

THIRD DIVISION

[G.R. No. 215494. March 27, 2023]

NATIONAL POWER CORPORATION, PETITIONER, VS. IBRAHIM ABDO, BARIGA P. SARIP, EBRA ITOMAMA, TAMILI P. MARUGONG, SHAHAINA CAMPONG AMPUAN, MAMARICO B. SANSARONA, ROHANYA BANTUAS SARIP,** ET AL., RESPONDENTS.**

DECISION

SINGH, J.:

Before the Court is a Petition for Review on *Certiorari*^[1] (**Petition**) filed by petitioner National Power Corporation (**NPC**), assailing the Resolution,^[2] dated October 7, 2013, and the Resolution,^[3] dated October 9, 2014, of the Special Former Twenty-Third Division of the Court of Appeals (CA) in CA-G.R. CV No. 00840-MIN.

In the first assailed Resolution, the CA abandoned and vacated its own Decision (**abandoned Decision**),^[4] dated January 22, 2013, and remanded the case to the court of origin, the Regional Trial Court, Branch 8 of Marawi City (**RTC**), in Civil Case No. 1918-03, entitled *Ibrahim Abdo, Bariga P. Sarip, Ebra Itomama, Tamli P. Marugong, Shahaina Campong Ampuan, Mamarico B. Sansarona, and Rohaniya Bantuas, et al. v. National Power Corporation, National Transmission Corporation, LASURECO (Ibrahim, et al. v. NPC, et al.)*. The abandoned Decision initially set aside the Resolution,^[5] dated February 28, 2006, and the Order,^[6] dated March 22, 2006, of the RTC which, among others, ordered NPC to pay and refund the respondents.

The second assailed Resolution denied the NPC's Motion for Reconsideration.

The Facts

The respondents claim that they are farmers, fishermen, laborers, workers, vendors, household owners, and businessmen of the Islamic City of Marawi and the province of Lanao del Sur, who belong to the "poorest of the poor" sector.^[7] They filed a class suit for damages against the NPC and the National Transmission Corporation (**TRANSCO**) before the RTC.

Principally, the respondents claimed that the NPC and TRANSCO acted in bad faith and with gross negligence in building and operating seven Hydro-Electric Power Plants (**HEP**) in Lake Lanao. The respondents alleged that the HEPs adversely affected the health, safety, and livelihood of the people living in the Province of Lanao del Sur, including Marawi City.^[8]

The respondents further averred that the NPC and TRANSCO constructed and operated a regulatory dam at the Agus River. This dam allegedly adversely affected the rice fields, farmlands, and fishponds within the area.^[9]

Additionally, the respondents attributed to the NPC and TRANSCO, the daily power interruptions and blackouts that caused damage to the respondents' businesses and household appliances.^[10]

The respondents further prayed for the issuance of a preliminary mandatory injunction enjoining the NPC from including in their electric bills the Purchased Power Adjustment (**PPA**) and other charges relating to electricity.^[11]

In its Answer with Counterclaim,^[12] the NPC alleged that the Complaint failed to satisfy the requirements of a valid class suit, and the respondents failed to pay the required docket fees. Moreover, the Complaint lacked factual basis, being grounded solely on conjectures.

Meanwhile, in an Order, dated May 15, 2003, the Regional Trial Court, Branch 9 of Marawi City issued a Writ of Preliminary Injunction in favor of the respondents.^[13]

Subsequently, the respondents filed an *Urgent Ex-parte* Motion reiterating that the PPA being collected by the NPC is illegal.^[14]

Thereafter, the case was raffled to Branch 8, after Judge Abdulhakim Ibrahim inhibited himself.^[15]

The Ruling of the RTC

Acting on the *Ex-parte* Motion filed by the respondents, the RTC, on February 28, 2006, ruled:

WHEREFORE, premises considered, plaintiffs['] subject motion is hereby GRANTED, it being meritorious and well grounded.

