



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION

26 January 2023

RAIL REGULATORY UNIT

NOTICE OF PUBLIC HEARING

On the *Petition* of Light Rail Transit Authority for Fare Adjustment before the Rail Regulatory Unit (RRU), Notice is hereby given to all interested parties, who wish to give and discuss their positions and comments on said Fare Adjustment, to attend the **FIRST PUBLIC HEARING** on:

Date	Time	Venue
17 February 2023	9:00 AM	LRTA Administration Bldg., LRT Line 1 Pasay Depot, Gate 1, Aurora Blvd., Pasay City

The Public Hearing shall be conducted with the authority of RRU to hold public hearings and consultations relative to applications for Fare Adjustments.


Accordingly, all interested parties who wish to attend or participate in the Public Hearing should preferably confirm their attendance/participation and may give their comments through a concise Position Paper submitted to the Office of the Undersecretary for Railways of the Department of Transportation (DOTr) through mail or through email at our@dotr.gov.ph, **at least three (3) days before** the Public Hearing schedule. Priority will be given to those who will submit Position Paper, however, those who will not be able to register or submit written positions may be given the opportunity to raise their comments on the day of the hearing itself, subject to time availability.

Copy of the subject *Petition* for Fare Adjustment may be downloaded from the DOTr official website, www.dotr.gov.ph, or may be physically requested from the Office of the Undersecretary for Railways.

For more details, please contact RRU through email address our@dotr.gov.ph or contact number +632-8478-0420 ext. 089.


Assistant Secretary Jorjette B. Aquino
Hearing Officer


Assistant Secretary Leonel Cray P. Velez
Hearing Officer


Undersecretary Cesar B. Chavez
Chairman, RRU

Republic of the Philippines
Department of Transportation
RAILWAY REGULATORY UNIT
The Colombia Tower, Ortigas, Mandaluyong City

OFFICE OF THE UNDERSECRETARY
FOR RAILWAYS

RECEIVED
JAN 25 2023

BY: AME TIME: 10:56

Case No. _____

**LIGHT RAIL TRANSIT
AUTHORITY,**

Petitioner.

X-----X

PETITION FOR FARE INCREASE

COMES NOW the Petitioner, **LIGHT RAIL TRANSIT
AUTHORITY**, unto the Honorable Railway Regulatory Unit (the
"Unit" or "RRU" for brevity), most respectfully avers that:

NATURE OF PETITION

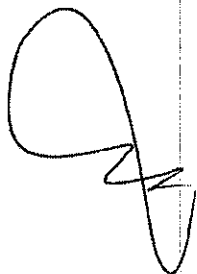
This is a Petition for Approval of Adjusted Fare Rates under Rule 5 of
the Rules of Procedure for Fare Rate-Fixing under the Department of
Transportation – Railway Regulatory Unit (the "Rules").

FACTS

1. Light Rail Transit Authority (LRTA) is a government
instrumentality exercising corporate powers duly organized and
existing by virtue of Executive Order No. 603 dated 12 July 1980,
vested with the responsibility pertaining to the construction,
operation, maintenance, and/or lease of the light rail transit
systems in the Philippines.
2. Section 2, Article 4, Paragraph 13 of Executive Order No. 603
grants unto LRTA the authority to increase and adjust fare rates,
to wit:

**"ARTICLE 2
CORPORATE POWERS**

*"Sec. 4 General Powers. The Authority, through the Board of
Directors, may undertake such actions as are expedient for or
conducive to the attainment of the purposes and objectives of the
Authority, or of any purpose reasonably incidental to or consequential*



upon any of these purposes. As such, the Authority shall have the following general powers:
xxxx

(13) *To determine the fares payable by persons travelling on the light rail system, in consultation with the Board of Transportation; xxx";*

3. In 2018, the LRTA Board of Directors, by virtue of Special Order No. 152, approved the creation of the Committee on Fare Adjustments (CFA) and granted the latter the authority to study, evaluate, and make recommendations on the matter of fare adjustment.

A copy of the Special Order No. 152 dated 05 June 2018 is hereto attached as Annex "A".

FARE ADJUSTMENT FOR LRT LINE 2

4. On 11 October 2022, LRTA sent a letter to the Commission on Audit (COA) to inquire on and determine the reasonableness of fare adjustment in compliance with Section 2.2.2, Rule 4 of the Proposed Rules of Procedure for Fare Rate-Fixing under the Department of Transportation Railway Regulatory Unit and Section 22, Chapter 4, Subtitle B, Title 1, Book V of the Administrative Code of 1987 which vested unto COA the authority to examine documents in connection with the fixing of rates of every nature.

A copy of the LRTA letter dated 11 October 2022 is hereto attached as Annex "B".

5. In reply thereto, COA sent a letter addressed to LRTA stating that COA audit is not a procedural requirement nor a condition precedent to any adjustment and implementation of fare rates, and further stated that it is the sole duty of the regulatory body concerned who has the power to issue, modify and promulgate the fare adjustment.

A copy of the letter dated 25 October 2022 from the COA Special Services Sector – Special Audit Office is hereto attached as Annex "C".

- 
6. On 25 October 2022, the Committee on Fare Adjustments recommended the implementation of fare adjustments to the

LRTA Board of Directors which is based on the fare structure of **P13.29 Boarding Fee + P1.21 per kilometer Distance Fee.**

7. Acting on the said recommendation, the LRTA Board of Directors, by virtue of Board Resolution No. 055-2022, granted conditional approval of the proposed Boarding Fare of P13.29 and Distance Fare of P1.21 per kilometer pending the compliance with the legal requirements pertaining to consultation with Land Transportation Franchising and Regulatory Board (LTFRB) and Commission on Audit (COA).

A copy of the LRTA Board Resolution No. 055-2022 dated 25 October 2022 is hereto attached as **Annex "D"**.

8. On 04 November 2022, in compliance with Section 2, Article 4, Paragraph 13 of Executive Order No. 603, LRTA sent a letter to LTFRB together with all corresponding documents necessary for their review and comments.

9. Subsequently, the LTFRB issued a letter stating that it does not object to the Light Rail Transit Line 2 (LRT 2) Fare Adjustment.

A copy of LRTA's letter to LTFRB dated 04 November 2022 and copy of the Letter-reply of LTFRB dated 23 November 2022 are hereto attached as **Annexes "E" and "F"**.

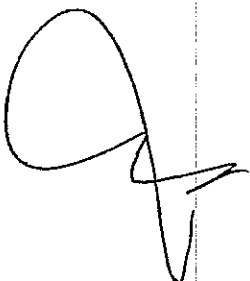
10. On 19 December 2022, upon compliance with the process of consultation with the LTFRB and COA, the LRTA Board of Directors issued a Board Resolution approving the fare adjustments for LRT Line 2 System as contained in LRTA Board Resolution No. 055-2022.

A copy of the LRTA Board Resolution No. 068-2022 dated 19 December 2022 is hereto attached as **Annex "G"**.

THE PROPOSED FARE RATE

The instant Petition prays for the approval of the following proposed fare rate for LRT Line 2 System:

BOARDING FARE OF PHP 13.29
and
DISTANCE FARE OF PHP 1.21



**FACTUAL AND LEGAL BASES IN SUPPORT OF THE FARE
INCREASE APPLICATION**

11. As mentioned herein, the fare increase being applied for is within the corporate powers under the charter of the LRTA, specifically, Article 2, Section 4(13) thereof, which vests upon the Authority, through its Board of Directors,¹ the power to determine the fares payable by persons travelling on the light rail system, in consultation with the Board of Transportation.
12. That, consultation with, and the comment of the LTRB² has already been obtained by the LRTA from the former which interposed no objection to proposed increase for LRT Line 2, thus:

"Since both resolutions (Resolution No. 054-2022 and Resolution No. 055-2022) adopt the same proposed rates (boarding fare of PhP 13.29 and distance fare of PhP 1.21) for LRT 1 and LRT 2, we could, expect the same comparative results for LRT 2 and PUB Route 3 (Antipolo - Quinpo via Cubao), which has portions of the route structure that run parallel to LRT 2."
13. Likewise, the comment of the Commission on Audit (COA)³ was also secured by the LRTA. According to COA, its audit is not a procedural requirement nor a condition precedent to any adjustment and implementation of fare rates. It further posited that regulatory body concerned may execute first its mandate by approving or implementing a provisional fare adjustment and thereafter, COA, upon the request of the regulatory body concerned, may conduct the audit for the purpose of determining the reasonableness of the provisional fare adjustments, pursuant to relevant law and rules.
14. It bears stressing that the approval of the fare adjustment is crucial considering the financial condition of the LRTA. LRTA's internally generated funds are not sufficient to sustain its total operating expenses requirements. For this reason, the Authority has an operational subsidy from the National Government for the year 2023 in the total amount of ₱1,053,363,000.⁴

¹ See Annex "F"

² See Annex "E"

³ See Annex "C"

⁴ Source: Details of LRTA 2023 Budget Proposal which was approved by the Congress during the hearing for the 2023 Budget

15. The subsidy from the National Government covers the expenses being used by the LRTA for the operation and maintenance of the LRT Line 2 System.
16. Consequently, the proposed fare increase will certainly result to the reduction of subsidy being provided by the Government.
17. Obviously, the fare adjustment is necessary in order for the LRTA continuously provide better and improved services, such that LRTA can invest on rehabilitation and improvement of the system and its facilities. Thus, the requested fare increase would guarantee that public service and convenience will be served most in a proper and suitable manner to the benefit of the riding public.
19. In light of the foregoing, the instant Petition for Fare Increase is justified. The Petitioner hereby undertakes to comply with the requirements and regulations of the Honorable Unit, relevant to this Petition.

PRAYER

WHEREFORE, premises considered, it is most respectfully prayed of the Honorable Railway Regulatory Unit that after due notice and hearing, the instant Petition for Fare Increase for LRT Line 2 System be **GRANTED**.

Other reliefs as may be just and equitable in the premises is likewise prayed for.

Pasig City, Metro Manila, Philippines, _____ January 2023.

LIGHT RAIL TRANSIT AUTHORITY
2nd Flr. LRTA Line 2 Depot,
Marcos Highway, Santolan, Pasig City
+63 2 647-3469 to 91 loc. 29955-56, 29959

By

ATTY. HERNANDO T. CABRERA
Administrator

Republic of the Philippines)
_____) S.S.

**VERIFICATION AND CERTIFICATION OF NON-FORUM
SHOPPING**

I, **ATTY. HERNANDO T. CABRERA**, of legal age, Filipino, with office address at 2nd Floor., LRTA Line 2 Depot, Marcos Highway, Santolan, Pasig City after having been duly sworn, hereby depose and state, that:

1. I am the Administrator of the Light Rail Transit Authority (hereinafter, "LRTA"), the petitioner in the above-captioned case, and I am authorized by LRTA to act on its behalf as evidenced by the Secretary's Certificate dated 11 August 2022 and Board Resolution No. 068-2022 dated 19 December 2022 which are *hereto attached as Annex "H" "H-1"*;

2. I have caused the preparation and filing of the foregoing Petition;

3. I have read and understood the contents hereof and that (a) the facts herein alleged are true and correct of my personal knowledge or based on authentic records; (b) the foregoing pleading is not filed to harass, cause unnecessary delay, or needlessly increase cost of litigation; and (c) the factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery.

