

of the Loan Funds;

- (iv) Conduct regular audits of the borrower's disbursements of the fund to ensure that the loan is properly utilized in accordance with Department Circular No. 2003-06-007;
- (v) Provide updated status reports on audits conducted; and
- (vi) Perform such other functions that may be assigned to it by the DOE Review Committee.

(d) Legal Services

- (i) Review and evaluate contracts, to be entered into between the DOE and the borrower/s;
- (ii) Review and endorse contracts to the OIMB for finalization prior to signing by the DOE of the same;
- (iii) Issue legal opinion on matters referred to it in connection with the Loan Fund; and

- (iv) Perform such other functions that may be assigned to it by the DOE Review Committee.

SEC. 5. *Meetings.* –

The DOE Review Committee shall meet once every two (2) months or as the need may arise to ensure the effective implementation of the Gasoline Station Lending and Financial Assistance Program and this Order.

SEC. 6. *Secretariat Support.* –

Secretariat support for the DOE Review Committee shall be provided by the OIMB.

SEC. 7. *Effectivity.* –

This Department Order shall take effect immediately.

Fort Bonifacio, Taguig City, Matro Manila
October 14, 2003

VINCENT S. PEREZ, JR.
Secretary

DEPARTMENT CIRCULAR NO. 2007-02-002

PROVIDING FOR THE RULES AND REGULATIONS GOVERNING THE BUSINESS OF SUPPLYING, HAULING, STORAGE, HANDLING, MARKETING AND DISTRIBUTION OF LIQUEFIED PETROLEUM GAS (LPG) FOR AUTOMOTIVE USE

WHEREAS, the Department of Energy (DOE) in pursuance of its powers and functions under Section 5 of Republic Act (RA) No. 7638 otherwise known as the "Department of Energy Act of 1992", establishes and administers programs for the exploration, transportation, marketing, distribution, utilization, conservation, stockpiling, and storage of energy resources of all forms, whether conventional or non-conventional;

WHEREAS, the DOE shall regulate private sector activities relative to energy projects in order to attain the goals embodied in Section 2 of RA 7638: *Provided*, that the Department shall endeavor to provide for an environment conducive to free and active private sector participation and investment in all energy activities;

WHEREAS, RA 8479, otherwise known as the "Downstream Oil Industry Deregulation

Act of 1998”, shall apply to all persons or entities engaged in any and all activities of the domestic downstream oil industry including the LPG business for automotive use, and mandates the DOE to promote the entry of new industry participants;

WHEREAS, Section 14 (b) of RA 8479 empowers the DOE to monitor the refining and manufacturing of local petroleum products to ensure that clean and safe (environment and worker-benign) technologies are applied. The same shall also apply to the process of marketing local and imported petroleum products;

WHEREAS, Batas Pambansa Blg. 33, as amended by Presidential Decree No. 1865, and the Implementing Rules and Regulations therefor, define and penalize certain prohibited acts that are considered inimical to the public interest and national security, including illegal trading in petroleum and/or petroleum products, hoarding of petroleum products, adulteration and underdelivery, among others;

WHEREAS, the LPG Business for Automotive Use is subject to pertinent certifications, permits and licenses issued by government authorities such as, but not limited to, the Department of Trade and Industry, the Department of Environment and Natural Resources, the Bureau of Fire Protection, Bureau of Internal Revenue and Local Government Units;

WHEREAS, the downstream oil industry has adopted pertinent provisions of different national and international safety codes that cover the safe and proper handling, transport, storage, installation and use of equipment and facilities that are used in the industry;

WHEREAS, these pertinent provisions in the different national and international safety codes have been integrated and included in a National Standards on Health, Safety, and Quality for the petroleum products business;

WHEREAS, there is an urgent need to eliminate, illegal and unsafe operation of such business and to impose penalties on violations to health, safety and product quantity/quality standards in the industry in order to better protect the consuming public;

NOW, THEREFORE, in consideration of the foregoing premises, the following rules are hereby promulgated to govern the Business of LPG for Automotive Use.

Rule I

GENERAL PROVISIONS

SECTION 1. TITLE

This Department Circular shall be known and cited as **“The Rules and Regulations Governing the Business of Supplying, Hauling, Storage, Handling, Marketing and Distribution of LPG for Automotive Use”** or **“Auto-LPG Rules”**.

SECTION 2. COVERAGE

These Auto-LPG Rules shall apply to any Person engaged or intending to engage in the business of supplying, hauling, storage, handling, marketing and distribution of liquefied petroleum gas (LPG) for automotive use.

SECTION 3. DEFINITION OF TERMS

For the purpose of this Auto-LPG Rules, the following definitions shall apply:

- a. **“Auto-LPG Dispensing Station”** shall refer to an outlet, facility, or business establishment which retails Liquefied Petroleum Gas (LPG) for automotive fuel directly to individual end users or to the motoring public; The same may be stand alone or located within or operated with a LPPs Retail Outlet;
- b. **“Auto LPG Industry Participants”** shall refer to persons or entities engaged in the

business of supplying, hauling, storage, handling, marketing and distribution of liquefied petroleum gas (LPG) for automotive use.

- c. **“BFP”** shall refer to the Bureau of Fire Protection created under Republic Act No. 6975 as amended;
- d. **“Bulk Supplier”** shall refer to any person or entity who engages in the sale of LPG thru tankers, barges, tank trucks, trailers and lorries;
- e. **“Container”** or **“Auto-LPG Container”** shall refer to any portable pressure vessel with all its permanent support(s) and attachment(s) installed, used for the storage of LPG for automotive use;
- f. **“DENR”** shall refer to the Department of Environment and Natural Resources, created under Executive Order No. 192;
- g. **“DILG”** shall refer to the Department of Interior and Local Government, created under Republic Act No. 6975;
- h. **“DOE”** shall refer to the Department of Energy, created under Republic Act No. 7638, as amended;
- i. **“DOST”** shall refer to the Department of Science and Technology, created under Executive Order No. 128;
- j. **“DTI”** shall refer to the Department of Trade and Industry, created under Executive Order No. 292;
- k. **“Hauler”** shall refer to persons or entities engaged in the transport, distribution and carriage of LPG in bulk from the bulk supplier to the Auto-LPG Dispensing Station;
- l. **“LPP”** shall refer to Liquid Petroleum Products such as gasoline, diesel, and kerosene;

- m. **“LGU”** shall refer to the local government unit;
- n. **“OIMB”** shall refer to the Oil Industry Management Bureau of the Department of Energy;
- o. **“PNP”** shall refer to the Philippine National Police, created under Republic Act No. 6975;
- p. **“PNS” or Philippine National Standards”** shall refer to the standards promulgated by the DTI-Bureau of Product Standards relating to product specifications, test methods, terminologies, and standardization procedures, guidelines or practices;
- q. **“Retailing”** shall refer to the act of selling, distributing, dispensing, storing, handling, transferring or dispensing LPG for automotive use directly to the individual end users or to the motoring public.