Defendants National Power Corporation (NPC) and the Lanao del Sur Electric Cooperative (LASURECO) are hereby ordered to refund and pay jointly and severally unto the plaintiffs the following amounts[:]

1. ONE HUNDRED FOURTEEN (P114,000,000.00) MILLION PESOS, representing unjust, illegal and unauthorized collection of FCC,^[16] FOREX,^[17] ICC^[18] from the year April 1991 to December 1995;
2. ONE HUNDRED SEVENTY[-]SIX (P176,000,000.00) MILLION PESOS, representing unjust, illegal and unauthorized collection of FCPA^[19] and PPA from the year January 1996 to April 2003;
3. SIX PERCENT (6%) INTEREST of the total amount from 1991 to 2003 in the sum of SEVENTEEN MILLIONS (*sic*) AND FOUR HUNDRED THOUSAND (17,400,000[.100) PESOS and
4. THIRTY PERCENT ATTORNEY[']S FEES in the sum of NINETY SEVEN (P97,537,000.00) MILLIONS [*sic*] AND FIVE HUNDRED THIRTY[-]SEVEN THOUSAND PESOS.

SO ORDERED.^[20]

In a Resolution, dated March 22, 2006, the RTC denied the Motion for Reconsideration filed by the NPC.^[21]

Thus, the NPC filed a Notice of Appeal, dated March 28, 2006.^[22] This was not acted upon by the RTC. Subsequently, the RTC issued an Order, dated April 5, 2006, directing the provincial sheriff to implement the February 28, 2006 Order.^[23]

Hence, the NPC filed a Petition for *Certiorari* with Prayer for Temporary Restraining Order and Writ of Preliminary Injunction,^[24] which was docketed with the Twenty-First Division of the Court of Appeals (**CA 21st Division**) in CA-G.R. SP No. 00981.

On December 11, 2006, the CA 21st Division rendered a Decision which set aside the RTC Resolution, dated February 28, 2006, and the Order, dated March 22, 2006.

The Ruling of the CA in CA-G.R. CV No. 00840-MIN

Meanwhile, on January 22, 2013, the CA ruled in favor of the NPC:

WHEREFORE, the instant appeal is hereby GRANTED. The Order dated March 22, 2006 and the Order dated February 28, 2006 rendered by the RTC of Marawi City, Lanao del Sur, 12th Judicial Region, Branch 8, in Civil Case No. 1918-03 are hereby SET ASIDE for lack of jurisdiction. Accordingly, Civil Case No. 1918-03 is hereby DISMISSED without prejudice to its re-filing to the appropriate body.

SO ORDERED.^[25] (Emphasis omitted)

However, realizing that the CA 21st Division in CA-G.R. SP No. 00981 had already issued a Decision, dated December 11, 2006, which annulled and set aside the same RTC Resolution, dated February 28, 2006, and the Order, dated March 22, 2006, the CA abandoned its January 22, 2013 Decision.^[26]

Nevertheless, the case was remanded to the RTC for further proceedings. Thus, the CA in the first assailed Resolution held:

WHEREFORE, the Motion for Reconsideration dated February 13, 2013 filed by the plaintiffs-appellees is GRANTED. The Decision of this Court dated January 22, 2013 is hereby DEEMED ABANDONED and VACATED.

Accordingly, the record of the instant case is hereby remanded to Regional Trial Court of Marawi City, Lanao del Sur, 12th Judicial Region, Branch 8, for further proceedings.

SO ORDERED.^[27] (Emphasis omitted)

The NPC filed a Motion for Reconsideration emphasizing that it is the Energy Regulatory Commission (**ERC**) that has original and exclusive jurisdiction over the case. NPC argued that the remand of the case to the RTC would vest it with jurisdiction, contrary to the CA's initial finding in the abandoned Decision.^[28]

In the second assailed Resolution, dated October 9, 2014, the CA denied the Motion for Reconsideration filed by the NPC. The CA explained, among others, that the Complaint filed by the respondents contained 11 causes of action, among which was the issue on damages, that "properly fall within the RTC's jurisdiction."^[29]

The Issue

Did the CA err in remanding the case to the RTC?