4. I hereby certify that I have not commenced any other action or proceeding involving the same issues in the Supreme Court, Court of Appeals, or any tribunal or quasi-judicial agency, and to the best of my knowledge, no such action or claim pending in the Supreme Court, Court of Appeals or other tribunal or quasi-judicial agency; and

5. If I should learn that a similar action or proceeding has been filed or pending before any court, tribunal or agency, I hereby undertake to accordingly report such fact to this Court within five (5) days from notice.




I am executing this sworn statement in compliance with the Revised Rules of Court.

ATTY. HERNANDO T. CABRERA
Affiant

SUBSCRIBED AND SWORN to before me this 26 JAN 2023
at Taguig City, affiant exhibiting to me his DRIVER'S LICENSE
with ID No. A02-89-034394.

Doc. No. 239;
Page No. 90;
Book No. I;
Series of 2023.

NOTARY PUBLIC


Atty. ARNOLD MONCHING P. LIRA
Notary Public for Taguig City
Until December 31, 2023
Appointment Number 99 (2022-2023)
Roll of Attorney No. 77763; 05-10-2022
IBP OR No. 208339; 05-11-22 Pasig City
PTR No. A-5726654; 01-03-23 Taguig City
MCLE Governing Board Order No. 1, s. 2008
Blk 24 Lot 31 MRT Avenue, AFP-PNP Village,
Brgy. Pinagsama Phase 2, Taguig City

ANNEX A



LIGHT
RAIL
TRANSIT
AUTHORITY

05 June 2018

SPECIAL ORDER No. 152
Series of 2018

Effective immediately and in the exigency of the service, a COMMITTEE ON FARE ADJUSTMENT is hereby constituted as follows:

Chairperson : MR. PAUL Y. CHUA PhD CESE
Deputy Administrator for Operations & Engineering

Vice Chairperson : ATTY. JOSE JOBEL V. BELARMINO
OIC-Deputy Administrator for Administrative, Finance & AFCS
Services/Concurrent Manager A, Legal Department

Members : MS. ELEANORE T. DOMINGO
Department Manager A, Planning Department

MS. ANNABELLE C. GANANCIAL
Department Manager A, Business Development and Public
Relations Department

MR. NICOLAS G. OMBAO
Department Manager A, AFCS Department

MS. MARILOU B. LISCANO
Department Manager A, Finance Department

MR. FELIX GERARD R. LEYSON
Department Manager A, Alternate Head CAMT

ATTY. HERNANDO T. CABRERA
Corporate Board Secretary

REPRESENTATIVE
Department of Transportation (DOTr)

REPRESENTATIVE
Department of Finance (DOF)

CERTIFIED TRUE COPY

7/10/18 J.C. ORTIZ

BY:

Address:

Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Republic of the Philippines
Trunkline: 6473479 / 6473481 / 6473484 / 6473485 / 6473487

Technical Working Group (TWG):

Chairperson:	Division Manager A/OIC, Corporate Planning & Research Division (CPRD)	MR. ALLAN A. ARQUIZA <i>OIC, CPRD</i>
Vice Chairperson:	Division Manager A, Ticket Management & Sales Collection Division	MR. FERNANDO P. SALVADOR <i>Division Manager A</i>
Members:	Division Manager A, Accounting Division	MS. EVELYN L. MACALINO <i>Division Manager A</i>
	Division Manager A, Public Relations Division	MS. EVELYN P. JANE0 <i>Division Manager A</i>
	Division Manager A, AFC System Admin. Division	MS. CATHERINE P. LOPEZ <i>Division Manager A</i>
	CPRD Representative	MR. ISRAEL A. RADIAGANDANG <i>Senior Corporate Planning Analyst, CPRD</i>
	Legal Department Representative	ATTY. RUEL V. PUKIN <i>Attorney III</i>
	CAMT Representative	MR. WILFREDO R. BONGCARON <i>Transport Operations Services Chief A</i>
	CAMT Representative	MR. EDUARDO S. LABONG <i>Transport Operations Services Chief B</i>
	Finance Department Representative-Financial Planning Analyst	MS. MARIA CHRISTINA J. JARANILLA <i>Senior Financial Planning Analyst</i>
Secretariat:		MS. LAILA P. APUGAN <i>Board Secretary IV</i>
		MS. ARIANNE D. ROTAP <i>Corporate Planning Analyst B</i>

The Committee shall conduct complete staff work, make study, evaluate and make recommendations to the LRTA Board of Directors on the matter of fare adjustment specifically on the following issues and concerns:

1. Legal parameters, specifically, applicable legal provisions, contractual obligations, precedents, Board authority, procedural matters; and pending legal cases on fare adjustment and on the Concession Agreement;

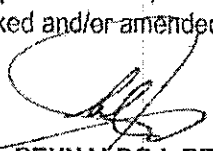
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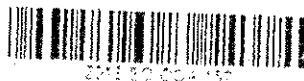
BY: _____

2. Public proceedings for purposes of information gathering; and,
3. Financial matters with respect to any impact on the financial condition of the LRTA and the concessionaire as well as the subsidy support of the national government to the Authority and as regards the Concession Agreement, among others.

The TWG shall provide the necessary technical assistance as may be required by the Committee, which include the conduct of research works/studies, preparation of financial projections, briefing materials, evaluation reports and analysis, among others. The Secretariat shall provide the administrative support required by the Committee and the TWG.

All Special Orders, Memoranda, and other Issuances previously issued which are inconsistent herewith are revoked and/or amended.


-GEN. REYNALDO I. BERROYA
Administrator



2011 03 04 152

CERTIFIED TRUE COPY

RECORDED/GAMMOM

BY: _____



**RAIL
TRANSIT
AUTHORITY**
OFFICE OF THE COMMISSIONER
Commission on Audit
Commonwealth Avenue, Quezon City

11 October 2022

COMMISSIONER ROLAND C. PONDOC

Officer-in-Charge
Commission on Audit
Commonwealth Ave., Quezon City

Received by: LOVE
Date: 10/17/22 Time: 2:19 PM

Subject: **Request for Initial Consultation Meeting with COA for LRMC's Request for Fare Adjustment**

Dear Commissioner Pondoc,

In 2018 and 2020, Light Rail Manila Corporation (LRMC), the O & M concessionaire of LRT-1, applied for the adjustment of the approved fare based on Section 20.3, Schedule 9 of the Concession Agreement (CA). To study LRMC's request, the LRTA Board of Directors in 2018 instructed the creation of the *Committee on Fare Adjustment (CFA)* which was tasked to study, evaluate and make recommendations on the matter of fare adjustment.

Accordingly, the CFA conducted a comprehensive study and validation of the 2018 and 2020 fare adjustment requests and presented its findings to the LRTA Board of Directors on 14 September 2018 and August 2020, respectively.

Part of the CFA recommendation was to request assistance from COA in the determination of the reasonableness of the fare adjustment citing the Supreme Court ruling in the case of *Francisco et al. vs Toll Regulatory Board et al.*, G.R. Nos 166910, 169917, 173630, 183599, 19 October 2010, to wit:

X X X

"It is apropos to state at this juncture that, in determining the reasonableness of the subsequent toll rate increases, it behooves the TRB to seek out the Commission on Audit (COA) for assistance in examining and auditing the financial books of the public utilities concerned.

Section 22, Chapter 4, Subtitle B, Title 1, Book V of the Administrative Code of 1987 expressly authorizes the COA to examine the aforementioned documents in connection with the fixing of rates of every nature, including as in this case, the fixing of toll fees. We have on certain occasions applied this provision. *Manila Electric Company, Inc. v. Luathati* easily comes to mind where this Court tasked the Energy Regulatory Commission to seek the assistance of the COA in determining the reasonableness of the rate increase that MERALCO intended to implement.

We have consistently held that the law is deemed written into every contract. Being a provision of law, this Authority of the COA under the Administrative Code should therefore be deemed written in the subject contracts i.e. the STOA's.

In this regard, during the examination and audit, the public utilities concerned are mandated to produce all the reports, records, books of accounts and such other papers as may be required, and the COA is empowered to examine under oath any official or employee of the said public utility[ies]. Any public utility unreasonably denying COA access to the aforementioned documents, unnecessarily obstructs the examination and audit and may be adjudged liable of concealing any material information concerning its financial status, shall be subject to the penalties provided by law.

Address:

Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Philippines
Trunkline: 86473479 / 86473481 / 86473484 / 86473485 / 86473486
website: www.lrt.gov.ph

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WITH ERASURES OR ALTERATIONS

ATTY. PATRICK HENRY M. VILLANUEVA

Finally, the TRB is further obliged to take appropriate action on the COA Report with respect to its finding of reasonableness of the proposed rate increases."

X X X

Acting on the LRTA Board instructions for the immediate involvement of COA pursuant to aforementioned CFA recommendation and Supreme Court ruling, LRTA wrote LRTA-COA a letter on 03 August 2021, a copy of which is hereto attached as Annex "A", seeking assistance on the matter of LRMC's request for fare adjustment.

LRTA-COA wrote back on several instances in its letters to LRTA dated August 10, 2021, August 18, 2021 and September 9, 2021, firmly maintaining position that the matter on fare adjustment lies within the bounds of the Concessionaire, the Agency and the concerned Regulatory Body only and sans the participation of COA.

Further, in its letter dated 10 August 2021, LRTA-COA argued that LRMC's fare applications and approval thereof would not require the concurrence/involvement of COA, rather the approved fare increase will be subjected to audit to determine the reasonableness of increase (**emphasis supplied**).

However, in its letter to LRTA dated August 18, 2021, LRTA-COA also opined that the reasonableness of the proposed fare increase is subject to audit by COA pursuant to Section 22, Chapter 4, Subtitle B, Title 1, Book V of the Administrative Code of 1987. Copies of COA letters dated August 10, 2021, August 18, 2021 and September 9, 2021 are hereto collectively attached as Annex "B"

From above LRTA-COA position, we glean that there may be a need to clarify with COA Central the proper procedure of its review, whether COA reviews the reasonableness of the fare adjustment post-audit or prior to LRTA Board approval of the proposed fare.

With your indulgence, LRTA would be grateful for a presentation and discussion with you on the specifics of the request for fare adjustment of LRMC.

Our CFA Secretariat, through Ms. Laila P. Apugan with contact details: Cellphone No. 0917-173-0774 and email address: laila.apugan@lirta.gov.ph will coordinate with your office for the schedule and venue of said presentation.

Thank you very much.

