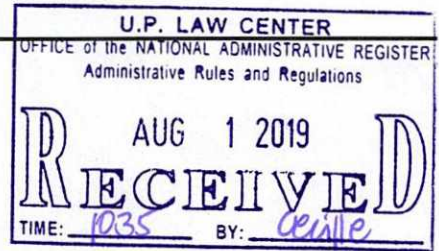




Republic of the Philippines
 Department of Transportation
LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD
 East Avenue, Quezon City

MEMORANDUM CIRCULAR
NUMBER 2019- 036



Subject: FARE RATES FOR TRANSPORTATION NETWORK VEHICLE SERVICES (TNVS)

WHEREAS, it should be given emphasis that rate fixing is an equally important function of a regulatory body together with franchising and regulating. If, after grant of franchises, these public utilities are left to charge or impose rates at their whims and caprice, a regulatory body is also rendered ineffective. It is not enough that a CPC has been issued to a public utility and its operations are monitored or regulated. If the rates they charge are unrestrained and predatory, franchising and regulation are useless and a reproach to the process. This is tantamount to authorizing a public utility to operate but legitimizing its oppression of the consuming public given the human tendency to charge excessive rates for higher profits;

WHEREAS, rate fixing is an exercise of police power vested in the legislative body. This power has also been rightly delegated to the regulatory body concerned. It is composed of experts or qualified personnel for this highly technical task of arriving at appropriate charges to be imposed by public utilities for their products or services. It is highly technical activity that even the Supreme Court stated its limitations in Republic vs Medina, 41 SCRA 644 (1971);

WHEREAS, Department Order No. 2015-011 insofar as the authority of the TNCs to set fares subject to oversight from the Board should be read and understood in light of existing laws such as Executive Order No. 202 and Commonwealth Act 146, which gave the LTFRB the power to determine, prescribe and fix fares, and said power cannot be further delegated;

NOW THEREFORE, by virtue of Sec. 16 (c) of CA 146, otherwise known as Public Service Act, as amended, and finding that public service and convenience will be best served, the Board hereby authorizes **grantees of Certificates of Public Convenience to Operate Transportation Network Vehicle Services (TNVS) to charge the following fare rates :**

	CAR SEDAN	PREMIUM AUV/SUV	HATCHBACK/ SUB-COMPACT (less> 1200cc.)
A. Flagdown	up to ₱40.00	up to ₱50.00	up to ₱30.00
B. Fare/km	₱15.00	₱18.00	₱13.00
C. Fare/minute of travel	₱2.00	₱2.00	₱2.00
D. Surge (on B+C)	2x	2x	2x

In the imposition of the above fare rates, grantees of CPC to operate TNVS shall comply with the rules and regulations of the Board, the provisions of the Public Service Law (C.A. 146), as amended, and also the requirements for public transport services.

Failure to observe the fare rates set above shall be penalized under the Joint Administrative Order No. 2014-001 (Revised Schedule of Fines and Penalties for Violations of Laws, Rules and Regulations governing Land Transportation).

All other issuances inconsistent herewith are deemed modified or superseded accordingly.

This Memorandum circular shall take effect immediately following its publication in at least one newspaper of general circulation. Let three (3) copies hereof be filed with the UP Law Center pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

SO ORDERED.

Quezon City, Metro Manila, 01 AUG 2019

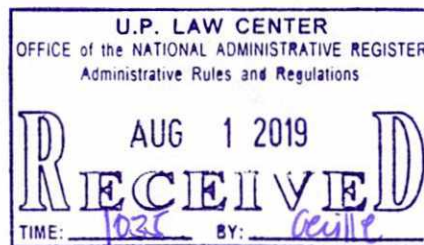
EFFECTIVITY
DATE: 02 AUG 2019


ATTY. MARTIN B. DELGRA III
Chairman




ENGR. RONALDO F. CORPUS
Board Member
OIC-Executive Director


P/Maj.Gen. ANTONIO N. GARDIOLA, JR. (Ret.)
Board Member





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