



HOUSE OF REPRESENTATIVES

H. No. 5617

BY REPRESENTATIVES YAP (S.), TY, UMALI (R.), VILLAR, RIVERA, FUENTEBELLA, SACDALAN, PLAZA, CAMINERO, BELLO (W.), FORTUN, OCAMPO, GARCIA (G.), HOFER, LOBREGAT, ARENAS, CORTUNA, AMATONG (I.), TEVES, ABAD, TUGNA, BELLO (S.), UNGAB, CUA, NAVA (J.), PIAMONTE, BATAOIL, PAQUIZ, UY (J.), ATIENZA, DEFENSOR, MANALO, COSALAN, COLLANTES, YAP (A.), LAGDAMEO (A.), ALMONTE, DEL MAR, DELOSO-MONTALLA, DELA CRUZ, SALIMBANGON, PAGDILAO, MENDOZA (R.), ESPINA, TEJADA, ARNAIZ, ZARATE, COLMENARES, HICAP, PRIMICIAS-AGABAS, TAMBUNTING, OLIVAREZ, CO AND BATOCABE, PER COMMITTEE REPORT NO. 643

AN ACT ESTABLISHING THE REGULATORY FRAMEWORK FOR THE SAFE OPERATIONS OF THE LIQUEFIED PETROLEUM GAS INDUSTRY AND PENALIZING CERTAIN PROHIBITED ACTS

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 CHAPTER I

2 GENERAL PROVISIONS

3 SECTION 1. *Short Title.* – This Act shall be known as the “LPG
4 Industry Regulation and Safety Act”.

5 SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of
6 the State to protect the interest of consumers, ensure their general welfare and
7 to establish standards of conduct for business and industry.

1 Towards this end, the State shall:

2 (a) Establish a regulatory framework for the importation, refining,
3 refilling, transportation, distribution, and marketing of liquefied petroleum
4 gas (LPG), and the manufacture, requalification, exchange, swapping, or
5 improvement of LPG cylinders;

6 (b) Establish standards of conduct and codes of practice for LPG
7 businesses; and

8 (c) Address quality and safety concerns and uphold the right of
9 consumers to freely choose the LPG brand they want to purchase.

10 SEC. 3. *Scope and Application.* – This Act shall govern the
11 importation, refining, refilling, transportation, distribution, and marketing of
12 LPG; the manufacture, requalification, exchange, swapping, or improvement
13 of LPG cylinders; and shall cover all activities and businesses related to LPG
14 products for household, commercial, industrial, or automotive use
15 (Auto-LPG) and cylinders or containers for LPG.

16 SEC. 4. *Definition of Terms.* – As used in this Act:

17 (a) *Accreditation* refers to the formal recognition of competency given
18 by the Philippine Accreditation Bureau (PAB) of the Department of Trade and
19 Industry (DTI) that a requalifier of LPG cylinders has complied with the
20 existing Philippine National Standards (PNS) prescribing the general
21 requirements for the competence of testing and calibration laboratories, the
22 method of requalification of steel cylinders for LPG and any other applicable
23 PNS;

24 (b) *Alteration* refers to any act of converting, transforming, or resizing
25 of local or imported LPG cylinder or container from its original size or design,
26 including the replacement or removal of existing and embossed or stamped
27 registered brand owner's markings, grinding, flattening, application of putty,

1 replacement of collar, revalving, unauthorized repainting, replacement of foot
2 rings, relabeling, or by any other means;

3 (c) *Ancillary equipment* refers to equipment, parts, and other devices
4 and accessories necessary and indispensable for the safe and proper operation
5 of an LPG cylinder or container such as LPG cylinder or container valves,
6 hoses, and regulators;

7 (d) *Auto-LPG* refers to LPG intended to fuel, propel, or otherwise
8 provide power to motor vehicles;

9 (e) *Auto-LPG Dispensing Station* refers to an outlet, facility, or
10 business establishment which retails Auto-LPG directly to individual
11 end-users or to the motoring public; the same may stand alone or be located
12 within or operated with a liquefied petroleum product (LPP) retail outlet. It
13 shall be deemed a dealer or retail outlet for purposes of this Act;

14 (f) *Brand owner* refers to a person owning the brand name, logo,
15 color, mark, or distinction as registered with the Intellectual Property Office
16 of the Philippines (IPOP);

