall only be entitled to receive the refund if they can show proof, through a Deed of Sale or other documents, that they have acquired all the rights and obligations over the property, including the meter

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deposit from the registered customer who was the previous owner of the property.

- (i) In the event of exclusion of any or several heirs, the application signed by the persons representing to be the sole heirs of the deceased registered customer shall exempt the utility concerned from any further liability on the amount of deposits and interest covered by such application for refund, provided that such refund was actually paid by the utility concerned to all heirs who signed such application for refund.
- (j) For the customers of private utilities, the refund of meter deposits shall be made under the following phases:

Phase 1 – Residential Customers registered on the 1<sup>st</sup> year to 10<sup>th</sup> year of operation of the utility - January 1, 2006 to June 30, 2006;

Phase 2 – Residential Customers registered on the 11<sup>th</sup> year to 20<sup>th</sup> year of operation of the utility – July 1, 2006 to December 31, 2006;

Phase 3 – Residential Customers registered on the 21<sup>st</sup> year to 30<sup>th</sup> year of operation of the utility - January 1, 2007 to June 30, 2007;

Phase 4 – Residential Customers registered on the 31<sup>st</sup> year to 40<sup>th</sup> year of operation of the utility - July 1, 2007 to December 31, 2007;

Phase 5 – Residential Customers registered on the 41<sup>st</sup> year to 50<sup>th</sup> year of operation of the utility - January 1, 2008 to June 30, 2008;

Phase 6 – Residential Customers registered on the 51<sup>st</sup> year to 60<sup>th</sup> year of operation of the utility - July 1, 2008 to December 31, 2008;

Phase 7 – Residential Customers registered on the 61<sup>st</sup> year to 70<sup>th</sup> year of operation of the utility - January 1, 2009 to June 30, 2009;

Phase 8 – Residential Customers registered on the 71<sup>st</sup> year to 80<sup>th</sup> year of operation of the utility - July 1, 2009 to December 31, 2009;

Phase 9 – Residential Customers registered on the 81<sup>st</sup> year to 90<sup>th</sup> year of operation of the utility - January 1, 2010 to June 30, 2010;



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Phase 10 – Residential Customers registered on the 91<sup>st</sup> year to present year of operation of the utility - July 1, 2010 to December 31, 2010.

- (k) After a period of two (2) years from each of the foregoing Phases, the unclaimed meter deposits belonging to such Phase shall be deposited in an escrow account in a bank for that purpose. The amount to be deposited shall include the principal amount and the interests thereon, if any.
- (l) The distribution utility shall inform the Commission in writing of the said deposit.
- (m) If the unclaimed meter deposit has been placed in escrow, the concerned customer shall, within ten (10) years from the deposit thereof, claim the same from the bank where the escrow account is maintained.
- (n) After the lapse of a ten (10) year period from the date the unclaimed meter deposit of each of the Phases were placed in an escrow account, the State, through the Office of the Solicitor General, shall initiate escheat proceedings in the Regional Trial Court where the bank is located, and thereafter, declare the unclaimed meter deposits, after due notice and hearing, escheated in favor of the State.
- (o) For electric cooperatives, the refund of the meter deposits shall be sourced from their Reinvestment Funds; Provided however, that if the electric cooperative required the customer to post a meter deposit, the refund thereof shall be sourced from the said deposit account. Said refund shall take last priority in the use of the Reinvestment Fund for that particular year. In making the refund, the older the registration, the earlier the refund.
- (p) In case of insufficiency of the Reinvestment Fund to pay the refund, the electric cooperative shall apply for an increase thereof with the Commission.
- (q) The amount of refund of the meter deposit may be applied to any adjustments made on the bill deposit due to updating, if any, to the reimposed bill deposit, or to any outstanding obligations due to the utility concerned.
- (r) The electric cooperatives shall provide and submit their respective proposed scheme for the implementation of the said refund for approval by the Commission.
- (s) Nothing shall preclude private distribution utilities from coming up with their own Guidelines to Implement the said refund, provided these are consistent with these Guidelines.

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- (t) In order to facilitate the refund, distribution utilities shall advise its customers of the schedule, mechanics, requirements and other pertinent information regarding the refund.

**Section 3. Procedure for Refund.** - The following procedures shall govern in the refund of meter deposits or reimbursement of cost of electric meters:

- I. A formal application must be filed by the registered customer, his heirs, his successors-in-interest, or their duly authorized representatives. The mode of refund shall likewise be indicated therein.
- II. The mode of refund shall be in cash, check or credit to future billings.
- III. The application must be accompanied by the following supporting documents:

**A. For applicants who are the registered customers:**

- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance
  - Credit Card

**B. For applicants who are the heirs or successors-in-interest of the registered customers:**

- The application must be signed by heir/s instituted in the deceased registered customer's will, all legal heirs, successors-in-interest or the duly authorized representative of the said heirs or successor/s-in-interest.
- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance

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Credit Card

- Death Certificate or proof of death of the registered customer;
- The applicant/s must present proof of filiation or any pertinent document that will prove the successional right to the registered customer, such as but not limited to the birth certificates of the applicants and their ascendants, or marriage certificate.
- Applicants who are successors-in-interest to the registered customer must present proof of transfer of rights and obligations over the property, including the meter deposit, from the registered customer who was the previous owner of the property, such as but not limited to the Deed of Sale;
- Undertaking that there are no other legal heirs of the registered customer.