The Ruling of the Court

The Petition is meritorious.

In its Petition, the NPC argued that the Decision of the CA 21st Division in CA-G.R. SP No. 00981 has already attained finality and has long become immutable. Specifically, the CA 21st Division had already passed upon and determined that the RTC erred in taking cognizance of the respondent's complaint for failure of the latter to pay the required docket fees. Additionally, the respondents failed to satisfy the requirements of a valid class suit. Moreover, the respondents violated Rule 6 of the Rules of Court when they failed to state their addresses in their complaint.^[30]

In their Comment, the respondents maintained that there was no final disposition of the case yet, since what was resolved by the RTC were mere interlocutory orders.^[31] The respondents also claimed that their nine other causes of action for damages are well within the jurisdiction of the RTC.^[32]

The respondents further argued that the present Petition is the fourth case filed by the NPC in relation to Civil Case No. 1918-03, in violation of the rule on non-forum shopping.^[33]

In its Reply, the NPC averred that the CA 21st Division already ruled that the NPC did not commit forum shopping.^[34] The NPC reiterated that Civil Case No. 1918-03 should be dismissed, and that the abandoned Decision be reinstated. To recall, the assailed Resolutions abandoned the CA's previous Decision for being superfluous in view of the CA 21st Division's Decision which set aside the same RTC Resolution.^[35]

The NPC is correct.

The RTC did not acquire jurisdiction

Jurisdiction is the authority of a court to hear, try, and decide a case. It is determined by the allegations in the complaint and the character of the reliefs sought.^[36] Corollarily, the court acquires jurisdiction over the complaint upon the full payment of docket fees.^[37]

In this case, the RTC failed to acquire jurisdiction over Civil Case No. 1918-03, entitled *Ibrahim, et al. v. NPC, et al.*, for two reasons.

First, the CA 21st Division already held that the RTC did not have jurisdiction over Civil Case No. 1918-03 since the respondents failed to pay the required docket fees.^[38] It is elementary that a court acquires jurisdiction over any case only upon the payment of the prescribed docket fee.^[39] As required by Section 1, Rule 141 of the Rules of Court:

Rule 141, sec. 1. Payment of fees. — Upon the filing of the pleading or other application which initiates an action or proceeding, the fees prescribed therefor shall be paid in full.

Here, the RTC erred in taking cognizance of the case despite the failure of the respondents to pay the docket fees.

Second, as the CA 21st Division observed, the RTC failed to pass upon the propriety of the Complaint being filed as a class suit.

Rule 3, Section 12 of the Rules of Court states:

SEC. 12. Class suit. — When the subject matter of the controversy is one of common or general interest to many persons so numerous that it is impracticable to join all as parties, a number of them which the court finds to be sufficiently numerous and representative as to fully protect the interests of all concerned may sue or defend for the benefit of all. Any party in interest shall have the right to protect his individual interest.

A plain reading of the cited rule enjoins the trial court to determine the sufficiency of the parties, both in terms of numbers and representation to fully protect the interests of all concerned.

This, the RTC did not do. Had it done so, it would have dismissed the case for failing to satisfy the requisites of a valid class suit:

- a) When the subject matter of the controversy is of common or general interest to many persons;

- b) When such persons are so numerous that it is impracticable to join them all as parties; and
- c) When such persons are sufficiently numerous as to represent and protect fully the interests of all concerned.^[40]

The pertinent portion of the respondent's Complaint states:

B. NATURE OF THE CASE

3. The subject matter of this suit and/or nature of this case is a class suit for damages under Article[s] 2197 to 2235 of the Civil Code of the Philippines. The plaintiffs herein have general and common interest (*sic*) thereof and they are so numerous that it is impracticable for all of them to be brought before this Honorable Court. The designated plaintiffs hereof are sufficiently numerous and representatives (*sic*) to fully protect the interests of all;

x x x x

5. As a consequence of the acts of defendants (*sic*), plaintiffs and[,] several others suffered 'ecological and economic disaster' adversely affecting the entire ecosystems of Lake Lanao which is the very source of their livelihood and existence for several years;