Rule II

MINIMUM STANDARDS AND REQUIREMENTS

SECTION 4. SUPPLYING/HAULING IN BULK

Any person who is operating or intending to operate a LPG bulk supply and/or hauling business for automotive use shall comply with the latest edition of the following:

- a. National Fire Protection Association (NFPA), Pamphlet 58 – *Liquefied Petroleum Gas Code*; and
- b. Philippine LPG Association (PLPGA) Safety Code

Section 5. RETAILING

Any person who is operating or intending to operate an Auto-LPG Dispensing Station shall comply with the following requirements of this Auto-LPG Rules:

- a. Auto-LPG Dispensing Stations shall conform to PNS/DOE FS 3:2006 and any amendments thereto.

Pursuant to PNS/DOE FS 3:2006, the retailing of LPG for automotive use shall be conducted in a dedicated Auto-LPG business premises with an initial minimum lot area of 250 square meters for stand-alone stations with single Auto-LPG Dispenser and above ground storage or 150 square meters for stand-alone stations with single Auto-LPG Dispenser and underground storage; such that vehicles being serviced shall at all times be inside the said business premises.

- b. Auto-LPG Dispensing Stations shall only refill LPG containers for automotive use which conform to the specifications of PNS04:2006 “Road Vehicles—Automotive LPG Components – Containers” and installed in the vehicle complying with PNS 05:1983 “Code of Practice for the use of Liquefied Petroleum Gas (LPG) System in Internal Combustion Engines”.
- c. Auto-LPG Dispensing Stations shall not be allowed to refill cylinders for household use.
- d. Operation of “self-serve” Auto-LPG Dispensing Station shall not be allowed.
- e. Auto-LPG Dispensing Stations shall conform to the minimum standards and requirements prescribed hereunder, and such other pertinent rules and regulations, and shall operate only with a valid SCC as described in Section 6 hereof.

SECTION 6. STANDARDS COMPLIANCE CERTIFICATE

The DOE, through the Oil Industry Management Bureau (OIMB), shall issue a Standards Compliance Certificate (SCC) upon the complete submission of and full compliance by the Auto-LPG Industry

Participant with the requirements provided in Section 9 hereof: *Provided*, that the issuance of the said SCC does not exempt such person or entity from securing DOE’s Certificate of Compliance (COC) for liquid fuels and any other permit or certificate of quality, health, safety, security, or environmental clearance from the concerned governmental agencies or instrumentalities: *Provided further*, that the Auto-LPG Industry Participant shall submit to the DOE-OIMB an authenticated copy of the business/mayor’s permit within thirty (30) days from the issuance of the SCC, otherwise the latter shall be deemed revoked.

No Auto-LPG Industry Participant shall operate until a SCC is secured from the DOE-OIMB. The Auto-LPG Industry Participant shall be deemed engaged in the ILLEGAL TRADING of LPG for automotive use if he/she operates without the SCC.

Section 7. CERTIFICATE OF NON-COVERAGE

Auto-LPG garage-based operation shall not be covered by this Auto-LPG Rules only upon issuance of a Certificate of Non-Coverage (CNC) by the DOE-OIMB. For purposes of this Auto-LPG Rules, a garage-based operation shall refer to the operation of a motor vehicle fleet with at least thirty (30) vehicle units; parked and serviced in a confined area or garage.

A Certificate of Non-Coverage shall be issued provided that the owner/operator shall ensure that:

- a. They file with the DOE-OIMB a duly acknowledged formal letter of request for a certificate of non-coverage under these Rules.
- b. They present pertinent LTO/LTFRB documents confirming their fleet with at least thirty (30) taxi units in operation.
- c. They do not render retailing services as defined and as provided for in Section 5 hereof.

- d. Their dispenser/s does not have “money wheels” or “price indicators”. For purposes of this Auto-LPG Rules, a “money wheel” is the price-indicating device of the LPG dispenser that indicates the amount corresponding to the volume of product dispensed from the nozzle.
- e. Their facility shall not be open for retail to the motoring public, hence, shall only be accessible to its own fleet vehicles through a controlled entry point.

Bulk suppliers shall ensure that their garage-based Auto-LPG clients/buyers have secured the necessary Certificate of Non-Coverage (CNC) from the DOE prior to engaging into contractual obligations, such as but not limited to supply agreements, with their clients or buyers.

The CNC does not preclude compliance with PNS/DOE FS 3:2006 “Auto-LPG Dispensing Stations” and with the requirements of other government agencies.

SECTION 8. NON-ISSUANCE, NON-RENEWAL OR REVOCATION OF STANDARDS COMPLIANCE CERTIFICATE

The following shall constitute grounds for non-issuance, non–renewal or revocation of SCC:

- a. Failure to comply with Sections 9, 10, and 11 hereof;
- b. Failure to present an authenticated Business/Mayor’s permit as prescribed in Section 6 hereof;
- c. Unjustified refusal to allow entry of authorized DOE-OIMB inspectors during inspections;
- d. Failure to pay fines imposed by the DOE-OIMB;
- e. Violation of these rules; and

- f. Failure to submit, show or present proof, papers or documents evidencing compliance with any requirement, existing laws, rules and regulations governing the Auto LPG Industry or any other related law.

SECTION 9. DOCUMENTARY REQUIREMENTS

No person or entity shall engage in the business of LPG for Automotive Use without first notifying the DOE-OIMB in writing his/her intention to engage in such activity and without first complying with the DOE requirements, including submission of documentary requirements. Such notification and documentary requirements shall be distinct and separate from the submissions relating to the other LPG and/or Liquid Petroleum Products activity and shall contain the following, *as applicable*:

- a. Prior to Engagement in Auto-LPG Business:
 - i. Business name, address, telephone/ fax number of the business office;
 - ii. Proposed location and complete address of Auto-LPG Dispensing Station;
 - iii. Project or business plan indicating the scope of operation/activity; and
 - iv. List of facilities and proof of availability of such facilities to support the proposed business.
- b. Prior to Commencement of Construction:
 - i. Department of Trade and Industry/ Securities and Exchange Commission registration;
 - ii. Environmental Compliance Certificate or applicable certificate/ permits/licenses issued by the DENR-EMB or LLDA;