17 (g) *Bulk consumer* refers to any person whose regular use or
18 consumption of LPG is limited to its own use and requires bulk storage of
19 LPG at a volume as may be determined by the Department of Energy (DOE);

20 (h) *Bulk supplier* refers to any person who engages in the sale or
21 distribution of LPG in large quantities as may be determined by the DOE;

22 (i) *Canister* or *Cartridge* refers to any portable pressure vessel or
23 container designed or intended for LPG with a water capacity that is less than
24 that of an LPG cylinder;

25 (j) *Centralized LPG Distribution System* refers to a network of pipes
26 or similar conduit used for the conveyance of LPG from the piped LPG
27 provider to consumers confined within the same compound or establishment
28 such as shopping malls and condominiums;

1 (k) *Certification* refers to the written assurance given by the DTI that
2 the LPG cylinder has complied with the existing PNS or any other standards
3 issued by the Bureau of Product Standards (BPS) pursuant to Republic Act
4 No. 4109, otherwise known as the "Philippine Standardization Law",
5 governing specifications and requirements for the repair of steel cylinders for
6 LPG;

7 (l) *Consumer* refers to any person who purchases LPG for one's own
8 consumption;

9 (m) *Container* refers to any pressure vessel permanently installed in
10 motor vehicles for the storage of LPG for automotive use;

11 (n) *Cross-filling* refers to the filling of LPG cylinders by a person
12 other than the brand owner;

13 (o) *Cylinder* or *LPG cylinder* refers to any portable pressure-vessel, or
14 container for LPG designed for the transportation and storage of LPG;

15 (p) *Cylinder owner* refers to the owner of the cylinder as shown by the
16 brand, mark, trade name, or business name embossed or engraved or
17 otherwise permanently indicated on the LPG cylinder in the manner
18 prescribed by the DTI;

19 (q) *Dealer* refers to any person engaged in the sale or trading of LPG
20 in cylinders to consumers and/or retail outlets;

21 (r) *Defective cylinder* refers to damaged, unsafe, and dilapidated LPG
22 cylinders due to corrosion or pitting, dents, cuts, gouges, digs, bulges, leaks,
23 and other similar defects that render the LPG cylinder unsafe, harmful, or
24 dangerous for distribution in accordance with the guidelines set by the DTI,
25 thus creating a substantial risk of injury to the public;

26 (s) *Hauler* refers to any person engaged in the distribution and
27 delivery of LPG cylinders from one place to another;

1 (f) *Importer* refers to any person engaged in the importation of LPG
2 whether for processing, sale, or own use;

3 (u) *LPG* refers to liquefied petroleum gas which consists of
4 commercial propane gas or commercial butane gas or a mixture of the two (2)
5 gases, with properties conforming to the standards set forth in the existing
6 PNS or any other standards prescribed by the BPS;

7 (v) *LPG industry participant* refers to any person engaged in activities
8 or businesses related to:

9 (1) Refining, manufacturing, importing, exporting, shipping,
10 transporting, hauling, storing, refilling, distributing, marketing, and selling of
11 LPG for household, commercial or industrial, and automotive (Auto-LPG)
12 use; or

13 (2) Manufacturing, importing, transporting, distributing and selling of
14 LPG cylinders and ancillary equipment including LPG cylinder or container
15 and ancillary equipment manufacturers and importers, equalifiers, repairers,
16 scrapping centers, LPG cylinder or container seal manufacturers, and such
17 other similar persons or entities;

18 (w) *Marketer* refers to any person engaged in the sale of LPG, whether
19 in bulk or retail, under its own brand name;

20 (x) *Person* refers to an entity, whether natural or juridical, individual
21 or group of individuals, incorporated, registered or formed under Philippine
22 laws;

23 (y) *Philippine National Standards* or *PNS* refers to the standards
24 promulgated by the BPS of the DTI relating to product specifications, test
25 methods, terminologies and standardization procedures, guidelines, or
26 practices;

27 (z) *Piped LPG provider* refers to any person engaged in the business
28 of supplying or distributing LPG to consumers through a centralized LPG

1 distribution system, including operators of central storage compounds for
2 piped LPG or reticulated system facilities;

