

HOC LIAN HO DRY GOODS CLUB AND MELECIO TAN, PETITIONERS AND APPELLANTS, VS. MANILA ELECTRIC COMPANY, RESPONDENT AND APPELLEE.

G. R. No. 45110. November 27, 1936

Ponente: IMPERIAL, J.

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IMPERIAL, J.:

Petitioners file this petition for review of a decision of the Public Service Commission of January 30, 1936, dismissing their complaint lodged against the respondent, and denying their motions to restrain the respondent from carrying out its threat of suspending the supply of electricity to petitioners' respective stalls at the Yangco Market, City of Manila.

Prior to February 1, 1935, the petitioners occupied stalls at the Yangco Market, City of Manila, and Hoc Lian Ho Dry Goods Club and Melecio Tan had entered into contracts with the respondent whereby the latter undertook to supply electricity to the stalls occupied by petitioners. Under the contracts the respondent bound itself to supply electricity to 195 electric lights and 30 electric fans belonging to the first, and to 92 electric lights and 10 electric fans belonging to the second. The respondent supplied the electricity up to February 2, 1935, when it discontinued the supply notwithstanding the fact that the contracts expired on January 31 of the same year. On December 20, 1934, the respondent was authorized in case No. 41800 of the Public Service Commission to charge a new rate in lieu of that approved in 1915 in case No. 703. Pursuant to this authority the respondent, on January 29, 1935, advised Hoc Lian Ho Dry Goods Club that, beginning February 1st they should pay in accordance with the new rate, and also suggested that the petitioners execute contracts for the supply of their electric lights and electric fans on the basis of 24 hours instead of 12 hours as formerly agreed upon. The petitioners did not agree to this, and on February 1st they filed a complaint with the commission against the respondent, alleging that the latter had infringed the contracts had between them; that it had attempted to apply to them the new and more prejudicial rate, and that it had threatened to suspend the service and cut off their supply of electricity. They asked that an investigation be conducted; that the respondent be required to abide by the conditions of the contracts, and that the said respondent be not permitted to demand that the electric consumption be on the twenty-four hour basis. Thereafter the petitioners put in motions asking that the respondent be ordered not to discontinue the supply of electricity and to follow the contracts then in force. They alleged that the respondent had threatened them with suspension of the service on their refusal to sign the new contracts imposing the new rate and providing for service on the twenty-four hour basis. The respondent answered that the petitioners had no right to the relief prayed for because the contracts had already expired on January 31, 1935; that the petitioners had not signed direct or individual contracts with it; that it was authorized by the commission to charge them pursuant to the new rate; that Hoc Lian Ho Dry Goods Club and Melecio Tan were the ones who had signed contracts and supplied electricity to the other petitioners, thus turning out to be competitors; that the respondent was authorized by the commission to grant discounts on accounts for consumption of customers, but the said company and Melecio Tan, taking advantage of the benefit, added the amounts of consumption of all the petitioners and upon the total thereof

claimed and obtained the discount, thus depriving the respondent of this benefit; that the respondent is ready to supply electricity to the petitioners if the latter execute individual contracts with it under the conditions which it is authorized by the commission to impose, and that the petitioners are not actually deprived of the service because Teodoro R. Yangco, owner of the Yangco Market, entered into a contract with the respondent whereby the petitioners avail themselves of the electricity supplied by the respondent. After trial, the commission rendered the appealed decision and denied the petitioners' motion for reconsideration.

The petitioners assign the following errors committed by the Public Service Commission: In denying their motions of February 5 and 22, 1935, asking that the respondent be immediately ordered to supply them with electricity and to desist from charging the petitioners rates upon the basis of twenty-four hours a day instead of twelve hours; in denying their motion for reconsideration of March 13, 1935; in not holding that the respondent's real purpose in not recognizing the personality of the petitioners to contract and in alleging that they are competitors, was to compel them illegally to accept a service upon the twenty-four hour basis and upon a higher rate; in not holding that Exhibits H, H-1 and H-2, representing the contracts for the supply of electricity, were obtained by the defendant through misrepresentation, deceit, and fraud, and in applying said contracts to Hoc Lian Ho Dry Goods Club and Melecio Tan; in taking into account the contract for electric supply which Teodoro R. Yangco had with the respondent and in finding that the question involved in the case has become academic in nature; in taking into account the decisions of the Court of First Instance of Manila in civil cases Nos. 47713 and 47718, commenced by Hoc Lian Ho Dry Goods Club and Melecio Tan, respectively, against the respondent, and in dismissing their complaint, overruling their petitions, and denying their motions for reconsideration and new trial.

In deciding the merits of the appeal, it is not necessary to discuss separately petitioners' seven assignment of errors, because they all turn upon the question of whether the petitioners have existing contracts with the respondent, and of whether the commission is authorized to pass on the validity of the contracts relied upon by the respondent.

The petitioners themselves concede that their contracts with the respondent, on the date when the latter suspended the supply of electricity, had already lapsed and expired on January 31, 1935. Their right is made to rest on the allegation that their consent was obtained through misrepresentation, deceit and fraud. As a public service operator, the respondent is not bound to supply electricity except to those who have previously executed contracts with it under conditions authorized by the commission. Not having valid contracts at the time the respondent cut off their supply of electricity, the petitioners cannot compel the respondent to continue the service unless they execute contracts with the condition authorized by the commission. The Public Service Commission is not a judicial tribunal, and its functions are limited and administrative in nature. (*Filipino Bus Co. vs. Philippine Railway Co.*, 57 Phil., 860; *Manila Electric Co. vs. Pasay Transportation Co.*, G. R. No. 37287, 57 Phil., 1016.) Wherefore, it is without power to pass upon the question raised by the petitioners, to the effect that the contracts for electric supply signed by them were obtained by the respondent through misrepresentation, deceit, and fraud. Such question is within the exclusive province of the ordinary courts of justice.

During the pendency of the case, the petitioners filed a petition asking that case No. 41800 of the Public Service Commission be forwarded to this court in order to show that the commission, without previous hearing or notice to the parties, approved the general revised schedule of rates No. 2. The respondent opposed the petition on the ground, among others, that the opposition filed by the petitioners in said case is still pending. Moreover, the respondent alleges that the petitioners are not necessarily duty bound to execute contracts with the respondent on the twenty-four hour basis. They could, if they so desire, contract for less. We find no need to have case No. 41800 before us in order to decide the case at hand. Petitioners' contention, as will be seen, is untenable for the

simple reason that they have no contracts with the respondent for the supply of electricity after those previously renewed had expired. Wherefore, the petition is hereby denied.

In view of the foregoing, the appealed decision is affirmed, with the costs to the petitioners. So ordered.

Avanceña, C. J., Villa-Real, Abad Santos, Diaz, and Laurel, JJ., concur.

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