

MANILA ELECTRIC COMPANY, PETITIONERS, VS. T.E.A.M. ELECTRONICS CORPORATION, TECHNOLOGY ELECTRONICS ASSEMBLY AND MANAGEMENT PACIFIC CORPORATION; AND ULTRA ELECTRONICS INSTRUMENTS...

G.R. NO. 131723. December 13, 2007

Ponente: NACHURA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-131723/>

NACHURA, J.:

This is a petition for review on certiorari under Rule 45 of the Rules of Court seeking the reversal of the Decision[1] of the Court of Appeals (CA) dated June 18, 1997 and its Resolution[2] dated December 3, 1997 in CA-G.R. CV No. 40282 denying the appeal filed by petitioner Manila Electric Company.

The facts of the case, as culled from the records, are as follows:

Respondent T.E.A.M. Electronics Corporation (TEC) was formerly known as NS Electronics (Philippines), Inc. before 1982 and National Semi-Conductors (Phils.) before 1988. TEC is wholly owned by respondent Technology Electronics Assembly and Management Pacific Corporation (TPC). On the other hand, petitioner Manila Electric Company (Meralco) is a utility company supplying electricity in the Metro Manila area.

Petitioner and NS Electronics (Philippines), Inc., the predecessor-in-interest of respondent TEC, were parties to two separate contracts denominated as Agreements for the Sale of Electric Energy under the following account numbers: 09341-1322-16[3] and 09341-1812-13.[4] Under the aforesaid agreements, petitioner undertook to supply TEC's building known as Dyna Craft International Manila (DCIM) located at Electronics Avenue, Food Terminal Complex, Taguig, Metro Manila, with electric power. Another contract was entered into for the supply of electric power to TEC's NS Building under Account No. 19389-0900-10.

In September 1986, TEC, under its former name National Semi-Conductors (Phils.) entered into a Contract of Lease[5] with respondent Ultra Electronics Industries, Inc. (Ultra) for the use of the former's DCIM building for a period of five years or until September 1991. Ultra was, however, ejected from the premises on February 12, 1988 by virtue of a court order, for repeated violation of the terms and conditions of the lease contract.

On September 28, 1987, a team of petitioner's inspectors conducted a surprise inspection of the electric meters installed at the DCIM building, witnessed by Ultra's[6] representative, Mr. Willie Abangan. The two meters covered by account numbers 09341-1322-16 and 09341-1812-13, were found to be allegedly tampered with and did not register the actual power consumption in the building. The results of the inspection were reflected in the Service Inspection Reports[7] prepared by the team.

In a letter dated November 25, 1987, petitioner informed TEC of the results of the inspection and demanded from the latter the payment of P7,040,401.01 representing its unregistered consumption from February 10, 1986 until September 28, 1987, as a result of the alleged tampering of the meters.[8] TEC received the letters on January 7, 1988. Since Ultra was in possession of the subject building during the covered period, TEC's Managing Director,

Mr. Bobby Tan, referred the demand letter to Ultra[9] which, in turn, informed TEC that its Executive Vice-President had met with petitioner's representative. Ultra further intimated that assuming that there was tampering of the meters, petitioner's assessment was excessive.[10] For failure of TEC to pay the differential billing, petitioner disconnected the electricity supply to the DCIM building on April 29, 1988.

TEC demanded from petitioner the reconnection of electrical service, claiming that it had nothing to do with the alleged tampering but the latter refused to heed the demand. Hence, TEC filed a complaint on May 27, 1988 before the Energy Regulatory Board (ERB) praying that electric power be restored to the DCIM building.[11] The ERB immediately ordered the reconnection of the service but petitioner complied with it only on October 12, 1988 after TEC paid P1,000,000.00, under protest. The complaint before the ERB was later withdrawn as the parties deemed it best to have the issues threshed out in the regular courts. Prior to the reconnection, or on June 7, 1988, petitioner conducted a scheduled inspection of the questioned meters and found them to have been tampered anew.[12]

Meanwhile, on April 25, 1988, petitioner conducted another inspection, this time, in TEC's NS Building. The inspection allegedly revealed that the electric meters were not registering the correct power consumption. Petitioner, thus, sent a letter dated June 18, 1988 demanding payment of P280,813.72 representing the differential billing.[13] TEC denied petitioner's allegations and claim in a letter dated June 29, 1988.[14] Petitioner, thus, sent TEC another letter demanding payment of the aforesaid amount, with a warning that the electric service would be disconnected in case of continued refusal to pay the differential billing.[15] To avert the impending disconnection of electrical service, TEC paid the above amount, under protest.[16]

On January 13, 1989, TEC and TPC filed a complaint for damages against petitioner and Ultra[17] before the Regional Trial Court (RTC) of Pasig. The case was raffled to Branch 162 and was docketed as Civil Case No. 56851.[18] Upon the filing of the parties' answer to the complaint, pre-trial was scheduled.

