THIRD DIVISION

[G.R. No. 222740, September 28, 2016]

ST. LUKE'S COLLEGE OF MEDICINE-WILLIAM H. QUASHA MEMORIAL FOUNDATION, DR. BRIGIDO L. CARANDANG, AND DR. ALEJANDRO P. ORTIGAS PETITIONERS, VS. SPOUSES MANUEL AND ESMERALDA PEREZ AND SPOUSES ERIC AND JURISITA QUINTOS, RESPONDENTS.

DECISION

PEREZ, J.:

Assailed in the present petition for review on *certiorari* is the Decision^[1] dated September 30, 2015 and the Resolution^[2] dated February 2, 2016 of the Court of Appeals (CA) in CA-G.R. CV No. 103529, which rulings reversed the Decision dated July 7, 2014^[3] of the Regional Trial Court (RTC), Branch 84, Malolos City, Bulacan in Civil Case No. 145-M-2012 and remanded the case to the trial court for reception of evidence on the amount of damages to be awarded.

As a backgrounder, in 2006, the Commission on Higher Education issued Memorandum Order No. 10, series of 2006 which required medical students to undergo rotating clinical clerkship in their fourth year. As such, petitioner St. Luke's College of Medicine (St. Luke's) entered into a Memorandum of Intent with the Municipality of Cabiao, Nueva Ecija for the construction of a community clinic. The said facility consisted of a six-bed medical facility in the ground floor, and a residential space for the medical staff in the second floor.

The undisputed facts, as amply summarized by the CA, are as follows:

In February 2010, St. Luke's sent four (4) of its 4th year medical students to the clinic, namely: plaintiffs-appellants Spouses Perez's daughter Jessa, plaintiffs-appellants Spouses Quintos' daughter Cecille, Jerillie Ann Murillo (Murillo) and Miguel Rafael Ramos (Ramos). They were tasked to complete a four-week clerkship rotation at the clinic and like the previous batches, they were housed in the second floor of the clinic.

According to Ramos, he and his groupmates reported for duty at the Cabiao clinic at approximately 10 o'clock in the morning of February 8, 2010. When their shift ended at 5 o'clock that afternoon, the group went for a jog and returned to the clinic at around 7 o'clock in the evening. They again went out at 9 o'clock in the evening to buy beverages, cooking oil and other items needed for their breakfast the next day and went to sleep sometime after midnight. Ramos admitted that one of the beverages they bought was an alcoholic beverage called The Bar, which consisted of either vodka or gin. He also admitted that only he and

Cecille drank the alcoholic beverage which they mixed with the soda and that they did not consume the whole bottle.

Ramos was awakened sometime between 3 o'clock and 3:30 in the morning of February 9, 2010 when he heard Murillo shouting from the other side of the room that there was a fire. Ramos immediately ran to the door which led to the living room and when he opened the same, he saw thick smoke coming from the left portion of the living room where there was a glow. He also felt extreme heat, prompting him to run to the bathroom to get a pail of water with which he tried to extinguish the fire. The girls, who had followed him to the bathroom, stayed behind. When Ramos' attempt to put out the fire proved to be futile, he went back to the bathroom and poured water on the girls in an attempt to alleviate the extreme heat coming from the fire.

According to Ramos, the smoke started to seep through the bathroom door and the group had started shouting for help. After a considerable amount of time, he heard somebody outside instructing him to get back from the window. When he did so, somebody broke the window and started to dismantle the iron grills barring the same. By that time, Ramos had started losing consciousness due to smoke inhalation and only remembered that he was being pulled out of the building through the window.

Unfortunately, the fire resulted in the deaths of the female medical students, including the daughters of plaintiffs-appellants due to smoke inhalation resulting" to asphyxia.

