

**Title:** The Ilocos Norte Electric Company v. Court of Appeals and Heirs of Isabel Lao Juan

**Facts:**

This case arises from the tragic death of Isabel Lao Juan who was electrocuted on June 29, 1967, during the aftermath of Typhoon Gening in Laoag City, Ilocos Norte. Isabel, along with two companions, waded through waist-deep floodwaters on Guerrero Street to check on her store for damage. En route, Isabel screamed “Ay” and sank into the water.

Her companions, Aida Bulong and Linda Alonzo Estavillo, saw an electric wire dangling in the water and called for help. Ernesto dela Cruz attempted a rescue but turned back, shouting that the water was electrically grounded.

Concurrently, Engineer Antonio Juan, of the National Power Corporation, noticed abnormal electric meter readings and observed grounded and disconnected lines. Despite Engr. Juan’s efforts to locate Ilocos Norte Electric Company’s (INELCO) linemen or office, he found none available that morning. He later attempted and failed to revive Isabel using a resuscitator.

Isabel’s heirs commenced an action for damages against INELCO in the Court of First Instance (CFI) of Ilocos Norte. The CFI dismissed the complaint, awarding INELCO moral damages and attorney’s fees. Upon appeal, the Court of Appeals reversed the CFI’s decision, holding INELCO liable for Isabel’s death and awarding the heirs substantial damages.

INELCO then petitioned the Supreme Court, contending the CA committed several errors, including reliance on hearsay and incorrect application of legal doctrines.

**Issues:**

1. **Whether the deceased died of electrocution.**
2. **Whether INELCO may be held liable for the deceased’s death despite the typhoon and floodwaters being fortuitous events.**
3. **Whether the CA erred in reversing the trial court’s factual findings.**
4. **The appropriateness of the damages awarded by the Court of Appeals.**

**Court’s Decision:**

1. **Electrocution:**

The Supreme Court affirmed that Isabel's death was caused by electrocution. Evidence, including post-mortem examination by Dr. Jovencio Castro and eyewitness accounts by Aida Bulong and Linda Estavillo, demonstrated that Isabel had burn wounds consistent with electrocution and the presence of a live dangling wire in the floodwaters.

The CA's use of *res gestae* to admit statements made during the emergency proved critical, upholding their admissibility as the statements were spontaneous reactions to a startling event.

## 2. **Liability Despite Fortuitous Events:**

The Court found INELCO liable despite the typhoon and flooding being fortuitous events. The negligence stemmed from INELCO's failure to promptly address electrical failures and maintain a proper inspection regime post-typhoon, thereby directly contributing to Isabel's death. The Court underscored INELCO's duty to exercise extraordinary diligence in monitoring and maintaining safety, which was inadequately observed.

## 3. **Reversal of Lower Court's Findings:**

The Supreme Court ruled that the CA did not err when reversing the CFI's factual findings, emphasizing the CA's legitimate review power. The extensive evidence suggested INELCO's lack of effective operations during and immediately after the typhoon, corroborating the CA's stance on the company's negligence.

## 4. **Damages Awarded:**

The Court adjusted the damages awarded by the CA:

- Increased actual damages from P12,000 to P30,000, raising the total to P48,229.45.
- Affirmed P50,000 in compensatory damages using the Villa-Rey Transit formula.
- Upheld P10,000 in exemplary damages and P3,000 in attorney's fees.

The inclusion of moral damages by the lower court was dismissed, as the heirs' actions were found to have been in good faith, warranting no additional penalty.

## **Doctrine:**

1. **Res Gestae:** Spontaneous declarations made during a startling event are admissible as exceptions to the hearsay rule.

2. **Duty of Extraordinary Diligence:** When dealing with inherently dangerous activities (e.g., electricity), operators must observe the highest degree of care commensurate with the risk involved.
3. **Fortuitous Events and Negligence:** An act of God coupled with the negligence of a defendant does not exempt the defendant from liability.

**Class Notes:**

- **Res Gestae:** Apply when spontaneous statements are made during and about a startling event.
- **Doctrine of Fortuitous Events:** Liability ensues when negligence exacerbates injury caused by Acts of God.
- **Extraordinary Diligence:** Required from entities dealing with dangerous utilities.
- **Volenti Non Fit Injuria:** Not applicable where emergency or necessity compels action.

**Historical Background:**

The case serves as a benchmark in Filipino jurisprudence on determining liability amidst natural disasters for entities tasked with managing public utilities. It navigates the complex interplay between fortuitous events and operational negligence, establishing a precedent for future cases involving public safety and emergency responses. This episode, tracing back to a tumultuous period refreshed by the devastating typhoon, illuminated judicial expectations towards service providers, enforcing stricter adherence to safety protocols and proactive hazard management.