- iii. Zoning/Locational Clearance;
 - iv. Building Permit; and
 - v. Barangay Clearance for the proposed location.
- c. Prior to Operation:
- i. File a notice to the OIMB of their official start of business at least five (5) days prior to the start of actual operations;
 - ii. Current Fire Safety Inspection Certificate (BFP);
 - iii. PNS Compliance Statement for Facility Design and Operation;
 - iv. List of Auto-LPG station personnel and proof of training and qualification;
 - v. List of dispensers, storage tanks, and bullet trucks/lorries with its corresponding Certificate of Approval or any other similar documents as provided by the equipment supplier/manufacturer; and
 - vi. Engineering layout plan and latest photograph of the Auto-LPG Dispensing Station. Such lay-out plan duly signed by a company designated project engineer shall indicate the following information, among others:
 - a. Number of tanks and type of installation;
 - b. Location and distances between building structures and facilities and equipment;
 - c. Ingress and Egress;
 - d. Perimeter wall/property boundaries; and
- e. Location and identification of dispensing unit/s including hose reach zone.
- d. Other requirements or information as may be required by the DOE-OIMB, such as, but not limited to, change of dealership or business name, expansion of LPG activity and temporary or permanent closure.
- Unless explicitly specified, certifications, permits and licenses for LPPs cannot be considered in compliance to the above requirements for Auto LPG Dispensing Stations.
- The documents enumerated in this Section must be accompanied by original documents for authentication purposes.
- ## SECTION 10. REPORTORIAL REQUIREMENTS
- All businesses engaged in the trade of LPG, such as but not limited to, Auto-LPG Dispensing Stations shall be required to submit the following reports:
- a. For Bulk Suppliers and/or Haulers
 - i. List of Auto-LPG buyers/clients such as, but not limited to, taxi companies, garage-based, fleet operators by company/entity and location;
 - ii. Quarterly report of sales to buyers/clients as specified in Item (a.i) above;
 - iii. List/number of LPG tankers, barges, tank trucks, trailers and lorries including its load capacities; and
 - iv. List of certified personnel.
 - b. For Auto-LPG Dispensing Station:
 - i. Quarterly Sales and Purchase Volume;

- ii. Applicable permits for any new, additional, renovated or refurbished facilities and/or changes in their respective operation within five (5) days prior to commissioning or decommissioning, as the case may be; and
- iii. List of qualified station personnel/ attendant as provided for in Section 9(c) of this Rules.

SECTION 11. CODE OF PRACTICE

In order to ensure the safe operation in the auto LPG business, the following operational guidelines and procedures shall be strictly observed at all times:

a. *For Bulk Suppliers and/or Haulers:*

Compliance to pertinent provisions of Section 3 (LPG Bulk Storage Facilities) and Section 4 (Vehicular Transport of LPG) of the PLPGA Safety Code of 2000.

b. *For Auto-LPG Dispensing Station Owner/ Operator:*

- i. Ensure that the emergency shut off valves for the dispensing unit and for the LPG storage tanks as provided under PNS/DOE FS 3:2006 are complied with and are fully operational.
- ii. Ensure that its personnel shall have undergone, as a minimum requirement, training and qualification conducted by the Philippine LPG Association (PLPGA) for the proper handling and retailing of Auto-LPG. Such proof of training shall be submitted to the DOE-OIMB prior to its initial operation and subsequent renewal of SCC. The same shall be made available upon demand by the DOE during inspection.

- iii. Ensure that only certified station personnel are allowed to dispense Auto-LPG with strict observance of the following:

- 1) Familiar with and knowledgeable of the emergency shutdown procedures observed by the auto-LPG dispensing station;
- 2) Compliance to pertinent provisions of Section on Consumer Safety and Informational Signs;
- 3) Only fixed and vehicle-mounted LPG containers are permitted for filling at LPG Stations. LPG cylinders for household use shall not be allowed for refill in a Auto-LPG Dispensing Station;
- 4) Display of the PS/Global Check mark or the equivalent import commodity clearance (ICC) mark on LPG container and container name plate which indicates, among others, its manufacturing/re-qualification/ retest date, as the case may be;
- 5) The Auto-LPG container, including its attachments, is adequately protected from damage by impact from objects being handled or carried by the vehicle; and
- 6) The remote fill valve is located outside the container/ baggage compartment and an appropriate external filler cap is provided.

- iv. A dedicated 9.1 kg. BC rated BPS certified fire extinguisher shall readily be accessible within the dispensing area.

- v. No part of the vehicle being filled shall be in a public place. For this purpose, a “public place” shall refer to sidewalks, streets, or public parking.
- vi. The following shall not be within the hose reach zone of the dispenser:
 - 1) Public place;
 - 2) Protected place e.g., place of worship, school, hospital, theater or any building or open area in which persons are accustomed to assemble in large numbers;
 - 3) An entry into a building;
 - 4) A pit or opening into a close drain; and
 - 5) Basement or an aboveground tank for flammable liquid.
- vii. The LPG tank truck entry and exit driveways should be located in such a manner that ensures that the tank truck has ready access to the site so as to reduce the time it may need to be exposed to traffic while entering or leaving the site.
- viii. The LPG tank truck unloading position shall be such that the LPG tank truck is positioned wholly within the site during unloading.
- ix. The unloading of an LPG tank truck shall only proceed when the exit is not obstructed and it is positioned in such a manner that it can leave the site without recourse to reversing.
- x. Vehicles shall be prevented from driving over the filling hose if the LPG tank truck parking area is away from the fill point.

SECTION 12. CONSUMER SAFETY AND INFORMATIONAL SIGNS

The following signs shall be prominently displayed by the owner and/or operator of the Auto-LPG Dispensing Station in strategic and appropriate locations within the premises of the said outlet for the awareness and information of the buying public and station personnel:

- a. Appropriately filled-up price display board indicating the updated price of the LPG product dispensed at the Auto-LPG Dispensing Station: *Provided* that the numeric entries shall be light blue in color and at least six (6) inches in height;
- b. Switching off of cellular phones and other electronic devices while filling;
- c. No smoking;
- d. Switching off of engines while filling; and
- e. Other safety signs as may be required by the DOE, other government agencies and concerned LGUs.

Failure to provide and display any of the above-mentioned requirements shall subject the owner or operator of the station to the fine or sanction provided in Section 22 of these Rules.

SECTION 13. ISSUANCE OF RECEIPTS

All transactions involving the LPG Business for Automotive Use must be evidenced by an official receipt bearing the registered name and address of the seller and indicating the quantity and price of the LPG product sold, the date of the transaction and such other information required by existing laws and rules on national internal revenue (or those implemented by the Bureau of Internal Revenue). Duplicate copies of official receipts shall be made available for verification by

DOE-OIMB inspectors/personnel.

Rule III

LPG DISPENSER CALIBRATION AND SEALING

SECTION 14. IN-SERVICE CALIBRATION AND SEALING OF LPG DISPENSERS

All LPG dispensers shall be calibrated quarterly or as often as possible or as deemed necessary by the calibrating entity. A dispenser that is not calibrated and sealed or goes off-calibration shall be clearly marked with an “*out of order*” sign and shall not be used until the said dispenser is calibrated and resealed by the authorized calibrating entity.

For the purpose of these Auto LPG Rules, the authorized calibrating entity is the Municipal or City Treasurer or, in its absence or incapacity, the DOST-ITDI, or, in its absence or unavailability, any other government agency authorized therefore or, in its absence, the representative of the Auto-LPG Dispensing Station’s bulk supplier duly authorized by the concerned LGU.

The owner/operator shall maintain an updated record of calibration and shall be made available upon demand by the DOE-OIMB inspectors.

Failure to provide the updated record of calibrations or properly sealed dispensing pumps shall give rise to the presumption that the Auto LPG dispenser is UNDERDELIVERING.

Rule IV

PETROLEUM PRODUCT STANDARDS

SECTION 15. PRODUCT QUALITY

Only LPG products for automotive use and complying with the Philippine National Standards PNS/DOE QS 005:2005, specifically Type 2B Propane Butane (C3-C4 Mixture) for Motor Fuels, shall be dispensed at the Auto-LPG Dispensing Stations.

