

[REPUBLIC ACT NO. 5794, June 21, 1969]

**AN ACT GRANTING THE FILIPINAS TELEPHONE COMPANY,
INCORPORATED, A FRANCHISE TO ESTABLISH, OPERATE AND
MAINTAIN TELEPHONE SYSTEMS IN AND BETWEEN THE
PROVINCES, CITIES AND MUNICIPALITIES IN LUZON AND
CIRCUITS AND/OR STATIONS FOR DOMESTIC AND
INTERNATIONAL COMMUNICATIONS**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Subject to the provisions of the Constitution and of Commonwealth Act Numbered One hundred forty-six, as amended, there is hereby granted to Filipinas Telephone Company, Incorporated, hereinafter called the grantee, its successors or assigns, for a period of twenty-five years from the approval of this Act, the right, privilege, and authority to construct, operate and maintain telephone systems in Tagaytay City and Cavite City; Imus, Kawit, Bacoor, Noveleta and Rosario, all in the Province of Cavite; Guagua and Bacolor, both in the Province of Pampanga; and in and between the provinces, cities and municipalities in Luzon, it being understood that the grantee is authorized to construct, operate and maintain such exchanges and branch tributary lines within the provinces, cities and municipalities traversed to connect with the main systems, as public interest may warrant. The grantee is authorized to carry on the business of the electrical transmission of messages, impressions, pictures and signals in and between said provinces, cities and municipalities in Luzon, and/or to connect such systems within Luzon to the telephone systems of other countries, and for the purpose of operating said telephone system and transmitting messages and signals by means of electricity, to construct, operate and maintain and use all apparatus, conduits, appliances, receivers, transmitters, antennas, and equipment necessary for the electrical transmission of messages and signals, and to erect poles, structures, string wires, build conduits, lay cables, and to construct, maintain and use such other approved and generally accepted means of electrical conduction in, on, over, or under the public roads, government right-of-ways, lands, bridges, rivers, waters, streets, lanes, and sidewalks of said provinces, cities and municipalities, and overhead or submarine lines or on the surface of the ground as may be necessary and best adapted to said transmission: *Provided, however,* That all cables laid, all poles erected and all conduits constructed or used by the grantee, its successors or assigns, shall be located in places designated by the Secretary of Public Works and Communications and poles shall be erected in a workman like manner to the satisfaction of said official: *And provided, further,* That upon reasonable notice of the Secretary of Public Works and Communications, the grantee, its successors or assigns, may be required to relocate poles or remove or raise wires or other conductors so as to permit the passage of buildings or other structures from one place to another, one-half of the actual cost of such relocation of poles or raising or removal of wires or other conductors to be paid by the person at whose instance the

building or structure is moved; and wires and to remove or raise wires, or other conductors when the Secretary of Public Works and Communications so orders and when public interest so requires: *Provided, finally*, That from any order to relocate conduits, poles or wires, or to raise or remove wires or other conductors, the said grantee, its successors or assigns, shall have the right to appeal to the President of the Philippines, whose decision in the matter shall be final.

Should the grantee, its successors or assigns, fail, refuse, or neglect within a period of ninety days after notice to relocate its poles, conduits, wires, or other conductors, or to raise its wires or other conductors when so directed by the Secretary of Public Works and Communications then this official may relocate said poles, conduits, wires or other conductors or raise said wires or other conductors at the expense of the grantee, its successors or assigns: *Provided*, That the installation of all instruments, inside wiring, and all outside construction work shall be done in accordance with the rules and regulations prescribed by the Secretary of Public Works and Communications: *Provided, further*, That whenever twenty-five or more pairs of wires or other conductors are carried on in one line of poles in any city or municipal center, said wires or conductors shall be placed in one cable and that whenever more than one thousand two hundred pairs of wires or other conductors are carried on one line of poles, said cables shall be placed underground by the grantee, its successors or assigns, whenever ordered to do so by the Secretary of Public Works and Communications: *Provided, further*, That the poles erected, wires and cables strung, or conduits laid by virtue of this franchise shall be so placed as not to impair the efficient and effective transmission of messages or signals by any other company whose poles are erected, whose wires and cables are strung, or, whose conduits are actually laid at the time the poles are to be erected, wires and cables strung and conduits laid under and by virtue of this franchise: And provided, finally, That poles erected by the grantee shall be of such a height as to maintain the wires stretched on the same at a height of at least ten feet above the level of the ground providing a height of at least fifteen feet in crossing roads or streets, and shall be placed so as not to be a danger to public safety, in accordance with a plan approved by the Secretary of Public Works and Communications.

