

SECOND DIVISION

[G.R. No. 155172, February 14, 2003]

NATIONAL POWER CORPORATION, PETITIONER, VS. HON. PATERNO V. TAC-AN, IN HIS CAPACITY AS PRESIDING JUDGE OF THE REGIONAL TRIAL COURT, BRANCH 84, BATANGAS CITY; ROLANDO QUINIO, COURT SHERIFF, SPOUSES NICASIA A. ROXAS AND CORNELIO H. ARGUELLES, PRISCILLO LOPEZ AND ELENA TAMBOONG, ROMEO DINGLASAN AND SABINA HERNANDEZ, FABIAN LOPEZ AND ERLINDA TOMEDION, AND ENRIQUETA LOPEZ AND ERNESTO LA GUARDIA, RESPONDENTS.

D E C I S I O N

MENDOZA, J.:

On September 23, 1999, petitioner National Power Corporation (NPC), through its General Counsel, with office address at the National Power Corporation, corner Quezon Avenue and Agham Road, Quezon City, filed a complaint for eminent domain in the Regional Trial Court, Branch 84, Batangas City^[1] for the acquisition of an easement of right of way over certain properties^[2] situated in Brgys. Banaba East and Banaba Silangan, Batangas City. The properties, owned by private respondents, have a total area of 4,366 square meters and an assessed value of P8,734.76. The easement is intended to be used for the construction and maintenance of NPC's San Pascual 230-KV Associated Transmission Line Project.^[3]

It appears that after its General Counsel had entered his appearance, petitioner engaged the services of a private counsel, Atty. Sofronio A. Hernandez, who worked under the supervision and control of the General Counsel in Quezon City. In the pleadings filed in the trial court, Atty. Hernandez used as his address of record Batangas Transmission Reinforcement Project (BTRP) Office, San Jose, Batangas.^[4] In addition, with respect to petitioner's other project, the Ilijan Project, he gave as his official mailing address Ilijan Natural Gas Power Project (INGPP) Office, Ibaan, Batangas.^[5]

On December 10, 1999, petitioner, through its General Counsel, filed an urgent ex parte motion for the issuance of a writ of possession,^[6] alleging that it had deposited with the Land Bank of the Philippines, Quezon City the amount of P8,734.76,^[7] and that, for that reason, it was entitled to the possession of the properties sought to be expropriated.

On March 29, 2000, the trial court appointed commissioners to determine the fair market value of the properties. On October 10, 2000, the commissioners submitted to the court copies of the documents (including deeds of sale), showing the selling price to be P4,000.00 per square meter.^[8]

On October 19, 2000, petitioner, through Atty. Hernandez, filed its comment on the commissioners' valuation report stating that, according to the appraisal conducted by a bank, Cuervo Independent Appraisal Company, and City Appraisal Committee (CAC) of Batangas City, the correct basis for determining the compensation to be paid to private respondents was P390.00 per square meter.

On November 10, 2000, the trial court issued an order declaring the value to be P2,000.00 per square meter. The order states:

The Committee submitted a report on September 27, 2000 on the fair market valuation of the real estate properties of the defendants showing actual sales data of P1,500.00 per square meter for lot located along Balete road. The lots are located in Banaba East, Batangas City with a distance ranging from 300 to 750 meters away from the Balete road. The Committee cited a Deed of Sale dated March 29, 2000 of Demetria Aguda to Sps. Iglercio Blanco, located at Banaba East.

On the other hand, petitioner contended that the fair market value shown in Resolution No. 98-184 [is] only P390.00 per square meter.

The defendants proposed that it be P4,000.00 per square meter based on the Deeds of Sale of Real Property dated March 29, 2000 covering sales of real properties at the nearby [b]arangay, Barangay Balagtas, Batangas City along diversion road showing a price of P4,000.00 per square meter.

The Court is of the opinion that it should be at P2,000.00 per square meter, mainly based on the sale of the land of Sps. Blanco of P1,500.00, and taking into consideration the depreciation of peso at this point in time.

SO ORDERED.

Batangas City, November 10, 2000.^[9]

A copy of this order was received by Atty. Hernandez's secretary at his private law office at the Pag-Ibig Bldg. in Batangas City on November 15, 2000. The General Counsel of petitioner National Power Corporation in Quezon City was likewise served a copy of the order on November 23, 2000.

On December 6, 2000, Atty. Hernandez filed a notice of appeal questioning as exorbitant the price fixed by the trial court.^[10] However, private respondent spouses Fabian and Erlinda Lopez moved to strike out the notice of appeal for having been filed out of time.^[11] Their motion was granted. In an order, dated December 18, 2000, the trial court ruled:

There being a Certification from the Philippine Postal Corporation that counsel for the plaintiff already received the Order dated November 10, 2000 on November 15, 2000, the Motion to Strike Out Notice of Appeal is hereby GRANTED.

WHEREFORE, the Notice of Appeal filed by Atty. Sofronio A. Hernandez, counsel for the plaintiff National Power Corporation, is hereby stricken

out from the records.

SO ORDERED.^[12]

On December 27, 2000, the trial court ordered execution of its order:

Considering that the Order of this Honorable Court dated November 10, 2000 has already attained its finality as of December 1, 2000, let a Writ of Execution be issued to enforce said Decision.

SO ORDERED.^[13]

Petitioner sought reconsideration of the order, but it was denied in another order dated January 8, 2001.^[14] Consequently, on January 9, 2001, a writ of execution was issued.

Petitioner, represented by the Office of the Solicitor General, then filed a petition for certiorari in the Court of Appeals.^[15] Its petition was denied, however, even as the trial court's orders were affirmed on the ground that the notice of appeal had been filed late. The appeals court held that there was valid service of the November 10, 2000 order of the trial court upon petitioner through its counsel, Atty. Hernandez, at the latter's private law office at the Pag-Ibig Bldg. in Batangas City, although his address of record was at the Batangas Transmission Reinforcement Project (BTRP) Office of the NPC in San Jose, Batangas. Citing the case of *Philippine Commercial and Industrial Bank v. Ortiz*,^[16] the Court of Appeals stated that "although the notice was delivered to an address other than that on record, delivery thereof was still considered valid because said notice would surely reach the person to whom it was addressed."^[17] Petitioner moved for a reconsideration, but its motion was denied. Hence, this present petition.

Petitioner argues that its counsel's address was Batangas Transmission Reinforcement Project (BTRP), NPC, San Jose, Batangas and that, although Atty. Sofronio A. Hernandez had a private office at the Pag-Ibig Bldg. in Batangas City, as NPC's deputized counsel, he should have been served a copy of the order in question at his address of record in San Jose, Batangas. For lack of service at the San Jose, Batangas address of its counsel, petitioner contends that proper service of the November 10, 2000 order must be deemed to have been made only when petitioner's General Counsel in Quezon City actually received a copy on November 23, 2000. Hence, its notice of appeal, which was filed on December 6, 2000, was within the 15-day reglementary period of appeal.

Petitioner also contends that granting *arguendo* that service of the said order on Atty. Hernandez's secretary at his private law office in Batangas City was valid, the delay of seven (7) days, from November 15, 2000, should have been overlooked in the spirit of the "liberal application of the procedural rules so as to serve the demands of substantial justice," considering that the amount of P8,732,000.00, which it is being made to pay private respondents for the easement of right of way, is "exorbitant, unjust, and unreasonable."

In their comment, private respondents counter that since Atty. Hernandez was retained as counsel of petitioner, the reckoning date for purposes of computing the