

MANILA ELECTRIC COMPANY, PETITIONER, VS. PUBLIC SERVICE COMMISSION, ETC., ET AL., RESPONDENTS.

G.R. Nos. L-13638-40. June 30, 1964

Ponente: PAREDES, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/5e8bbc6d8d72/>

PAREDES, J.:

On March 10, 1955, the Manila Electric Company (Meralco for short), filed two applications with the Public Service Commission (Commission for short), one, for revision and reduction of its rates for commercial and other non-residential customers for general lighting, heating and/or power purposes (P.S.C. Case No. 85880) and the other for revision and reduction of its residential meter rate, schedule, RM-3, (P.S.C. Case No. 85800). These applications were approved by the Commission in a decision rendered on September 24, 1955. On August 24, 1955, the Meralco filed another application for revision and reduction of its general power rate, Schedule GP 2 (P.S.C. Case No. 89293), which was provisionally approved on August 31, 1955. Previous to these applications, Meralco filed seven (7) other applications for revision and reduction of rates.

On June 9, 1954, upon petition of Dr. Pedro Gil, the Commission requested the Auditor General to cause an audit and examination of Meralco's books of accounts.

The General Auditing Office (GAO, for short) examined and audited the books and under date of May 11, 1956, it presented a report which was submitted to the Commission, on May 28, 1956 (Annex D of Petition). On May 30, 1956, the Commission, thru Commissioner Feliciano Ocampo, reset the hearing of case Nos. 85889, 85890 and 89893, for June 22, 1956, "for the purpose of considering such further revision of applicant's rates as may be found reasonable." On said date, the parties appeared and Atty. Venancio L. de Peralta, Technical Assistant and Chief of the Finance and VOL. 120, JUNE 30, 1964 323 Manila Electric Co. vs. Public Service Commission, et al. Rate Division of the Commission, who was duly authorized to receive the evidence of the parties, announced that the hearing was an "informal hearing", and its purpose was to hear any remarks or statements of the parties and to define the issues "so that at the hearing we know exactly what are disputed at this informal hearing". Dr. Pedro Gil submitted the 3 cases on the report of the GAO dated May 11, 1956 and on a letter dated June 7, 1956 he sent to the Commission, in which he asked the Commission, inter alia, to allow the Meralco "a rate of return of only 8% on its invested capital" (Annex B, Petition). The Solicitor General submitted the case on the same report and letter of Dr. Gil and on a letter-report (4 pages) addressed by the Deputy Auditor General to the Commission on November 21, 1955. Other parties made common cause with Dr. Gil.

Meralco was given by the Commission a period of 30 days within which to file an Answer, specifying its objections to the report of the GAO. The following proceedings which took place on said preliminary hearing" is revealing:

"Atty. Carrascoso:

"The case for petitioners is since they have submitted their evidence I ask now for (time for) presentation of respondent's evidence and due to its inability, I ask that the case be set on August 6.

"Solicitor General Padilla:

"I want the Commissioner to rule first on that point. We want the Manila Electric Company to define its stand.

"Atty. Carrascoso:

"Our stand is clear. We received the auditor's reports. The Auditor's reports have been represented in evidence, upon which the Manila Electric Company cannot be required to answer in writing that report. The Manila Electric Company in going to refute that report by presenting their evidence.

x x x

"Commission:

"I think all of us are interested in the early disposition of these cases. The Manila Electric Company itself is interested in the early disposition of these cases. Now, I think it is well taken the Manila Electric Company to state what portions of the auditor's report it will object to, so that at the hearing we know exactly what (facts) are disputed. At any rate, the Manila Electric Company can present any and all relevant evidence to justify its rates but the other parties in this case as well as the Commission would like to know exactly what it will dispute in this report because on the basis of this report the Commission can issue an order because the General Auditing Office is the arm of the Commission in fixing the rates of public utilities. So I think it is to the best interest of all parties in this case that the Manila Electric Company should specify the items in the audit report that it objects to before the hearing and we will give you 10 days to submit a memorandum specifying the portion of the audit report, specifying in a statement whatever you call the items in the report that you will object to so that at the hearing we will know them.

"Solicitor General Padilla:

"And the basis for controverting those portions of the report.

"Atty. Carrascoso:

"The basis will be prevented in evidence.

"Solicitor-General Padilla:

What is the purpose of Counsel Carrascoso in trying to cancel (conceal) the basis?