6. Defendants['] construction and subsequent operation of the defective regulatory dam at the Agus river have caused insurmountable damages to the plaintiffs and several others, said [*sic*] regulatory dam controlled the free and natural flow of waters, further whenever defendants opens (*sic*) the regulatory dam, plaintiffs rice field, farm lands (*sic*) and fishponds are deprived of waters or irrigation waters while defendants closures of said regulatory dam during [the] wet season will [be] submerged or flooded with waters, the plaintiffs['] rice field, farm lands (*sic*) or fishponds thereby depriving them of use, income and or job opportunities;

7. The daily power interruptions, blackouts and or brownouts, occurring in the City of Marawi and the Province of Lanao del Sur have directly caused damages and or big losses to plaintiffs['] businesses and destruction to households appliances, computers, xerox machine, which is apparently ad infinitum (*sic*)

without defendants sincere efforts to prevent or put an end thereof[.]^[41]

The Complaint utterly failed to satisfy the requisites of a valid class suit. It bears to stress that an action does not become a class suit merely because it is designated as such in the pleadings. A class suit must be taken as such with extreme caution for “a quandary would result if the decision were otherwise as those who were deemed impleaded by their self-appointed representatives would certainly claim denial of due process.”^[42]

In the present case, the Complaint failed to show that the subject matter of the controversy is of common or general interest to many persons. In *Mathay v. Consolidated Bank and Trust Co.*,^[43] the Court explained the meaning of “subject matter” for purposes of a class suit:

By the phrase “subject matter of the action” is meant **“the physical facts, the things real or personal, the money, lands, chattels, and the like, in relation to which the suit is prosecuted, and not the delict or wrong committed by the defendant.”**

This Court has ruled that a class suit did not lie in an action for recovery of real property where separate portions of the same parcel were occupied and claimed individually by different parties to the exclusion of each other, such that the different parties had determinable, though undivided interests, in the property in question. It has likewise held that a class suit would not lie against 319 defendants individually occupying different portions of a big parcel of land, where each defendant had an interest only in the particular portion he was occupying, which portion was completely different from the other portions individually occupied by other defendants, for the applicable Section 118 of the Code of Civil Procedure relates to a common and general interest in single specific things and not to distinct ones. In an action for the recovery of amounts that represented surcharges allegedly collected by the city from some 30,000 customers of four movie houses, it was held that a class suit did not lie, as no one plaintiff had any right to, or any share in the amounts individually claimed by the others, as each of them was entitled, if at all, only to the return of what he had personally paid.^[44] (Emphasis supplied; citations omitted)

A reading of the Complaint readily shows that the damage or injury experienced by each complainant differs in degree and in nature. For instance, each respondent has a different type of property, *i.e.*, rice fields, farmlands, and fishponds, which furthermore vary in size. Also, the properties alleged to have been damaged, *i.e.*, businesses, household appliances, computers, and xerox machines, differ in costs.

As to the number of persons being represented, nothing in the Complaint indicates how many “farmers, fishermen, laborers, workers, vendors, households, and businessmen” were being represented. Corollarily, without a numerical determination, the sufficiency of the representation cannot, likewise, be determined.

Where an appeal is not an adequate remedy, a writ of certiorari may be issued

The respondents claim that the NPC violated the rule on forum shopping when it filed a notice of appeal and subsequently, a Petition for *Certiorari* before the CA 21st Division.

The respondents are mistaken.