3 (aa) *Refiller* refers to:

4 (1) A service provider authorized by LPG cylinder owner to refill
5 LPG cylinders on the latter's behalf; or

6 (2) Any person who refills an LPG cylinder;

7 (bb) *Refilling plant* refers to any installation that is used for refilling
8 LPG into cylinders and has LPG bulk storage and refilling facilities therefor;

9 (cc) *Refiner* refers to any person who refines LPG through distillation,
10 conversion and treatment of crude oil, and other naturally occurring petroleum
11 hydrocarbons;

12 (dd) *Requalification* refers to the method or procedure of inspection
13 and reevaluation by which an LPG cylinder is subjected to in accordance with
14 the prescribed specifications and any other standard governing the method of
15 requalification of steel cylinders for LPG to determine its acceptability for
16 continuous use and distribution and subsequent repair or scrapping, where
17 appropriate;

18 (ee) *Requalifier* refers to any person duly accredited by the DTI to
19 engage in the business of requalifying LPG cylinders;

20 (ff) *Repair* refers to the removal from and replacement of parts or
21 attachments of LPG cylinders or the performance of any other necessary
22 corrective and restorative measures pursuant to the PNS, to restore the fitness
23 of LPG cylinders for refilling, distribution, and use;

24 (gg) *Repairer* refers to any person duly certified by the DTI to engage
25 in the business of repairing LPG cylinders;

26 (hh) *Retail outlet* refers to any entity that sells LPG in cylinders
27 directly to a consumer in quantities as may be determined by the DOE;

1 (ii) *Reticulated system* refers to a means of supplying LPG through a
2 pipeline network from a centralized cylinder bank or bulk installation to
3 multiple customers situated in a common locality;

4 (jj) *Scrappage* refers to the destruction of defective LPG cylinders
5 declared by a requalifier of the DTI to be unfit for use;

6 (kk) *Seal* refers to the protective cover placed on the valve of an LPG
7 cylinder; and

8 (ll) *Tare weight* refers to the net weight of the LPG cylinder
9 excluding its contents, as engraved in the collar and painted in the body
10 thereof and shall be expressed in kilograms in accordance with the
11 specifications as may be prescribed by the DTI.

12 CHAPTER II

13 IMPLEMENTING AGENCIES

14 SEC. 5. *Lead Agency.* – The DOE shall be the primary agency
15 responsible for the implementation and enforcement of this Act unless stated
16 otherwise. The DOE shall regulate, supervise, and monitor the LPG industry
17 and LPG industry participants to ensure compliance with the national product
18 quality and environmental, worker safety, and consumer welfare standards.

19 SEC. 6. *Powers and Functions of the DOE.* – In addition to its
20 powers and functions under existing laws, the DOE shall exercise the
21 following powers and functions:

22 (a) Administer and supervise the enforcement and implementation of
23 this Act;

24 (b) Implement safety standards prescribed by the DOE or set in the
25 PNS promulgated by the BPS for refilling plants, depots, storage areas,
26 transportation facilities, and other facilities or business premises of the
27 owners thereof and retail outlets, and exercise reasonable visitorial powers in
28 order to inspect and evaluate whether such refilling plants, depots, storage

1 areas, transportation facilities, and other facilities or business premises and
2 retail outlets comply with the safety standards. During inspection, the DOE
3 may scrutinize the records of the concerned LPG industry participant;

4 (c) Inspect LPG cylinders in circulation, whether filled or unfilled, or
5 after any sale by refiners, importers, marketers, brand owners or refillers, of
6 such LPG cylinders that are for distribution to dealers and retail outlets to
7 determine conformity with established quality and safety standards for LPG
8 cylinders;

9 (d) Confiscate and impound immediately after the conduct of
10 inspection or investigation substandard, defective, unsafe, harmful, or
11 dangerous LPG and LPG cylinders, or those that are found in violation of any
12 of the prohibited acts under Chapter X of this Act;

13 (e) Investigate, *motu proprio* or upon report of any person, possible
14 infractions of this Act, initiate the necessary criminal or administrative actions
15 warranted under the circumstances, enforce administrative sanctions or
16 penalties, and file the necessary complaints with the proper court or
17 government agency;

18 (f) Implement the Philippine LPG Cylinder Improvement Program;