Very truly yours,

ATTY. HERNANDO T. CABRERA
Administrator

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ATTY. PATRICK HENRY M. VILLANUEVA

2022-LT 00A-074



LIGHT
RAIL
TRANSIT
AUTHORITY

03 August 2021

TOMAS A. AGUILA
State Auditor V
Supervising Auditor
Commission on Audit

ERICMAR G. MANGANTULAO
State Auditor III
OJC-Audit Team Leader
Commission on Audit

Commission on Audit
RECEIVED

8/10/2021 12:10 pm

RE: LRT Line 1 Project -- LRMS's Fare Increase Application

Gentlemen:

This refers to the above subject matter which involves the 2018 and 2020 applications of the Light Rail Manila Corporation (LRMC) in relation to its Concession Agreement covering the LRT Line 1 System.

The matter of the LRMC's fare increase applications were recently passed upon by the LRTA Board of Directors during its meeting last 23 July 2021.

During the said meeting, the Board instructed that the Principal Members of the LRTA Board of Directors be apprised of the status, and the issues and concerns pertinent to the matter of the fare adjustment.

Likewise, and as contained in the report of the LRTA - Fare Adjustment Committee, the LRTA Board instructed the LRTA Management for the immediate involvement of the Commission on Audit (COA) following the prescription of the Supreme Court in the case of *Francisco et al. vs. Toll Regulatory Board et al.*, G.R. Nos. 166910, 169917, 173630, 183599, 19 October 2010.

The Supreme Court ruled:

"It is apropos to state at this juncture that, in determining the reasonableness of the subsequent toll rate increases, it behooves the TRB to seek out the Commission on Audit (COA) for assistance in examining and auditing the financial books of the public utilities concerned."

Section 22, Chapter 4, Subtitle B, Title 1, Book V of the Administrative Code of 1987 expressly authorizes the COA to examine the aforementioned documents in connection with the fixing of rates of every nature, including as in this case, the fixing of toll fees. We have on certain occasions

applied this provision. Manila Electric Company, Inc. v. Enchut easily comes to mind where this Court tasked the Energy Regulatory Commission to seek the assistance of the COA in determining the reasonableness of the rate increases that MERALCO intended to implement.

Address:

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website: www.lra.gov.ph



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We have consistently held that the law is deemed written into every contract. Being a provision of law, this authority of the COA under the Administrative Code should therefore be deemed written in the subject contracts i.e. the STOAs.


In this regard, during the examination and audit, the public utilities concerned are mandated to produce all the reports, records, books of accounts and such other papers as may be required, and the COA is empowered to examine under oath any official or employee of the said public utility. Any public utility unreasonably denying COA access to the aforementioned documents, unnecessarily obstructs the examination and audit and may be adjudged liable of concealing any material information concerning its financial status, shall be subject to the penalties provided by law. Finally, the TRB is further obliged to take the appropriate action on the COA Report with respect to its finding of reasonableness of the proposed rate increases."

In view of the above instruction from the LRTA Board of Directors, may we please respectfully request your most appropriate assistance on the matter.

The LRTA - Fare Adjustment Committee is ready to meet with and apprise your team if necessary.

We appreciate your most immediate action on the matter.

Sincerely,


GEN. REYNALDO I. BERROYA
Administrator

Cc:

Usec. Timothy John R. Batan
Undersecretary for Railways, DOTr

Asec. Fidel Ignerello T. Cruz, Jr.
Assistant Secretary for Railways, DOTr

Atty. Jose Jobel V. Belandier
OIC, DA for Administrative, Finance and AFCS
Concurrent Manager, Legal Department

Mr. Paul Y. Chua, PhD, CESE
DA for Operations and Engineering
Chairman, Fare Adjustment Committee

Concession Agreement Monitoring Team (CAMT)

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ATTY. PATRICK HENRY M. VILLANUEVA



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE AUDITOR
LIGHT RAIL TRANSIT AUTHORITY
Line 2 Depot, Marcos Highway, Santolan, Pasig City

August 10, 2021

GEN. REYNALDO L. BERROVA (Rel.)
Administrator
Light Rail Transit Authority
Line 2 Depot, Marcos Highway, Santolan, Pasig City

Dear Gen. Berrova:

This is in connection with your letter dated August 3, 2021 regarding the LRTA's Fare Increase Application and requesting this Office involvement based on *Francisco et al. vs. Toll Regulatory Board et al.*, GR Nos. 166910, 169917, 173630, 183399, 19 October 2010.

Please be informed that as per Section 7 (1) of Article IX of 1987 Philippine Constitution, the COA shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property on post-audit basis.

"SECTION 7 (1). The Commission on Audit shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, or instrumentalities, including government-owned or controlled corporations with original charters, and on a post-audit basis: (a) constitutional bodies, commissions and offices that have been granted fiscal autonomy under this Constitution; (b) autonomous state colleges and universities; (c) other government-owned or controlled corporations and their subsidiaries; and (d) such non-governmental entities receiving subsidy or equity, directly or indirectly, from or through the Government, which are required by law or the granting institution to submit to such audit as a condition of subsidy or equity. Xc"

We believed that LRTA's fare applications and approval thereof would not require the concurrence/involvement of COA, rather the approved fare increase will be subjected to audit to determine the reasonableness of increase.

We hope this clarifies the matter. Thank you very much.

ERICMAR G. MANGANTILAO
State Auditor III
OIC-Audit Team Leader

TOMAS A. AGUILA
State Auditor V
Supervising Auditor

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NOT VALID WITH ERASURES OR ALTERATIONS

ATTY. PATRICK HENRY M. VILLANUEVA



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE AUDITOR
LIGHT RAIL TRANSIT AUTHORITY
Line 2 Depot, Marcos Highway, Santolan, Pasig City

August 18, 2021

GEN. REYNALDO L. BERROYA (Ret.)
Administrator
Light Rail Transit Authority
Line 2 Depot, Marcos Highway, Santolan, Pasig City

Dear Gen. Berroya:

This is in connection with our letter dated August 10, 2021 regarding our stand on the LRMTC's Fare Increase Application based on Francisco et al. vs. Toll Regulatory Board (TRB) et al., GR Nos. 166910, 169917, 173630, 183599, 19 October 2010.

Please be informed that we cannot immediately involve ourselves in the LRMTC's fare increase application as per instruction of the LRTA Board of Directors because of the following reasons:

1. The facts of the consolidated cases mentioned above discussed about the Memorandum of Understanding (MOU) for the construction, rehabilitation and expansion of expressways;
2. The South Metro Manila Skyway (SMMSS) Buendia - Bicutan elevated stretch Project;
3. The NLEX Expansion Project (Rehabilitated and Widened NLEX, Subic Expressway, Circumferential Road C-5);
4. The South Luzon Expressway Project (Nichols to Lucena City);
5. G.R. 169917 - issues about the public bidding requirement, the power of the President to approve the assignment of PNOC's usufruct rights to cover even the assignment of the expressway from Balintawak to Tabang, the virtual amendment and extension of a statutory franchise by way of administrative action;
6. G.R. 173630 - apart from those taken up in the other petitions for certiorari and prohibition, petitioners whose members and constituents allegedly traverse daily, aver that TRB ought to have (Government Procurement Reform Act), which require public bidding for the prosecution of the SLEX project;
7. G.R. 183599 - a Civil Case, SCA No. 3133-PSG of the Young Professionals and Entrepreneurs of San Pedro, Laguna ("YPES"), one of the petitioners in G. R. 173630, filed before the RTC, Branch 153, in Pasig City, a special civil action for certiorari, etc., against the TRB;
8. In addition, the operations of LRTA is under the Department of Transportation (DoTr) and not under the Toll Regulatory Board (TRB) thus, with many different scenarios and environmental factors to consider; and
9. Lastly, granting for the sake of argument that the fare increase application of LRMTC is under the TRB, the assistance of the COA mentioned in the consolidated cases above is taken out of context because in the preceding paragraph of the same quoted Supreme Court ruling, it was stated:

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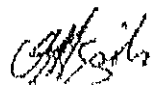
ATTY. PATRICK HENRY M. VILLANUEVA

"Similarly, as We do concede, the TRB, being likewise an agency attached to DOTC,"¹⁷ is governed by the same Code and consequently requires public hearing in appropriate cases. It is, therefore, imperative that in implementing and imposing new, i.e. subsequent toll rates arrived at using the toll rate adjustment formula, the subject tollway operators and the TRB must necessarily comply not only with the requirement of publication but also with the equally important public hearing. Accordingly, any fixing of the toll rate, which did not or does not comply with the twin requirements of public hearing and publication, must therefore be struck down as void. In such case, the previously valid toll rate shall consequently apply, pending compliance with the twin requirements for the new toll rate." (Emphasis Ours)

Hence, it is very clear that the fare increase application rests with LRMCO, the Operator of LRTA Line 1 and TRB sans our participation. Nevertheless, it is worthy to mention that the reasonableness of the proposed fare increase is subject to audit by COA pursuant to Section 22, Chapter 4, Subtitle B, Title I, Book V of the Administrative Code of 1987.

Thank you very much.


ERICMAR G. MANGANTULAO
State Auditor III
OIG-Audit Team Leader


TOMAS A. AGUILA
State Auditor V
Supervising Auditor

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ATTY. PATRICK HENRY M. VILLANUEVA

02 September 2021

TOMAS A. AGUILA
State Auditor V
Supervising Auditor
Commission on Audit

ERICMAR G. MANGANTULAO
State Auditor III
OIC-Audit Team Leader
Commission on Audit



**LIGHT
RAIL
TRANSIT
AUTHORITY**

Light Rail Transit Authority
Commission on Audit

RECEIVED
By: [Signature] 9/2/2021 11:20 AM

RE: LRT Line 1 Project--LRMS's Fare Increase Application

Gentlemen:

We acknowledge receipt of your letters dated 10 August 2021, and 10 August 2021.

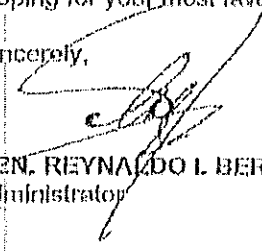
We appreciate the citations and the positions stated in your above stated letters. However, with your indulgence, LRTA would be grateful for a presentation and discussion with you on the specifics of the LRTA Line 1 Concessionaire's request for Fare Adjustment.

Although the LRTA has implemented similar Fare Increase in the past, the present scenario now involves a Co-Grantor (The DOT), a Private Concessionaire who is operating and collecting LRT1's revenue following a Concession Agreement, and a regulatory body.

We trust that the opportunity would provide us some helpful insights on the matter.

Hoping for your most favorable consideration of this request.

