

SPECIAL FIFTEENTH DIVISION

[CA-G.R. SP No. 132077, May 28, 2014]

**NATIONAL TRANSMISSION CORPORATION, PETITIONER, VS.
HON. JOSE C. SARCILLA (PRESIDING JUDGE, REGIONAL TRIAL
COURT, BRANCH 31, PILI, CAMARINES SUR), AND THE ESTATE
OF SUSANO RODRIGUEZ, REPRESENTED BY VIRGILIO
VALENZUELA, RESPONDENTS.**

D E C I S I O N

CASTILLO, M., J.:

This is a petition for certiorari seeking to annul and set aside the Orders dated 10 May 2013^[1] and 05 August 2013,^[2] both of the public respondent Regional Trial Court of Pili, Camarines Sur, Branch 31, in Civil Case No. P-2629.

As culled from the records, the antecedents of this petition are:

Two (2) parcels of residential land with an area of 100,000 square meters and 498,886 square meters, respectively, covered by Transfer Certificates of Title Nos. 3760 (Lot H-2-D) and 5652 (Lot No. H-2-F-2) issued in the name of the late Susano J. Rodriguez are the subject matter of this case.

Sometime in 1972, the National Power Corporation (NPC) through its former manager, was allowed to construct steel towers and high power voltage transmission lines on the said lots. The understanding was that NPC would pay the full value of the affected area or a monthly rental equivalent to P6.00 per square meter, should it fail to pay the full consideration within six (6) months computed from March 1972 or the time of the construction. NPC, however, failed to comply with its undertaking. Not a single centavo was paid by it to the private respondent Estate of the late Susano J. Rodriguez. Consequently, private respondent sought NPC's ouster from the subject realties by filing a complaint for ejectment against it sometime in 2008. Private respondent won in that case before the MTC and the RTC.

Pursuant to Republic Act No. 9136 (An Act Ordaining Reforms in the Electric Power Industry, amending for the purpose certain laws and for other purposes) which was enacted in 2001, the National Transmission Corporation or petitioner Transco was created to assume the transmission and subtransmission facilities of NPC and all other assets related to transmission operations, including the nationwide franchise of NPC for the operation of the transmission system and the grid.

Essentially claiming that petitioner Transco has unlawfully taken possession of portions of the parcels of land in suit, private respondent Estate of Susano I. Rodriguez filed, on 10 December 2012, a complaint for recovery of possession against it before the public respondent RTC.^[3] The complaint was docketed as Civil Case No. P-2629.

In its answer, petitioner, among other things, maintained that public policy bars private respondent's action for recovery of possession notwithstanding the non-payment of just compensation.^[4]

Private respondent deemed such contention of the petitioner as an admission that its properties were taken for public use without the payment of just compensation and consequently moved for the RTC to allow it to convert the action for recovery of possession to one of inverse condemnation or for payment of just compensation.^[5]

For its part, petitioner filed a Motion to Implead Indispensable Parties dated 01 April 2013.^[6] In said motion, Transco maintained that Remedios N. Rodriguez (the surviving spouse of the late Susano I. Rodriguez) as well as Atty. Remigio Gerardo should be impleaded in the case so that the issue on ownership and the possible issue of just compensation be finally determined. It averred that during the pendency of this case, Remedios sent letters to it claiming that she was the owner of Lot H-2-F-2 in accordance with the Partial Project of Partition dated 10 January 1997, and had demanded that she be paid compensation for its occupation of the same.

Regarding Atty. Remigio Gerardo, Transco asserted that his name was mentioned in a decision of this Court^[7] as one in whose favor Remedios N. Rodriguez executed a Deed of Sale of Inheritance involving the same lot.

