



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

LAND TRANSPORTATION
FRANCHISING AND REGULATORY
BOARD (LTFRB),

Petitioner,

- versus -

G.V. FLORIDA TRANSPORT, INC.,
Respondent.

X-----

G.R. No. 213088

Present:

CARPIO,* J., Chairperson,
PERALTA,**
MENDOZA,
LEONEN, and
MARTIRES, JJ.

Promulgated:

28 JUN 2017

DECISION

PERALTA, J.:

Before the Court is a petition for review on *certiorari* seeking the reversal and setting aside of the Decision¹ of the Court of Appeals (CA), dated June 26, 2014 in CA-G.R. SP No. 134772.

The pertinent factual and procedural antecedents of the case are as follows:

Around 7:20 in the morning of February 7, 2014, a vehicular accident occurred at Sitio Paggang, Barangay Talubin, Bontoc, Mountain Province involving a public utility bus coming from Sampaloc, Manila, bound for Poblacion Bontoc and bearing a "G.V. Florida" body mark with License

* On wellness leave.

** Acting Chairperson, per Special Order No. 2445 dated June 16, 2017.

¹ Penned by Associate Justice Franchito N. Diamante, with the concurrence of Associate Justices Celia C. Librea-Leagogo and Melchor Q.C. Sadang; Annex "A" to Petition, *rollo* pp. 29-48.

Plate No. TXT-872. The mishap claimed the lives of fifteen (15) passengers and injured thirty-two (32) others.

An initial investigation report, which came from the Department of Transportation and Communications of the Cordillera Administrative Region (*DOTC-CAR*), showed that based on the records of the Land Transportation Office (*LTO*) and herein petitioner, License Plate No. TXT-872 actually belongs to a different bus owned by and registered under the name of a certain Norberto Cue, Sr. (*Cue*) under Certificate of Public Convenience (*CPC*) Case No. 2007-0407 and bears engine and chassis numbers LX004564 and KN2EAM12PK004452, respectively; and that the bus involved in the accident is not duly authorized to operate as a public transportation.

Thus, on the same day of the accident, herein petitioner, pursuant to its regulatory powers, immediately issued an Order² preventively suspending, for a period not exceeding thirty (30) days, the operations of ten (10) buses of Cue under its CPC Case No. 2007-0407, as well as respondent's entire fleet of buses, consisting of two hundred and twenty-eight (228) units, under its twenty-eight (28) CPCs. In the same Order, respondent and Cue were likewise directed to comply with the following:

1. Inspection and determination of road worthiness of the authorized PUB unit of respondents-operators bringing the said buses to the Motor Vehicle Inspection Service (MVIS) of the Land Transportation Office, together with the authorized representatives of the Board;
2. Undergo Road Safety Seminar of respondents-operators' drivers and conductors to be conducted or scheduled by the Board and/or its authorized seminar provider;
3. Compulsory Drug Testing of the respondents-operators' drivers and conductors to be conducted by authorized/accredited agency of the Department of Health and the Land Transportation Office;
4. Submit the Certificates of Registration and latest LTO Official Receipts of the units, including the names of the respective drivers and conductors; and
5. Submit the video clippings of roadworthiness inspection, Road Safety Seminar and Drug Testing.³

Furthermore, respondent and Cue were ordered to show cause why their respective CPCs should not be suspended, canceled or revoked due to the said accident.

² Annex "D" to Petition, *rollo*, pp. 77-86.

³ *Rollo*, p. 85.



Thereafter, in its Incident Report dated February 12, 2014, the DOTC-CAR stated, among others: that the License Plate Number attached to the ill-fated bus was indeed TXT-872, which belongs to a different unit owned by Cue; that the wrecked bus had actual engine and chassis numbers DE12T-601104BD and KTP1011611C,⁴ respectively; that, per registration records, the subject bus was registered as “private” on April 4, 2013 with issued License Plate No. UDO 762; and that the registered owner is Dagupan Bus Co., Inc. (*Dagupan Bus*) while the previous owner is herein respondent bus company.