SEC. 2. The grantee may install, maintain and operate radio-telephone equipment to furnish economical medium of telephonic communications in and between the provinces, cities and municipalities mentioned in Section one of this Act and between the telephone systems of other franchise grantees and between the Philippine telephone system and those of other countries: *Provided*, That the location, installation or operation of such radio-telephonic equipment must be previously approved by the President of the Philippines upon recommendation of the Secretary of Public Works and Communications: *And, provided, further*, That the Secretary of Public Works and Communications, subject to the approval of the President of the Philippines, shall have the authority to supervise and regulate the installation or operation of such radio-telephonic equipment. The privilege to install, operate and maintain radio-telephonic equipment shall not be construed to authorize the broadcasting of any commercial messages, or the transmission of any message for hire by radio-graphic equipment or the transmission of radio-telegraphic equipment or the transmission of radio-telegraphic messages for hire.

SEC. 3. The grantee shall supply telephone service in said provinces, cities and municipalities mentioned in Section one where it may have established a local telephone exchange to any applicant for the same, within thirty days after the date

of their applications, and as between such applicant and other like applicants, in the order of the date of their applications, up to the limit of the capacity of the telephone system of said grantee, to be determined by the Public Service Commission on the application of such grantee and should the demand for telephone service at any time increase beyond the capacity of the telephone system of said grantee to supply the same, the capacity of said telephone systems shall be increased by said grantee to meet such demand, in accordance with the decision of the Public Service Commission or its legal successors: *Provided*, That in case the point at which the telephone service is to be supplied is more than fifty-meters from the local exchange lines operated by said grantee, the latter shall not be obliged to furnish service, unless the applicant for the telephone service defrays the actual expenses for the poles and wires and installation necessary for such service and in such cases the Public Service Commission may extend the time within which the grantee must furnish such service beyond the said period of thirty days.

SEC. 4. For the purpose of erecting and maintaining poles or other supports for said wires or other conductors or for the purpose of laying and maintaining underground said wires, cables, or other conductors, it shall be lawful for the grantee, its successors or assigns, with the prior approval of the Secretary of Public Works and Communications, to make excavation or lay conduits in any of the public places, highways, streets, lanes, alleys avenues, sidewalks, or bridges of said provinces, cities and municipalities: *Provided, however*, That any public place, highway, street, lane, alley, avenue, sidewalk or bridge disturbed, altered, or changed by reason of the erection of poles or other supports, or the laying underground of wires, or other conductors, or of conduits shall be repaired and replaced in a workmanlike manner by said grantee, its successors or assigns, to the satisfaction of the District Engineer of the province, city or municipality. Should the grantee,, its successors or assigns, after ten days notice from said authority, fail, refuse, or neglect to replace any part of a public place, road, highway, street, lane, alley, avenue, sidewalk or bridge altered, changed or disturbed by said grantee, its successors or assigns, then the Secretary of Public Works or the District Engineer concerned, shall have the right to have the same repaired and placed in good order and condition at the cost and expense of the grantee, its successors or assigns.

SEC. 5. All telephone lines and systems for the transmission of messages and signals owned, maintained, or operated by the grantee, its successors or assigns, shall be operated and maintained at all times in a satisfactory manner, and it shall be the further duty of said grantee, its successors or assigns, whenever required to do so by the Public Service Commission, to modify, improve, and change such telephone system or systems, for the transmission of messages and signals by means of electricity, in such manner and to such extent as the progress of science and improvements in the method of transmission of messages and signals by means of electricity may; make reasonable and proper.

Sec. 6. The grantee, its successors or assigns, shall keep a separate account of the gross receipts of the telephone and electrical transmission business and shall furnish to the Auditor General and the Treasurer of the Philippines a copy of such account not later than the thirty-first day of July of each year for the twelve months preceding the first day of July.

SEC. 7. The grantee, its successors or assigns, shall be liable to pay the Treasurer of the Philippines each year, within ten days after the audit and approval of the