

AN ACT GRANTING TO THE VISAYAN ELECTRIC COMPANY, S. A., A FRANCHISE TO INSTALL, OPERATE, AND MAINTAIN AN ELECTRIC LIGHT, HEAT, AND POWER SYSTEM IN THE MUNICIPALITIES OF CEBU, TA...

Act No. 3499, December 08, 1928

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/7924cbb42da2/>

Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. There is hereby granted to the Visayan Electric Company, S. A., a corporation duly organized under the laws of the Philippine Islands, with headquarters in the municipality of Cebu, Province of Cebu, Philippine Islands, for a period of fifty years, the right, privilege, and authority to construct, maintain, and operate in, along, and over the public streets, thoroughfares and places of the municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela, poles, wires, and other necessary apparatus and appurtenances for the transmission and distribution of electric current for electric power, heat, and light and for any other use to which electricity may be applied, and to furnish electric power, heat, and light within the limits of the said municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela, for domestic and industrial use and for any other use to which electricity may be put, and to charge and collect a schedule of prices and conventional rates for such electric power, -heat, and light: Provided, That said rates and prices shall be subject to regulation by the Public Service Commission -or its successors.

SEC. 2. The poles erected by the grantee shall be of such a height as to maintain the wires stretched on the same at a distance of at least twenty feet above the level of the ground, and shall be of such appearance as not to disfigure the streets, and shall be placed in accordance with a plan approved by the municipal authorities, and said grantee shall supply electric power, heat, and light to any applicant for the same, within fifteen days after the date of his application, and as between such applicant and other like applicants, in the order of the date of his application, up to the limit of the capacity of the plan of said grantee, to be determined by the Public Service Commission or its successors, on the application of said grantee, and should the demand for electric power, heat, and light at any time increase beyond the capacity of the plant of said grantee to supply the same, the capacity of said plant shall be increased by said grantee to meet such demand, in accordance with the decision of the Public Service Commission: Provided, That the point at which the electric light, heat or : power is to be supplied, shall not be more than thirty meters : from the lines or wires operated by said grantee.

SEC. 3. All apparatus and appurtenances used by the: grantee shall be modern and first class in every respect, and the wires shall be insulated and carefully connected and fastened so as not to come in direct contact with any object through which a "ground" could be formed, and shall be stretched so as not to interfere with the free use of said streets and public thoroughfares: Provided, That; the grantee shall, whenever the Public Service Commission or its successors so direct, place said wires in underground pipes or conduits at its own expense, and without any cost or prejudice to the municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela.

SEC. 4. Whenever it shall be necessary in the erection of said poles to take up any portion of the sidewalks or dig up the ground near the sidewalks or corners of the public streets or thoroughfares, then the said grantee shall, after said poles are erected, without delay replace said sidewalks and property in the proper manner, removing from the said sidewalks, streets or public thoroughfares all rubbish, dirt, refuse, or other material which may have been placed there, taken up or dug up in the erection of said poles, leaving them in as good condition as they were before the work was done.

SEC. 5. Whenever any person has obtained permission to use any of the streets of said municipalities for the purpose of removing any building or in the prosecution of any municipal work or for any other cause whatsoever, making it necessary to raise or remove any of said wires which may obstruct the prosecution of said work, the said grantee, upon written notice by the municipal councils of the municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela, served upon said grantee at least forty-eight hours in advance, shall raise or remove any of said wires which may hinder the prosecution of such work or obstruct the removal of said building, so as to allow the free and unobstructed passage of said building and the free and unobstructed prosecution of said work. The notice shall be a duly adopted resolution of the municipal council concerned, in writing, served upon the grantee or its duly authorized representative or agent by a person competent to testify in a civil action, and in case of the refusal or failure of the grantee to comply with such notice, the municipal president concerned, with the proper approval of the municipal council, shall order such wires to be raised or removed at the expense of said grantee, for the purposes aforesaid.

SEC. 6. The grantee hereby binds itself to compensate the municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela for any injury to person or property by reason of the construction under this franchise or of any neglect or omission to keep the said poles and wires in a safe condition, and for all valid claims against any of said municipalities for damages caused by said wires or electric current conducted thereby.

SEC. 7. This Act and the franchise and rights granted hereunder shall not take effect unless and until the grantee shall have filed its written acceptance of the terms and provisions of this Act with the Secretary of Commerce and Communications within one hundred and twenty days from the date on which this Act shall take effect, as regards the electric service of the municipality of Cebu, and it shall not furnish electric service to the municipalities of Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela under the privilege hereby granted nor begin any construction nor exercise any rights or privileges hereunder unless and until it shall have applied for and obtained from the Public Service Commission the certificate of the public necessity and convenience of said concession respecting such electric service and construction and the exercise of such rights and privileges, in accordance with the provisions of Act Numbered Thirty-one hundred and eight, as amended, and shall have filed with the Secretary of Commerce and Communications, within the time fixed by the Public Service Commission, its written acceptance of the terms and conditions of said certificate, together with a document showing that it has made the deposit required in said certificate. In case the grantee does not begin to supply electricity in the municipality referred to in the certificate secured and filed as herein provided within the time specified by the Public Service Commission, the latter may declare the certificate granted null and void and the deposit made in accordance with section nine hereof forfeited to the municipality concerned, unless the grantee shall have been prevented from it by act of God or force majeure, usurped or military power, martial law, riot or civil commotion or other inevitable cause: Provided, however, That in case the grantee has been prevented by any or all of said causes from beginning to supply electricity within the period specified, the time during which he was so prevented shall be added to said period.