19 (g) Direct LPG brand owners to periodically submit cylinders for
20 requalification and to secure proper proof of compliance therewith in
21 accordance with the requirements of the DTI;

22 (h) Issue and grant licenses to operate to qualified LPG industry
23 participants in accordance with the implementing rules and regulations to be
24 issued by the DOE and suspend or revoke the same, after due notice and
25 hearing, for committing any of the prohibited acts under Chapter X of this
26 Act;

1 (i) Issue cease-and-desist orders, as the case may be, to any concerned
2 *LPG industry participants found to have committed any of the prohibited acts*
3 *under Chapter X of this Act;*

4 (j) Impose and collect administrative fines against LPG industry
5 participants found to have committed any of the prohibited acts under Chapter
6 X of this Act;

7 (k) Create and maintain a central database of LPG industry
8 participants and an inventory of existing and projected LPG supply levels in
9 the country, subject to the limitations set out in Section 22 of this Act which
10 shall be updated monthly on its own initiative or through reports of LPG
11 industry participants;

12 (l) Investigate and keep a record of incidents of injury or damage to
13 person or property caused by or attributable to the *improper production,*
14 *refilling, storage, handling, or dispensing or use of LPG for purposes of*
15 *prosecuting or filing the appropriate administrative or criminal complaints*
16 *against responsible persons;*

17 (m) Investigate, prosecute, and impose penalties for dumping activities
18 or unauthorized filling of bulk tanks installed in industrial LPG consumers by
19 bulk suppliers other than the owner of the tanks;

20 (n) Dispose LPG or LPG cylinders in accordance with the guidelines
21 on disposal of LPG or LPG cylinders promulgated by the DOE;

22 (o) Inspect and evaluate LPG cylinder seals and confiscate seals not
23 complying with the standards and regulations including those in illegal
24 possession or use thereof; and

25 (p) Exercise such other powers and functions as may be necessary or
26 incidental to attain the objectives of this Act.

1 SEC. 7. *Powers and Functions of the DTI.* – To help effectively
2 implement the provisions of this Act, the DTI shall exercise the following
3 exclusive powers and functions:

4 (a) Develop, formulate, promulgate, review and revise, as may be
5 necessary, the PNS for LPG, LPG cylinders and other ancillary equipment;

6 (b) Inspect and evaluate *LPG cylinders, whether manufactured locally*
7 *or imported, prior to any sale or distribution to LPG refiners or refillers, and*
8 *certify to their conformity to the PNS and their fitness for public sale and*
9 *distribution;*

10 (c) Inspect and evaluate ancillary equipment, whether manufactured
11 locally or imported, and certify to their conformity to PNS and their fitness for
12 public sale and distribution;

13 (d) Grant accreditation and certification of conformity to PNS to
14 requalifiers, repairers, LPG cylinder manufacturers and other independent,
15 competent, private persons and entities that provide products and services
16 involving LPG cylinders, and to revoke the same, if warranted; and

17 (e) Extend all the necessary assistance to the DOE to achieve the
18 objectives of this Act.

19 SEC. 8. *Powers and Functions of the Department of the Interior and*
20 *Local Government (DILG).* – To help effectively implement the provisions
21 of this Act, the DILG shall exercise the following powers and functions:

22 (a) *Coordinate with local government units (LGUs) and the Philippine*
23 *National Police (PNP), in close coordination with the DOE and the DTI, for*
24 *the orderly and effective implementation of this Act;*

25 (b) *Coordinate and cooperate with the DOE and the DTI in the*
26 *conduct of information dissemination to the LGUs and the PNP; and*

1 (c) Extend all the necessary assistance to the DOE with respect to the
2 enforcement of measures to attain the objectives of this Act.

3 SEC. 9. *Powers and Functions of Local Government Units (LGUs).* –
4 The LGUs shall assist the DOE by providing an adequate and safe area where
5 impounded LPG cylinders shall be kept. The LGU shall immediately suspend
6 or revoke the business permit or license to operate of an LPG industry
7 participant upon the issuance by the DOE of a notice of suspension or
8 revocation of the license to operate of such LPG industry participant in
9 accordance with Chapter III of this Act.