"Atty. Carrascoso:

"We are presenting (will present) evidence and I am trying to say again; every report by the petitioner's need not be answered in writing but as the Commission wants to facilitate we will do so. We will make a statement or a list of statements and we will submit that in one week.

"Commission:

"When you specify the items in the audit report to which you object there must be basis to it." (Transcript, pp. 35-38.)

"Atty. Carrascoso:

"Mr. Commissioner. As I say (see it) the Solicitor General is asking us to submit objections which is really in the nature of a memorandum or in the way of answer. I want to make it appear of record that only to facilitate the work of the Commission, I have said we will submit a summary and we will ask that that summary is not to be considered at all as answer because the Solicitor General, Dr. Gil and somebody else may contend that we may not present evidence beyond the notion given in that summary. You see Mr. Commissioner I don't want that to happen. . . ." (Transcript, pp. 42-43).

"Commission:

"This is the way I gather. The Solicitor General wants in you(r) so-called answer to specify the items in the audit report that you will object to and include any or all matters that you would like to show before the Commission to justify the rates." (Transcript, p. 45).

"Commission:

"I will report this matter to the Commissioner, Judge Feliciano Ocampo.

(After a brief recess, Mr. Peralta came back).

"Commission:

"I have reported this matter to the Commissioner, Judge Ocampo and he directed me to state this: The Manila Electric Company is directed to file its memorandum on the audit report of the General Auditing Office specifying the items it will object to and the reasons for its objection within 15 days from today and the General Auditing Office is also given a period of time 15 days from the date they are furnished with a copy of the report to submit its reply memorandum and on the basis of this memoranda the Commission will make decision and if it finds that additional hearing will be conducted it will so order a hearing but from the basis of this memorandum it can resolve this case on the evidence which it believes necessary are already in.

"Atty. Carrascoso:

"I don't believe the case can be submitted on the basis of memoranda. The respondent is entitled to present its evidence. Aside from this I ask 30 days.

"Commission:

"The Commissioner says that the Manila Electric Company can be granted 30 days to file its memorandum." (Transcript, pp. 46-48).

On July 31, 1956, the Meralco filed its answer (Annex F) to the GAO's report, specifying its objection and stating:

"Meralco respectfully submits that it was, and it is the duty of the complainant, Dr. Pedro Gil, to present evidence in support of his claim that Meralco's rates are high and exorbitant, but he has never done it.

"In so far as Meralco is concerned, the Company is disposed and ready to present evidence before this Commissioner as to what the present value of its property, plant and equipment is, for rate base purposes, upon the above cases being reset for hearing and reception of such evidence."

and asked—

"(a) that the above three numbered cases be reset for hearing to enable the parties to present their proofs. Meralco will present evidence in support of the allegations of this ANSWER."

Dr. Gil filed his reply on August 23, 1956 (Annex G). The Solicitor General did the same on September 15, 1956 (Annex H), followed by a manifestation (Annex I) in which he asked that the rate of return of 12% allowed the Meralco on its invested capital be reduced to 8% as submitted by the GAO.

Without having (1) first reset the said 3 cases for hearing; (2) without having given the Meralco an opportunity, as requested by it, to cross-examine the officers of the GAO who prepared the report dated May 11, 1956, on which report the Commission based its decision and (3) without having given the Meralco an opportunity, as requested by it, to present evidence in support of its answer to refute the facts alleged in said report and controverted by Meralco, on December 27, 1957, the said Commission, handed down a decision, the dispositive portion of which recites the following:

"In view of the Foregoing, and finding that the reductions adverted to are just, reasonable and equitable among the various groups of customers, we are of the opinion that the petition for reduction of rates in these cases should be as it is hereby GRANTED.

Accordingly, the Manila Electric Company is hereby required to reduce its present authorized rates effective January 1, 1958, by the following percentages on the bills of customers computed on the basis of the present authorized rates:

'Residential and domestic customers 16%

'Commercial customers, including government agencies and street lighting (except the street lights for the City of Manila, the rates for which are fixed by contract) 8%

'Industrial customers, including non-associated electric utilities.....6 %.

"Entered, Manila, December 27, 1957.