The bulk supplier shall provide a Certificate of Quality (COQ) for such LPG products to the Auto-LPG Dispensing Station and shall be made available at all times for inspection.

SECTION 16. PRODUCT SAMPLING AND TESTING OF AUTO-LPG DISPENSING PUMPS

Duly authorized inspectors from the DOE-OIMB shall undertake random and unannounced inspections in the presence of the owner and/or operator of the Auto-LPG Dispensing Station or his duly authorized representative to conduct, among others, sample taking and testing of Auto-LPG dispensing pumps. The owner and/or operator of the Auto-LPG Station, or his/her duly authorized representative, shall allow said inspectors to inspect the Station and cooperate with them fully.

The owner and/or operator or his/her duly authorized representative shall allow the duly authorized DOE-OIMB inspectors to take samples of Auto-LPG which they are offering for sale, in volumes as required by DOE Issuances and Circulars on sample taking and as reflected in the Special Assignment covering the said inspection, for on-site product testing or quality tests at the DOE laboratory.

The Auto-LPG Dispensing Station shall retain a duplicate set of the samples obtained by the OIMB inspectors during the inspection and product quality verification.

Rule V

PROHIBITED ACTS

SECTION 17. ILLEGAL TRADING

The Owner or operator shall be deemed engaged in ILLEGAL TRADING under any of the following circumstances:

- a. Engaging in business without Standards Compliance Certificate;

- b. Non-issuance of receipts;
- c. Dispensing of LPG into household cylinders;
- d. Selling of Adulterated LPG for automotive use; and
- e. For bulk-suppliers, selling Auto-LPG to LPG Stations without SCC and to garage-based operators without DOE Certificate of Non-Coverage.

SECTION 18. REFUSAL TO ALLOW INSPECTION

The refusal to allow access or entry of authorized DOE-OIMB inspectors to the Auto-LPG Dispensing Station and/or to conduct the actual inspection and product sampling is prohibited and shall constitute *prima facie* evidence of ILLEGAL TRADING and shall be subject to the penalty provided in Section 22 hereof.

SECTION 19. UNDERDELIVERING

The quantity of LPG products for automotive use delivered by the LPG dispensers at the Auto-LPG Dispensing Stations shall be within the maximum permissible error (MPE) of +/- 1%.

Dispensers delivering more than the MPEs shall be deemed to be UNDERDELIVERING. The absence of an “out-of-order” sign or padlock, locking the dispenser shall be deemed an actual use for the conduct of retailing. A dispenser found with a broken or no seal shall be immediately padlocked by the DOE-OIMB and shall be subject to applicable penalties under Section 22 hereof.

SECTION 20. HOARDING

For purposes of these Auto LPG Rules, the following shall constitute *prima facie* evidence of HOARDING:

- a. The refusal of Auto-LPG Dispensing Stations to sell LPG products for automotive use shortly before a price increase or in times of tight supply, and in both instances if the buyer or consumer has the ability to pay in cash for the product; or
- b. The undue accumulation of Auto-LPG Dispensing Stations of LPG products for automotive use in times of tight supply or shortly before a price increase. For purposes of this Auto LPG Rules, “undue accumulation” shall mean the keeping or stocking of quantities of LPG products for automotive use beyond the inventory levels as required to be maintained by the Auto-LPG Dispensing Stations, for a period of thirty (30) days immediately preceding the period of tight supply or price increase.

SECTION 21. ADULTERATION

The possession of LPG products for automotive use, which do not meet the prescribed PNS, shall constitute *prima facie* evidence of ADULTERATION, and the distribution or transportation of the said LPG product for purposes of sale, exchange or barter of adulterated products shall constitute ILLEGAL TRADING.

Rule VI

ADMINISTRATIVE FINES AND SANCTIONS

SECTION 22. FINES/SANCTIONS AGAINST PROHIBITED ACTS

Any Person engaged in the LPG Business for Automotive Use who commits any of the prohibited acts defined or provided in this Department Circular such as ILLEGAL TRADING, ADULTERATION, UNDERDELIVERY, HOARDING, refusal of inspection and violation of the other provisions of this Department Circular shall be imposed for the first offense, a fine

of Ten Thousand Pesos (P10,000.00) for every prohibited act. An additional fine of Ten Thousand Pesos (P10,000.00) shall be imposed against such Person in the event the latter is found to have committed the same prohibited act a second time. Commission of the same offense a third time, by the same person shall mean cancellation or revocation of its SCC by the DOE.

Any person found operating without a SCC, the DOE shall cause the immediate cessation or suspension of the operation of the station and impose a fine of Sixty Thousand Pesos (P60,000.00) against the owner or operator. No SCC shall be granted or issued unless said fines are paid and after full compliance with the requirements of Section 6 hereof.

SECTION 23. REFUSAL OR FAILURE TO PAY FINE

The DOE-OIMB shall cause the immediate cessation or suspension of the operation or cancellation of the SCC of the owner/operator who refuses or fails to pay any administrative fine without prejudice to the filing of an appropriate criminal action if warranted.

SECTION 24. INITIATION OF ADMINISTRATIVE PROCEEDINGS

Any Person may initiate administrative proceedings against Persons committing any of the prohibited acts defined or provided in these Rules in accordance with Department Circular No. 2002-07-004 ("Rules of Practice and Procedure Before the Department of Energy"): *Provided*, that, the DOE may *motu proprio* proceed administratively against any Person who violates or does not comply with this Auto-LPG Rules pursuant to the said Department Circular No. 2002-07-004.

SECTION 25. INITIATION OF CRIMINAL ACTS

The initiation of an administrative action and/or the imposition of any fine against any Person who violates or does not comply

with this Rule shall be without prejudice to the filing of any criminal action against such person pursuant to Batas PambansaBlg. 33, as amended and R.A. 8479.

**Rule VII
FINAL PROVISIONS**

SECTION 26. TRANSITION PERIOD

All Persons engaged in the LPG business for automotive use that have fully complied with the prior notice requirements of the DOE pursuant to Department Circular No. 98-03-004 shall be given three (3) months from effectivity of this Auto LPG Rules to fully comply with the provisions hereof: *Provided*, that all persons intending to engage in Auto-LPG Business for Automotive use shall immediately comply with this Rules.

SECTION 27. REPEALING CLAUSE

All other DOE Issuances and Circulars not consistent with this Auto LPG Rules are hereby repealed or amended accordingly upon the effectivity of this Rules.

SECTION 28. SEPARABILITY CLAUSE

Should any provision herein be declared invalid or unconstitutional by a court of competent jurisdiction, the same shall not affect the validity of the other provisions not so declared.

