

[DEPARTMENT ORDER NO. 2018-013, July 30, 2018]

AUTHORITY OF THE LAND TRANSPORTATION FRANCHISING BOARD (LTFRB) TO REGULATE THE TRANSPORT NETWORK COMPANIES (TNCS) AND TRANSPORTATION NETWORK VEHICLES SERVICE (TNVS)

Adopted: 11 June 2018

Date Filed: 30 July 2018

WHEREAS, there is a further need to regulate Transport Network Companies (TNCs) and their Transportation Network Vehicles Service (TNVS) to promote and develop a safe, reliable and efficient land transportation services. The objective of this Order is to centralize the regulation of entities operating as TNCs and TNVS under the authority of the Land Transportation Franchise and Regulatory Board;

WHEREAS, a public utility is a business or service engaged in regularly supplying the public with some commodity or service of public consequence. Its principal determinative characteristic is that of service to, or readiness to serve, an indefinite public or portion of the public which has a legal right to demand and receive its services or commodities. On the other hand, common carriers are those engaged in the business of carrying or transporting passengers or goods or both for compensation, offering their services to the public;^[1]

WHEREAS, due to the established roles of TNCs and TNVS in providing transport services to the public, they should be treated as engaged in the operation of a public utility. TNCs and TNVS are considered as engaged in the business of carrying or transporting passengers for compensation and offering their services to the public. As such, the operation of TNCs and TNVS is imbued with public interest and must submit to the full regulation by the State;

WHEREAS, the Land Transportation Franchise and Regulatory Board is empowered by law to promulgate, administer, enforce, and monitor compliance of policies, laws, and regulations of public land transportation services;^[2]

WHEREAS, the Land Transportation Franchise and Regulatory Board is likewise empowered to determine, prescribe and approve and periodically review and adjust, reasonable fares, rates and other related charges, relative to the operation of public land transportation services provided by motorized vehicles;^[3]

WHEREAS, the Department of Transportation (DOTr) is the executive department of the government responsible for the primary policy, planning, programming, coordinating, implementing and administrative entity on the promotion, development and regulation of a dependable and coordinated