As a result, Dagupan Bus was also ordered to submit an Answer on the DOTC-CAR Incident Report, particularly, to explain why the bus involved in the above accident, which is registered in its name, was sporting the name “G.V. Florida” at the time of the accident.

Subsequently, Dagupan Bus filed its Answer claiming that: it is not the owner of the bus which was involved in the accident; the owner is G.V. Florida; Dagupan Bus entered into a Memorandum of Agreement with G.V. Florida, which, among others, facilitated the exchange of its CPC covering the Cagayan route for the CPC of Florida covering the Bataan route; and the subsequent registration of the subject bus in the name of Dagupan Bus is a mere preparatory act on the part of G.V. Florida to substitute the old authorized units of Dagupan Bus plying the Cagayan route which are being operated under the abovementioned CPC which has been exchanged with G.V. Florida.

On the other hand, Cue filed his Position Paper contending that: License Plate No. TXT-872 was issued by the LTO to one among ten public utility buses under CPC No. 2007-0407⁵ issued to him as operator of the Mountain Province Cable Tours; the application for the extension of the validity of the said CPC is pending with petitioner; the subject CPC, together with all authorized units, had been sold to G.V. Florida in September 2013; and thereafter, Cue completely ceded the operation and maintenance of the subject buses in favor of G.V. Florida.

In its Position Paper, herein respondent alleged that: it, indeed, bought Cue's CPC and the ten public utility buses operating under the said CPC, including the one which bears License Plate No. TXT-872; since Cue's buses

⁴ In petitioner's preventive suspension order, it was indicated that, based on the initial investigation and report of the DOTC-CAR, the engine and chassis numbers of the subject bus were 100300120 and RF82140667. However, records show that these numbers were not actually taken from the engine and chassis of the bus but were simply copied from the markings appearing on its body. It appears that these were the engine and chassis numbers of the bus which were not erased when it was rebuilt.

⁵ The buses registered under the said CPC were authorized to ply the route Sagada, Bontoc-Manila and vice-versa.



were already old and dilapidated, and not wanting to stop its operations to the detriment of the riding public, it replaced these buses with new units using the License Plates attached to the old buses, pending approval by petitioner of the sale and transfer of Cue's CPC in its favor; and it exercised utmost good faith in deciding to dispatch the ill-fated bus notwithstanding the absence of prior adequate compliance with the requirements that will constitute its operation legal.

On March 14, 2014, herein petitioner rendered its Decision canceling Cue's CPC No. 2007-0407 and suspending the operation of respondent's 186 buses under 28 of its CPCs for a period of six (6) months. Pertinent portions of the dispositive portion of the said Decision read as follows:

WHEREFORE, premises considered and by virtue of Commonwealth Act 146 (otherwise known as "The Public Service Law"), as amended, and Executive Order No. 202, the Board hereby **ORDERS** that:

a. The Certificate of Public Convenience of respondent-operator NORBERTO M. CUE, SR. under Case No. 2007-0407, now under the beneficial ownership of respondent-operator G.V. FLORIDA TRANSPORT, INC., be **CANCELLED** and **REVERTED** to the State. Therefore, upon receipt of this Decision, respondent-operator G.V. FLORIDA TRANSPORT, INC. is hereby directed to **CEASE** and **DESIST** from operating the Certificate of Public Convenience under Case No. 2007-0407 involving ten (10) authorized units, to wit:

x x x x

b. Upon finality of this Decision, the above-mentioned for hire plates of respondent-operator NORBERTO M. CUE, SR. are hereby ordered **DESTRUCTED** (sic) and **DESTROYED** prior to their turn over to the **Land Transportation Office (LTO)**.

x x x x

c. All existing Certificates of Public Convenience of respondent-operator G.V. FLORIDA TRANSPORT, INC. under case numbers listed under case numbers listed below are hereby **SUSPENDED** for a period of **SIX (6) MONTHS** commencing from March 11, 2014, which is the lapse of the 30-day preventive suspension order issued by this Board, to wit:

x x x x



[d.] During the period of suspension of its CPCs and as a condition for the lifting thereof, respondent-operator G.V. FLORIDA TRANSPORT, INC. must comply with the following:

1. All its authorized drivers must secure the National Competency III issued by the Technical Education and Skills Development Authority (TESDA)
2. All its conductors must secure Conductor's License from the Land Transportation Office (LTO);
3. Submit all its authorized units that have not undergone inspection and determination of roadworthiness to the Motor Vehicle Inspection Service of the LTO, together with the authorized representatives of the Board; and
4. Compulsory Drug Testing of all its authorized drivers and conductors to be conducted by the authorized accredited agency of the Department of Health and the Land Transportation Office at least thirty (30) days before the expiration of its suspension.

[e.] The Show Cause Order issued against respondent-operator **DAGUPAN BUS CO., INC.** is hereby **SET ASIDE**.

The Information Systems Management Division (**ISMD**) is also directed to make proper recording of this Decision for future reference against subject vehicles and respondents-operators. During the period of suspension of its CPCs, respondent-operator G.V. FLORIDA TRANSPORT, INC. is allowed to confirm its authorized units subject to submission of all requirements for confirmation.

The **Law Enforcement Unit of this Board**, the **Land Transportation Office (LTO)**, the **Metro Manila Development Authority (MMDA)**, the **Philippine National Police-Highway Patrol Group (PNP-HPG)**, and other authorized traffic enforcement agencies are hereby ordered to **APPREHEND** and **IMPOUND** the said vehicles, if found operating.

SO ORDERED.⁶



⁶ *Rollo*, pp. 63-72. (Emphasis in the original)

Respondent then filed with the CA a petition for *certiorari* under Rule 65 of the Rules of Court, with prayer for the issuance of a preliminary mandatory injunction, assailing petitioner's above Decision.

On June 26, 2014, the CA promulgated its questioned Decision, disposing as follows:

WHEREFORE, the instant petition is **PARTIALLY GRANTED**. The Decision dated March 14, 2014 of the Land Transportation Franchising and Regulatory Board is **MODIFIED** as follows:

1. The Order canceling and reverting to the State of the Certificate of Public Convenience of operator Cue under Case No. 2007-0407, under the beneficial ownership of petitioner G.V. Florida Transport, Inc. is **AFFIRMED**;
2. The penalty of suspension for a period of six (6) months against all existing 28 Certificates of Public Convenience of petitioner G.V. Florida, Transport, Inc., is **REVERSED and SET ASIDE**;
3. The condition set forth in the Decision for the lifting of the penalty of suspension is **DELETED**; and
4. The order to apprehend and impound petitioner G.V. Florida Transport, Inc.'s 186 authorized bus units under the 28 CPCs if found operating is **RECALLED**

Accordingly, petitioner G.V. Florida Transport, Inc. prayer for mandatory injunctive relief is hereby **GRANTED**. The Land Transportation and Franchising Regulatory Board is hereby ordered to immediately **LIFT** the order of suspension and **RETURN** or **CAUSE the RETURN** of the confiscated license plates of petitioner G.V. Florida Transport, Inc.'s 186 authorized bus units under its 28 Certificates of Public Convenience without need of further order from this Court. Said Office is further **DIRECTED** to submit its Compliance within five (5) days from receipt thereof.

SO ORDERED.⁷

Hence, the present petition grounded on a lone issue, to wit:

DOES THE LTFRB HAVE THE POWER TO SUSPEND THE FLEET OF A PUBLIC UTILITY THAT VIOLATES THE LAW, TO THE DAMAGE OF THE PUBLIC?⁸

⁷ *Id.* at 47-48. (Emphasis in the original)

⁸ *Id.* at 16.



The main issue brought before this Court is whether or not petitioner is justified in suspending respondent's 28 CPCs for a period of six (6) months. In other words, is the suspension within the powers of the LTFRB to impose and is it reasonable?