**C. For applicants who are the duly authorized representatives of the registered customers**

- Any valid identification card, including but not limited to the following:
  - Driver's License
  - Passport
  - Professional Regulatory Commission (PRC) License
  - SSS/GSIS/TIN
  - PhilHealth ID
  - Senior's Citizen ID
  - Postal ID
  - Original NBI Clearance
  - Credit Card
- The applicant must submit a Special Power of Attorney from the registered customer stating that the applicant is authorized to receive the refund in behalf of the registered customer.

- IV. The distribution utility shall process the aforementioned application.
- V. After approval of the refund by the distribution utility, the latter shall notify the applicant, in writing, that his application was granted.

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- VI. In case of denial, the applicant shall likewise be notified, in writing, stating therein the reasons for the denial of said application.
  - VII. If a customer was notified of the approval of his application for refund but fails to claim the same, the distribution utility may deposit the same in an escrow account in a bank for that purpose. The amount to be deposited shall include the principal amount and the interests thereon, if any
  - VIII. If the refund has been placed on escrow, the concerned customer shall, within ten (10) years from the deposit thereof, claim the same from the bank where the escrow account is maintained.
  - IX. After the lapse of a ten (10) year period from the date the unclaimed meter deposit of each of the Phases were placed in an escrow account, the State, through the Office of the Solicitor General, shall initiate escheat proceedings in the Regional Trial Court where the bank is located, and thereafter, declare the unclaimed meter deposits, after due notice and hearing, escheated in favor of the State.

#### **CHAPTER IV. GUIDELINES AND PROCEDURES TO IMPLEMENT ARTICLE 14 ON EXTENSION OF LINES AND ADDITIONAL FACILITIES**

**Section 1. Legal Basis.** – Article 14 of the Magna Carta for Residential Electricity Consumers states that:

**“Article 14. Right to Extension of Lines and Facilities.** – A consumer located within thirty (30) meters from the distribution utilities’ existing secondary low voltage lines, has the right to an extension of lines or installation of additional facilities, other than a service drop, at the expense of the utility inasmuch as said assets will eventually form part of the rate base of the private distribution utilities, or will be sourced from the reinvestment funds of the electric cooperatives. However, if a prospective customer is beyond the said distance, or his demand load requires that the utility extend lines and facilities, the customer may initially fund the necessary expenditures.

To recover his aforementioned expenditures, the customer may either demand the issuance of a notes payable from the distribution utility or refund at the rate of twenty-five (25) percent of the gross distribution revenue derived for the calendar year, or, if available, the purchase of preferred shares.

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Revenue derived from additional customers tapped directly to the poles and facilities so extended shall be considered in determining the revenues derived from the extension of facilities.

When a developer initially paid the cost of the extension of lines to provide electric service to a specific property and incorporated these expenses in the cost thereof, and that property was purchased and transferred in the name of the registered customer, the latter shall be entitled to the refund of the cost of the extension of lines, and exercise the options for refund provided in this article.

If the cost of the extension of lines or installation of additional facilities was funded gratuitously by other persons for the benefit of the customer, this provision shall not apply.

In this connection, all concerned utilities shall furnish the Commission a semi-annual report of the names of customers who made the aforementioned cash advances, the amount of the cash advance and the mode of refund."

**Section 2. General Policies.** – The following policies shall govern the implementation of Article 14 of the Magna Carta:

- (a) All new and existing residential consumers of distribution utilities are subject to the provisions of Article 14.
- (b) A customer has the right to an extension of lines or installation of additional facilities, other than a service drop, at the expense of the utility, when the said applicant-customer's premises is within thirty (30) meters from the distribution utilities' existing secondary low voltage lines.
- (c) For private distribution utilities, Article 14, 2<sup>nd</sup> sentence thereof, shall only apply when the cost of extension of lines and/or facilities was not included in the private distribution utility's capital expenditures (CAPEX) approved by the Commission, otherwise, said private distribution utility shall bear the cost thereof regardless of the distance of the customer's premises from its existing secondary low voltage lines, inasmuch as said assets will eventually form part of the rate base of the private distribution utilities.
- (d) For electric cooperatives, the cost of the extension lines and additional facilities shall be sourced from their Reinvestment Fund. In case of its insufficiency, the concerned cooperative shall file an application for increase of such Reinvestment Fund with the Commission.

