

Title:

National Power Corporation and Benjamin Chavez vs. Court of Appeals and Ricardo Cruz et al.

Facts:

In the early hours of October 27, 1978, during typhoon “Kading,” significant flooding occurred near the Angat Dam in Bulacan, submerging homes, destroying properties, and resulting in deaths. Victims, who were predominantly residents near the Angat River, filed claims blaming the National Power Corporation (NPC) and its Plant Superintendent Benjamin Chavez for the unsanctioned and imprudent simultaneous opening of the three spillway gates of Angat Dam, allegedly without warning.

NPC and Chavez denied the allegations, arguing that the floodgates were opened rather gradually after precautionary measures and because it was necessary to prevent the dam from collapsing given the typhoon’s impact. They argued that they maintained the dam’s water at safe levels and notifications were sent early to warn residents. They also stated that damage was due to a fortuitous event and not their misconduct—hence, the case involved *damnum absque injuria* (damage without legal injury).

Respondents sought damages from NPC and Chavez. The Regional Trial Court of Malolos, Branch 16 (Civil Case No. SM-1552) ruled in favor of the respondents, awarding various amounts to each plaintiff with an additional 30% for attorney’s fees and P10,000 for litigation expenses. The decision was fully affirmed by the Court of Appeals (CA-G.R. CV No. 11770).

NPC and Chavez sought review via a petition to the Supreme Court.

Issues:

1. Whether the NPC and Chavez’s liability, despite the force majeure (typhoon) event, is tenable under the principles established in *Juan F. Nakpil & Sons vs. Court of Appeals*.
2. Whether the given notice of warnings to the relevant municipal offices absolved NPC and Chavez of liability.
3. Whether the damages suffered by respondents amount to *damnum absque injuria*.
4. Whether petitioners were entitled to a counterclaim for attorney’s fees and litigation expenses.

Court’s Decision:

The Supreme Court denied NPC and Benjamin Chavez’s petition, finding it devoid of merit,

and affirmed the decision of the Court of Appeals.

****Issue 1: Applicability of Juan F. Nakpil & Sons vs. Court of Appeals****

- The Supreme Court emphasized that the principle in Nakpil (a party's liability even in force majeure if there is contributing negligence) is still valid. Despite the natural intervention (typhoon), NPC's negligence - failing to open the spillways gradually before the typhoon - was a proximate cause of the damages.

****Issue 2: Validity of Given Notices of Warning****

- The notices were found ineffective. The recipients of the warning were mainly ordinary municipal employees and policemen, who couldn't properly disseminate the critical information. This inadequate system meant residents remained uninformed and unprepared, contrary to what NPC and Chavez claimed.

****Issue 3: Nature of Damages: Damnum Absque Injuria****

- The damages couldn't be considered damnum absque injuria as NPC and Chavez's negligence (late, sudden opening of spillways) constituted actionable fault. Precedent indicates no relief from liability where human negligence is conjoined with natural forces in causing damage.

****Issue 4: Petitioners' Entitlement to Counterclaims****

- Since the petitioners' actions resulted in justifiable legal claims, they weren't entitled to a counterclaim for attorney's fees and expenses of litigation.

Doctrine:

1. ****Concurrent Liability in Force Majeure****: Establishing that even in events classified as fortuitous, parties can still be held liable if their concurrent negligence contributed to the damage (following ****Juan F. Nakpil & Sons vs. Court of Appeals****).
2. ****Quasi-delict (Article 2176 of the Civil Code)****: Liability can imbue from acts or omissions causing damage to another, based on fault or negligence, even in the absence of privity of contract.
3. ****Valid Warning Notification Requirements****: Effective notification must reach competent officials who can ensure dissemination sufficient to ensure public safety.

Class Notes:

- ****Quasi-delicts****: Defined and governed by Art. 2176 of the Civil Code.
- Elements: (a) act or omission, (b) fault or negligence, (c) damage, (d) causal connection between negligent act and damage.

- **Force Majeure**: Defined under Art. 1174, Civil Code.
- Exception when coupled with human negligence (1 Corpus Juris Secundum, p. 1430).
- **Damnum Absque Injuria**: Physical damage without legal injury due to absence of misconduct.
- Not applicable for negligence (examples: Fish & Elective Co. vs. Phil. Motors).

Historical Background:

The case occurred within the context of recurring natural disasters in the Philippines, specifically focusing on the accountability of state-run entities in managing natural and artificial water bodies to safeguard lives and properties. The Angat Dam, an important water resource, thus became a focal point in understanding state obligations during severe weather events.