

RADIO COMMUNICATIONS OF THE PHILIPPINES, INC. (RCPI), PETITIONER, VS. NATIONAL TELECOMMUNICATIONS COMMISSION (NTC) AND JUAN A. ALEGRE, RESPONDENTS.

G.R. No. 93237. November 06, 1992

Ponente: PADILLA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-93237/>

PADILLA, J.:

Private respondent Juan A. Alegre's wife, Dr. Jimena Alegre, sent two (2) RUSH telegrams through petitioner RCPI's facilities in Taft Ave., Manila at 9:00 in the morning of 17 March 1989 to his sister and brother-in-law in Valencia, Bohol and another sister-in-law in Espiritu, Ilocos Norte, with the following identical texts:

“MANONG POLING DIED INTERMENT TUESDAY”[1]

Both telegrams did not reach their destinations on the expected dates. Private respondent filed a letter-complaint against the RCPI with the National Telecommunications Commission (NTC) for poor service, with a request for the imposition of the appropriate punitive sanction against the company.

Taking cognizance of the complaint, NTC directed RCPI to answer the complaint and set the initial hearing of the case to 2 May 1989. After two (2) resettings, RCPI moved to dismiss the complaint on the following grounds:

1. Juan Alegre is not the real party in interest;
2. NTC has no jurisdiction over the case;
3. the continued hearing of the case violates its constitutional right to due process of law.[2]

RCPI likewise moved for deferment of scheduled hearings until after final determination of its motion to dismiss.

On 15 June 1989, NTC proceeded with the hearing and received evidence for private respondent Juan Alegre. On 3 October 1989, RCPI's motion to dismiss was denied, thus:

“The herein complainant is the husband of the sender of the ‘rush’ telegram that respondent allegedly failed to deliver in a manner respondent bound itself to undertake, so his legal interest in this administrative case cannot be seriously called in question. As regards the issue of jurisdiction, the authority of the Commission to hear and decide this case stems from its power of control and supervision over the operation of public communication utilities as conferred upon it by law.

Besides, the filing of a motion to dismiss is not allowed by the rules (Section 1, Rule 12, Rules of Practice and Procedures). Following, however, the liberal construction of the rules, respondent (sic) motion shall be treated as its answer or be passed upon after the conclusion of the hearing on the merits. x x x”[3]

Hearings resumed in the absence of petitioner RCPI which was, however, duly notified thereof. On 27 November 1989, NTC disposed of the controversy in the following manner:

“WHEREFORE, in view of all the foregoing, the Commission finds respondent administratively liable for

deficient and inadequate service defined under Section 19(a) of C.A. 146 and hereby imposes the penalty of FINE payable within thirty (30) days from receipt hereof in the aggregate amount of ONE THOUSAND PESOS (P1,000.00) for:

1. Rush Telegram sent to Valencia, Bohol on March 17, 1989 and received on March 21, 1989

3 days x P200.00 per day = P600.00

2. Rush Telegram sent to Espiritu, Ilocos Norte on March 17, 1989 and received March 20, 1989

2 days x P200.00 per day = P400.00

Total = P1,000.00

ENTERED. November 27, 1989.”[4]

A motion for reconsideration by RCPI reiterating averments in its earlier motion to dismiss was denied for lack of merit;[5] hence, this petition for review invoking C.A. 146 Sec. 19 (a) which limits the jurisdiction of the Public Service Commission (precursor of the NTC) to the fixing of rates. RCPI submits that its position finds support in two (2) decided cases[6] identical with the present one. Then Justice (later Chief Justice) Fernando writing for the Court stated:

“x x x There can be no justification then for the Public Service Commission imposing the fines in these two petitions. The law cannot be any clearer. The only power it possessed over radio companies, as noted was the (sic) fix rates. It could not take to task a radio company for any negligence or misfeasance. It was bereft of such competence. It was not vested with such authority. x x x

The Public Service Commission having been abolished by virtue of a Presidential Decree, as set forth at the outset, and a new Board of Communications having been created to take its place, nothing said in this decision has reference to whatever powers are now lodged in the latter body” (Footnotes omitted)

Two (2) later cases,[7] adhering to the above tenet ruled:

“Even assuming that the respondent Board of Communications has the power of jurisdiction over petitioner in the exercise of its supervision to insure adequate public service, petitioner cannot be subjected to payment of fine under sec. 21 of the Public Service Act, because this provision of the law subjects to a fine every public service that violates or falls (sic) to comply with the terms and conditions of any certificate or any orders, decisions and regulations of the Commission.....”

The Office of the Solicitor General now claims that the cited cases are no longer applicable, that the power and authority of the NTC to impose fines is incidental to its power to regulate public service utilities and to supervise telecommunications facilities, which are now clearly defined in Section 15, Executive Order No. 546 dated 23 July 1979, thus:

“Functions of the Commission. The Commission shall exercise the following functions:

‘x x x

b. Establish, prescribe and regulate the areas of operation of particular operators of the public service communications;

x x x

h. Supervise and inspect the operation of radio stations and telecommunications facilities.”

