

### Title:

GMA Network, Inc. vs. National Telecommunications Commission

### Facts:

GMA Network, Inc., a Filipino-owned corporation granted a legislative franchise by Republic Act No. 7252, engaged in radio and television broadcasting, faced regulatory issues with the National Telecommunications Commission (NTC) concerning the renewal of their Provisional Authorities (PAs) to operate broadcasting stations in Dumaguete City and Zamboanga City. The lapse in renewing their PAs led GMA to file Ex-Parte Motions for Renewal of Provisional Authority in 2003, significantly beyond their expiration dates. The NTC conducted hearings and subsequently fined GMA for operating with expired PAs, a decision challenged by GMA through petitions filed at the Court of Appeals (CA), which denied the petitions. GMA then brought the case to the Supreme Court under a Petition for Review on Certiorari, challenging the CA's decision.

### Issues:

1. Whether GMA violated Section 21 of the Public Service Act by operating with an expired Provisional Authority.
2. Whether the prescription under Section 28 of the Public Service Act applies to administrative proceedings regarding violations of orders, decisions, and regulations of the NTC or the terms and conditions of the certificate issued by the NTC.
3. Whether the fine limit of P25,000.00 set under Section 23 of the Public Service Act applies to fines imposed by the NTC under Section 21.

### Court's Decision:

The Supreme Court denied the petition, affirming the fines imposed by the NTC. It ruled that GMA did indeed violate Section 21 of the Public Service Act by operating without proper authority from the NTC. The court clarified that the 60-day prescription period under Section 28 applies only in criminal proceedings, not in administrative proceedings. Furthermore, the Court determined that the fine limits under Section 23 apply to criminal sanctions imposed by the courts, and not to administrative fines under Section 21 imposed by the NTC.

### Doctrine:

The decision reiterates the doctrine that the 60-day prescription period under Section 28 of the Public Service Act is applicable only in criminal proceedings. It clarifies that administrative fines imposed by the NTC under Section 21 are not subject to the P25,000.00

limit prescribed under Section 23, which applies only to criminal sanctions.

### Class Notes:

- **Section 21 of the Public Service Act**: Imposes fines for violation of the terms and conditions of certificates or any orders, decisions, or regulations of the Commission.
- **Section 23 of the Public Service Act**: Sets a fine limit for public service corporations that perform prohibited actions or neglect duties, applicable in criminal proceedings.
- **Section 28 of the Public Service Act**: States that violations prescribes after sixty days, applying only in criminal proceedings.
- **Provisional Authority vs. Temporary Permit**: A Provisional Authority allows the operation of a public utility pending the issuance of a Certificate of Public Convenience, whereas a Temporary Permit specifies the operation details under the Provisional Authority.

### Historical Background:

This case underscores the regulatory framework within which broadcasting companies operate in the Philippines and the importance of adherence to the provisions of the Public Service Act. It illustrates the jurisprudential approach to distinctions between criminal and administrative sanctions and the discretionary powers held by the NTC in supervising, adjudicating, and controlling telecommunications and broadcast services.