SECTION 29. EFFECTIVITY

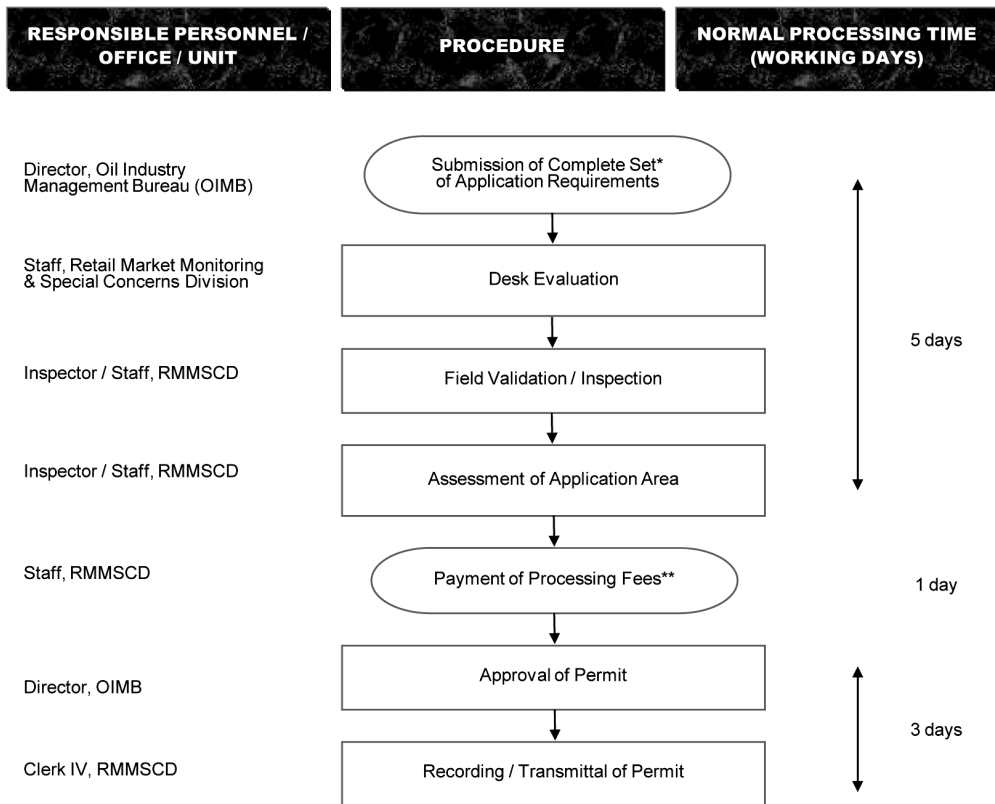
This Department Circular shall take effect fifteen (15) days from the date of its complete publication in two (2) newspapers of general circulation.

Fort Bonifacio, Taguig City, February 13, 2007.

RAPHAEL P.M. LOTILLA
Secretary

CHARTS:

**PROCESSING OF STANDARDS COMPLIANCE CERTIFICATE (SCC)
& CERTIFICATE OF NON-COMPLIANCE (CNC)**



9 WORKING DAYS

LEGEND	LIST OF REQUIREMENTS	** PROCESSING FEE	LEGAL BASIS
<div>○</div> Applicant <div>□</div> DOE		Php 500.00 – WC / SCC / CNC	E.O. 197

ACKNOWLEDGMENT OF NOTICES

- Prior to engagement in lubes business manufacturing, recycling & marketing
-Prior to importation / exportation of lubes and special products

RESPONSIBLE PERSONNEL / OFFICE / UNIT	PROCEDURE	NORMAL PROCESSING TIME (WORKING DAYS)
--	-----------	--

Records / Office of the Director,
OIMB

File notification letter prior to engagement
in lubes recycling and manufacturing,
marketing / importation, exportation

Clerk IV, OIMB

Receive application

Chief SRS
Supervising SRS, PPSP

Assign to staff

Senior SRS / SRS II, PPSP

Evaluation of Notice and preparation of
Acknowledgment

Supervising SRS / Chief SRS, PPSP

Review endorsement of Acknowledgment

Director, OIMB

Approval of Acknowledgment

Clerk IV, OIMB

Release of Acknowledgment

↕
2

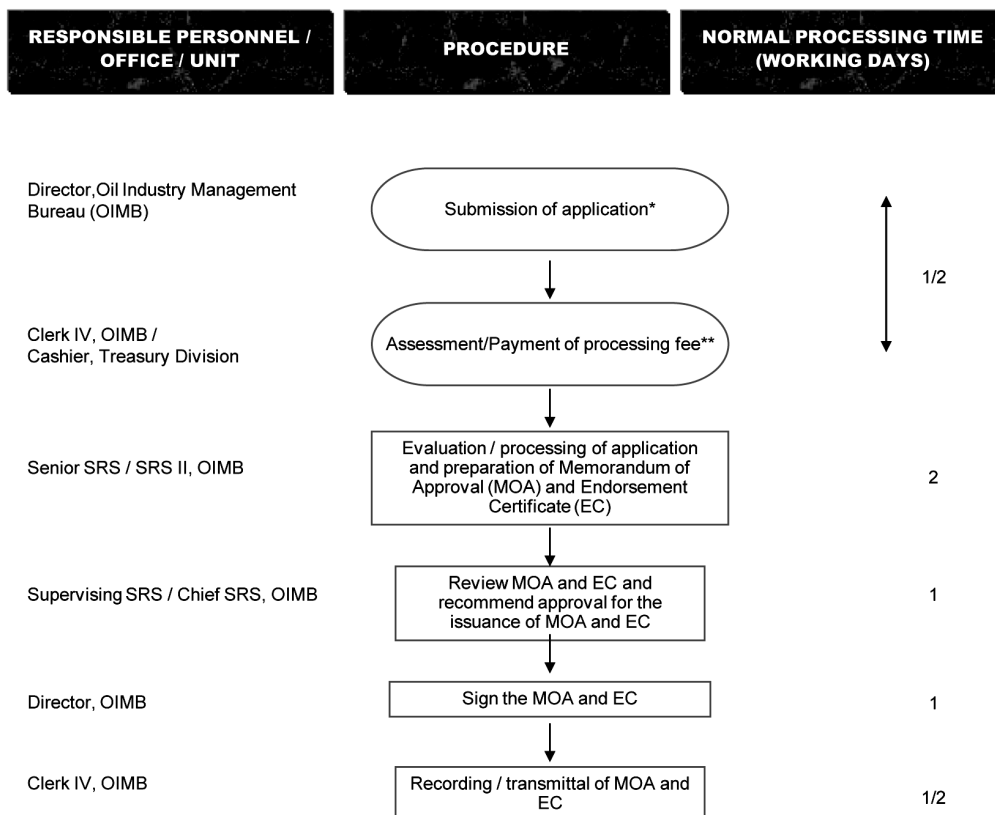
1

1/2

3 1 / 2 WORKING DAYS

LEGEND	LIST OF REQUIREMENTS	** PROCESSING FEE	LEGAL BASIS
<div style="border: 1px solid black; border-radius: 5px; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> Applicant <div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> DOE	For recycling/manufacture - Business permits - SEC/DTI registration - Business Plan, scope of activity, facility, process storage & production capacity - Clearances - Fire Safety Inspection Certificate For initial importation/exportation: - Business Permit - SEC & DTI registration For succeeding importation/exportation: - Proforma invoice	No fee	Sec. 6 of RA 8479