"(SGD.) ALEJANDRO A. GALANG

Commissioner

"WE CONCUR:

"(SGD.) GABRIEL P. PRIETO

Associate Commissioner

A. H. ASPILLERA (On sick leave)

Associate Commissioner"

The motion for reconsideration and to set aside decision (Annex K), filed on January 14, 1958, by the Meralco, was denied by the Commission on a 2 to 1 vote, on March 3, 1958, Commissioners Galang and Prieto, voted for denial, while Commissioner Aspillerera voted for granting.

Hence, the present petition for review with preliminary injunction which was issued by this Court.

Petitioner Manila Electric Company alleges in its brief that the Public Service Commission erred—

I. In rendering its decision without a previous hearing; without giving petitioner an opportunity to present evidence in support of its answer; and in basing its decision on the report of the General Auditing Office dated May 11, 1956, without having given petitioner an opportunity to cross-examine the officers of the General Auditing Office who prepared the said report and without having given petitioner an opportunity to refute the facts alleged in the said report of the General Auditing Office and controverted by petitioner.

II. In holding that for rate base purposes, the appraised value at of 1945 of petitioner's pre-war property, plant and equipment should be considered at the present fair value of said properties.

III. In not considering certain properties as part of the property, plant and equipment in service of petitioner for rate base purposes.

IV. In using the net average investment rate base, instead of the year-end rate base, for determining the value of

petitioner's property, plant and equipment entitled to return.

V. In sanctioning GAO's readjustment of the reserves for depreciation of petitioner's property, plant and equipment.

VI. In disallowing legitimate operating expenses in the determination of petitioner's working capital.

VII. In not taking into consideration the value of materials and supplies carried in stock in the determination of petitioner's rate base.

VIII. In not giving effect to the contract between petitioner and the Philippine Power and Development Company.

IX. In ordering petitioner to reduce its rates.

X. In basing its decision on obsolete allegations of fact.

XI. In denying petitioner's Motion for Reconsideration and to Set Aside Decision.'

As must be observed, the assignment of errors is divided into two groups: one is the fundamental issue on due process of law and the other is the determination of the veracity or correctness of the alleged facts, upon which the respondent Commission based its findings and conclusions; and the legality, propriety and efficacy of the methods employed by the said Commission, in computing and finding the rates it tries to enforce.

If, as claimed by the petitioner, the first assignment of error is true, then it would be an idle gesture on our part to delve further into the merits of the case, for then the petitioner in these 3 cases, was not accorded due process of law. And We believe that petitioner was not afforded the constitutional right it is invoking.

No less than a distinguished member of the PSC has expressed the conviction, in his concurring and dissenting opinion, that the petitioner was not given a proper hearing. Commissioner Aspillera's own findings and conclusions were substantially supported by the evidence of record. Commissioner Aspillera in the dissenting portion of his opinion, said:

"Was there a hearing? The record shows that no hearing was held.

On June 22, 1956, parties appealed before attorney Vivencio L. Peralta, Technical Assistant, and Chief, Finance and Rate Division, Public Service Commission, who was duly authorized to receive the evidence of the parties', and the record shows that the hearing held before the said Commissioner was merely an informal hearing because, using his own words, 'I said at the beginning that this is only preliminary because I want that the parties could come to some kind of understanding.' (Transcript, p. 24).

And pages 3, 7 and 40 of the transcript, show the following:

"Commission:

'Gentlemen. The Commission has called these three cases for today after it has received the audit report of the General Auditing Office. The Manila Electric Company and Dr. Pedro Gil have been furnished with copies of this audit report.

'There are several observations made in this audit report of the General Auditing Office. The Commission is ready to hear from the different parties interested in the revision of the rates of the Manila Electric Co. and to receive any and all relevant evidence that may guide the Commission in the determination of the just and reasonable rates. There are many matters that are put in issue in the audit report of the General Auditing Office. For instance the rate base and the rate of return, among other matters that may be brought up during this hearing. So if there are any remarks or statements before we proceed to a verbal hearing we will be

ready to hear them.' (Transcript p. 3).

"Commission:

"May we hear from the representative of the Manila Electric Co. or from their counsel? This is only preliminary and if necessary to go to a formal hearing we will go to it." (Transcript, p. 7).