Sincerely,


GEN. REYNALDO L. BERROYA
Administrator

Cc:

Unc. Timothy John R. Dahan
Undersecretary for Railways, DOT

Asst. Fidel Ignacio T. Cruz, Jr.
Assistant Secretary for Railways, DOT

Atty. Juan John V. Boharrino
OIC, DA for Administrative, Finance and AEGS
Concession Manager, Legal Department

Mr. Paul Y. Chun, PhD, CISE
DA for Operations and Engineering
Chairman, Fare Adjustment Commission

Concession Agreement Monitoring Team (CAMT)

Addres:

Line 2 Depot, Marcos Highway, Southan, Pasig City, M.M., Philippines
Trunkline: 0473478 / 0473481 / 0473484 / 0473485 / 0473487
web site: www.lra.gov.ph

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ATTY. PATRICK HENRY M. VILLANUEVA



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE AUDITOR
LIGHT RAIL TRANSIT AUTHORITY
Line 2 Depot, Marcos Highway, Santolan, Pasig City

September 9, 2021


GEN. REYNALDO L. BERROYA (Rel.)
Administrator
Light Rail Transit Authority
Line 2 Depot, Marcos Highway, Santolan, Pasig City

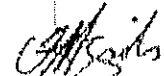
Dear Gen. Berroya:

This has reference with your letter dated September 2, 2021 regarding the LRT Line 1 Project - LRMCA's Fare Increase Application, again please be informed that our Office follows the rules and regulations pertaining to Toll Increase or Fare Adjustments which for us is within the bounds of the Agency or Concessionaire and the concerned Regulatory Body only, which in this particular case is the Toll Regulatory Board (TRB).

Also, we would like to ask for your indulgence on this matter. Thank you very much.

Very truly yours,


ERICMAR G. MANGANTULAO
State Auditor III
OIC-Audit Team Leader


TOMAS A. AGUILA
State Auditor V
Supervising Auditor

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ATTY. PATRICK HENRY M. VILLANUEVA



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

ANNEX C

**SPECIAL SERVICES SECTOR
SPECIAL AUDITS OFFICE**

October 25, 2022

Atty. HERNANDO T. CABRERA
Administrator
Light Rail Transit Authority (LRTA)
Line 2 Depot, Marcos Highway, Santolan
Pasig City

Dear Administrator Cabrera:

This pertains to your letter dated October 11, 2022, referred to this Office for appropriate action by the Office of the Commissioner Roland C. Pondoc, requesting for initial consultation meeting with COA for LRMC's request for fare adjustment and seeking clarification whether COA reviews the reasonableness of the fare adjustment on a **post-audit basis or prior** to LRTA Board approval of the proposed fare.

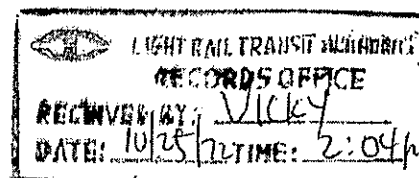
As gleaned in your letter, the LRTA Board of Directors in 2018 instructed the creation of the Committee on Fare Adjustment (CFA) which are tasked to study, evaluate and make recommendations on the matter of fare adjustment. As a result, CFA recommended to the LRTA Board of Directors, to request assistance from COA in the determination of the reasonableness of the fare adjustment citing the Supreme Court's ruling on the Francisco case.

It is the sole duty of the regulatory body concerned, like the TRB in the case of tollway operations, who has the power to issue, modify and promulgate fare adjustments. It is also not precluded from granting the petition for fare adjustments if it is convinced, after due evaluation, that the petitioner has clearly established their right to the proposed adjustment. On the other hand, the COA's power to examine and audit the books, records and accounts of public utilities in connection with the fixing of rates are *mutually exclusive*. In other words, COA's audit is not a procedural requirement nor a condition precedent to any adjustment and implementation of fare rates.

Hence, the regulatory body concerned may execute first its mandate by approving or implementing a provisional fare adjustment and thereafter, COA,

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ATTY. PATRICK HENRY M. VILLANUEVA

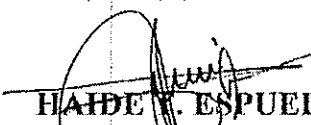


upon the request of the regulatory body concerned, may conduct the audit for the purpose of determining the reasonableness of the provisional fare adjustments, pursuant to Section 38 of Presidential Decree (PD) No. 1445 and Section 22, Chapter 4, Subtitle B, Title 1, Book V of the Administrative Code of 1987.

Should you still wish to seek audience or meeting for further clarifications on this matter, you may contact Mr. Dante A. Dejeto, State Auditor IV or Atty. Haide T. Espuelas, OIC-Director III at telephone numbers 8931-9235 or 8931-7455.

Thank you.

Very truly yours,


HAIDE T. ESPUELAS
OIC-Director III
Acting-Head of Office

cc: **ALEXANDER B. JULIANO**
Assistant Commissioner
Special Services Sector
This Commission

NERISA H. PAULINO
Director IV
Chief of Staff
Office of the Commissioner I
This Commission

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ATTY. PATRICK HENRY M. VILLANUEVA



SECRETARY'S CERTIFICATE

I, **AYLWINSTON C. PILLOS**, of legal age, Filipino and with address at the LRTA Line 2 Depot, Marcos Highway Santolan, Pasig City, after having been duly sworn in accordance with law, do hereby depose and say that:

That I am the duly appointed and constituted Acting Corporate Secretary of the Light Rail Transit Authority, LRTA for brevity, a government owned and controlled corporation with principal address at the LRTA Line 2 Depot, Marcos Highway, Santolan, Pasig City;

That as such Acting Corporate Secretary, I keep minutes and records of the transactions and meetings of the members of the Board of Directors of LRTA;

That on 25 October 2022, the Board of Directors of LRTA held meeting at the Command Center, LRTA Administration Building, LRT Line 1 Pasay Depot, Aurora Boulevard, Tramo, Pasay City, and via Zoom Teleconference;

That during the aforesaid meeting in which there was a quorum, the Board passed and approved the following:

RESOLUTION NO. 055-2022

RESOLVED AS IT IS HEREBY RESOLVED TO CONDITIONALLY APPROVE THE PROPOSED FARE INCREASE FOR LRT LINE 2 AS FOLLOWS:

BOARDING FARE : PHP13.29
DISTANCE FARE : PHP1.21 PER KILOMETER

RESOLVED FURTHER TO APPROVE THE CORRESPONDING FARE MATRICES AS FOLLOWS:

LRT2 STORED VALUE Fare Matrix													
2018	Pasig	Alabang	Marikina	V. Mapa	San Juan	San Jose	San Antonio	Cubao	Antonas	Quirino	San Juan	Marikina	Alabang
Berto	15	16	17	18	19	20	21	22	23	24	25	26	27
Legarda	16	17	18	19	20	21	22	23	24	25	26	27	28
Purora	17	18	19	20	21	22	23	24	25	26	27	28	29
V. Mapa	18	19	20	21	22	23	24	25	26	27	28	29	30
J. Ruiz	19	20	21	22	23	24	25	26	27	28	29	30	31
San Juan	20	21	22	23	24	25	26	27	28	29	30	31	32
San Jose	21	22	23	24	25	26	27	28	29	30	31	32	33
San Antonio	22	23	24	25	26	27	28	29	30	31	32	33	34
Cubao	23	24	25	26	27	28	29	30	31	32	33	34	35
Antonas	24	25	26	27	28	29	30	31	32	33	34	35	36
Quirino	25	26	27	28	29	30	31	32	33	34	35	36	37
San Juan	26	27	28	29	30	31	32	33	34	35	36	37	38
Marikina	27	28	29	30	31	32	33	34	35	36	37	38	39
Alabang	28	29	30	31	32	33	34	35	36	37	38	39	40

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ATTY. **PATRICK HENRY M. VILLANUEVA**

Address:

Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Philippines
Trunkline: 86473479 / 86473481 / 86473484 / 86473485 / 86473487

urbeillo uannlta covn nh

2018	0-6 km	6-10 km	10-15 km	15-20 km	20-25 km	25-30 km	30-35 km	35-40 km	40-45 km	45-50 km	50-55 km	55-60 km	60-65 km
Ratio	15	15	20	20	25	25	25	25	30	30	35	35	
Lagarda	15	15	20	20	20	25	25	25	25	30	30	35	
Puera	20	15	15	20	20	20	20	25	25	30	30	30	
V. Mapa	20	20	15	15	20	20	20	20	25	25	30	30	
K. Almir	20	20	20	15	15	20	20	20	20	25	25	30	
Glennore	25	20	20	20	15	15	20	20	20	25	25	30	
Betty Go	25	25	20	20	20	15	15	20	20	20	25	25	
Cuban	25	25	20	20	20	20	15	15	20	20	25	25	
Anonas	25	25	25	20	20	20	20	15	15	20	20	25	
Katipunan	30	25	25	25	20	20	20	15	15	20	20	25	
Santolan	30	30	30	25	25	25	20	20	20	20	15	20	
Marikina	35	30	30	30	25	25	25	20	20	20	15	20	
Antipolo	35	35	30	30	30	30	25	25	25	25	20	20	

IN WITNESS WHEREOF, I have hereunto affixed my signature this 4th day of November 2022.

ATTY. AYILWINSTON C. PILLOS
Acting Corporate Secretary

SUBSCRIBED AND SWORN TO before me 4th day of November 2022 at Quezon City, affiant exhibiting to me his Driver's License No. N02-07-002616 issued at Pasig City on 18 July 2021.

Doc. No. 466
Page No. 84
Book No. 170
Series of 2022.

ATT. ROY ALBERTA / *Edm. in the Fed*
 1214 L. J. / 1214 L. J.
 Commissioner / 1214 L. J. / 1214 L. J.
 PER No. 1214 L. J. / 1214 L. J. / 1214 L. J.
 HP No. 1214 L. J. / 1214 L. J. / 1214 L. J.
 Attorney's Roll No. 1214 L. J.
 MCLE Compliance No. 1214 L. J.
 Queen City

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ATTY. PATRICK HENRY M. VILLANUEVA



ANNEX E
LIGHT
RAIL
TRANSIT
AUTHORITY

04 November 2022

ENGR. RIZA MARIE T. PACHES, MNSA
Officer-In-Charge
Land Transportation Franchising and Regulatory Board
Land Transportation Building,
East Ave., Quezon City

14 NOV 2022
for Atty. B. Villanueva
11/14/22
4:31 pm
Not sealed

Subject : LRT Lines 1 and 2 Fare Adjustment

Dear Engr. Paches:

Pursuant to discussion during the Initial Consultation Meeting between the LRTA Committee on Fare Adjustment (CFA) and the Land Transportation Franchising Board (LTFRB), and as instructed by the LRTA Board of Directors during its meeting last 25 October 2022, may we please transmit the following documents relative to the above-stated subject:

1. 2018 Committee on Fare Adjustment Report (Power Point Presentation) for the LRTA Board of Directors;
2. 2020 Committee on Fare Adjustment Report (Power Point Presentation) for the LRTA Board of Directors;
3. Committee on Fare Adjustment Report and Power Point Presentation for the LRTA Board of Directors during its meeting on 25 October 2022; and,
4. LRTA Board Resolution Nos. 54 and 55 dated 25 October 2022 conditionally granting the fare adjustment subject to proper consultation with LTFRB and to pertinent regulatory processes.

For your proper reference and comments, please.

Thank you.