At the pre-trial, the parties agreed to limit the issues, as follows:

- Whether or not the defendant Meralco is liable for the plaintiffs' disconnection of electric service at DCIM Building.
- Whether or not the plaintiff is liable for (sic) the defendant for the differential billings in the amount of P7,040,401.01.
- Whether or not the plaintiff is liable to defendant for exemplary damages.[19]

For failure of the parties to reach an amicable settlement, trial on the merits ensued. On June 17, 1992, the trial court rendered a Decision in favor of respondents TEC and TPC, and against respondent Ultra and petitioner. The pertinent portion of the decision reads:

WHEREFORE, judgment is hereby rendered in this case in favor of the plaintiffs and against the defendants as follows:

- (1) Ordering both defendants Meralco and ULTRA Electronics Instruments, Inc. to jointly and severally reimburse plaintiff TEC actual damages in the amount of ONE MILLION PESOS with legal rate of interest from the date of the filing of this case on January 19, 1989 until the said amount shall have been fully paid;
- (2) Ordering defendant Meralco to pay to plaintiff TEC the amount of P280,813.72 as actual damages with legal rate of interest also from January 19, 1989;
- (3) Ordering defendant Meralco to pay to plaintiff TPC the amount of P150,000.00 as actual damages with interest at legal rate from January 19, 1989;
- (4) Condemning defendant Meralco to pay both plaintiffs moral damages in the amount pf P500,000.00;
- (5) Condemning defendant Meralco to pay both plaintiffs corrective and/or exemplary damages in the amount

of P200,000.00;

(6) Ordering defendant Meralco to pay attorney's fees in the amount of P200,000.00

Costs against defendant Meralco.

SO ORDERED.[20]

The trial court found the evidence of petitioner insufficient to prove that TEC was guilty of tampering the meter installations. The deformed condition of the meter seal and the existence of an opening in the wire duct leading to the transformer vault did not, in themselves, prove the alleged tampering, especially since access to the transformer was given only to petitioner's employees.[21] The sudden drop in TEC's (or Ultra's) electric consumption did not, per se, show meter tampering. The delay in the sending of notice of the results of the inspection was likewise viewed by the court as evidence of inefficiency and arbitrariness on the part of petitioner. More importantly, petitioner's act of disconnecting the DCIM building's electric supply constituted bad faith and thus makes it liable for damages.[22] The court further denied petitioner's claim of differential billing primarily on the ground of equitable negligence.[23] Considering that TEC and TPC paid P1,000,000.00 to avert the disconnection of electric power; and because Ultra manifested to settle the claims of petitioner, the court imposed solidary liability on both Ultra and petitioner for the payment of the P1,000,000.00.

Ultra and petitioner appealed to the CA which affirmed the RTC decision, with a modification of the amount of actual damages and interest thereon. The dispositive portion of the CA decision dated June 18, 1997, states:

WHEREFORE, this Court renders judgment affirming in toto the Decision rendered by the trial court with the slight modification that the interest at legal rate shall be computed from January 13, 1989 and that Meralco shall pay plaintiff T.E.A.M. Electronics Corporation and Technology Electronics Assembly and Management Pacific Corporation the sum of P150,000.00 per month for five (5) months for actual damages incurred when it was compelled to lease a generator set with interest at the legal rate from the above-stated date.

SO ORDERED.[24]

The appellate court agreed with the RTC's conclusion. In addition, it considered petitioner negligent for failing to discover the alleged defects in the electric meters; in belatedly notifying TEC and TPC of the results of the inspection; and in disconnecting the electric power without prior notice.

Petitioner now comes before this Court in this petition for review on certiorari contending that:

The Court of Appeals committed grievous errors and decided matters of substance contrary to law and the rulings of this Honorable Court:

- In finding that the issue in the case is whether there was deliberate tampering of the metering installations at the building owned by TEC.
- In not finding that the issue is: whether or not, based on the tampered meters, whether or not petitioner is entitled to differential billing, and if so, how much.
- In declaring that petitioner ME RALCO had the burden of proof to show by clear and convincing evidence that with respect to the tampered meters that TEC and/or TPC authored their tampering.
- In finding that petitioner Meralco should not have held TEC and/or TPC responsible for the acts of Ultra.
- In finding that TEC should not be held liable for the tampering of this electric meter in its DCIM Building.
- In finding that there was no notice of disconnection.