Petitioner contends that it is vested by law with jurisdiction to regulate the operation of public utilities; that under Section 5(b) of Executive Order No. 202 (*E.O. 202*),⁹ it is authorized “[t]o issue, amend, revise, suspend or cancel Certificates of Public Convenience or permits authorizing the operation of public land transportation services provided by motorized vehicles, and to prescribe the appropriate terms and conditions therefor;” and that petitioner's authority to impose the penalty of suspension of CPCs of bus companies found to have committed violations of the law is broad and is consistent with its mandate and regulatory capability.

On the other hand, respondent, in its Comment to the present Petition, contends that the suspension of its 28 CPCs is tantamount to an outright confiscation of private property without due process of law; and that petitioner cannot simply ignore respondent's property rights on the pretext of promoting public safety. Respondent insists that the penalty imposed by petitioner is not commensurate to the infraction it had committed.

The Court rules in favor of petitioner.

Section 16(n) of Commonwealth Act. No. 146, otherwise known as the *Public Service Act*, provides:

Section 16. *Proceedings of the Commission, upon notice and hearing.* – The Commission shall have power, upon proper notice and hearing in accordance with the rules and provisions of this Act, subject to the limitations and exceptions mentioned and saving provisions to the contrary:

x x x x

(n) To suspend or revoke any certificate issued under the provisions of this Act whenever the holder thereof has violated or willfully and contumaciously refused to comply with any order rule or regulation of the Commission or any provision of this Act: Provided, That the Commission, for good cause, may prior to the hearing suspend for a period not to exceed thirty days any certificate or the exercise of any right or authority issued or granted under this Act by order of the Commission, whenever such step shall in the

⁹ Creating the Land Transportation Franchising and Regulatory Board, which was issued on June 19, 1987.



judgment of the Commission be necessary to avoid serious and irreparable damage or inconvenience to the public or to private interests.

x x x x

Also, Section 5(b) of E.O. 202 states:

Sec. 5. Powers and Functions of the Land Transportation Franchising and Regulatory Board. The Board shall have the following powers and functions:

x x x x

b. To issue, amend, revise, suspend or cancel Certificates of Public Convenience or permits authorizing the operation of public land transportation services provided by motorized vehicles, and to prescribe the appropriate terms and conditions therefor;

x x x x

In the present case, respondent is guilty of several violations of the law, to wit: lack of petitioner's approval of the sale and transfer of the CPC which respondent bought from Cue; operating the ill-fated bus under its name when the same is registered under the name of Dagupan Bus Co., Inc.; attaching a vehicle license plate to the ill-fated bus when such plate belongs to a different bus owned by Cue; and operating the subject bus under the authority of a different CPC. What makes matters worse is that respondent knowingly and blatantly committed these violations. How then can respondent claim good faith under these circumstances?

Respondent, nonetheless, insists that it is unreasonable for petitioner to suspend the operation of 186 buses covered by its 28 CPCs, considering that only one bus unit, covered by a single CPC, was involved in the subject accident.

The Court is not persuaded. It bears to note that the suspension of respondent's 28 CPCs is not only because of the findings of petitioner that the ill-fated bus was not roadworthy.¹⁰ Rather, and more importantly, the suspension of the 28 CPCs was also brought about by respondent's wanton disregard and obstinate defiance of the regulations issued by petitioner, which is tantamount to a willful and contumacious refusal to comply with the requirements of law or of the orders, rules or regulations issued by

¹⁰ In the assailed Decision of petitioner, it adopted the findings of the investigating police officers that the cause of the accident was the malfunctioning of the brake system of the bus, coupled with driver's error; see *rollo*, p. 62.

petitioner and which is punishable, under the law, by suspension or revocation of any of its CPCs.

The Court agrees with petitioner that its power to suspend the CPCs issued to public utility vehicles depends on its assessment of the gravity of the violation, the potential and actual harm to the public, and the policy impact of its own actions. In this regard, the Court gives due deference to petitioner's exercise of its sound administrative discretion in applying its special knowledge, experience and expertise to resolve respondent's case.

