

**MWSS RO-OPP-052-03**  
**POLICY ON THE APPLICATION OF AVERAGE BILLING**  
**BOT Res. No. 39 – 2000 dtd February 3, 2012**  
**Customer Service Regulation Area**

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**GENERAL STATEMENT**

**Billing Transactions Include:**

1. Actual Billing (w/ previous and present readings) – consumption is based on the actual registration of the water meter.
2. Adjusted Billing (ADJ) – adjustment in billing as a result of the revision done on the protested/questionable bill based on actual meter registration.
3. Average Billing (AVE) – average consumption is applied instead of the actual meter registration due to the following reasons:
  - 3.1. Service connection has defective or no meter.
  - 3.2. Meter was not read due to typhoons; floods; meter is obstructed, cannot be located, locked, etc.
  - 3.3. Actual meter registration is disregarded because the consumption as registered does not reflect the actual water usage due to meter tampering, by-pass connection and the like.
  - 3.4. Actual meter registration is disregarded because it does not commensurate with the status/nature of use, say a 5-storey building consuming only 10 cubic meter.

**Bases for Average Billing include:**

1. Historical Data – average derived from past normal consumption of at least three months, or preferably six (6) months to be more accurate.
2. Per Capita – based on the estimated consumption per person per month at different water pressures. This is being applied if historical data are not available or cannot be applied.
3. Continuous Flow – based on the volume of water discharged from a given size of service pipe at a given pressure at a given time. This method is being used for commercial and industrial establishments in the absence of a working meter or for water being used for construction activities. Further, this method is being used if historical data and per capita basis cannot be applied.

Since average billing which uses estimated consumption rather than actual consumption, may result to inequality in billing, guidelines and procedures are formulated herein in consideration to the following:

- a) Average billing is being discouraged and minimized even by MWSS before due to its adverse effect to both the Company and the Concessionaires as this practice may result to either over billing or under billing.
- b) Average billing being applied; say, for more than two (2) consecutive months is an indication that something is wrong which should be given immediate attention/solution.
- c) If for instance, average billing cannot be avoided and valid reason exists for doing so, the customer has the right to know the reason/s for its adoption including the basis/es applied to his/her water bill in anticipation of a possible complaint.

## **GENERAL POLICY**

1. No active service connection shall be billed average for more than two (2) consecutive months without giving prior notice to the customer, i.e., reason/s for applying average billing shall be indicated.
2. No active service connection shall be billed average for more than six (6) months within a year for any cause/reason.

## **SPECIFIC POLICY**

1. Advance notice indicating reasons for applying average billing shall be issued by the concessionaires to the would be affected customers copy furnish the Regulatory Office for any extensive application of average billing, i.e., affecting a wider area/a large number of customers.

## **GUIDELINES**

Basically, the concessionaires' own policies and procedures in the application of average billing shall be imposed, however, subject to the following guidelines:

1. Concessionaires' guidelines and procedures including any changes/modifications to be effected in the future shall be subject to Regulatory Office evaluation prior to implementation.
2. The Regulatory Office shall undertake close monitoring of the application of average billing. hence, strict compliance of the concessionaires to the following requirements is a must:
  - 2.1 The concessionaires must submit data/information on the application of average billing to become part of their service performance quarterly report.
  - 2.2 Based on the data in (a), any significant increase in the number of service connection with average billing; say, more than 10%, must be justified by the concessionaires in their report for evaluation/consideration of the Regulatory Office.
  - 2.3 For handling complaint on average billing, refer to Policy No. MWSS-RO-OPP-052-02, 'Policies and Procedures in handling Billing Complaint'.

Appropriate sanction shall be imposed by the Regulatory Office for the non-compliance of the concessionaires to the above policies and guidelines.