- In finding that petitioner MERALCO was negligent in informing TEC of the alleged tampering.
- In making the finding that it is difficult to believe that when petitioner MERALCO inspected on June 7, 1988 the meter installations, they were found to be tampered.
- In declaring that petitioner MERALCO estopped from claiming any tampering of the meters.
- In finding that “the method employed by MERALCO to ascertain (sic) the ‘correct’ amount of electricity consumed is questionable”;
- In declaring that MERALCO all throughout its dealings with TEC took on an “attitude” which is oppressive, wanton and reckless.
- In declaring that MERALCO acted arbitrarily in inspecting TEC’s DCIM building and the NS building.
- In declaring that respondents TEC and TPC are entitled to the damages which it awarded.
- In not declaring that petitioner is entitled to the differential bill.
- In not declaring that respondents are liable to petitioner for exemplary damages, attorney’s fee and expenses for litigation.[25]

The petition must fail.

The issues for resolution can be summarized as follows: 1) whether or not TEC tampered with the electric meters installed at its DCIM and NS buildings; 2) If so, whether or not it is liable for the differential billing as computed by petitioner; and 3) whether or not petitioner was justified in disconnecting the electric power supply in TEC’s DCIM building.

Petitioner insists that the tampering of the electric meters installed at the DCIM and NS buildings owned by respondent TEC has been established by overwhelming evidence, as specifically shown by the shorting devices found during the inspection. Thus, says petitioner, tampering of the meter is no longer an issue.

It is obvious that petitioner wants this Court to revisit the factual findings of the lower courts. Well-established is the doctrine that under Rule 45 of the Rules of Court, only questions of law, not of fact, may be raised before the Court. We would like to stress that this Court is not a trier of facts and may not re-examine and weigh anew the respective evidence of the parties. Factual findings of the trial court, especially those affirmed by the Court of Appeals, are binding on this Court.[26]

Looking at the record, we note that petitioner claims to have discovered three incidences of meter-tampering; twice in the DCIM building on September 28, 1987 and June 7, 1988; and once in the NS building on April 24, 1988.

The first instance was supposedly discovered on September 28, 1987. The inspector allegedly found the presence of a short circuiting device and saw that the meter seal was deformed. In addition, petitioner, through the Supervising Engineer of its Special Billing Analysis Department,[27] claimed that there was a sudden and unexplainable drop in TEC’s electrical consumption starting February 10, 1986. On the basis of the foregoing, petitioner concluded that the electric meters were tampered with.

However, contrary to petitioner’s claim that there was a drastic and unexplainable drop in TEC’s electric consumption during the affected period, the Pattern of TEC’s Electrical Consumption[28] shows that the sudden drop is not peculiar to the said period. Noteworthy is the observation of the RTC in this wise:

In fact, in Account No. 09341-1812-13 (heretofore referred as Account/Meter No. 2), as evidenced by Exhibits

“35” and “35-A,” there was likewise a sudden drop of electrical consumption from the year 1984 which recorded an average 141,300 kwh/month to 1985 which recorded an average kwh/month at 87,600 or a difference-drop of 53,700 kwh/month; from 1985’s 87,600 recorded consumption, the same dropped to 18,600 kwh/month or a difference-drop of 69,000 kwh/month. Surely, a drop of 53,700 could be equally categorized as a sudden drop amounting to 69,000 which, incidentally, the Meralco claimed as “unexplainable. x x x.[29]

The witnesses for petitioner who testified on the alleged tampering of the electric meters, declared that tampering is committed by consumers to prevent the meter from registering the correct amount of electric consumption, and result in a reduced monthly electric bill, while continuing to enjoy the same power supply. Only the registration of actual electric energy consumption, not the supply of electricity, is affected when a meter is tampered with.[30] The witnesses claimed that after the inspection, the tampered electric meters were corrected, so that they would register the correct consumption of TEC. Logically, then, after the correction of the allegedly tampered meters, the customer’s registered consumption would go up.