Very truly yours,

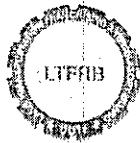
ATTY. HERNANDO T. CABRERA
Administrator

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ATTY. PATRICK HENRY M. VILLANUEVA

Address:

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website: www.lrt.gov.ph



ANNEX E

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

23 November 2022

ATTY. HERNANDO T. CABRERA
Administrator
Light Rail Transit Authority
Line 2 Depot, Marcos Highway, Santolan, Pasig City

Subject : Comments to the LRT 1 and 2 Fare Adjustment

Dear Atty. Cabrera,

This refers to the letter dated 04 November 2022 and received on 14 November 2022 requesting this Office to provide comments on the proposed fare adjustments for LRT Line 1 and Line 2. The details of which were discussed during the Initial Consultation Meeting between the LRTA Committee on Fare Adjustment (CFA) and LTFRB, as well as during the meeting of the Board of Directors of the LRTA on 25 October 2022 wherein the proposed adjustments were duly approved through Resolution No. 054-2022 and Resolution No. 055-2022.

As discussed during the meetings, there are two (2) general methods of Adjustment on the Notional Fare: Periodic Adjustment and the Inflation Rebasing. Table 1 shows the timing, conditions and the formula for each method. It can be seen that the **periodic adjustment method** does not consider any parameter, but only a constant multiplier to the present fare components. This method is quite unreliable as the 5% per annum factor (or 110.25%) may not be applicable during the period in consideration. In terms of timing, 2 years is too short which could not be tolerated by the commuting public, which would eventually affect the overall inflation rate every 2 years as well.

On the other hand, the **inflation rebasing method** is a more comprehensive method as it considers computed average growth rate of inflation which is a significant economic parameter that is practical and reliable. Further, the timing consideration (four years) is generally adequate, which suggests that the period is not too short nor too long.

Table 1. Periodic Adjustment and Inflation Rebasing of the Notional Fare

Periodic Adjustment	Inflation Rebasing ¹
Applied every second anniversary from the Notional Fare Setting Date	Examined every four years from the first Notional Fare Setting Date
Periodic	To reflect movements in inflation
Effective rate of 5% per annum or 10.25% per adjustment, as follows:	Conditions:

¹ CPI_n = Consumer Price Index, issued by the National Statistics Office, for the month prior to the applicable Fare Setting Date equal to July 2018 CPI or equal to 120.5
CPI_{n-x} = Consumer Price Index, issued by the National Statistics Office, for the month prior to the applicable Fare Setting Date equal to August 2014 CPI or equal to 107.1

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ATTY. PATRICK HENRY M. VILLANUEVA

RECEIVED BY: Vicay
DATE: 11/22/22 TIME: 10:05

$NBF = PBF \times 110.25\%$ $NDF = PDF \times 110.25\%$	<ol style="list-style-type: none"> 1. The Four-Year Computed Average Growth Rate (CAGR) for inflation is greater than 7%, or 2. The Four-Year Computed Average Growth Rate (CAGR) for inflation is less than 3%. $i = \left(\frac{CPI_{n-v}}{CPI_{n-v-4}} \right)^{\frac{1}{4}} - 1$ <p>Adjustments²:</p> $NBF = PBF_{n-4} \times A_i$ $NDF = PDF_{n-4} \times A_i$ $A_i = \text{escalation factor} = (1 + i)$
---	--

Table 2 compares the proposed fare adjustment with the current city bus fares, particularly the aircon type which is the mode of transport with similarities to the services of a train system. It can be seen that aircon city buses have higher rates as compared to the proposed LRT fares for both boarding fare (13% higher) and distance fare (119% higher).

Table 2. Comparison between LRT Line 1 and 2 Proposed Fare Increase and the Current City Bus Route Fares

LRT Line 1 and Line 2		City PUB			% Diff.
Fare Component	Amount	Fare Component	Regular	Aircon	
Boarding Fare (PhP)	13.29	Base Fare (PhP)	13.00	15.00	13%
Distance Fare (PhP/KM)	1.21	Fare per succeeding kilometer (PhP/KM)	2.25	2.65	119%

For comparison, we consider the city bus route Route 42 (Malanday - Ayala via McArthur Highway) which runs parallel to LRT 1, with an overlap of approximately 12 kilometers. Route 42 overlaps from Gil Puyat (Buendia) to Monumento Station or equivalent to 15 LRT stations.

Table 3 shows the total distances and fare structures of LRT 1 (Baclaran to Roosevelt) and PUB Route 42 (Malanday - Ayala via McArthur Highway). Table 4 shows the comparison of the fares considering the overlap portion of the two lines, particularly from Gil Puyat to Monumento Station. We can see from Table 2, the current and proposed fares of LRT are lower than the current aircon PUB fares. This arrangement is ideal in order to avoid sudden shifts in mode choice of the passengers as this may cause supply problems considering that LRT capacities are higher than buses.

Table 3. Comparison between LRT Line 1 and PUB Route 42 Distances and Fares

Line / Route Name	Est. Distance (km)		Current Fare Structure		Proposed Fare Structure	
	NB	SB	Boarding or Base Fare	Distance Fare or Per Succeeding KM	Boarding or Base Fare	Distance Fare or Per Succeeding KM
LRT 1: Baclaran - Roosevelt	18	18	11.00	1.00	13.29	1.21
PUB Route 42: Malanday - Ayala via McArthur Highway	25	29	15.00	2.65	15.00	2.65
% Difference from LRT Fares			36%	165%	13%	119%

² NBF = New Boarding Fare; PBF = Present Boarding Fare; NDF = New Distance Fare; PDF = Present Distance Fare

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ATTY. PATRICK HENRY M. VILLANUEVA

Based on Table 4, LRT 1 fares are lower than the PUB fares, which is expected considering that the fare components for LRT are lower than that of the PUB aircon. The difference between the LRT 1 and aircon bus fares is 12% for single journeys and 24% for stored value fares. It is worth noting that this arrangement (LRT fares lower than PUB fares) is practical and ideal so that the patronage for trains is preferred as far as fares are concerned. Further, we also maintain that this would avoid sudden shifts to the buses, which may cause supply problems on the side of the city buses.

Table 4. Comparison between LRT Line 1 and PUB Route 42 Distances and Fares

Line / Route Name	Sample part of the Route		Current Fare (PhP)		Proposed Fare (PhP)	
	Endpoints	Distance (km)	Stored Value	Single Journey	Stored Value	Single Journey
LRT 1: Baclaran - Roosevelt	Gil Puyat - Monumento	12	23.00	30.00	27.00	30.00
PUB Route 42: Malanday - Ayala via McArthur Highway		12	33.50		33.50	
% Difference from LRT Fare			46%	12%	24%	12%

Since both resolutions (Resolution No. 054-2022 and Resolution No. 055-2022) adopt the same proposed rates (boarding fare of PhP 13.29 and distance fare of PhP 1.21) for LRT 1 and LRT 2, we could expect the same comparative results for LRT 2 and PUB Route 3 (Antipolo - Quiapo via Cubao), which has portions of the route structure that run parallel to LRT 2. For further reference, attached herewith are the fare matrices for Route 3 and Route 42.

With the discussions presented, the undersigned interposes no objection to the proposed fare increase for LRT Line 1 and Line 2.

Thank you very much.

Very truly yours,

ENGR. RIZA MARIE T. PACHES, MNSA
Board Member and Officer-in-Charge, Office of the Chairperson
Pursuant to DOT Special Order 2022-266 dated 7 October 2022



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ATTY. PATRICK HENRY M. VILLANUEVA



PUB (Ordinary) FARE MATRIX
Metro Manila

Route 3: ANTIPOLO - QUIAPO VIA CUBAO (WEST BOUND)

DATE OF EFFECTIVITY: OCTOBER 3, 2022

Plate No.

Distance (km)	Stop/Landmark	Regular	Student / Elderly / Disabled
0	Antipolo / Sumulong Highway	0.00	0.00
1	Greenland Antipolo / Sumulong Highway	13.00	10.50
2	Garden of Gethsemane / Sumulong Highway	13.00	10.50
3	Cavaliers Village / Sumulong Highway	13.00	10.50
4	Cloud 9 / Sumulong Highway	13.00	10.50
5	Our Lady of Fatima University / Sumulong Highway	13.00	10.50
6	Valleygolf Country Club Subdivision / Sumulong Highway	15.25	12.25
7	Xentromall Antipolo / Sumulong Highway	17.50	14.00
8	Antipolo City Hospital System - Annex IV / Sumulong Highway	19.75	15.75
9	SM Masinag / Marcos Highway	22.00	17.50
10	Vermont Royale Executive Village / Marcos Highway	24.25	19.50
11	Gil Fernando Avenue corner Marcos Highway	26.50	21.25
12	Ayala Malls Feliz / Marcos Highway	28.75	23.00
13	LRT Santolan Station / Marcos Highway	31.00	24.75
14	Marikina Riverbanks / Marcos Highway	33.25	26.50
15	Katipunan Avenue corner Aurora Boulevard	35.50	28.50
16	Anonas / Aurora Boulevard	37.75	30.25
17	15th Avenue corner Aurora Boulevard	40.00	32.00
18	EDSA corner Aurora Boulevard	42.25	33.75
19	Balete Drive corner Aurora Boulevard	44.50	35.50
20	Broadway Avenue corner Aurora Boulevard	46.75	37.50
21	F. Roman Street corner Aurora Boulevard	49.00	39.25
22	V. Mapa / Magasaysay Boulevard	51.25	41.00
23	PNR Line near Hipodromo Street / Magasaysay Boulevard	53.50	42.75
24	Santa Catalina College / Legarda Street	55.75	44.50
25	DSWD NCR / P. Casal Street	58.00	46.50
26	Natividad Lopez Street corner Ayala Boulevard	60.25	48.25
27	Manila City Hall / Taft Avenue	62.50	50.00
28	Carlos Palanca Street corner Quezon Boulevard	64.75	51.75
29	Quiapo / Quezon Boulevard	67.00	53.50

Route 3: ANTIPOLO - QUIAPO VIA CUBAO (EAST BOUND)

DATE OF EFFECTIVITY: OCTOBER 3, 2022

Distance (km)	Stop/Landmark	Regular	Student / Elderly / Disabled
0	Quiapo / Quezon Boulevard	0.00	0.00
1	San Sebastian College / Recto Avenue	13.00	10.50
2	Santa Catalina College / Legarda Street	13.00	10.50
3	PNR Line near Hipodromo Street / Magasaysay Boulevard	13.00	10.50
4	V. Mapa / Magasaysay Boulevard	13.00	10.50
5	F. Roman Street corner Aurora Boulevard	13.00	10.50
6	Broadway Avenue corner Aurora Boulevard	15.25	12.25
7	Balete Drive corner Aurora Boulevard	17.50	14.00
8	EDSA corner Aurora Boulevard	19.75	15.75
9	15th Avenue corner Aurora Boulevard	22.00	17.50
10	Anonas / Aurora Boulevard	24.25	19.50
11	Katipunan Avenue corner Aurora Boulevard	26.50	21.25
12	Marikina Riverbanks / Marcos Highway	28.75	23.00
13	LRT Santolan Station / Marcos Highway	31.00	24.75
14	Ayala Malls Feliz / Marcos Highway	33.25	26.50
15	Gil Fernando Avenue corner Marcos Highway	35.50	28.50
16	Vermont Royale Executive Village / Marcos Highway	37.75	30.25
17	SM Masinag / Marcos Highway	40.00	32.00
18	Antipolo City Hospital System - Annex IV / Sumulong Highway	42.25	33.75
19	Xentromall Antipolo / Sumulong Highway	44.50	35.50
20	Valleygolf Country Club Subdivision / Sumulong Highway	46.75	37.50
21	Our Lady of Fatima University / Sumulong Highway	49.00	39.25
22	Cloud 9 / Sumulong Highway	51.25	41.00
23	Cavaliers Village / Sumulong Highway	53.50	42.75
24	Garden of Gethsemane / Sumulong Highway	55.75	44.50
25	Greenland Antipolo / Sumulong Highway	58.00	46.50
26	Antipolo / Sumulong Highway	60.25	48.25