Indeed, the law gives to the LTFRB (previously known, among others, as Public Service Commission or Board of Transportation) ample power and discretion to decree or refuse the cancellation of a certificate of public convenience issued to an operator as long as there is evidence to support its action.¹¹ As held by this Court in a long line of cases,¹² it was even intimated that, in matters of this nature so long as the action is justified, this Court will not substitute its discretion for that of the regulatory agency which, in this case, is the LTFRB.

Moreover, the Court finds the ruling in *Rizal Light & Ice Co., Inc. v. The Municipality of Morong, Rizal and The Public Service Commission*,¹³ instructive, to wit:

x x x x

It should be observed that Section 16(n) of Commonwealth Act No. 146, as amended, confers upon the Commission ample power and discretion to order the cancellation and revocation of any certificate of public convenience issued to an operator who has violated, or has willfully and contumaciously refused to comply with, any order, rule or regulation of the Commission or any provision of law. What matters is that there is evidence to support the action of the Commission. In the instant case, as shown by the evidence, the contumacious refusal of the petitioner since 1954 to comply with the directives, rules and regulations of the Commission, its violation of the conditions of its certificate and its incapability to comply with its commitment as shown by its inadequate service, were the circumstances that warranted the action of the Commission in not merely imposing a fine but in revoking altogether petitioner's certificate. To allow petitioner to continue its operation would be to sacrifice public interest and convenience in favor of private interest.

A grant of a certificate of public convenience confers no property rights but is a mere license or privilege, and such

¹¹ *Pantranco South Express, Inc. v. Board of Transportation, et al.*, 269 Phil. 619, 628 (1990).

¹² *Id.*, citing *Javier, et al. v. De Leon, et al.*, 109 Phil. 751 (1960); *Santiago Ice Plant Co. v. Lahoz*, 87 Phil. 221 (1950); *Raymundo Transportation Co. v. Cedra*, 99 Phil. 99 (1956); *Manila Yellow Taxicab Co., Inc. v. Castelo*, 108 Phil. 394 (1960).

¹³ 134 Phil. 232 (1968).



privilege is forfeited when the grantee fails to comply with his commitments behind which lies the paramount interest of the public, for public necessity cannot be made to wait, nor sacrificed for private convenience. (Collector of Internal Revenue v. Estate of F. P. Buan, et al., L-11438 and Santiago Sambrano, et al. v. PSC, et al., L-11439 & L-11542-46, July 31, 1958)

(T)he Public Service Commission, ... has the power to specify and define the terms and conditions upon which the public utility shall be operated, and to make reasonable rules and regulations for its operation and the compensation which the utility shall receive for its services to the public, and for any failure to comply with such rules and regulations or the violation of any of the terms and conditions for which the license was granted, the Commission has ample power to enforce the provisions of the license or *even to revoke it, for any failure or neglect to comply with any of its terms and provisions.* x x x

x x x¹⁴

Respondent likewise contends that, in suspending its 28 CPCs, the LTFRB acted in reckless disregard of the property rights of respondent as a franchise holder, considering that it has put in substantial investments amounting to hundreds of millions in running its operations. In this regard, the Court's ruling in the case of *Luque v. Villegas*¹⁵ is *apropos*:

x x x x

Contending that they possess valid and subsisting certificates of public convenience, the petitioning public services aver that they acquired a vested right to operate their public utility vehicles to and from Manila as appearing in their said respective certificates of public convenience.

Petitioner's argument pales on the face of the fact that the very nature of a certificate of public convenience is at cross purposes with the concept of vested rights. To this day, the accepted view, at least insofar as the State is concerned, is that "a certificate of public convenience constitutes neither a franchise nor a contract, confers no property right, and is a mere license or privilege." The holder of such certificate does not acquire a property right in the route covered thereby. Nor does it confer upon the holder any proprietary right or interest of franchise in the public highways. Revocation of this certificate deprives him of no vested right. Little reflection is necessary to show that the certificate of public convenience is granted with so many strings attached. New and additional burdens, alteration of the certificate, and even revocation or annulment thereof is reserved to the State.