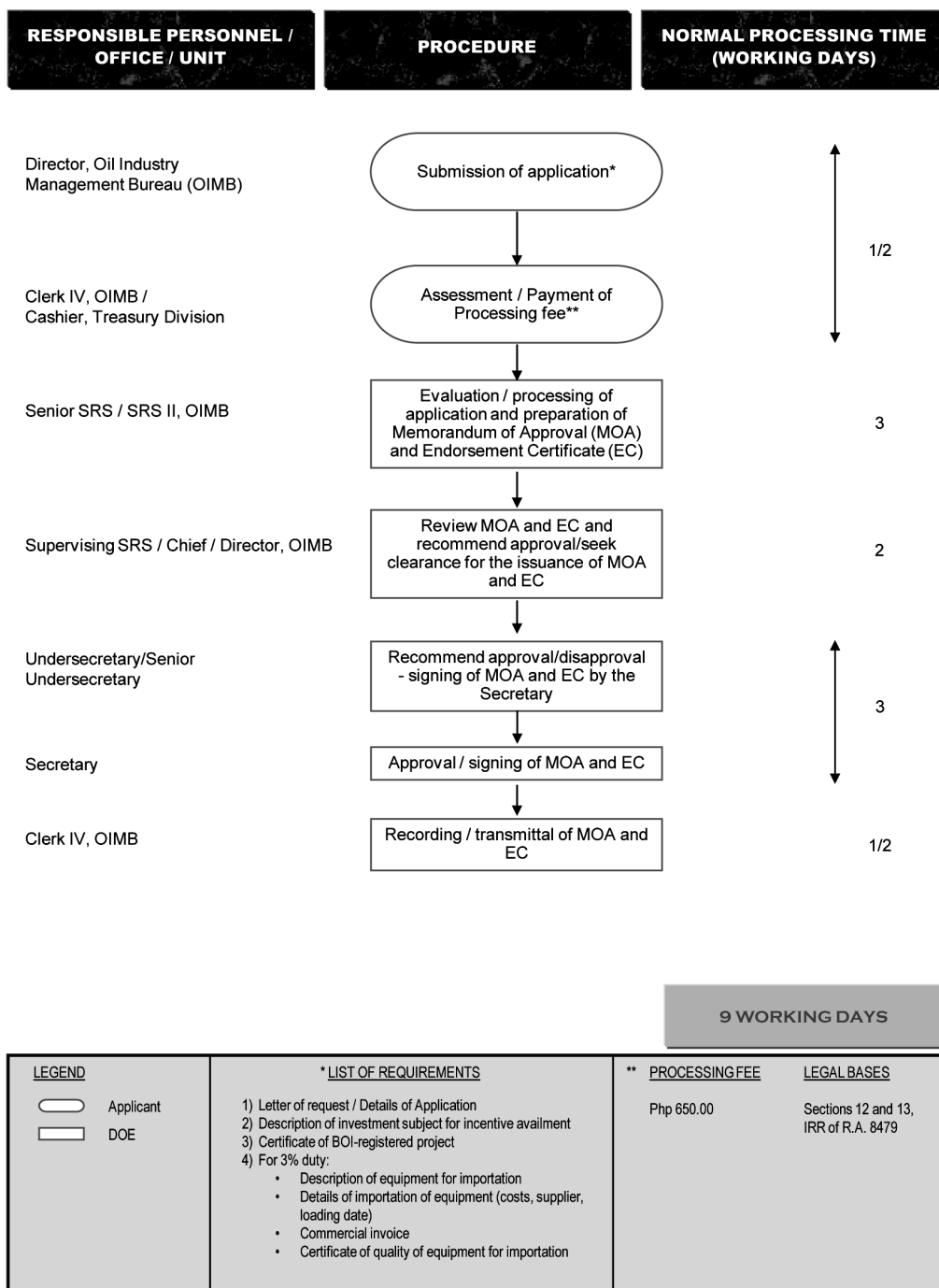
PROCESSING OF APPLICATION FOR DOE ENDORSEMENT FOR BOI REGISTRATION OF PROJECTS UNDER R.A. 8479