The test in determining the existence of forum shopping is whether: (1) the elements of *litis pendentia* are present, or (2) a final judgment in one case will amount to *res judicata* in another. Thus, when *litis pendentia* or *res judicata* does not exist, neither can forum shopping exist.^[45] The evil sought to be avoided by the proscription against forum shopping is having two competent tribunals rendering two separate and contradictory decisions. A party should not be allowed to avail of two remedies simultaneously in different courts. To tolerate the same would result in abuse of court processes.^[46]

In the present case, the RTC did not act upon the Notice of Appeal filed by the NPC. Worse, the RTC issued an order of execution of the February 28, 2006 Order. Ordinarily, the perfection of a notice of appeal precludes the trial court from exercising jurisdiction.^[47] This was not the case here. Clearly, an appeal before the CA ceased to be a speedy and adequate remedy.

In *De Castro v. Court of Appeals*,^[48] the Court held that “where the exigencies of the case are such that the ordinary methods of appeal may not prove adequate — either in point of promptness or completeness, so that a partial if not a total failure of justice could result — a writ of *certiorari* may still be issued.”^[49]

Furthermore, in *Republic v. Legaspi*,^[50] the Court explained that the issuance of a writ of *certiorari* is allowed “despite the availability of appeal where the latter remedy is not adequate or equally beneficial, speedy and sufficient or there is need to promptly relieve the aggrieved party from the injurious effects of the acts of an inferior court or tribunal.”^[51]

The evil sought to be prevented by the proscription against forum shopping, thus, did not exist in the present case. Besides, the CA 21st Division has already ruled that the NPC did not violate the rule on forum shopping when it took cognizance of the Petition for *Certiorari* despite the Notice of Appeal filed before the RTC. Moreover, the Decision of the CA 21st Division as regards the issue of forum shopping has attained finality.

*The Decision of the CA 21st
Division has attained
finality*

The Decision of the CA 21st Division, dated December 11, 2006, in CA-G.R. SP No. 00981 has long attained finality. Settled is the rule that a judgment that is final and executory becomes immutable and unalterable.^[52]

This principle is grounded on considerations of public policy and practicability.^[53] It has a dual purpose: (1) to avoid delay in the administration of justice, and thus, procedurally, to make orderly the discharge of judicial business; and (2) to put an end to judicial controversies, at the risk of occasional errors, which is precisely why courts exist.^[54]

In the present case, the issue on the RTC’s want of jurisdiction had been settled with finality when the CA 21st Division ruled that the Complaint failed to satisfy the requisites of a valid class suit and worse, the CA found that the petitioners failed to pay the required docket fees.

Courts must exercise caution in remanding cases to the court of origin. Among its adverse effects is, as in the present case, the irremediable delay in the administration of justice.

In view of the foregoing, the CA 21st Division correctly ruled that at the very onset, the RTC did not acquire jurisdiction to take cognizance of the case, regardless of whether the issue of damages is within its jurisdiction. Remanding the case to the RTC would effectively vest it with jurisdiction which has been found wanting. This, even the Court cannot do.

WHEREFORE, the Petition for review *Certiorari* is **GRANTED**. The Court of Appeals

Resolution, dated October 7, 2013, in CA-G.R. CV No. 00840-MIN is **REVERSED** in so far as it remanded the case to the Regional Trial Court, Branch 8 of Marawi City, in Civil Case No. 1918-03.

The Court of Appeals Decision, dated January 22, 2013, in CA-G.R. CV No. 00840-MIN is **SET ASIDE** for being superfluous, in view of the Court of Appeals Twenty-First Division Decision, dated December 11, 2006, in CA-G.R. SP No. 00981.

SO ORDERED.

Caguioa (Chairperson), Zalameda, Gaerlan, and Dimaampao, JJ., concur.*

* Designated additional Member per Raffle, dated February 17, 2020, vice Associate Justice Henri Jean Paul B. Inting.

** Also referred to as Tamli.

*** Also referred to as Rohaniya Bantuas Sarip or Rohaniya Bantuas.

^[1] Rollo, pp. 12-29.

^[2] *Id.* at 34-37. Penned by Associate Justice Henri Jean Paul B. Inting (now a Member of the Court) and concurred in by Associate Justices Edgardo T. Lloren and Jhosep Y. Lopez (now a Member of the Court).