¹⁴ *Rizal Light & Ice Co., Inc. v. The Municipality of Morong, Rizal and the Public Service Commission, supra*, at 248-249.

¹⁵ 141 Phil. 108 (1969).

We need but add that the Public Service Commission, a government agency vested by law with "jurisdiction, supervision, and control over all public services and their franchises, equipment, and other properties" is empowered, upon proper notice and hearing, amongst others: (1) "[t]o amend, modify or revoke at any time a certificate issued under the provisions of this Act [Commonwealth Act 146, as amended], whenever the facts and circumstances on the strength of which said certificate was issued have been misrepresented or materially changed"; and (2) "[t]o suspend or revoke any certificate issued under the provisions of this Act whenever the holder thereof has violated or wilfully and contumaciously refused to comply with any order, rule or regulation of the Commission or any provision of this Act: *Provided*, That the Commission, for good cause, may prior to the hearing suspend for a period not to exceed thirty days any certificate or the exercise of any right or authority issued or granted under this Act by order of the Commission, whenever such step shall in the judgment of the Commission be necessary to avoid serious and irreparable damage or inconvenience to the public or to private interests."

Jurisprudence echoes the rule that the Commission is authorized to make reasonable rules and regulations for the operation of public services and to enforce them. In reality, all certificates of public convenience issued are subject to the condition that all public services "shall observe and comply [with] ... all the rules and regulations of the Commission relative to" the service. To further emphasize the control imposed on public services, before any public service can "adopt, maintain, or apply practices or measures, rules, or regulations to which the public shall be subject in its relation with the public service," the Commission's approval must first be had.

And more. Public services must also reckon with provincial resolutions and municipal ordinances relating to the operation of public utilities within the province or municipality concerned. The Commission can require compliance with these provincial resolutions or municipal ordinances.

Illustrative of the lack of "absolute, complete, and unconditional" right on the part of public services to operate because of the delimitations and restrictions which circumscribe the privilege afforded a certificate of public convenience is the following from the early (March 31, 1915) decision of this Court in *Fisher vs. Yangco Steamship Company*, 31 Phil. 1, 18-19:

Common carriers exercise a sort of public office, and have duties to perform in which the public is interested. Their business is, therefore, affected with a public interest, and is subject of public regulation. (New Jersey Steam Nav. Co. vs. Merchants Banks, 6 How. 344, 382; Munn vs. Illinois, 94 U.S. 113, 130.) Indeed, this right of regulation is so far beyond question that it is well settled that the power of the state to exercise legislative control over railroad companies and other carriers 'in all respects necessary to protect the public against danger, injustice and oppression' may be exercised through boards of commissioners. (New York,



etc. R. Co. vs. Bristol, 151 U.S. 556, 571; Connecticut, etc. R. Co. vs. Woodruff, 153 U.S. 689.).

x x x x

. . . . The right to enter the public employment as a common carrier and to offer one's services to the public for hire does not carry with it the right to conduct that business as one pleases, without regard to the interests of the public and free from such reasonable and just regulations as may be prescribed for the protection of the public from the reckless or careless indifference of the carrier as to the public welfare and for the prevention of unjust and unreasonable discrimination of any kind whatsoever in the performance of the carrier's duties as a servant of the public.

Business of certain kinds, including the business of a common carrier, holds such a peculiar relation to the public interest that there is superinduced upon it the right of public regulation. (Budd vs. New York, 143 U.S. 517, 533.) When private property is "affected with a public interest it ceases to be *juris privati* only." Property becomes clothed with a public interest when used in a manner to make it of public consequence and affect the community at large. "When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use, and must submit to be controlled by the public for the common good, to the extent of the interest he has thus created. He may withdraw his grant by discontinuing the use, but so long as he maintains the use he must submit to control." (Munn vs. Illinois, 94 U.S. 113; Georgia R. & Bkg. Co. vs. Smith, 128 U.S. 174; Budd vs. New York, 143 U.S. 517; Louisville, etc. Ry. Co. vs. Kentucky, 161 U.S. 677, 695.).