Regulatory administrative agencies necessarily impose sanctions, adds the Office of the Solicitor General. RCPI

was fined based on the finding of the NTC that it failed to undertake adequate service in delivering two (2) rush tele-grams. NTC takes the view that its power of supervision was broadened by E.O. 546, and that this development superseded the ruling in *RCPI vs. Francisco Santiago and companion cases*.

The issues of due process and real parties in interest do not have to be discussed in this case. This decision will dwell on the primary question of jurisdiction of the NTC to administratively impose fines on a telegraph company which fails to render adequate service to a consumer.

E.O. 546, it will be observed, is couched in general terms. The NTC stepped “into the shoes” of the Board of Communications which exercised powers pursuant to the Public Service Act. The power to impose fines should therefore be read in the light of the *Francisco Santiago* case because subsequent legislation did not grant additional powers to the Board of Communications. The Board in other words, did not possess the power to impose administrative fines on public services rendering deficient service to customers, ergo its successor cannot arrogate unto itself such power, in the absence of legislation. It is true that the decision in *RCPI vs. Board of Communications* seems to have modified the *Santiago* ruling in that the later case held that the Board of Communications can impose fines if the public service entity violates or fails to comply with the terms and conditions of any certificate or any order, decision or regulation of the Commission. But can private respondent’s complaint be similarly treated when the complaint seeks redress of a grievance against the company?[8] NTC has no jurisdiction to impose a fine. *Globe Wireless Ltd. vs. Public Service Commission* (G.R. No. L-27520, 21 January 1987, 147 SCRA 269) says so categorically.

“Verily, Section 13 of Commonwealth Act No. 146, as amended, otherwise known as the Public Service Act, vested in the Public Service Commission jurisdiction, supervision and control over all public services and their franchises, equipment and other properties.

x x x

The act complained of consisted in petitioner having allegedly failed to deliver the telegraphic message of private respondent to the addressee in Madrid, Spain. Obviously, such imputed negligence has nothing whatsoever to do with the subject matter of the very limited jurisdiction of the Commission over petitioner.

Moreover, under Section 21 of C.A. 146, as amended, the Commission was empowered to impose an administrative fine in cases of violation of or failure by a public service to comply with the terms and conditions of any certificate or any orders, decisions or regulations of the Commission. Petitioner operated under a legislative franchise, so there were no terms nor conditions of any certificate issued by the Commission to violate. Neither was there any order, decision or regulation from the Commission applicable to petitioner that the latter had allegedly violated, disobeyed, defied or disregarded.”

No substantial change has been brought about by Executive Order No. 546 invoked by the Solicitor General’s Office to bolster NTC’s jurisdiction. The Executive Order is not an explicit grant of power to impose administrative fines on public service utilities, including telegraphic agencies, which have failed to render adequate service to customers. Neither has it expanded the coverage of the supervisory and regulatory power of the agency. There appears to be no alternative but to reiterate the settled doctrine in administrative law that:

“Too basic in administrative law to need citation of jurisprudence is the rule that jurisdiction and powers of administrative agencies, like respondent Commission, are limited to those expressly granted or necessarily implied from those granted in the legislation creating such body; and any order without or beyond such jurisdiction is void and ineffective. . . (*Globe Wireless case*, supra).

WHEREFORE, the decision appealed from is REVERSED and SET ASIDE for lack of jurisdiction of the NTC to render it. The temporary restraining order issued on 18 June 1990 is made PERMANENT without prejudice,

however, to the filing by the party aggrieved by the conduct of RCPI, of the proper action in the proper forum. No costs.

SO ORDERED.

Cruz, (Chairman), Griño-Aquino, and Bellosillo, JJ., concur.
Medialdea, J., on leave.

[1] Exhibit “D”- NTC records

[2] Rollo, pp. 19-23

[3] Ibid., p. 24

[4] Ibid., p. 29

[5] Ibid., pp. 39-40

[6] RCPI vs. Francisco Santiago and Enrique Medina, G.R. No. L-29236, 21 August 1974 and RCPI vs. Constancio Jaugan, G.R. No. L-29247, 21 August 1974, 58 SCRA 493

[7] RCPI vs. Board of Communications, G.R. No. L-43653, 29 November 1977 and RCPI vs. Board of Communications, G.R. No. L-45378, 29 November 1977, 80 SCRA 471

[8] There is no doubt that when the complaint seeks damages in case of a breach of contractual obligation on the part of the telecommunications company (failure to send a telegram on time, included), the RTC has jurisdiction (see RCPI and Globe Mackay and Radio Corporation vs. Rufus Rodriguez, G.R. No. 83768, 28 February 1990, 182 SCRA 899; RCPI vs. Court Of Appeals, et. al., G.R. No. 79578, 13 March 1991, 195 SCRA 147

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.