In this case, the period claimed to have been affected by the tampered electric meters is from February 1986 until September 1987. Based on petitioner’s Billing Record[31] (for the DCIM building), TEC’s monthly electric consumption on Account No. 9341-1322-16 was between 4,500 and 27,000 kwh.[32] Account No. 9341-1812-13 showed a monthly consumption between 9,600 and 34,200 kwh.[33] It is interesting to note that, after correction of the allegedly tampered meters, TEC’s monthly electric consumption from October 1987 to February 1988 (the last month that Ultra occupied the DCIM building) was between 8,700 and 24,300 kwh in its first account, and 16,200 to 46,800 kwh on the second account.

Even more revealing is the fact that TEC’s meters registered 9,300 kwh and 19,200 kwh consumption on the first and second accounts, respectively, a month prior to the inspection. On the first month after the meters were corrected, TEC’s electric consumption registered at 9,300 kwh and 22,200 kwh on the respective accounts. These figures clearly show that there was no palpably drastic difference between the consumption before and after the inspection, casting a cloud of doubt over petitioner’s claim of meter-tampering. Indeed, Ultra’s explanation that the corporation was losing; thus, it had lesser consumption of electric power appear to be the more plausible reason for the drop in electric consumption.

Petitioner likewise claimed that when the subject meters were again inspected on June 7, 1988, they were found to have been tampered anew. The Court notes that prior to the inspection, TEC was informed about it; and months before the inspection, there was an unsettled controversy between TEC and petitioner, brought about by the disconnection of electric power and the non-payment of differential billing. We are more disposed to accept the trial court’s conclusion that it is hard to believe that a customer previously apprehended for tampered meters and assessed P7 million would further jeopardize itself in the eyes of petitioner.[34] If it is true that there was evidence of tampering found on September 28, 1987 and again on June 7, 1988, the better view would be that the defective meters were not actually corrected after the first inspection. If so, then *Manila Electric Company v. Macro Textile Mills Corporation*[35] would apply, where we said that we cannot sanction a situation wherein the defects in the electric meter are allowed to continue indefinitely until suddenly, the public utilities demand payment for the unrecorded electricity utilized when they could have remedied the situation immediately. Petitioner’s failure to do so may encourage neglect of public utilities to the detriment of the consuming public. Corollarily, it must be underscored that petitioner has the imperative duty to make a reasonable and proper inspection of its apparatus and equipment to ensure that they do not malfunction, and the due diligence to discover and repair defects therein. Failure to perform such duties constitutes negligence.[36] By reason of said negligence, public utilities run the risk of forfeiting amounts originally due from their customers.[37]

As to the alleged tampering of the electric meter in TEC’s NS building, suffice it to state that the allegation was

not proven, considering that the meters therein were enclosed in a metal cabinet the metal seal of which was unbroken, with petitioner having sole access to the said meters.[38]

In view of the negative finding on the alleged tampering of electric meters on TEC's DCIM and NS buildings, petitioner's claim of differential billing was correctly denied by the trial and appellate courts. With greater reason, therefore, could petitioner not exercise the right of immediate disconnection.

The law in force at the time material to this controversy was Presidential Decree (P.D.) No. 401[39] issued on March 1, 1974.[40] The decree penalized unauthorized installation of water, electrical or telephone connections and such acts as the use of tampered electrical meters. It was issued in answer to the urgent need to put an end to illegal activities that prejudice the economic well-being of both the companies concerned and the consuming public.[41] P.D. 401 granted the electric companies the right to conduct inspections of electric meters and the criminal prosecution[42] of erring consumers who were found to have tampered with their electric meters. It did not expressly provide for more expedient remedies such as the charging of differential billing and immediate disconnection against erring consumers. Thus, electric companies found a creative way of availing themselves of such remedies by inserting into their service contracts (or agreements for the sale of electric energy) a provision for differential billing with the option of disconnection upon non-payment by the erring consumer. The Court has recognized the validity of such stipulations.[43] However, recourse to differential billing with disconnection was subject to the prior requirement of a 48-hour written notice of disconnection.[44]

Petitioner, in the instant case, resorted to the remedy of disconnection without prior notice. While it is true that petitioner sent a demand letter to TEC for the payment of differential billing, it did not include any notice that the electric supply would be disconnected. In fine, petitioner abused the remedies granted to it under P.D. 401 and Revised General Order No. 1 by outrightly depriving TEC of electrical services without first notifying it of the impending disconnection. Accordingly, the CA did not err in affirming the RTC decision.