"Commission:

'In this audit report you will see the difference in the figures of the Manila Electric Company and the figures of the General Auditing Office. The General Auditing Office has disagreed with the book figures of the Manila Electric Company. So it is not difficult to identify the figures. You will have no difficulty as the General Auditing Office stated in the report those items not considered as part of the consideration in the determination of the rates. So it will be the turn of the General Auditing Office to state why those items should be considered. And before the hearing, we would like to know that so that we will know what are the items.' (Transcript, pp. 30-40).

and counsel for the Manila Electric Company, confirming the statements made by the Commissioner, said:

"Atty. Carrascoso:

"Mr. Commissioner. What we are having today as you remark at the beginning is an informal hearing. This is not, a formal hearing. I have already stated what we think of the submission of that report atone. I am not to make further statement. So I suggest that we set this case to a formal hoariup. Let us proceed presenting evidence on what they want and present our evidence." (Transcript, pp. 21-22).

"The second question is, 'Was Manila Electric Company deprived of its property without due process of law? Was the company deprived of an opportunity to be heard to present evidence in support of its Answer?' Again I refer to the record of the cases, and the answer must be in the negative. I quote from the pages of the transcript of the stenographic notes hereinafter mentioned."

"Commission:

"Now, what is necessary is the final revision of the rates will be really the determination of a reasonable rate of return that will be allowed to the Manila Electric Company whether it is 12% or 8% or any other percentage and we will require evidence in order to arrive at a reasonable rate of return that will be allowed the Manila Electric Company. We cannot merely fix a rate at the mere wish of the Commission or mere wish of any party. There must be evidence on which the Commission must fix a reasonable rate of return." (Transcript, p. 8).

"Commission:

"* * That is why we would like to know whether the parties interested in the case as well as the Manila Electric Company and the Solicitor General to submit to this Commission such evidence that will guide the Commission in determining the proper rate base and the proper rate of return." (Transcript, p. 19).

"Commission:

"* * If there is evidence other than the report of the General Auditing Office that can bte presented here, the Commission will appreciate it. - -" (Transcript, p. 30).

"Atty. Carrascoso:

"We object. We have to object. We object and reiterate our objection to the admission of these reports. These reports alone without the men who prepared tltem taking the witness stand subject himself to cross-examination by the respondent are not admissible in evidence." (Transcript, p. 31.)

"Atty. Carrascoso:

"We will not be required to present answer to the report we are going to present evidence, but answer the report in writing there is no rule to present an answer to a report.

"We are going to present evidence but we are not going to present any written answer to the auditor's reports." (Transcript, p. 33.)

"Atty. Carrascoso:

"Certainly, Mr. Commissioner. After we have presented our evidence they can rebut. We object to each and every portion of the report except the Manila Electric Co. figures quoted in the report. After we finish presenting our evidence Dr. Gil and the other complainants can present their evidence. That is all."

"I am not talking on issues. I am talking on evidence the respondent will submit. We are objecting to the report as a whole.

We will present evidence. The Solicitor General is confusing: the issues and the report." (Transcript, p. 34.)

"Commission:

". . . At any rate, the Manila Electric Company can present any and all relevant evidence to justify its rates but the other parties in this case as well as the Commission would like to know exactly what it will dispute in this report. . ." (Transcript, p. 36.)

"Commission:

". . . The only difficult portion in the fixing of rates by the Commission on which to base the determination of the reasonableness of the rates is on the basis of the evidence it can gather in this sense." (Transcript, p. 41.)

The record further shows that after the "preliminary hearing" held on June 22, 1958, no other hearing was field; the cases were never set for hearing; and Meralco was not given an opportunity to present evidence to rebut the audit report or in support of its Answer, in which the company prayed, among other things.

"(a) that the above three numbered rases be reset for hearing to enable the parties to present their proofs. Meralco will present evidence in support of the allegations of this Answer."

I notice also that at the roncluaion of the "preliminary hearing" held on June 22, 1956, the Commissioner authorized to receive the evidence of the parties advised them that after reporting to Public Service Commissioner Ocampo the discussion had and what had transpired at the said "preliminary hearing", Commissioner Ocampo directed him to tell the parties that they should submit memoranda and "that the case is considered submitted wilesa the Commission believot that further hearing is necessary", but counsel for the Meralco objected to such procedure and said:

"Atty. Carrascoso:

"I don't believe the rate can be submitted on the basis of the memoranda. The respondent is entitled to present its evidence. Aside from this I ask 30 days." (Transcript, pp. 47-48.)