COMPUTATION OF FARES: (Add-on Method)

REGULAR

First Five (5) Kilometers = P 13.00

Successing Kilometers = Additional P 2.25 per Kilometer

STUDENT/ELDERLY/DISABLED (20% Discount)

First Five (5) Kilometers = P 10.40

Successing Kilometers = Additional P 1.80 per Kilometer

Students are entitled to a fare discount of not less than 20% of the approved adjusted fare EVERYDAY, including Saturdays, Sundays and Holidays as per MC 2017-024

For Clarification,

Pls. visit LTFRB web portal at www.ltfrb.gov.ph
or call LTFRB 24/7 Hotline - 1342

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NOT VALID WITH ERASURES OR ALTERATIONS

ATTY. PATRICK HENRY M. VILLANUEVA

To only be used for the Board's comments on the proposal of LRTA on LRT Lines 1 and 2 fare increase

JOEL J. BOLANO
Chief, Technical Division



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION
LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD
East Avenue, Quezon City

PUB (Aircon) FARE MATRIX
Metro Manila

Route 42: MALANDAY - AYALA VIA MCARTHUR HIGHWAY (NORTH BOUND)

DATE OF EFFECTIVITY: OCTOBER 3, 2022

Plate No.

Distance (km)	Stop/Landmark	Regular	Student / Elderly / Disabled
0	Ayala / Ayala Avenue	0.00	0.00
1	Paseo de Roxas corner Ayala Avenue	15.00	12.00
2	Buendia Avenue corner Ayala Avenue	15.00	12.00
3	Osmeña Highway corner Buendia Avenue	15.00	12.00
4	LRT Gil Puyat Station / Buendia Avenue	15.00	12.00
5	LRT Vito Cruz Station / Taft Avenue	15.00	12.00
6	LRT Quirino Station / Taft Avenue	17.75	14.00
7	Philippine General Hospital / Taft Avenue	20.25	16.25
8	Philippine Normal University / Taft Avenue	23.00	18.25
9	Liwasang Bonifacio / McArthur Bridge	25.50	20.50
10	Universal Park Mall / Rizal Avenue	28.25	22.50
11	LRT Bambang Station / Rizal Avenue	31.00	24.75
12	F. Yuseco Street corner Rizal Avenue	33.50	26.75
13	LRT Abad Santos Station / Rizal Avenue	36.25	29.00
14	LRT R. Papa Station / Rizal Avenue Extension	38.75	31.00
15	LRT 5th Avenue Station / Rizal Avenue Extension	41.50	33.25
16	LRT Monumento Station / Rizal Avenue Extension	44.25	35.25
17	Potrero Elementary School / McArthur Highway	46.75	37.50
18	San Miguel Brewery / McArthur Highway	49.50	39.50
19	Our Lady of Fatima University / McArthur Highway	52.00	41.75
20	Landbank - Karuhatan / McArthur Highway	54.75	43.75
21	Flying V Gas Station / McArthur Highway	57.50	46.00
22	Puregold Valenzuela / McArthur Highway	60.00	48.00
23	BDO - Valenzuela / McArthur Highway	62.75	50.25
24	ACEMC - Valenzuela / McArthur Highway	65.25	52.25
25	Malanday / Marcelo H. del Pilar Street	68.00	54.50

Route 42: MALANDAY - AYALA VIA MCARTHUR HIGHWAY (SOUTH BOUND)

DATE OF EFFECTIVITY: OCTOBER 3, 2022

Distance (km)	Stop/Landmark	Regular	Student / Elderly / Disabled
0	Malanday / Marcelo H. del Pilar Street	0.00	0.00
1	ACEMC - Valenzuela / McArthur Highway	15.00	12.00
2	BDO - Valenzuela / McArthur Highway	15.00	12.00
3	Puregold Valenzuela / McArthur Highway	15.00	12.00
4	Flying V Gas Station / McArthur Highway	15.00	12.00
5	Landbank - Karuhatan / McArthur Highway	15.00	12.00
6	Our Lady of Fatima University / McArthur Highway	17.75	14.00
7	San Miguel Brewery / McArthur Highway	20.25	16.25
8	Potrero Elementary School / McArthur Highway	23.00	18.25
9	LRT Monumento Station / Rizal Avenue Extension	25.50	20.50
10	LRT 5th Avenue Station / Rizal Avenue Extension	28.25	22.50
11	LRT R. Papa Station / Rizal Avenue Extension	31.00	24.75
12	LRT Abad Santos Station / Rizal Avenue	33.50	26.75
13	F. Yuseco Street corner Rizal Avenue	36.25	29.00
14	LRT Bambang Station / Rizal Avenue	38.75	31.00
15	Universal Park Mall / Rizal Avenue	41.50	33.25
16	Liwasang Bonifacio / McArthur Bridge	44.25	35.25
17	Philippine Normal University / Taft Avenue	46.75	37.50
18	Philippine General Hospital / Taft Avenue	49.50	39.50
19	LRT Quirino Station / Taft Avenue	52.00	41.75
20	LRT Vito Cruz Station / Taft Avenue	54.75	43.75
21	St. Therese Institute of Arts and Sciences / Taft Avenue	57.50	46.00
22	Roxas Boulevard corner Buendia Avenue	60.00	48.00
23	Sogo Hotel / Buendia Avenue	62.75	50.25
24	Dian Street corner Buendia Avenue	65.25	52.25
25	Chino Roces Avenue corner Buendia Avenue	68.00	54.50
26	Nicanor Garcia Street corner Buendia Avenue	70.75	56.50
27	Paseo de Roxas corner Buendia Avenue	73.25	58.75
28	MRT Buendia Station / EDSA	76.00	60.75
29	Ayala / Ayala Avenue	78.50	63.00

COMPUTATION OF FARES: (Add-on Method)

REGULAR

First Five (5) Kilometers = P 15.00

Successing Kilometers = Additional P 2.65 per kilometer

STUDENT/ELDERLY/DISABLED (20% Discount)

First Five (5) Kilometers = P 12.00

Successing Kilometers = Additional P 2.12 per kilometer

Students are entitled to a fare discount of not less than 20% of the approved adjusted fare EVERYDAY, including Saturdays, Sundays and Holidays as per MC 2017-024

For Clarification,

Pls. visit LTFRB web portal at www.ltfrb.gov.ph
or call LTFRB 24/7 Hotline - 1342

CERTIFIED TRUE COPY
NOT VALID WITH ERASURES OR ALTERATIONS

ATTY. PATRICK HENRY M. VILLANUEVA

to only be used for the Board's comments on the proposal of LRTA on LRT Lines 1 and 2 fare increase

JOEL J. BOLANO
Chief, Technical Division



ANNEX 6
LIGHT
RAIL
TRANSIT
AUTHORITY

LRTA BOARD OF DIRECTORS

RESOLUTION NO. 068-2022

Series of 2022

FINAL APPROVAL OF THE PROPOSED FARE ADJUSTMENTS FOR LRT LINE 1 & 2 SYSTEMS.

WHEREAS, on 02 October 2014, a PPP Concession Agreement was signed between the Department of Transportation and Communication (DOTC) and the Light Rail Transit Authority (LRTA) as Grantors, and the Light Rail Manila Corporation (LRMC) as Concessionaire;

WHEREAS, Schedule 9 of the Concession Agreement (CA) between the Grantors and the Concessionaire provided the schedule and computation for the Concessionaire's application for Fare Adjustment on a periodic basis, specifically every two (2) years from the initial date of signing of the CA (01 August 2014), with an option to use inflation rebasing method every four (4) years from 01 August 2014;

WHEREAS, the LRTA Committee on Fare Adjustment by virtue of Special Order No. 152, s. 2018 was duly constituted to conduct complete staff work, make study, evaluate and make recommendations to the LRTA Board of Directors on the matter of fare adjustment;

WHEREAS, on 25 October 2022, the Board of Directors of LRTA held meeting and conditionally approved the proposed fare adjustment for the LRT Line 1 System:

RESOLUTION NO. 054-2022

RESOLVED AS IT IS HEREBY RESOLVED TO CONDITIONALLY APPROVE THE PROPOSED FARE INCREASE FOR LRT LINE 1 AS FOLLOWS:

BOARDING FARE : PHP13.29
DISTANCE FARE : PHP1.21 PER KILOMETER

RESOLVED FURTHER TO APPROVE THE CORRESPONDING FARE MATRICES AS FOLLOWS:

CERTIFIED TRUE COPY
NOT VALID WITH ERASURES OR ALTERATIONS

ATTY. PATRICK HENRY M. VILLANUEVA

Address:

Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Philippines
Trunkline: 86473479 / 86473481 / 86473484 / 86473485 / 86473487
website: www.lrtg.gov.ph

LRT2 STORED VALUE Fare Matrix (Conditionally Approved)													
	Recto	Legarda	Pureza	V. Mapa	J. Ruiz	Gilmore	Betty Go	Cubao	Anonas	Katipunan	Santolan	Marikina	Antipolo
Recto	13	15	16	18	19	21	22	23	25	26	28	31	33
Legarda	13	13	13	17	18	19	21	22	24	25	27	29	32
Pureza	16	16	13	15	16	18	19	20	22	23	26	28	30
V. Mapa	18	17	15	13	15	16	17	19	20	22	24	26	29
J. Ruiz	19	18	16	15	13	14	16	17	19	20	22	24	27
Gilmore	21	19	18	16	14	13	15	16	18	19	21	23	26
Betty Go	22	21	19	17	16	16	18	15	16	18	20	22	25
Cubao	23	22	20	19	17	16	15	13	15	16	19	21	23
Anonas	25	24	22	20	19	18	16	15	13	14	17	19	22
Katipunan	26	25	23	22	20	19	18	16	14	13	16	18	21
Santolan	28	27	26	24	22	21	20	19	17	16	13	15	18
Marikina	31	29	28	26	24	23	22	21	19	18	15	13	16
Antipolo	33	32	30	29	27	26	25	23	22	21	18	16	13

*based on the fare structure of P13.29 Boarding Fee + P1.21/km Distance Fee (2018 LRT/C Fare Application, as adjusted/validated by LTFRB)