As to the damages awarded by the CA, we deem it proper to modify the same. Actual damages are compensation for an injury that will put the injured party in the position where it was before the injury. They pertain to such injuries or losses that are actually sustained and susceptible of measurement. Except as provided by law or by stipulation, a party is entitled to adequate compensation only for such pecuniary loss as is duly proven. Basic is the rule that to recover actual damages, not only must the amount of loss be capable of proof; it must also be actually proven with a reasonable degree of certainty, premised upon competent proof or the best evidence obtainable.[45]

Respondent TEC sufficiently established, and petitioner in fact admitted, that the former paid P1,000,000.00 and P280,813.72 under protest, the amounts representing a portion of the latter's claim of differential billing. With the finding that no tampering was committed and, thus, no differential billing due, the aforesaid amounts should be returned by petitioner, with interest, as ordered by the Court of Appeals and pursuant to the guidelines set forth by the Court.[46]

However, despite the appellate court's conclusion that no tampering was committed, it held Ultra solidarily liable with petitioner for P1,000,000.00, only because the former, as occupant of the building, promised to settle the claims of the latter. This ruling is erroneous. Ultra's promise was conditioned upon the finding of defect or tampering of the meters. It did not acknowledge any culpability and liability, and absent any tampered meter, it is absurd to make the lawful occupant liable. It was petitioner who received the P1 million; thus, it alone should be held liable for the return of the amount.

TEC also sufficiently established its claim for the reimbursement of the amount paid as rentals for the generator set it was constrained to rent by reason of the illegal disconnection of electrical service. The official receipts and

purchase orders submitted by TEC as evidence sufficiently show that such rentals were indeed made. However, the amount of P150,000.00 per month for five months, awarded by the CA, is excessive. Instead, a total sum of P150,000.00, as found by the RTC, is proper.

As to the payment of exemplary damages and attorney's fees, we find no cogent reason to disturb the same. Exemplary damages are imposed by way of example or correction for the public good in addition to moral, temperate, liquidated, or compensatory damages.[47] In this case, to serve as an example – that before a disconnection of electrical supply can be effected by a public utility, the requisites of law must be complied with – we affirm the award of P200,000.00 as exemplary damages. With the award of exemplary damages, the award of attorney's fees is likewise proper, pursuant to Article 2208[48] of the Civil Code. It is obvious that TEC needed the services of a lawyer to argue its cause through three levels of the judicial hierarchy. Thus, the award of P200,000.00 is in order.[49]

We, however, deem it proper to delete the award of moral damages. TEC's claim was premised allegedly on the damage to its goodwill and reputation.[50] As a rule, a corporation is not entitled to moral damages because, not being a natural person, it cannot experience physical suffering or sentiments like wounded feelings, serious anxiety, mental anguish and moral shock. The only exception to this rule is when the corporation has a reputation that is debased, resulting in its humiliation in the business realm.[51] But in such a case, it is imperative for the claimant to present proof to justify the award. It is essential to prove the existence of the factual basis of the damage and its causal relation to petitioner's acts.[52] In the present case, the records are bereft of any evidence that the name or reputation of TEC/TPC has been debased as a result of petitioner's acts. Besides, the trial court simply awarded moral damages in the dispositive portion of its decision without stating the basis thereof.

WHEREFORE, the petition is DENIED. The Decision of the Court of Appeals in CA-G.R. CV No. 40282 dated June 18, 1997 and its Resolution dated December 3, 1997 are AFFIRMED with the following MODIFICATIONS: (1) the award of P150,000.00 per month for five months as reimbursement for the rentals of the generator set is REDUCED to P150,000.00; and (2) the award of P500,000.00 as moral damages is hereby DELETED.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, Chico-Nazario, and Reyes, JJ., concur.

[1] Penned by Associate Justice Maximiano C. Asuncion, with Associate Justices Jesus M. Elbinias and Ramon A. Barcelona, concurring; rollo, pp. 86-102.

[2] Rollo, pp. 104-105.

[3] Records, pp. 73-76.

[4] Id. at 77-78.

[5] Id. at 175-189.

[6] Ultra was then in possession of the subject building by virtue of a contract of lease.

[7] Records, pp. 79-82.

[8] Id. at 20-21.

[9] The referral was embodied in a letter dated January 8, 1988 (Records, p. 196).

[10] Records, p. 197.

[11] The complaint before the ERB was later withdrawn by TEC on the ground that the issues should be ventilated before the regular courts.

[12] Rollo, p. 89.

[13] Records, p. 246.

[14] Id. at 247-248.

[15] Id. at 250.

[16] Id. at 251-252.

[17] Ultra was impleaded as a defendant being the lessee of the DCIM Building and was in possession thereof during the covered period.

[18] Id. at 1-12.

[19] Id. at 128.

[20] Rollo, pp. 213-214.