10 SEC. 10. *Powers and Functions of the Philippine National Police*
11 *(PNP).* – The PNP shall, upon request of the DOE or the DTI, provide
12 security to life and property during the conduct of operations in the
13 implementation of this Act, such as in the confiscation of LPG cylinders found
14 in violation of this Act, and during the transport of the confiscated LPG
15 cylinders to the impounding area: *Provided,* That the PNP shall not, by itself,
16 conduct LPG inspections nor confiscate LPG cylinders without a formal
17 request from the DOE and the DTI.

18 SEC. 11. *LPG Monitoring and Enforcement Task Force.* –

19 (a) Not later than six (6) months from the effectivity of this Act, the
20 DOE shall establish the LPG Monitoring and Enforcement Task Force with
21 the following members:

- 22 (1) Secretary of the DOE as Chairperson;
23 (2) Secretary of the DILG and Secretary of the DTI as members;
24 (3) Representatives of other government agencies as may be
25 determined by the Chairperson;
26 (4) Representatives from LPG industry participants as may be
27 determined by the Chairperson; and

1 (5) Representatives from the private sector entities as may be
2 determined by the Chairperson.

3 (b) The LPG Monitoring and Enforcement Task Force shall have the
4 following powers and functions:

5 (1) Assist the DOE in monitoring and compliance standards inspection
6 as provided in this Act; and

7 (2) Exercise other powers and functions necessary to give force and
8 effect to this Act, its implementing rules and regulations, and other rules
9 issued by the DOE from time to time, as may be determined by the DOE in
10 consultation with the LPG industry participants.

11 (c) Prior to the creation of the LPG Monitoring and Enforcement Task
12 Force or whenever deemed necessary, the DOE may deputize such other
13 government agencies it deems necessary to assist in the effective discharge of
14 its functions provided under Chapter IV and Chapter X of this Act.

15 CHAPTER III

16 LICENSES, PERMITS AND OTHER BUSINESS REQUIREMENTS

17 SEC. 12. *License to Operate.* –

18 (a) Requirement Prior to Engaging in Business. – Any person
19 intending to engage in any activity or business involving LPG shall secure a
20 license to operate from the DOE prior to commencement of construction of
21 facilities and commercial operations. The license to operate shall be valid for
22 three (3) years or any such period as may be determined by the DOE. For
23 purposes of this Act, the license to operate shall certify that the person or
24 entity has complied with all the documentary requirements and safety rules
25 and regulations prescribed by the DOE and other pertinent government
26 agencies.

1 (b) No person or entity intending to engage in any activity or business
2 involving LPG shall engage in business without duly securing a license to
3 operate from the DOE. Any such person or entity that subsequently engages
4 in an activity or business outside of the scope of its license to operate shall
5 duly notify the DOE and secure the proper license to operate from and where
6 deemed necessary by the DOE for such new activity or business.

7 (c) The DOE shall prescribe specific guidelines for compliance of
8 retail outlets, dealers, and haulers in remote areas outside Metro Manila.

9 (d) An LPG industry participant who has a license to operate shall
10 transact business only with an LPG industry participant who likewise has a
11 license to operate.

12 (e) Persons or Entities Already Engaged in LPG Business. – Any
13 person already legally engaged in any activity or business involving LPG shall
14 obtain a license to operate within six (6) months from effectivity of this Act in
15 accordance with the rules, regulations and guidelines to be issued by the DOE.
16 The DOE shall deputize the DTI in the processing of the license to operate for
17 LPG dealers and retailers subject to the standards set by this Act.

18 SEC. 13. *Certificate of Non-Coverage (CNC)*. – Any person whose
19 principal business requires consumption of LPG in bulk and which business
20 operation does not include, in any way, the distribution or retail of LPG to
21 consumers, such as garage-based Auto-LPG stations and centralized LPG
22 distribution systems, shall secure a Certificate of Non-Coverage (CNC) from
23 the DOE. For purposes of this Act, a garage-based Auto-LPG operation refers
24 to the operation of a motor vehicle fleet with a number of vehicle units as may
25 be determined by the DOE and which vehicle units are parked and serviced in
26 a confined area or garage. The DOE shall prescribe such other conditions in
27 order that an Auto-LPG dispensing activity shall be deemed as a garage-based
28 operation.