LRT2 SINGLE JOURNEY Fare Matrix													
	Recto	Legarda	Pureza	V. Mapa	J. Ruiz	Gilmore	Betty Go	Cubao	Anonas	Katipunan	Santolan	Marikina	Antipolo
Recto		15	20	20	20	25	25	25	25	30	30	35	35
Legarda	15		15	20	20	20	25	25	25	25	30	30	35
Pureza	20	15		15	20	20	20	20	25	25	30	30	30
V. Mapa	20	20	15		15	20	20	20	20	25	25	30	30
J. Ruiz	20	20	20	15		15	20	20	20	20	25	25	30
Gilmore	25	20	20	20	15		15	20	20	20	25	25	30
Betty Go	25	25	20	20	20	15		15	20	20	20	25	25
Cubao	25	25	20	20	20	20	15		15	20	20	25	25
Anonas	25	25	25	20	20	20	20	15		15	20	20	25
Katipunan	30	25	25	25	20	20	20	20	15		20	20	25
Santolan	30	30	30	25	25	25	20	20	20	20		15	20
Marikina	35	30	30	30	25	25	25	25	20	20	15		20
Antipolo	35	35	30	30	30	30	25	25	25	25	20	20	

*based on the fare structure of P13.29 Boarding Fee + P1.21/km Distance Fee (2018 LRT/C Fare Application, as adjusted/validated by LTFRB)

WHEREAS, the above stated approvals were conditional since the LRTA Charter, E.O. No. 603 dated 12 July 1980, as amended, requires that adjustment of fares in the LRT must be duly consulted with the Land Transportation Franchising and Regulatory Board (LTFRB);

WHEREAS, accordingly the conditionally approved fare adjustment for LRT Line 1 and 2 Systems was referred to the Land Transportation Franchising and Regulatory Board (LTFRB) on 04 November 2022 for its proper review and comments as mandated by the LRTA Charter;

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ATTY. PATRICK HENRY M. VILLANUEVA

Page | 3
Board Resolution No. 068-2022 series of 2022

WHEREAS, after review, the LTFRB responded to LRTA in a letter dated 23 November 2022 stating that LTFRB has no objections to the proposed fare adjustment for LRT Line 1 and 2 Systems after considering, among others, a comparison between the existing Public Utility Bus (PUB) fares traversing routes parallel with the both the LRT Systems and the proposed fare adjustment which was found to be lower;

WHEREAS, the LRTA Management likewise sought the assistance of the Commission on Audit (COA) on 11 October 2022 in the determination of the reasonableness of the fare adjustment;

WHEREAS, COA in a letter dated 25 October 2022 reiterated that COA's audit is not a procedural requirement nor a condition precedent to any adjustment and implementation of fare rates, and further stated that it is the sole duty of the regulatory body concerned who has the power to issue, modify and promulgate the fare adjustment;

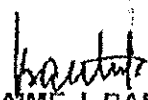
WHEREAS, on 19 December 2022 the Members of the LRTA Board of Directors passed upon the positions and comments of the LTFRB and COA as well as the recommendations of the Committee on Fare Adjustment contained in a Report dated 19 December 2022 and has resolved the following on the matter of the fare adjustment:

RESOLVED, to FINALLY APPROVE the fare adjustments for LRT Line 1 & 2 Systems as contained in LRTA Board Resolution Nos. 054-2022 and 055-2022;

RESOLVED FURTHER, to endorse the subject fare adjustments to the DOTr and secure its approval as Grantor in the LRT Line 1 Cavex Concession Agreement, and as mother agency on matters of transport policy for both LRT Line 1 & 2 Systems;

RESOLVED FURTHER, to request the DOTr and MRT3 for appropriate action on the MRT3 System fare adjustment, the same being a similar rail transport mode and being operated by the DOTr; and,

RESOLVED FINALLY that the approved fare adjustments be referred to the DOTr Rail Regulatory Unit (RRU) for proper regulatory processing and approval.


SEC. JAIME J. BAUTISTA
Chairperson, Board of Directors
BC 0163


ATTY. HERNANDO T. CABRERA
Administrator, LRTA


ATTY. ROMANDO ARTES (OIC)
Board Member, MMDA

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ATTY. PATRICK HENRY M. VILLANUEVA

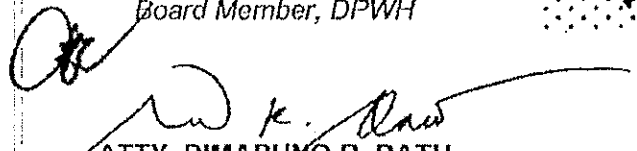
SEC. BENJAMIN E. DIOKNO
Board Member, DOF

SEC. AMENAH F. PANGANDAMAN
Board Member, DBM

SEC. ARSENIO M. BALISACAN
Board Member, NEDA

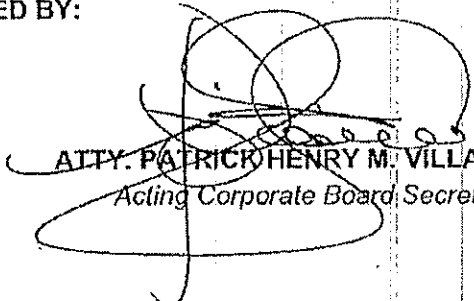
SEC. MANUEL M. BONOAN
Board Member, DPWH

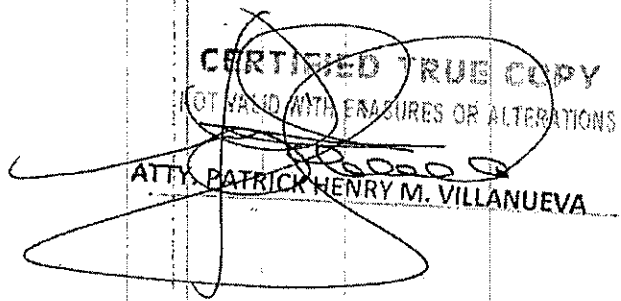

CHAIRMAN TEOFILO E. GUADIZ III
Board Member, LTFRB

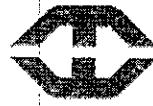

ATTY. DIMAPUNO R. DATU
Board Member, Private Sector Representative

PROMULGATED, this ____ day of December 2022, Pasig City, Philippines.

ATTESTED BY:


ATTY. PATRICK HENRY M. VILLANUEVA
Acting Corporate Board Secretary


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ATTY. PATRICK HENRY M. VILLANUEVA



ANNEX H
LIGHT
RAIL
TRANSIT
AUTHORITY

SECRETARY'S CERTIFICATE

I, **AYLWINSTON C. PILLOS**, of legal age, Filipino and with office address at the LRTA Line 2 Depot, Marcos Highway Santolan, Pasig City, after having been duly sworn in accordance with law, do hereby depose and say that:

That I am the duly appointed and constituted Acting Corporate Board Secretary of the Light Rail Transit Authority, LRTA for brevity, a government owned and controlled corporation with principal address at the LRTA Line 2 Depot, Marcos Highway, Santolan, Pasig City;

That as such Acting Corporate Secretary, I keep minutes and records of the transactions and meetings of the members of the Board of Directors of LRTA;

That based on records at hand, the Board of Directors of LRTA passed and approved the following resolution, to wit:

1. That the Light Rail Transit Authority (LRTA) Administrator is authorized and empowered to appear and represent LRTA in all cases or litigation matters whether in the original or appellate stage, either as plaintiff, complainant, defendant, appellant, appellee, petitioner or respondent, including the authority to sign under oath the required Verification and Certification of Non-Forum Shopping and all necessary and appropriate pleadings and documentary requirements, as well as in the pre-trial conference of all cases, civil, criminal, labor or administrative, with full power and authority to (a) consider the possibility of amicable settlement or enter into compromise agreement whenever possible, as well as consider the possibility of submission to arbitration or to other alternative modes of dispute resolution and agree on the same; (b) agree to simplification issues; (c) consider and agree to mend pleadings; (d) agree on a stipulation of facts or admit facts and documents to avoid unnecessary proof; (e) limit the number of witness; (f) consider and agree to a preliminary reference of issues to a commissioner; (g) consider and agree on the propriety of rendering judgement on the pleadings, or summary judgement, or of dismissing the action should a valid ground therefore be found to exist; (h) consider and agree on the advisability or necessity of suspending the proceedings; and (i) do or cause to be done such other matters as may aid in the prompt disposition of the action or as may be necessary under the circumstances;
2. That the aforesaid Officer is also granted full power and authority to appoint a substitute as those granted above;
3. That it is the practice of the LRTA Board of Directors to grant and/or extend specific authority or authorities to the office concerned and not to a specific person and which in the instant case to the LRTA Administrator;
4. That **ATTY. HERNANDO T. CABRERA** is the duly constituted Administrator of LRTA from 05 August 2022 to present;
5. That the above stated grant of authority and power remains in effect and still subsists until this date and has never been revoked or amended.

Address:
Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Philippines
Trunkline: 86473479 / 86473481 / 86473484 / 86473485 / 86473487
website: www.lrta.gov.ph

CERTIFIED TRUE COPY OF
ORIGINAL DOCUMENT
AYLWINSTON C. PILLOS
Acting Corporate Board Secretary
OFFICE OF THE CORPORATE BOARD SECRETARY
LRTA BOARD OF DIRECTORS
LIGHT RAIL TRANSIT AUTHORITY

IN WITNESS WHEREOF, I have hereunto affixed my signature this 11th day of August 2022.

ATTY. AYLWINSTON C. PILLOS
Acting Corporate Secretary

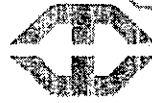
SUBSCRIBED AND SWORN TO before me this 11th day of August 2022 at Quezon City, affiant exhibiting to me his Driver's License No. N02-07-002616 issued at Pasig City on 18 July 2021.

Doc.No. 13
Page No. 1030
Book No.
Series of 2022.

CERTIFIED TRUE COPY OF
ORIGINAL DOCUMENT

ATTY. AYLWINSTON C. PILLOS
Acting Corporate Board Secretary
OFFICE OF THE CORPORATE BOARD SECRETARY
LRTA BOARD OF DIRECTORS
LIGHT RAIL TRANSIT AUTHORITY

ATTY. RYAN G. CORTIZ
PTR No. 2584877 QUEZON CITY
HR No. 478355 02/15/22
Roll No. F2111
Notary Commission No. 41 1226000
Adm No. HR 674 12021-7077



LRTA BOARD OF DIRECTORS

RESOLUTION NO. 068-2022

Series of 2022

FINAL APPROVAL OF THE PROPOSED FARE ADJUSTMENTS FOR LRT LINE 1 & 2 SYSTEMS.