[21] Id. at 208.

[22] Id. at 210.

[23] Id. at 211.

[24] Id. at 101.

[25] Rollo, pp. 32-34.

[26] Manila Electric Company v. South Pacific Plastic Manufacturing Corporation, G.R. No. 144215, June 27, 2006, 493 SCRA 114, 120; Manila Electric Company v. Court of Appeals, 413 Phil. 338, 354 (2001)..

[27] Rollo, p. 198.

[28] Records, pp. 446-449.

[29] Rollo, p. 207.

[30] See Manila Electric Company v. Imperial Textile Mills, Inc., G.R. No. 146747, July 29, 2005, 465 SCRA 151, 165.

[31] Exhibits “32” to “32-G” and “33” to 33-F.”

[32] To illustrate: TEC’s Billing Record (Account No. 9341-1322-16) shows the following details:

May 8, 1987

11,100 kwh

June 8, 1987

9,300 kwh

July 8, 1987

16,800 kwh

August 7, 1987

9,900 kwh

September 8, 1987

9,300 kwh (Exh. "32-D")

[33] To illustrate: TEC's Billing Record (Account No. 9341-1812-13) shows the following details:

May 8, 1987

9,600 kwh

June 8, 1987

13,200 kwh

July 8, 1987

30,600 kwh

August 7, 1987

24,600 kwh

September 8, 1987

19,200 kwh (Exh. "33-C")

[34] Rollo, p. 203.

[35] 424 Phil. 811, 828 (2000).

[36] *Ridjo Tape and Chemical Corp. v. Court of Appeals*, G.R. No. 126074, February 24, 1998, 286 SCRA 544, 552.

[37] *Manila Electric Company v. Macro Textile Mills*, *supra* note 35.

[38] Rollo, p. 194.

[39] "Penalizing the Unauthorized Installation of Water, Electrical or Telephone Connections, the Use of Tampered Water or Electrical Meters and Other Acts"; as amended by P.D. 401-A.

[40] Repealed by Republic Act No. 7832, otherwise known as the "Anti-Electricity and Electric Transmission Lines/Materials Pilferage Act of 1994."

[41] *Manila Electric Company v. Macro Textile Mills Corporation*, *supra* note 35, at 819.

[42] Section 1 thereof provides:

Any person who installs any water, electrical, telephone or piped gas connection without previous authority from the Metropolitan Waterworks and Sewerage System, the Manila Electric Company, the Philippine Long Distance Telephone Company, or the Manila Gas Corporation, as the case may be, tampers and/or uses tampered water, electrical or gas meters, jumpers or other devices whereby water, electricity or piped gas is stolen; steals or pilfers water, electric or piped gas meters, or water, electric and/or telephone wires, or piped gas pipes or conduits; knowingly possesses stolen or pilfered water, electrical and/or telephone wires, or piped gas pipes or conduits, shall upon conviction be punished with prison correccional in its minimum period or a fine ranging from two thousand to six thousand pesos, or both.

[43] *Samar II Electric Cooperative, Inc. and Baltazar Dacula v. Quijano*, G.R. No. 144474, April 27, 2007.

[44] The requirement of 48-hour notice was provided for in Section 97 of Revised General Order No. 1. The provision reads:

Section 97. Payment of bills. – A public service may require that bills for service be paid within a specified time after rendition. When the billing period covers a month or more, the minimum time allowed will be ten days and upon expiration of the specified time, service may be discontinued for the non-payment of bills, provided that a 48-hours' written notice of such disconnection has been given the customer; x x x.

[45] *Quisumbing v. Manila Electric Company*, 429 Phil. 727, 747 (2000).

[46] *Eastern Shipping Lines, Inc. v. Court of Appeals*, G.R. No. 97412, July 12, 1994, 234 SCRA 78, 95-97.

[47] *Quisumbing v. Manila Electric Company*, *supra* note 45, at 752.

[48] Article 2208 states:

In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

(1) When exemplary damages are awarded;

x x x.

[49] *Quisumbing v. Manila Electric Company*, *supra* note 45, at 752.

[50] *Records*, p. 11.

[51] *Coastal Pacific Trading, Inc. v. Southern Rolling Mills, Co., Inc.*, G.R. No. 118692, July 28, 2006, 497 SCRA 11, 41; *ABS-CBN Broadcasting Corp. v. Court of Appeals*, 361 Phil. 499, 516 (1999).

[52] *Development Bank of the Philippines v. Court of Appeals*, 451 Phil. 563, 586-587 (2003).

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.