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- (e) The cost shall be reimbursed upon proper showing of documents which will prove payment of the cost of extension lines, such as the corresponding receipt, etc.
- (f) Distribution utilities shall require developers, under oath, to disclose the total cost of the electrical installations/extensions for a particular project advanced by the said developer, and whether or not they incorporated the said costs to the purchase price of the property. If the cost was incorporated in the purchase price of the properties developed, then the DU shall require the developer to execute a waiver to recover the said amount in favor of the concerned customers. The DU shall then inform the concerned customers of the said amount to be refunded.
- (g) In case the proportionate share to be refunded to the customer cannot be determined from the total cost of electrical installations/extensions, the said refund shall be held by the Homeowners' Association in trust for the concerned customers.
- (h) In case, a third party claims for reimbursement, the same shall be allowed only upon proper showing of a special power of attorney from the person or entity that initially paid for the cost of extension lines, or a duly notarized deed of assignment in case the right to claim reimbursement has been earlier assigned.
- (i) In addition, the party claiming reimbursement shall be required, as a condition for the release thereof, to execute a duly notarized undertaking stating that he is holding the utility concerned free and harmless from any complaints or dispute regarding the subject claim.

**CHAPTER V. GUIDELINES AND PROCEDURES TO IMPLEMENT  
ARTICLE 28 ON OBLIGATION TO PAY BILL DEPOSITS**

**Section 1. Legal Basis.** – Article 28 of the Magna Carta for Residential Electricity Consumers states that:

"A bill deposit from all residential customers to guarantee payment of bills shall be required of new and/or additional service.

The amount of the bill deposit shall be equivalent to the estimated billing for one month. Provided that after (1) year and every year thereafter, when the actual average monthly bills are more or less than the initial bill deposit, such deposit shall be correspondingly increased/decreased to approximate said billing.

Distribution utilities shall pay interest on bill deposits equivalent to the interest incorporated in the calculation of

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their Weighted Average Cost of Capital (WACC); otherwise the bill deposit shall earn an interest per annum in accordance with the prevailing interest rate for savings deposit as approved by the Bangko Sentral ng Pilipinas (BSP). The interests shall be credited yearly to the bills of the customer.

In cases where the customer has previously received the refund of his bill deposit pursuant to Article 7, and later defaults in the payment of his monthly bills, the customer shall be required to post another bill deposit with the distribution utility and lose his right to avail of the right to refund his bill deposit in the future."

**Section 2. General Policies.** – The following policies shall govern the implementation of Article 28 of the Magna Carta:

- (a) All new residential consumers of distribution utilities for new and additional electric service are subject to the provisions of Article 28. Existing residential customers of distribution utilities shall be subject to the provisions of Article 28 with respect to additional electric service/s.
- (b) If the applicable interest rate is that of the BSP-approved savings deposit rate, the same rate shall apply to the corresponding months when the said rate was effective.
- (c) When the registered customer is entitled to a refund of the meter deposit, the said refund or reimbursement may be applied to any adjustments made on the bill deposit, or any other duly-established obligation owed by the customer to the distribution utility.
- (d) If the customer has previously received the refund of his bill deposit pursuant to Article 7, and later defaults in the payment of his monthly bills, a bill deposit shall be reimposed, the registered customer shall be liable for the payment thereof. Further, the customer loses his right to the refund of the bill deposit except upon termination of his electric service.
- (e) In case the registered customer is deceased, his heirs shall be jointly and severally liable for the payment of any adjustments in the bill deposit resulting from its yearly updating or the reimposed bill deposit if it has previously been refunded.
- (f) In case the registered customer is no longer occupying the said premises, his successors-in-interest shall be liable for the payment of any adjustments in the bill deposit resulting from its yearly updating or the reimposed bill deposit if it has previously been refunded.

- (g) The yearly interest shall be credited to the customer's monthly bill after the determination of the said interest.
- (h) Non-payment of the reimposed bill deposit shall be a ground for disconnection of electric service.

### CHAPTER V. FINAL PROVISIONS

**Section 1. Separability Clause.** - If any provision of these Guidelines is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in force and effect.

**Section 2. Interpretation.** - In case of conflict between the provisions of these Guidelines and the Magna Carta for Residential Electricity Consumers, the latter shall prevail.

**Section 3. Effectivity.** - These Guidelines shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Pasig City, October 27, 2004

  
**RODOLFO B. ALBANO, JR.**  
Chairman

  
**OLIVER B. BUTALID**  
Commissioner

  
**JESUS N. ALCORDO**  
Commissioner

  
**RAUF A. TAN**  
Commissioner

  
**ALEJANDRO Z. BARIN**  
Commissioner

