

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



Resolution No. 12, Series of 2016

**AMENDED RULES TO GOVERN THE REFUND OF METER  
DEPOSITS TO RESIDENTIAL AND NON-RESIDENTIAL CONSUMERS**

**WHEREAS**, pursuant to the provisions of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act or EPIRA, the Energy Regulatory Commission (ERC) promulgated the Magna Carta for Residential Electricity Consumers and the Distribution Services and Open Access Rules (DSOAR) on June 17, 2004 and January 18, 2006, respectively;

**WHEREAS**, on October 27, 2004, the ERC adopted the Guidelines to Implement Articles 7, 8, 14 and 28 of Chapter III of the Magna Carta which govern the guidelines and procedures to implement the meter deposit refund to residential customers;

**WHEREAS**, on June 4, 2008, the ERC promulgated Resolution No. 8, Series of 2008, entitled "Rules to Govern the Refund of Meter Deposits to Residential and Non-Residential Customers". These Rules established the terms and conditions for the implementation of the meter deposit refund to residential and non-residential customers;

**WHEREAS**, the ERC deems it necessary to introduce amendments to the rules governing the implementation of meter deposit refund. Thus, the proposed amendments to the "Rules to Govern the Refund of Meter Deposits to Residential and Non-Residential Customers" were posted on the ERC website from June 5, 2015 to June 26, 2015 for comments by the public;

**WHEREAS**, on July 17, 2015, the ERC conducted a public consultation for the adoption of the "Amended Rules to Govern the Refund of Meter Deposits to Residential and Non-Residential Customers" which was attended by several distribution utilities (DUs);

**WHEREAS**, the draft Rules seek to amend Section 11, Article IV of Resolution No. 8, Series of 2008 requiring all DUs to place the unclaimed meter deposits in a single savings account in a government or commercial bank;

**NOW THEREFORE**, after thorough and due deliberation, the Commission **RESOLVES**, as it is hereby **RESOLVED**, to **APPROVE** and **ADOPT** the "Amended Rules to Govern the Refund of Meter Deposits to Residential and Non-Residential Customers":

**Section 1.** Section 11, Article IV of Resolution No. 8, Series of 2008 is hereby amended to read as follows:

#### **"ARTICLE IV**

##### **MISCELLANEOUS PROVISIONS**

**Section 11. Unclaimed Meter Deposits.** – Upon the effectivity of these Rules, all unclaimed meter deposits including all appropriate accrued interests, shall be deposited in a government or commercial bank under a single savings account and in the name of distribution utility strictly intended for the claimants of meter deposits. The State, through the Office of the Solicitor General (OSG), shall be notified of such deposit, copy furnished the ERC.

If the unclaimed meter deposit has been placed in the single savings account, the concerned consumer shall have until December 31, 2017 within which to claim their meter deposit refund. The DU shall facilitate the withdrawals of meter deposits after it has duly established and verified the identity and qualification of the claimants.

Immediately upon the effectivity of these Rules, the DU shall cause the publication, once in a newspaper of local or general circulation, the notice to all consumers to claim their meter deposit refund until December 31, 2017. It shall also inform its consumers within its franchise area, by any other means available and appropriate, of the issuance of these Rules and the deadline and mechanics of the meter deposit refund.

Upon the lapse of the schedule of refund, all unclaimed meter deposits including accrued interest shall become the subject of an escheat proceeding. The State, through the OSG, shall initiate escheat proceedings in the Regional Trial Court (RTC) where the bank is located, and thereafter, declare the unclaimed meter deposit, after due notice and hearing, escheated in favor of the State."

**Section 2. Reportorial Requirements.** The distribution utility shall submit a report to the ERC, not later than January 31, 2018, regarding the details of the total amount of unclaimed meter deposit refund that will be the subject of an escheat proceeding.

**Section 3. Imposition of Fines and Penalties.** Violation of any of these Rules shall be subject to the imposition of fines and penalties in accordance to the "Rules to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties Pursuant to Section 46 of Republic Act No. 9136, As Amended."

**Section 4. Exception Clause.** Where good reason appears, the ERC may allow an exception from any provision of these Rules, if such exception is found to be in the public interest and is not contrary to law or any other pertinent rules and regulations.

**Section 5. Separability Clause.** If any of the foregoing amendments is declared unconstitutional or invalid, the other provisions which are not affected thereby shall remain in force and effect, unless such declaration would render the whole rules unenforceable or non-implementable.

**Section 6. Repealing Clause.** All Rules and Guidelines, or portion thereof, issued by the ERC, which are inconsistent with these Rules are hereby repealed or modified accordingly.

**Section 7. Effectivity.** These Rules shall take effect fifteen (15) days after its publication in a newspaper of generation circulation in the country.

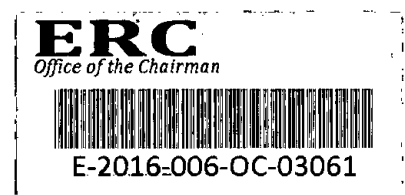
Let copies of these Rules be furnished the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR), Philippine Electric Power Operators Association, Inc. (PEPOA), the Philippine Electric Cooperatives Association, Inc. (PHILRECA) and all distribution utilities (DUs).

Pasig City, April 5, 2016.

  
**JOSE VICENTE B. SALAZAR**  
Chairman and CEO

  
**GLORIA VICTORIA C. YAP-TARUC**  
Commissioner

  
**JOSEFINA PATRICIA A. MAGPALE-ASIRIT**  
Commissioner



  
**ALFREDO J. NON**  
Commissioner

  
**GERONIMO D. STA. ANA**  
Commissioner