^[3] *Id.* at 52-55.

^[4] *Id.* at 39-50.

^[5] *Id.* at 218-231. Presided by Hon. Santos B. Adiong. The case was originally raffled to the sala of Judge Abdulhakim Ibrahim. However, he inhibited himself in an Order Dated October 19, 2004.

^[6] *Id.* at 247.

^[7] *Id.* at 295-305, Complaint filed before the RTC, dated November 25, 2002.

^[8] *Id.* at 296-297.

^[9] *Id.* at 297.

^[10] *Id.*

^[11] *Id.* at 303.

^[12] *Id.* at 117-124, Record on Appeal.

^[13] *Id.* at 126-127.

^[14] *Id.* at 137-139.

^[15] *Id.* at 149.

^[16] Fuel Compensating Charge.

^[17] Foreign Exchange Adjustment.

^[18] Incremental Cost Charge.

^[19] Fuel and Purchased Power Cost Adjustment.

^[20] *Rollo*, pp. 230-231.

^[21] *Id.* at 247.

^[22] *Id.* at 248.

^[23] *Id.* at 88, CA Decision in CA-G.R. SP No. 00981, dated December 11, 2006.

^[24] *Id.* at 61.

^[25] *Id.* at 50, CA Decision in CA-G.R. CV No. 00840-MIN dated January 22, 2013.

^[26] *Id.* at 36.

^[27] *Id.* at 36-37.

^[28] *Id.* at 57, Motion for Reconsideration, dated November 18, 2013.

^[29] *Id.* at 54, CA Resolution in CA-G.R. CV No. 00840-MIN, dated October 9, 2014.

- [30] *Id.* at 20-21, Petition for Review on *Certiorari*, dated December 11, 2014.
- [31] *Id.* at 267, Comment, dated May 22, 2015.
- [32] *Id.* at 269.
- [33] *Id.* at 254-266.
- [34] *Id.* at 321, Reply, dated January 21, 2016.
- [35] *Id.* at 325.
- [36] **Estate of Williams v. Percy, G.R. No. 249681**, August 31, 2022.
- [37] **Heirs of Dragon v. The Manila Banking Corp., G.R. No. 205068**, March 6, 2019, 895 SCRA 259, 279.
- [38] *Rollo*, p. 91, CA Decision in CA-G.R. SP No. 00981, dated Dec 11, 2006.
- [39] **Heirs of Dragon v. The Manila Banking Corp., supra.**
- [40] **Juana Complex I Homeowners Association, Inc. v. Fil-Estate Land, Inc.**, 683 Phil. 415, 427 (2012).
- [41] *Rollo*, pp. 296-297, Complaint filed before the RTC, dated November 25, 2002.
- [42] **Mathay v. Consolidated Bank and Trust Co.**, 157 Phil. 551, 563 (1974).
- [43] *Id.*
- [44] *Id.*
- [45] **Boracay Island Water Co. v. Malay Resorts Holdings, Inc., G.R. No. 235641**, January 17, 2023, citing **Santos Ventura Hocorma Foundation, Inc. v. Mabalacat Institute, Inc., G.R. No. 211563**, September 29, 2021.
- [46] **Boracay Island Water Co. v. Malay Resorts Holdings, Inc., supra.**
- [47] RULES OF COURT, Rule 41, Sec. 9.
- [48] 796 Phil. 681 (2016).

^[49] *Id.* at 696.

^[50] 686 Phil. 100 (2012).

^[51] *Id.* at 115.

^[52] **Marcos v. Pamintuan**, 654 Phil. 626 (2011).

^[53] **Government Service Insurance System v. Regional Trial Court of Pasig City**, 623 Phil. 453 (2009), citing **Spouses Gomez v. Correa**, 617 Phil. 241 (2009).

^[54] **National Housing Authority v. Court of Appeals**, 731 Phil. 401, 405 (2014).

Date created: October 23, 2023