And Commissioner Aspillera concluded—

"Considering the proceedings had, I am of the opinion that the decision of December 27, 1967 was not promulgated 'upon proper notice and hearing', as required by law, and that therefore it can not serve as a legal basis for requiring the Meralco to put in effect the reductions ordered in the decision. But I believe there is a basis for ordering the Meralco to elect a reduction of rates although not to the extent fixed in the decision. From statements of Meralco's counsel during the hearing of lite motion for reconsideration, it would appear

that they assail certain items considered by the Commission in arriving at the conclusion that the Meralco made an excess profit of roughly four and half million pesos. I gather from the statements made that because of erroneous allowances and disallowance made, this figure is incorrect by about two million pesos, that is, that the excess profit found should be reduced by two million. This, I believe, is an admission by the Meralco that it did make an excess profit of two and a half million pesos. By virtue of this admission I think that the Meralco can be ordered to reduce its rates on the basis of this excess profit of two and a half million pesos.

In view of the foregoing considerations, the above cases never having been set for hearing after the 'preliminary hearing held on June 22, 1956, find Meralco not having been afforded the right to present evidence in support of its Answer, a right expressly granted to it by law. I am constrained to hold, as I hereby hold, that Meralco's motion for reconsideration and to set aside should be, as it is hereby, granted, the decision of December 27, 1957 entered in these cases set aside, all those cases set for hearing to receive such evidence as the Meralco may desire to present in support of its Answer.

The Manila Electric Company, however, is ordered, effective April 1, 1938, to reduce its residential rates by 8-1%, its commercial rates by 4-1% and its industrial rates by 3-1%."

And judging from the allegations in the motion for reconsideration and some of the alleged errors assigned in the petitioner's brief, there is indeed need of presenting evidence in support thereof or at least to substantiate its answer. Laying aside the legal questions the resolution of which will be mainly predicated on facts proven, the Commission should determine the actual cost of petitioner's post-war property, plant and equipment; what are the petitioner's properties, plant and equipments in service for rate base purposes; the year-end rate base, for determining the value of petitioner's property, plant and equipment entitled to return; the basis of readjustments of the reserves for depreciation of petitioner's property, plant and equipment; what legitimate operating expenses should be disallowed in the determination of petitioner's working capital; the petitioner's working capital during the test year 1955; the value of materials and supplies carried in stock to be taken into consideration in the determination of petitioner's rate base; the basis for ordering the petitioner to reduce its rates, etc. As there is an allegation that the Commission based its decision on obsolete allegations of fact contained in the GAO report, the petitioner should have been given the opportunity to prove at least what these obsolete facts were or what were not. It should be recalled that the test year for the reduction of the rates was 1955 to be enforced on January 1, 1958. During that long span of time, in a fast moving and progressive business world, where prices are yearly going to the skies, it is really doubted whether the facts as found and existing in 1955 will not look obsolete in 1958. One can hardly decide what is true facts, or facts nearing to the truth, on the controverted report of the GAO. The report can not be cross-examined or confronted. The persons who prepared the report could be cross-examined or confronted; but petitioner was not allowed to do so.

In the motion for consideration dated January 17, 1958, (Annex 6), petitioner specifically prayed that the decision of December 27, 1957 be reconsidered and set aside; that the cases be reset for hearing for the reception of all pertinent evidence: that the Meralco be granted a period of two months within which to submit a revised schedule of rates, affecting a reduction thereof, commensurate with existing conditions; and that, in any case, the effectivity of said decision be stayed, pending resolution of the motion for reconsideration, or during appeal in the remote event the motion will be denied. It was alleged therein that: The decision was null and void, having been rendered without any hearing; the Commission could not validly make findings of fact without affording petitioner the right to cross-examine and confront witnesses, as well as the right to present its evidence; the decision contained findings contrary to law and at any event, the decision was based on obsolete allegations of fact, and since the submission of the audit report of the GAO, on whose allegations the decision was predicated, there had occurred recent developments which had substantially altered the situation of the Meralco and which have to be taken into account by the Commission, in fixing just and reasonable rates, such as (1) Government restrictions mid changing