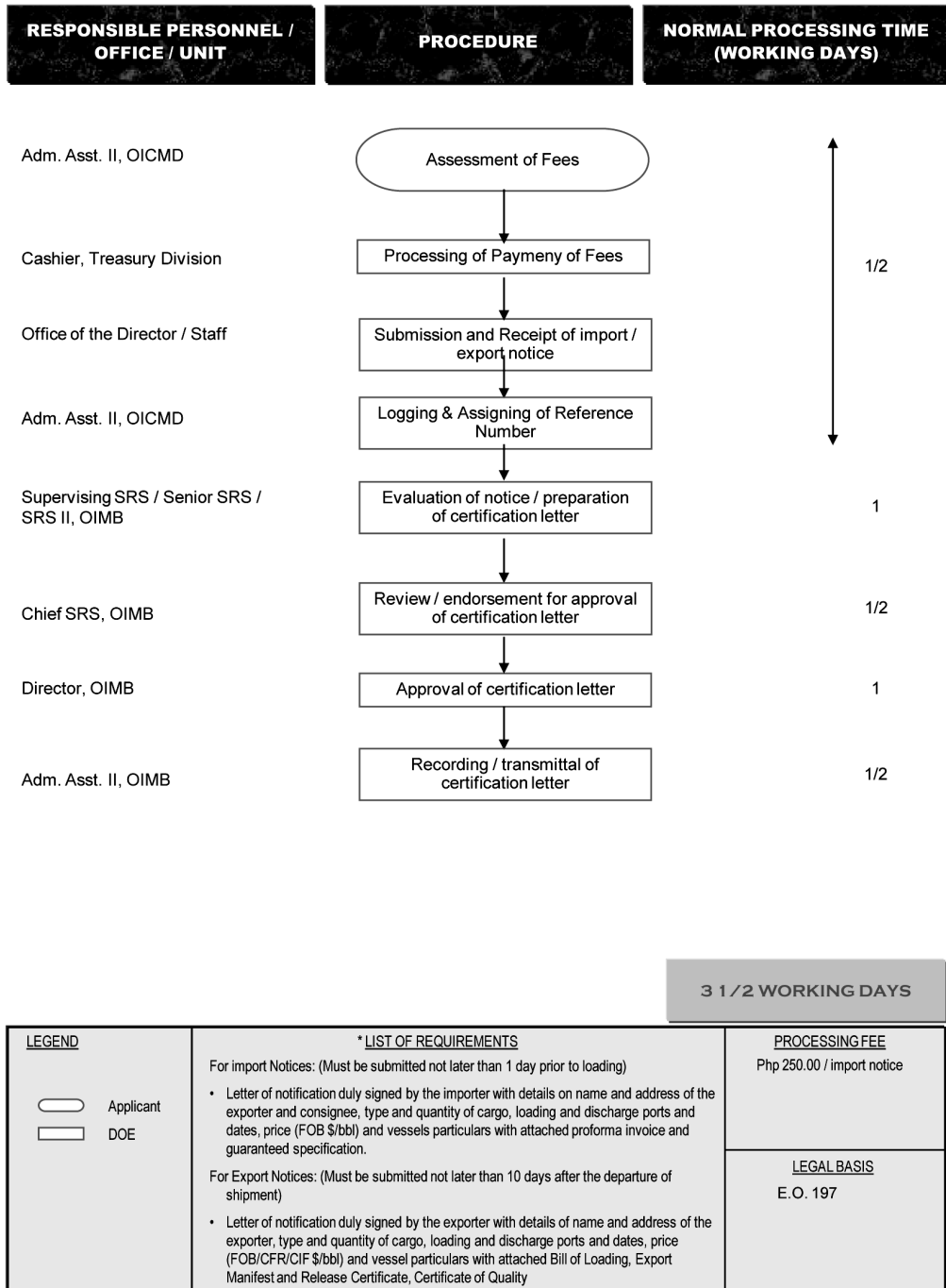
5 WORKING DAYS

LEGEND	* LIST OF REQUIREMENTS	** PROCESSING FEE	LEGAL BASES:
<div style="border: 1px solid black; width: 20px; height: 10px; margin-bottom: 5px;"></div> Applicant <div style="border: 1px solid black; width: 20px; height: 10px; margin-bottom: 5px; background-color: #f2f2f2;"></div> DOE <div style="border: 1px solid black; width: 20px; height: 10px; margin-bottom: 5px; background-color: #f2f2f2; position: relative;"><div style="position: absolute; left: -5px; top: 5px; border-left: 1px solid black; border-right: 1px solid black;"></div></div> DOE & Applicant	1) Company background 2) Detailed project study and description (timeframe, target date of operation) 3) Investment plan (project cost, list of equipment/machineries) 4) SEC registration and articles of incorporation or DTI registration	Php 650.00	Sections 5 and 12, IRR of R.A. 8479 E.O. 197

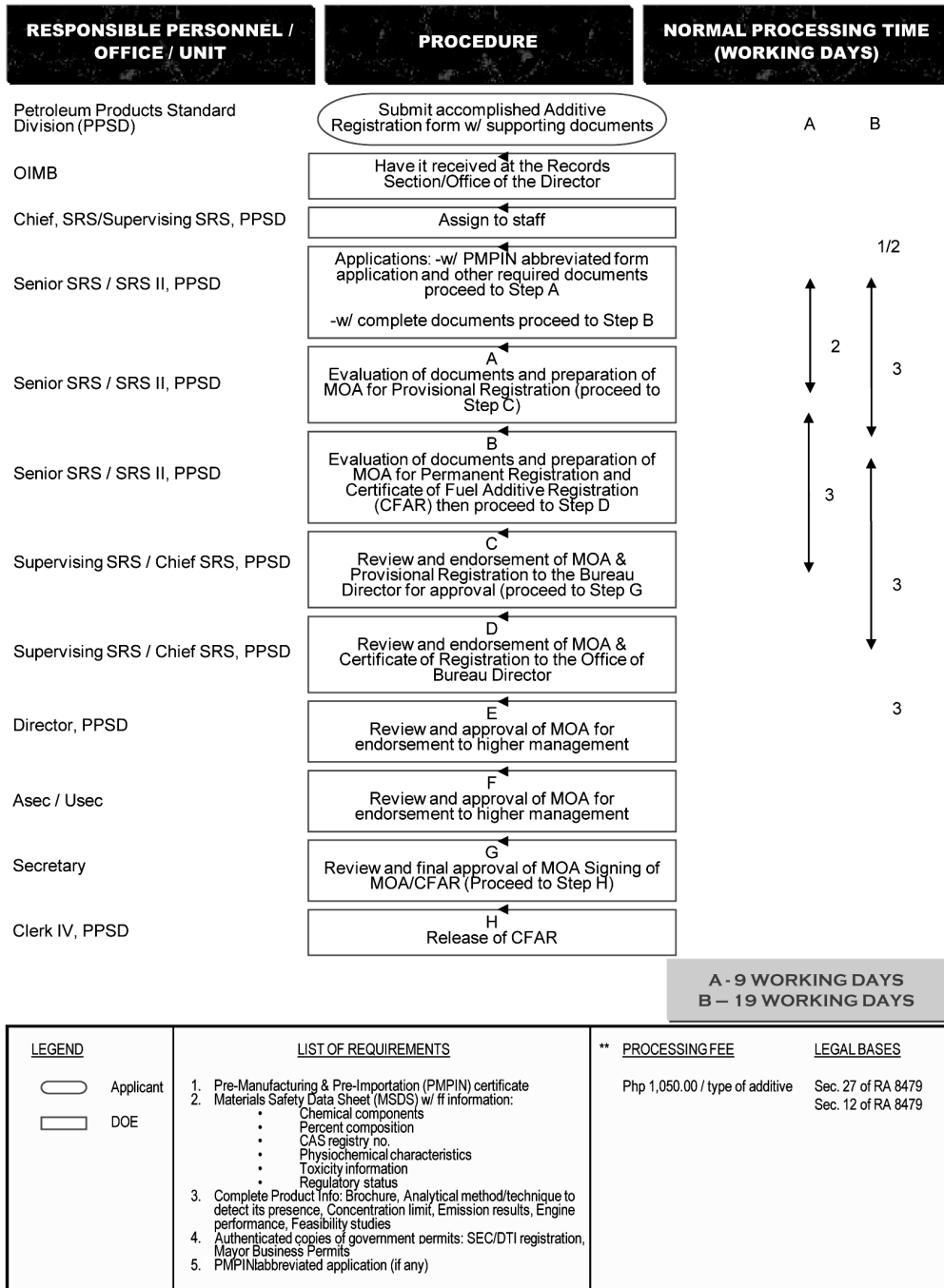
PROCESSING OF APPLICATION FOR DOE ENDORSEMENT TO AVAIL OF INCENTIVES FOR BOI-REGISTERED PROJECTS UNDER R.A. 8479