As a result of the deaths, defendant-appellee St. Luke's compensated the parents of the three deceased students in the amount of PhP300,000.00 each from insurance proceeds. (Citations omitted)

The Bureau of Fire Protection (BFP) conducted an investigation on the incident, and in a Certification dated April 18, 2011, it certified that the fire was "purely accidental in nature due to unattended cooking," to wit:[4]

THIS IS TO CERTIFY THAT as appearing on The Blotter Book No. 0304-0287, pages 17 and 18, the two storey Institutional building owned by Local Government Unit (LGU) Cabiao, Nueva Ecija was partially razed by fire including all the contents of the second floor that transpired on or about 090245H February 2010. The estimated cost of damage is two Million pesos (P2,000,000.00) more or less.

Result of investigation conducted by the Investigator on Case of this station, Bureau of Fire Protection, Cabiao, Nueva Ecija, disclosed that the fire was purely ACCIDENTAL IN NATURE due to UNATTENDED COOKING that occurred at the kitchen of said floor and no evidence were gathered to show that the fire was intentionally, deliberately or maliciously set.

Respondents had their doubts. Thus: [5]

xxx. xxx, plaintiffs-appellants, requested for a meeting with defendantappellee Dr. Alejandro Ortigas, Associate Dean for Faculty and Student Affairs of St. Luke's. During the meeting, plaintiffs-appellants were surprised by the presence of defendants-appellees Dr. Brigido Carandang, St. Luke's Dean of Medicine, the Municipal Health Officer of Cabiao Dr. De Leon, as well as Municipal Fire Marshall of Cabiao Baby Boy Esquivel, a Cabiao police officer and its barangay captain.

The officials informed plaintiffs-appellants that the fire was caused by the gas burner left open by the victims which greatly disturbed plaintiffs-appellants. In a subsequent meeting, they were informed that there was also evidence that the victims were drinking alcoholic beverages on the night of the fire which plaintiffs-appellants refused to accept.

Convinced that there was a cover-up, plaintiffs-appellants continued to question individual defendants-appellees. Exasperated, defendant-appellee Dr. Carandang allegedly asked "Ano pa bang gusto ninyo sa amin? Nakiramay na kami."

Offended and still unconvinced, respondent Spouses Manuel and Esmeralda Perez, the parents of Jessa, and respondent Spouses Eric and Jurisita Quintos, the parents of Cecille, sought the help of the National Bureau of Investigation (NBI). In its Resolution dated August 3, 2010, the existence of which is expressly admitted by petitioners, having quoted the contents^[6] and having attached a copy thereof to the present petition,^[7] the NBI declared that the construction of the Cabiao Community Clinic building was in violation of the provisions of Republic Act No. 9514 (R.A. No. 9514) or the *Revised Fire Code of the Philippines*, that the cause of the fire was due to faulty electrical wiring, and that St. Luke's negligence is criminal in nature. The pertinent parts of the said Resolution reads:^[8]

XXXX

2. The building structure of Cabiao Community Center

The Cabiao Community Clinic/Center is a two-storey concrete building. The ground floor is used as the municipality's lie-in clinic or hospital during day time. The students and in particular the victims use this facility together with the. medical complement of the municipality for their community medical service.

On the 2nd floor was the office of Dr. LEON DE LEON, Cabiao Municipal Health Officer, adjacent was a storage room for office and medical supplies and documents, the bedrooms for the medical students rendering community service, a dining area, a kitchen, and the living-room. The second floor, it may be said, is virtually dedicated for the board and lodging of the students while on mission. These rooms and areas are separated from each other by wood panels made of plywood including the wall in which the gas stove was located. **All the windows at the second floor are also covered by permanent iron grills.** There are no fire exits, fire alarms, fire extinguishers, sprinklers, emergency lights.

The community center is a virtual fire/death trap. During night time, medical students were left alone inside the 2nd floor with

the main gate locked from the outside and with no apparent signs of fire alarms, fire sprinklers, fire exit plan, emergency lights, provisions of confining the fire to its source, among others, for the occupants fire safety and protection system. They were on their own at the second floor, without anyone (maid or security guard) to attend to their needs while the ground floors and the adjoining building were uninhabited.

