

Title:

National Transmission Corporation v. Heirs of Teodulo Ebesa, Atty. Fortunato Veloso

Facts:

The National Transmission Corporation (NTC), a government-owned and controlled corporation (GOCC), filed a case early in 2005 to expropriate a 1,479-square-meter portion of Lot No. 18470 in Quiot, Pardo, Cebu City for the construction and maintenance of a 138KV DC/ST Transmission Line (Tie Line) as part of the Quiot (Pardo) 100MVA Substation Project. The land, covered by Original Certificate of Title No. 1852, was declared under the co-ownership of the heirs of Teodulo Ebesa but occupied by Atty. Fortunato Veloso, who claimed ownership via an unregistered Deed of Sale.

NTC alleged the necessity of acquiring an easement right-of-way for public purpose. Veloso, in his answer, did not contest the public purpose but disputed the necessity and extent, asserting that the project significantly affected the entirety of the property. The NTC later filed an urgent motion for a writ of possession, having deposited P11,300.00 as required.

On July 15, 2005, the Regional Trial Court (RTC) issued an order of expropriation, declaring NTC's right to take the property for public use, subject to just compensation. Upon compliance and payment by NTC, the writ of possession was issued on July 21, 2005, and commissioners were appointed to determine just compensation. The Board of Commissioners submitted their report with differing opinions on value and consequential damages.

On January 9, 2006, the RTC upheld the majority opinion, fixing just compensation at P35,179,984.88 plus legal interest and costs. After the denial of NTC's motion for reconsideration, NTC appealed to the CA. The CA directed NTC to submit proof of payment for appeal fees, which NTC failed to do within the prescribed period, claiming advice from the RTC's receiving clerk about exemption from fees as a GOCC.

The respondents filed motions to dismiss the appeal due to non-payment of fees. The CA granted the motions to dismiss, prompting NTC to petition the Supreme Court.

Issues:

1. **Whether the Court of Appeals erred in dismissing NTC's appeal for non-payment of appellate docket fees.**
2. **Whether the filing of the record on appeal was necessary.**

Court's Decision:

1. **Non-Payment of Docket Fees**:

- The Supreme Court reaffirmed the mandatory and jurisdictional nature of paying appellate docket fees. The Court emphasized that failure to timely pay the fees results in automatic dismissal of the appeal.
- NTC's reliance on incorrect advice from a receiving clerk was deemed inexcusable. NTC's legal team, experienced in expropriation cases, should have verified the exemptions from fees.
- Reference to leniency in past cases showed that this leniency is applied prudently and requires compelling justifications which NTC failed to provide in this case.

2. **Necessity of Filing Record on Appeal**:

- The Supreme Court noted the dual-phase process in expropriation cases, where the first phase assesses the authority to expropriate and the second phase determines just compensation.
- It was determined that a record on appeal was necessary to avoid jurisdictional issues and provide clarity for possible appeals by other parties involved, such as the co-owners of the property.

The Supreme Court concluded that the CA acted properly in dismissing NTC's appeal due to procedural lapses. The judgment of the RTC regarding just compensation thus remained final and executory.

Doctrine:

1. **Mandatory Nature of Docket Fees**: Full payment of docket fees within the prescribed period is essential and jurisdictional for the perfection of appeals.
2. **Record on Appeal**: In expropriation cases, the filing of a record on appeal is necessary to preserve procedural integrity and ensure all involved parties' rights are protected.

Class Notes:

- **Elements of Eminent Domain**:
 1. Public Purpose.
 2. Just Compensation.
- **Legal Statutes**:
 - **Rule 67, Rules of Court** (specifically Sections 2 and 3).
 - **Republic Act No. 9136** (Establishment of the NTC).

- **Key Concepts**:
- **Public Purpose**: Necessity for the benefit of the public.
- **Just Compensation**: Fair market value at the time of expropriation.

- **Application & Interpretation**: Strict adherence to procedural rules ensures due process. Just compensation must include not only land value but consequential damages and any benefits.

Historical Background:

The case underscores the continuing development of jurisprudence on eminent domain and procedural compliance in the Philippines. Post-2005 following Republic Act No. 9136, NTC's assertion of its eminent domain power reflects evolving infrastructure needs within urban areas, highlighting the balance between public necessity and private property rights.