policies (2) higher rate base (3) higher cost of production and other changes. These grounds were and still vital to the issues in the case, even if taken only on their face value. They should have merited the attention of the Commission. But two of the Commissioners denied the motion stating, among other things, "The desire of the Meralco to cross-examine witnesses and present oral testimonies may just lead to more years of protracted and delayed hearings, which will undoubtedly affect adversely the public interest. Hence, the procedure followed by the Commission in deciding these cases was the usual practice adopted by the Commission in fixing rates of electric power plants." If the practice of the Commission alluded to is what is revealed in the record of this case, then it is not a good practice, nay, it is unlawful because it breaches the guarantees of due process. There should be no short cuts in the disposition of the time-honored principle that no one should be deprived of his life, liberty and property, without due process of law. Considering the fact that the reduction of rates herein sought might involve huge amounts of money and the errors, alleged to have been committed, if true, would affect likewise not only the right of the petitioner but also public interest, it would have been a better part of valor and wisdom to have delayed a little bit the final resolution of the controversy. And moreover, when the Commission finally decided the cases, making its decision effective as of 1958, indeed many great changes, (as enumerated in the petitioner's brief), had already taken place. From 1955, the test year to 1958, plenty of water had already rolled under the bridge.

Respondents advanced the theory that proceedings in the Public Service Commission are administrative, not judicial, that administrative agencies have three functions—adjudication, rule making and enforcement; that in legislative or rule-making function there is no constitutional right to any hearing whatsoever; that rate fixing is a legislative function; that the requirement of "proper notice and hearing" provided by section 16, par. (c) of the Public Service Act had been complied with, not in "auditory hearing, but in the "canned method" or the submission of prepared forms issued by the agency, or the submission of pleadings, briefs and memorandums or even by mere inspection; that the Commission is not bound by strict rules of evidence and it can make use of its own independent surveys of the situation to acquire an understanding of the problem before it; that petitioner was notified by the Commission of the time and place of hearing and also of the subject matter; that following the no-called "preliminary hearing", the hearing officer announced "Now we are really proceeding to the hearing itself", and petitioner was granted 30 days to file a memorandum which it submitted, captioned "Answer", consisting of 120 pages, wherein it expounded in detail, with exhaustive citations of authorities and jurisprudence, on the theories and practices followed in the United States in the determination of just and reasonable rates, which answer drew a sharp reply from respondents, after which the Commission declared there was sufficient basis or evidence before it to enable it to decide the cases without the necessity of resetting them for hearing, for the reception of additional evidence; that the petitioner's objections to the GAO report are essentially legal and not factual in nature and deals merely with the application of rate-making and accounting principles; that the report of the GAO dated May 11, 1956 is admissible in evidence and the auditors who prepared it were not asked by petitioner to be cross-examined, as in fact, according to respondents, there was not even need of presenting them in evidence, as said reports formed part of the official records of the Commission (citing certain cases and CA No. 325); that no amount of oral testimonies could have changed the figures and matters appearing in the report of the GAO and the answer of the petitioner and their respective contentions; and that it is only when the Commission exercises its judicial functions that "proper notice and hearing" is required (Sec. 16, Public Service Act), but not when it exercises its legislative functions (Sec. 17, same act).

We have gone over the merits and demerits of the essays and beautiful theories advanced by the respondents, as stated above, but the old fact remains, after a panoramic perusal of the record and circumstances surrounding these cases, that the petitioner had not been given its day in court.

We need not be reminded that it is the cardinal right of a party in trials and administrative proceedings to be

heard, which includes the right of the party interested or affected to present his own case and submit evidence in support thereof and to have such evidence presented considered by the tribunal (Comm. of Immigration vs. Fernandez, et al., G.R. No. L-2269G, May 1964 and cases cited therein.) "Even if the Commission is not bound by the rules of judicial proceedings, it must bow its head to the constitutional mandate that no person shall be deprived of right without due process of law", which binds not only the government of the Republic, but also each and everyone of its branches, agencies, etc. Due process of law guarantees notice and opportunities to be heard to persons who would be affected by the order or act contemplated" (Halili vs. Public Service Com., et al. 49 Off. Gaz., 825, citing 16 C.J.S. 1141, 1149).

In view of the findings and conclusions reached, We deem it unnecessary to delve into the other issues raised by the parties.

Wherefore, we set aside the decision of the respondent Public Service Commission of December 27, 1957 and the Order of March 3, 1958, and remand the records of the above entitled cases to the Commission for further proceedings, and render judgment accordingly. No costs.

Bengzon, C. J., Padilla, Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., Regala, and Makalintal, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.