SEC. 8. The grantee shall pay the same taxes as are now " or may hereafter be required by law from other persons,

on its real estate, buildings, plant, machinery, and other personal property, except property declared exempt in this section. In consideration of the franchise and rights here-; by granted, the grantee shall pay into the municipal treasury of each municipality in which it is supplying electricity to the public under this franchise, a tax equal to two per centum of the gross earnings for electric current sold under this franchise. Said percentage shall be due and payable quarterly and shall be in lieu of all taxes of any kind levied, established or collected by any authority whatsoever, now or in the future, on its poles, wires, insulators, switches, transformers and other structures, installations, conductors, and accessories, placed in and over the public streets, avenues, roads, thoroughfares, squares, bridges, and other places, and on its franchises, rights, privileges, receipts, revenues and profits, from which taxes the grantee is hereby expressly exempted.

SEC. 9. The grantee shall be required by the Public Service Commission to make for each certificate of public necessity and convenience obtained by it in accordance with section seven hereof, a deposit of not less than one thousand pesos, Philippine currency, or negotiable bonds of the United States or other securities approved by the Public Service Commission, of a face value of not less than one thousand pesos, Philippine currency, such deposit to be made in the Insular Treasury, within a period to be fixed by the Public Service Commission, as an earnest of good faith and a guarantee that the grantee will, within a period also to be fixed by the Public Service Commission, begin and complete the work and be completely provided with the necessary equipment to begin the electric light and power service in the municipality concerned. The Public Service Commission shall order the return of the deposit herein required to the grantee upon the completion of the work for the electric supply service in accordance with the terms and conditions of the certificate obtained.

SEC. 10. The municipalities of Cebu, Talisay, Minglanilla, Naga, San Fernando, Mandawe, Consolacion, Liloan, and Compostela shall have the privilege, without compensation, of using the poles of the grantee for the purpose of installing, maintaining, and operating a police telephone and fire alarm system; but the wires of such telephone or alarm system shall be placed and stretched in such manner as to cause no interference with or damage to the wires of the electric service of the grantee. Any of the municipalities above specified which makes use of the aforesaid privilege shall be liable to the grantee for any damage or liability arising from the installation, maintenance or operation from said telephone or alarm system.

SEC. 11. This franchise is granted with the understanding and upon the condition that it shall be subject to amendment, alteration, or repeal by the Congress of the United States as provided in section twenty-eight of the Act of Congress approved August twenty-ninth, nineteen hundred and sixteen, entitled "An Act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those Islands," and that it shall be subject, in all respect, to the limitations upon corporations and the granting of franchises contained in said Act of Congress, and that all lands or rights shall revert upon its termination to the insular, provincial, or municipal governments which were the owners thereof.

SEC. 12. The grantee of this franchise is forbidden to issue stock or bonds under this franchise except in exchange for actual cash equal to the par value of the stock or bonds issued.

SEC. 13. The books of the grantee shall always be open to the inspection of the provincial treasurer or his authorized representative, and it shall be the duty of the grantee to submit to the provincial treasurer quarterly reports in duplicate showing the gross receipts and the net receipt for the quarter past and the general condition of the business, one of which shall be forwarded by the provincial treasurer to the Insular Auditor, who shall keep the same on file.

SEC. 14. The grantee, with the approval of the Philippine Legislature first had, may sell, lease, grant, convey, or

transfer this franchise and all property and rights acquired thereunder to any person or corporation competent to operate the business hereby authorized, but title to the franchise or any right of ownership or interest acquired thereunder shall not be conveyed by sale, lease, grant, conveyance or transfer until there shall have been filed in the office of the Secretary of Commerce and Communications an agreement in writing by which the person or corporation in whose favor such sale, lease, grant, conveyance or transfer is made, shall bind himself to comply with all the terms and conditions imposed upon the grantee by this franchise, and to accept the same subject to all existing terms and conditions.

SEC. 15. The Public Service Commission or its successors, after hearing the interested parties, upon notice and order in writing, shall have the power to declare the forfeiture of this franchise and all rights inherent in the same for failure on part of the grantee to comply with any of the terms and conditions thereof, unless such failure shall have been directly and primarily caused by the act of God, the public enemy, or force majeure. Against such declaration of forfeiture by the Public Service Commission or its successors, the grantee may apply for the remedies provided in sections thirty and thirty-one of Act Numbered Twenty-three hundred and seven, as amended.

SEC. 16. Wherever in this franchise the term "grantee" is used, it shall be held and understood to mean and represent the Visayan Electric Company, S. A., its representatives, successors, or assigns.

SEC. 17. This Act cancels and renders ineffective Act Numbered Thirteen hundred and three, entitled: "An Act granting to Martin M. Levering a franchise to install, operate, and maintain an electric light, heat, and power supply system in the municipality of Cebu, Province of Cebu" upon the date of its approval and after the grantee shall have filed its acceptance of the conditions and terms hereof with the Secretary of Commerce and Communications.

SEC. 18. This Act shall take effect on its approval.

Approved, December 8, 1928.

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.