The foregoing, without more, rejects the vested rights theory espoused by petitioning bus operators.

x x x¹⁶

Neither is the Court convinced by respondent's contention that the authority given to petitioner, under the abovequoted Section 16(n) of the Public Service Act does not mean that petitioner is given the power to suspend the entire operations of a transport company. Respondent must be reminded that, as quoted above, the law clearly states that petitioner has the power "[t]o suspend or revoke **any** certificate issued under the provisions of [the Public Service Act] **whenever the holder thereof has violated or willfully and contumaciously refused to comply with any order rule or regulation of the Commission or any provision of this Act** x x x" This Court has held that when the context so indicates, the word "any" may be

¹⁶ Luque v. Villegas, *supra*, at 119-123.

construed to mean, and indeed it has been frequently used in its enlarged and plural sense, as meaning “all,” “all or every,” “each,” “each one of all,” “every” without limitation; indefinite number or quantity, an indeterminate unit or number of units out of many or all, one or more as the case may be, several, some.¹⁷ Thus, in the same vein, the *Merriam-Webster Dictionary* defines the word “any” as “one, some, or all indiscriminately of whatever quantity”; “used to indicate a maximum or whole”; “unmeasured or unlimited in amount, number, or extent.”¹⁸ Hence, under the above definitions, petitioner undoubtedly wields authority, under the law, to suspend not only one but all of respondent's CPCs if warranted, which is proven to be the case here.

As to whether or not the penalty imposed by petitioner is reasonable, respondent appears to trivialize the effects of its deliberate and shameless violations of the law. Contrary to its contention, this is not simply a case of one erring bus unit. Instead, the series or combination of violations it has committed with respect to the ill-fated bus is indicative of its design and intent to blatantly and maliciously defy the law and disregard, with impunity, the regulations imposed by petitioner upon all holders of CPCs. Thus, the Court finds nothing irregular in petitioner's imposition of the penalty of six-months suspension of the operations of respondent's 28 CPCs. In other words, petitioner did not commit grave abuse of discretion in imposing the questioned penalty.

Lastly, the suspension of respondent's CPCs finds relevance in light of the series of accidents met by different bus units owned by different operators in recent events. This serves as a reminder to all operators of public utility vehicles that their franchises and CPCs are mere privileges granted by the government. As such, they are sternly warned that they should always keep in mind that, as common carriers, they bear the responsibility of exercising extraordinary diligence in the transportation of their passengers. Moreover, they should conscientiously comply with the requirements of the law in the conduct of their operations, failing which they shall suffer the consequences of their own actions or inaction.

WHEREFORE, the instant petition is **GRANTED**. The Decision of the Court of Appeals, dated June 26, 2014 in CA-G.R. SP No. 134772, is **REVERSED** and **SET ASIDE**. The March 14, 2014 Decision of the Land Transportation Franchising and Regulatory Board is **REINSTATED**.

¹⁷ *Gatchalian, etc. v. Commission on Elections*, 146 Phil. 435, 442-443 (1970).

¹⁸ Webster's 3rd New International Dictionary of the English Language, 1993 Copyright, p. 97.



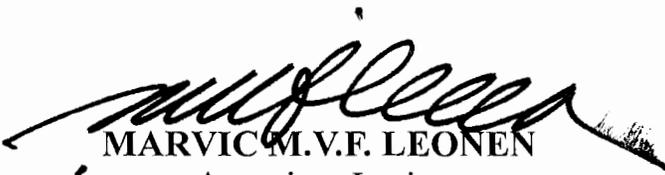
SO ORDERED.


DIOSDADO M. PERALTA
Associate Justice

WE CONCUR:

On wellness leave
ANTONIO T. CARPIO
Associate Justice
Chairperson


JOSE CATRAL MENDOZA
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice


SAMUEL R. MARTIRES
Associate Justice

ATTESTATION

I attest that the conclusion in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


DIOSDADO M. PERALTA
Associate Justice
Acting Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



MARIA LOURDES P. A. SERENO
Chief Justice