3. The electrical system of Cabiao Community Clinic;

Engr. DAVID R. AOANAN, Chief Electrical Section of the (sic) and member of the NBI investigating team observed that the facility has a main circuit breaker and the two distribution panels, located at the ground floor, just above the comfort room of the 2nd floor. The main breaker has a 500 amp capacity while the two distribution panels serving the 1st floor and the 2nd floor has 200 amp capacity, each, as against the main electrical service wire with the size 14 mm.

The ratio between the capacity of the circuit breaker and the electrical service wire is out of proportion and became electrically insensitive to overload and wire short circuits; thereby negating the very purpose the circuit breaker was designed.

The size of service wire is Small, suitable only for lighting purposes and not to supply two buildings, dedicated for public use. Six years of use in overload capacity would have worn out the wire and its strength and vitality, hence it will readily overheat, notwithstanding at the time short circuits, only few bulbs were in use.

The electrical meter used is appropriate only to residential units and not to service the two buildings intended for public which are [equipped] with modern medical equipment; the old NFA and the [Cabiao] Community Clinic.

Both live service wire and secondary electrical wires were bundled together inside the same tube. At the 2nd floor, visible signs of cut wires were found inside a tube, including the service wire as it pass through going down to the main panel board and several cut wires of the secondary breaker going to the second floor for power distribution.

The main and secondary panel boards were wrongly situated at the ground floor, above which is the location of a comfort room, where water could easily slip to the panel boards.

The installation of the secondary panel board at the ground floor distributing power to the 2^{nd} floor defeats its purpose, considering that if electrical trouble happens at the 2^{nd} floor one has to go to the 1^{st} floor to shut off the power.

4. The construction of the Cabiao Community Center building was in violation of the provision of Republic Act No. 9514 (Revised Fire Code of the Philippines)

Owners, occupants or administrator of buildings or structures are required to incorporate and provide fire safety construction, protective and warning systems. Investigation shows that a) there were no fire protection features such as sprinkler systems, hose boxes, hose reels or standpipe systems and other firefighting equipment; fire alarm systems; b) no fire exit, fire exit plan for each floor of the building showing the routes from each other [sic] room to appropriate exits, displayed prominently on the door of such room; c) no properly marked and lighted exits with provision for emergency light to adequately illuminate exit ways in case of power failure, and d) no provisions for confining the fire at its source such as fire resistive floors and walls.

5. The Cabiao Bureau of Fire Protection failed to perform its mandate pursuant to RA 9514.

Under the Fire Code, the Bureau of Fire Protection is required to conduct fire safety inspections as pre-requisite to the grant of licenses and permits for the use and occupancy of buildings, structures, facilities and their premises including the installation of fire protections and fire safety equipment and electrical systems in any building structure or facility; and the storage of explosives or combustible, flammable, toxic and other hazardous materials.

The BFP is likewise responsible for designating fire inspectors who shall inspect every building at least once a year, and every time the owner, administrator or occupant [renews] its business permit or permit to occupy; to issue a business permit or permit to operate only after securing a Fire Safety Inspection Certification (FSIC); require the building owner occupant to submit plans and specifications and other pertinent documents of building/structure in order to ensure compliance of applicable codes and standards and issue a written notice to the owner and/or contractor to stop work on portion of any work due to absence or in violation of approved plans and specifications; to inspect at reasonable time, any building, structure or premises and order the owner/occupant to remove hazardous materials and/or stop operation if the standards are not met; to declare and summarily abate hazardous conditions of the buildings or structures and/or declare the same as fire hazards.

It is worthy to note that despite the long period of time from the occurrence of the fire until the termination of this investigation, the Cabiao BFP headed by FO3 ESQUIVEL has yet to submit its report and findings. However, inasmuch as FO3 ESQUIVEL has bungled the investigation of the fire by removing items from the scene of the fire and his failure to explain the disappearance of other electrical debris, the opening and enlargement of the iron grill where the sole survivor passed, the back door broken, and the non-recording of the investigations, FO3 Esquivel's action and