WHEREAS, on 02 October 2014, a PPP Concession Agreement was signed between the Department of Transportation and Communication (DOTC) and the Light Rail Transit Authority (LRTA) as Grantors, and the Light Rail Manila Corporation (LRMC) as Concessionaire;

WHEREAS, Schedule 9 of the Concession Agreement (CA) between the Grantors and the Concessionaire provided the schedule and computation for the Concessionaire's application for Fare Adjustment on a periodic basis, specifically every two (2) years from the initial date of signing of the CA (01 August 2014), with an option to use inflation rebasing method every four (4) years from 01 August 2014;

WHEREAS, the LRTA Committee on Fare Adjustment by virtue of Special Order No. 152, s. 2018 was duly constituted to conduct complete staff work, make study, evaluate and make recommendations to the LRTA Board of Directors on the matter of fare adjustment;

WHEREAS, on 25 October 2022, the Board of Directors of LRTA held meeting and conditionally approved the proposed fare adjustment for the LRT Line 1 System:

RESOLUTION NO. 054-2022

RESOLVED AS IT IS HEREBY RESOLVED TO CONDITIONALLY APPROVE THE PROPOSED FARE INCREASE FOR LRT LINE 1 AS FOLLOWS:

BOARDING FARE : PHP13.29
DISTANCE FARE : PHP1.21 PER KILOMETER

RESOLVED FURTHER TO APPROVE THE CORRESPONDING FARE MATRICES AS FOLLOWS:

CERTIFIED TRUE COPY
NOT VALID WITH ERASURES OR ALTERATIONS
ATTY. PATRICK HENRY M. VILLANUEVA
Caroline R. Rened Corrales

Address:

Line 2 Depot, Marcos Highway, Santolan, Pasig City, M.M., Philippines
Trunkline: 86473479 / 86473481 / 86473484 / 86473485 / 86473487
website: www.lrta.gov.ph

LRT-2 STATION VALUE FROM MILEAGE (CONDITIONALLY APPROVED)																								
	Station	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo	Binondo
Binondo	13	16	18	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Binondo	16	19	21	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43
Binondo	19	22	24	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Binondo	22	25	27	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49
Binondo	25	28	30	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52
Binondo	28	31	33	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55
Binondo	31	34	36	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58
Binondo	34	37	39	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61
Binondo	37	40	42	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64
Binondo	40	43	45	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67
Binondo	43	46	48	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
Binondo	46	49	51	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73
Binondo	49	52	54	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76
Binondo	52	55	57	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79
Binondo	55	58	60	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82
Binondo	58	61	63	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85
Binondo	61	64	66	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88
Binondo	64	67	69	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91
Binondo	67	70	72	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94
Binondo	70	73	75	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97
Binondo	73	76	78	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
Binondo	76	79	81	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103
Binondo	79	82	84	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106
Binondo	82	85	87	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109
Binondo	85	88	90	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112
Binondo	88	91	93	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115
Binondo	91	94	96	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118
Binondo	94	97	99	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121
Binondo	97	100	102	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124
Binondo	100	103	105	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127
Binondo	103	106	108	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130
Binondo	106	109	111	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133
Binondo	109	112	114	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136
Binondo	112	115	117	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139
Binondo	115	118	120	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142
Binondo	118	121	123	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145
Binondo	121	124	126	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148
Binondo	124	127	129	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151
Binondo	127	130	132	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154
Binondo	130	133	135	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157
Binondo	133	136	138	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160
Binondo	136	139	141	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163
Binondo	139	142	144	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166
Binondo	142	145	147	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169
Binondo	145	148	150	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172
Binondo	148	151	153	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175
Binondo	151	154	156	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178
Binondo	154	157	159	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181
Binondo	157	160	162	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184
Binondo	160	163	165	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187
Binondo	163	166	168	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190
Binondo	166	169	171	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193
Binondo	169	172	174	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196
Binondo	172	175	177	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199
Binondo	175	178	180	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202
Binondo	178	181	183	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205
Binondo	181	184	186	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208
Binondo	184	187	189	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211
Binondo	187	190	192	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214
Binondo	190	193	195	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217
Binondo	193	196	198	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220
Binondo	196	199	201	203	204	205	206	207	208	209														

LRT2 STORED VALUE Fare Matrix (Conditionally Approved)													
	Recto	Legarda	Pureza	V. Mapa	J. Ruiz	Gilmore	Betty Go	Cubao	Anonas	Katipunan	Santolan	Marikina	Antipolo
Recto	18	15	16	18	19	21	22	23	25	26	28	31	33
Legarda	18	13	15	17	18	19	21	22	24	25	27	29	32
Pureza	16	15	13	15	16	18	19	20	22	23	26	28	30
V. Mapa	18	17	15	13	19	16	17	19	20	22	24	26	29
J. Ruiz	19	18	16	17	13	14	16	17	19	20	22	24	27
Gilmore	21	19	18	16	14	13	15	16	18	19	21	23	26
Betty Go	22	21	19	17	16	15	11	13	16	18	20	22	25
Cubao	23	22	20	19	17	16	15	13	15	16	19	21	23
Anonas	25	24	22	20	19	18	16	15	13	14	17	19	22
Katipunan	26	25	23	22	20	19	18	16	14	15	16	18	21
Santolan	28	27	26	24	22	21	20	19	17	16	13	15	18
Marikina	31	29	28	26	24	23	22	21	19	18	15	16	16
Antipolo	33	32	30	29	27	26	25	24	22	21	18	16	18

*Based on the fare structure of P13.20 Boarding Fee + P1.20/Min Distance Fee (2018 LRT2 Fare Application, as amended by LTA).

LRT2 SINGLE JOURNEY Fare Matrix													
	Recto	Legarda	Pureza	V. Mapa	J. Ruiz	Gilmore	Betty Go	Cubao	Anonas	Katipunan	Santolan	Marikina	Antipolo
Recto		15	20	20	20	25	25	25	25	30	30	35	35
Legarda	15		15	20	20	20	25	25	25	25	30	30	35
Pureza	20	15		15	20	20	20	20	25	25	30	30	30
V. Mapa	20	20	15		15	20	20	20	30	25	25	30	30
J. Ruiz	20	20	20	15		15	20	20	20	20	25	25	30
Gilmore	25	20	20	20	15		15	20	20	20	25	25	30
Betty Go	25	25	20	20	20	15		15	20	20	20	25	25
Cubao	25	25	20	20	20	20	15		15	30	20	25	25
Anonas	25	25	25	20	20	20	20	15		15	20	20	25
Katipunan	30	25	25	25	20	20	20	20	15		20	20	25
Santolan	30	30	30	25	25	25	20	20	20	20		15	20
Marikina	35	30	30	30	25	25	25	25	20	20	15		20
Antipolo	35	35	30	30	30	30	25	25	25	25	20	20	

*Based on the fare structure of P13.20 Boarding Fee + P1.20/Min Distance Fee (2018 LRT2 Fare Application, as amended by LTA).

WHEREAS, the above stated approvals were conditional since the LRTA Charter, E.O. No. 603 dated 12 July 1980, as amended, requires that adjustment of fares in the LRT must be duly consulted with the Land Transportation Franchising and Regulatory Board (LTFRB);

WHEREAS, accordingly the conditionally approved fare adjustment for LRT Line 1 and 2 Systems was referred to the Land Transportation Franchising and Regulatory Board (LTFRB) on 04 November 2022 for its proper review and comments as mandated by the LRTA Charter;

CERTIFIED TRUE COPY
NOT VALID WITH ERASURES OR ALTERATIONS
 ATTY. PATRICK HENRY M. VILLANUEVA
 Corporate Board Secretary

WHEREAS, after review, the LTFRB responded to LRTA in a letter dated 23 November 2022 stating that LTFRB has no objections to the proposed fare adjustment for LRT Line 1 and 2 Systems after considering, among others, a comparison between the existing Public Utility Bus (PUB) fares traversing routes parallel with the both the LRT Systems and the proposed fare adjustment which was found to be lower;

WHEREAS, the LRTA Management likewise sought the assistance of the Commission on Audit (COA) on 11 October 2022 in the determination of the reasonableness of the fare adjustment;

WHEREAS, COA in a letter dated 25 October 2022 reiterated that COA's audit is not a procedural requirement nor a condition precedent to any adjustment and implementation of fare rates, and further stated that it is the sole duty of the regulatory body concerned who has the power to issue, modify and promulgate the fare adjustment;

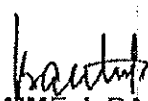
WHEREAS, on 19 December 2022 the Members of the LRTA Board of Directors passed upon the positions and comments of the LTFRB and COA as well as the recommendations of the Committee on Fare Adjustment contained in a Report dated 19 December 2022 and has resolved the following on the matter of the fare adjustment:

RESOLVED, to FINALLY APPROVE the fare adjustments for LRT Line 1 & 2 Systems as contained in LRTA Board Resolution Nos. 054-2022 and 055-2022;

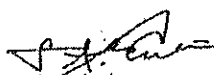
RESOLVED FURTHER, to endorse the subject fare adjustments to the DOTr and secure its approval as Grantor in the LRT Line 1 Cavex Concession Agreement, and as mother agency on matters of transport policy for both LRT Line 1 & 2 Systems;

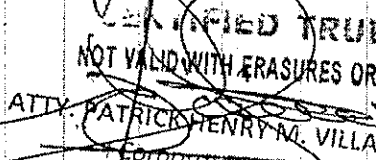
RESOLVED FURTHER, to request the DOTr and MRT3 for appropriate action on the MRT3 System fare adjustment, the same being a similar rail transport mode and being operated by the DOTr; and,

RESOLVED FINALLY that the approved fare adjustments be referred to the DOTr Rail Regulatory Unit (RRU) for proper regulatory processing and approval.


SEC. JAIME J. BAUTISTA
Chairperson, Board of Directors
BC 0163


ATTY. HERNANDO T. CABRERA
Administrator, LRTA


ATTY. ROMANDO ARTES (OIC)
Board Member, MMDA


ATTY. PATRICK HENRY M. VILLANUEVA
Committee Member

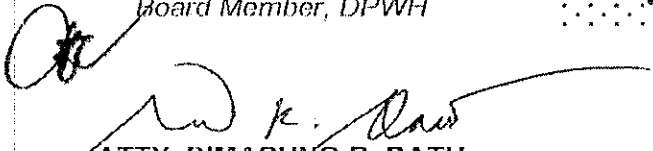
SEC. BENJAMIN E. DIOKNO
Board Member, DOF

SEC. AMENAH F. PANGANDAMAN
Board Member, DBM

SEC. ARSENIO M. BALISACAN
Board Member, NEDA

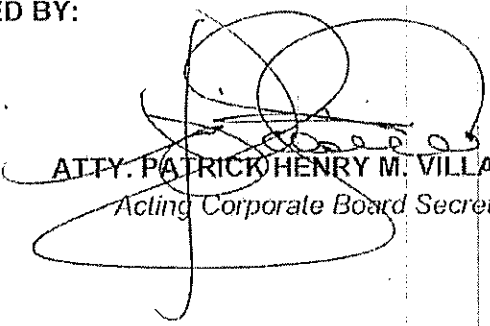
SEC. MANUEL M. BONOAN
Board Member, DPWH


CHAIRMAN TEOFILO E. GUADIZ III
Board Member, LTFRB


ATTY. DIMAPUNO R. DATU
Board Member, Private Sector Representative

PROMULGATED, this ____ day of December 2022, Pasig City, Philippines.

ATTESTED BY:


ATTY. PATRICK HENRY M. VILLANUEVA
Acting Corporate Board Secretary

CERTIFIED TRUE COPY
NOT VALID WITH ERASURES OR ALTERATIONS


ATTY. PATRICK HENRY M. VILLANUEVA