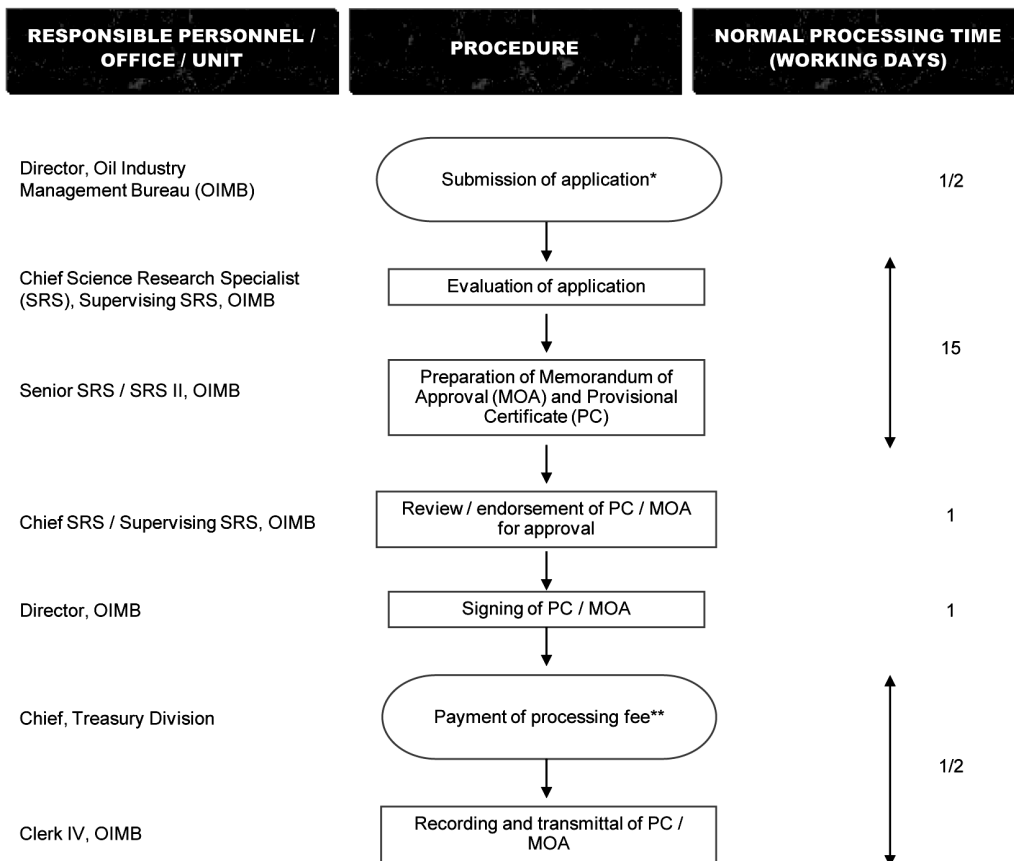
ISSUANCE OF CERTIFICATE OF COMPLIANCE FOR NOTICE OF IMPORTATION / EXPORTATION OF CRUDE OIL, FINISHED PETROLEUM PRODUCTS, LUBES AND SPECIALTY PRODUCTS



REGISTRATION OF FUEL ADDITIVES



PROCESSING OF REGISTRATION OF FUEL ADDITIVES WITH INTERIM STATUS PERMIT (ISP)

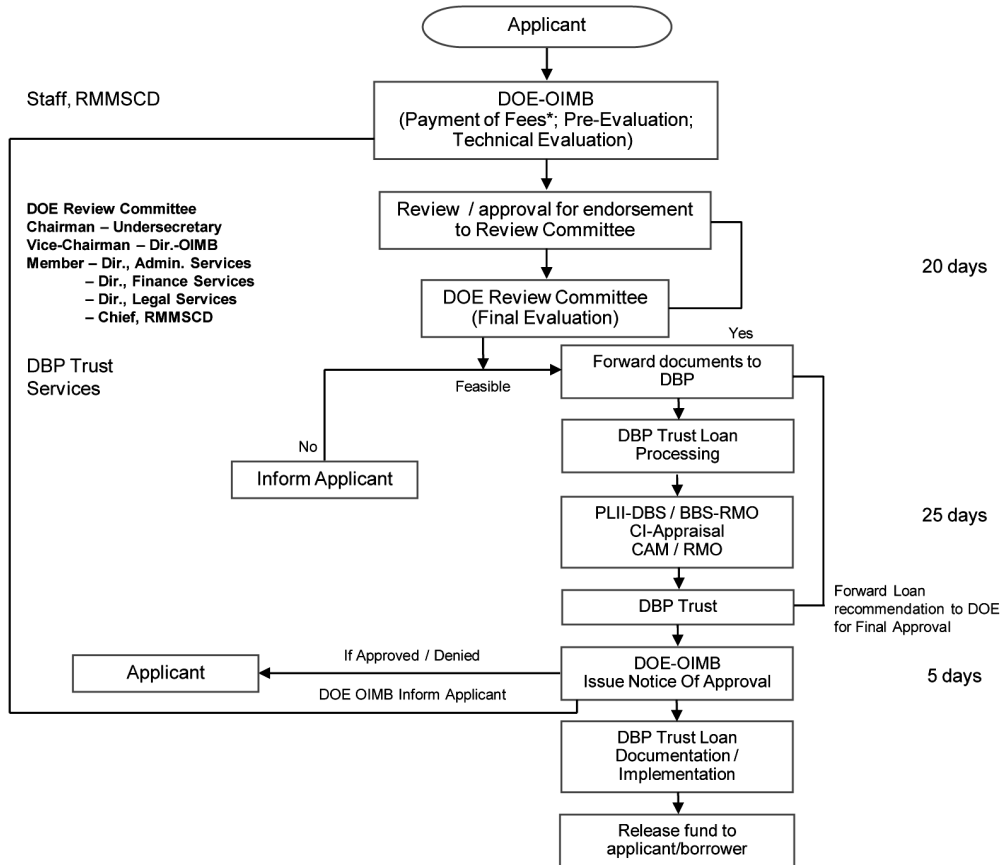


18 WORKING DAYS

LEGEND	* LIST OF REQUIREMENTS	** PROCESSING FEE	LEGAL BASES
<div style="border: 1px solid black; border-radius: 10px; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> Applicant <div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px; margin-left: 10px;"></div> DOE	1) Accomplished DOE-OIMB Registration Form 2) Material Safety Data Sheet 3) Complete Product Identity/Information (chemical components, % composition, CAS registry number, physical and chemical properties) 4) Description and Analytical Techniques (purpose and recommended dosage, determination of concentration limit, toxicity test/result, emission characteristic/result, performance test results/feasibility studies e.g. octane increase, emission reduction, fuel efficiency, lubricity, etc) 5) Regulatory Status of Additive in other countries 6) Product bulletin/brochure 7) Authenticated copies of SEC/DTI registration, Mayor/business permit 8) EMB-DENR Interim Status Permit	Registration Certificate – Php 500 per additive	Sec. 16 of R.A. 8479 R.A. 6969

GASOLINE STATION LENDING & FINANCIAL ASSISTANCE PROGRAM

RESPONSIBLE PERSONNEL / OFFICE / UNIT	PROCEDURE	NORMAL PROCESSING TIME (WORKING DAYS)
---------------------------------------	-----------	---------------------------------------



50 WORKING DAYS

LEGEND	* LIST OF REQUIREMENTS	** PROCESSING FEES	LEGAL BASES
<div style="border: 1px solid black; border-radius: 10px; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> Applicant <div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> DOE	1) Filled-out application form 2) Bio-data of applicant/major stockholders/officers 3) Certificate of completion of the two-fold training program 4) Certificate of registration of business/articles of partnership or incorporation/ by-laws 5) Feasibility study 6) Board resolution authorized the borrowing and designating authorized signatories for the loan 7) Certified list of stockholders and officers 8) Contact person & telephone number/address/authority to inspect 9) Income tax return (last 3 years) 10) Customer information report 11) ECC or letter of application to DENR for issuance of ECC	DOE Application Fee – Php 5,500.00 DBP Processing Fee – Php20,000.00	R.A. 8479 / DC 98-03-004

CONDUCT OF COMPLAINT - RELATED INSPECTIONS FOR ALL PETROLEUM PRODUCTS OF RETAIL OUTLETS (LPG AND GASOLINE STATIONS)