Further, in its Reply to the private respondent's Comment/Opposition to Transco's Motion to Implead Indispensable Parties, Transco averred that, in addition to Remedios N. Rodriguez and Atty. Remigio Gerardo, the Department of Agrarian Reform (DAR) and the 97 farmer-beneficiaries should likewise be impleaded in the case. According to petitioner, it was able to secure a Compliance and Manifestation dated 28 November 2012 filed by the Estate Administrator with the Lucena probate court where it appeared:^[8]

3.1. In paragraphs 3 and 4 of the said Compliance and Manifestation, it was stated that the above-discussed segregation of Lot H-2-F between Remedios Rodriguez and the heirs of Susano Rodriguez could not be implemented pending the determination of the validity of coverage of the land by the Department of Agrarian Reform's (DAR) Comprehensive Agrarian Reform Program (CARP);

3.2. In addition, it was stated that the Estate instituted a case against the DAR and the farmer-beneficiaries, seeking to nullify the 97 titles issued to the farmer-beneficiaries and to quiet title in the name of Susano J. Rodriguez.

In its first assailed Order, the public respondent granted private respondent's Motion to Convert Case to Inverse Condemnation Proceedings while it denied petitioner's Motion to Implead Indispensable Parties. In holding that there was no need to implead Remedios Rodriguez, the RTC ratiocinated:^[9]

xxx Firstly, this action is filed for and in behalf of the Estate of Susano Rodriguez who is now deceased, considering that all the latter's properties to be inherited by his heirs, including the claim of Remedios, already formed part of his estate. Hence, to the mind of the Court, there is no more necessity for her to be impleaded since at the very outset, she

stands to have been already impleaded as one of the heirs of Susano. This Court is thus in accord with the plaintiff's arguments that if ever just compensation will be paid, such payment will not be made to a particular named private individual but to the estate of Don Susano Rodriguez. Transco will be therefore assured of the rightful claimant, owner or payee of just compensation since all the heirs could be fully represented and could ventilate their claim before the probate court in whose jurisdiction lies the recovery of their inheritance. Secondly, Remedios' claim that the subject property is her share in the Partial Project of Partition dated January 10, 1997, entails further presentation of evidence, more particularly, the order of finality of the RTC, Lucena Probate Court's order dated March 4, 2013 alleged by Transco in its reply including all other averments thereon. Hence, she could always avail of the legal remedy of intervention pursuant to Rule 19 of the Rules of Court, if the Court warrants.

Petitioner's subsequent motion for reconsideration was denied in the second assailed Order of the RTC. In the said Order, the public respondent declared that Atty. Remigio Gerardo and the 97 farmer-beneficiaries, if they are so minded, may also avail of the legal remedy of intervention just like Remedios Rodriguez.^[10]

Hence, this petition.

Upon the filing of private respondent's Comment on the petition for certiorari, petitioner's Reply thereto and the former's Rejoinder, the case was submitted for decision.

Petitioner imputes grave abuse of discretion on the part of the public respondent RTC in rendering its assailed Orders. It insists that Remedios Rodriguez, Atty. Remigio Gerardo and all the 97 farmer-beneficiaries are indispensable parties as each of them has a claim/interest in the subject matter such that no final determination can be had in the case if they are not joined either as plaintiff or defendant. Also, Transco argues that they should have been impleaded in the case before the RTC granted the motion for conversion to inverse condemnation proceedings since the Rules of Court on expropriation requires that all persons owning or claiming to own, or occupying any part or interest in the subject matter should be joined as parties. It maintains that if the three (3) are not joined as parties, there is a danger that just compensation might be paid to one not entitled thereto to the prejudice of the government. Transco further asserts that the suggestion of the RTC that Remedios Rodriguez, Atty. Remigio Gerardo and the 97 farmer-beneficiaries may intervene in the case is flawed because the right of an intervenor should only be in aid of the right of the original party which is not the situation obtaining in this case. It avers that the rights of Remedios Rodriguez, Atty. Remigio Gerardo and the 97 farmer-beneficiaries actually clash with that of the private respondent insofar as Lot H-2-F-2 is concerned.

Rule 3, Section 7 of the 1997 Rules of Court states:

SEC. 7. Compulsory joinder of indispensable parties. – Parties-in-interest without whom no final determination can be had of an action shall be joined either as plaintiffs or defendants.

An indispensable party is one who has such an interest in the controversy or subject matter of a case that a final adjudication cannot be made in his or her absence,