1 Bulk suppliers shall ensure that their bulk consumers have secured the
2 necessary CNC prior to entering into any supply contract or agreement with
3 said bulk consumers. A copy of the contract shall be submitted to the DOE
4 within thirty (30) days from the execution thereof.

5 The CNC does not in any way preclude compliance with applicable
6 PNS requirements of the Bureau of Fire Protection (BFP) and other concerned
7 government agencies.

8 *SEC. 14. Suspension or Revocation of License to Operate.* – The DOE
9 shall have the power to suspend or revoke, after due notice and hearing, the
10 license to operate of any person engaged in any activity or business involving
11 LPG for the commission of any of the prohibited acts under Chapter X of this
12 Act.

13 *SEC. 15. Mandatory Requirement Prior to LGU's Issuance or*
14 *Renewal of Local Government Business License or Mayor's Permit.* – The
15 license to operate shall be a mandatory requirement for the grant or renewal of
16 any LGU business license or mayor's permit to engage in business involving
17 LPG regardless of whether the products or activities constitute the entire or a
18 portion of the business for which a business license is sought by the applicant.

19 *SEC. 16. Action of LGUs on Suspended or Revoked License to*
20 *Operate.* – Upon receipt of written notice by the DOE of suspension or
21 revocation of the license to operate of a concerned LPG industry participant,
22 the LGU shall immediately suspend or revoke the LGU business license or
23 mayor's permit of said LPG industry participant.

24 The LGU shall formally communicate to the DOE the fact of such
25 suspension or revocation within five (5) working days from receipt of the
26 written notice of revocation of license to operate from the DOE.

1 owner thereof, irrespective of the party in custody or possession of the LPG
2 cylinder. Permanent marks refer to the embossed trade or brand name of the
3 registered owner thereof as prescribed by the DTI for LPG cylinders.

4 The rights and obligations of LPG brand owners shall be provided in
5 the implementing rules and regulations of this Act.

6 The LPG brand owner shall have the obligation to ensure that its LPG
7 cylinders comply with all the required quality and safety standards and
8 specifications before these are released for distribution: *Provided*, That
9 receipt by the DOE of a verified notice or report from the LPG brand owner
10 regarding any lost, stolen, or missing LPG cylinders shall *prima facie* relieve
11 the LPG brand owner of the obligation to ensure the quality and safety of such
12 LPG cylinders. Such report may be rebutted by contrary evidence.

13 SEC. 20. *Ownership of LPG Containers for Automotive Use.* –
14 Containers of LPG for automotive use shall be permanently installed inside
15 the vehicles and shall be inherent and integral parts of the vehicle. Ownership
16 of such containers shall be on the vehicle owner.

17 CHAPTER VI

18 MONITORING AND ENFORCEMENT MECHANISMS

19 SEC. 21. *Reports and Disclosures to the DOE.* – Subject to the
20 limitations provided in Section 22 hereof, the DOE shall have the power and
21 authority to require LPG industry participants to submit written, electronic or
22 other forms of reports or disclosures, as the DOE may deem reasonable and
23 necessary to perform its functions under this Act. Any LPG industry
24 participant who fails to submit any such report or disclosure within the period
25 and in the manner prescribed by the DOE shall be penalized pursuant to
26 Section 30 of this Act.

27 SEC. 22. *Central Database of LPG Industry Participants.* – The DOE
28 shall, within one (1) year from the effectivity of this Act, create a central

1 database of LPG industry participants, which shall be updated on a monthly
2 basis. Subject to the limitations provided herein, information in the central
3 database shall be made available to the public and through the internet upon
4 payment of reasonable fees and charges and during office hours. The central
5 database of LPG industry participants shall include their corporate or business
6 name or trade name; a list of all directors and officers; principal office or
7 business address; primary purpose or nature of business; registered brand
8 name or logo for LPG, LPG cylinder, facilities and equipment; haulers,
9 dealers, retail outlets and LPG cylinders; seal manufacturers; violations
10 committed or incidents relating to such violations, if any; agreements with
11 other LPG industry participants, such as for cross-filling and similar
12 arrangements; list of lost, stolen or missing LPG cylinders; and such other
13 relevant information as may be determined by the DOE.

14 The foregoing provisions to the contrary notwithstanding, the right of
15 LPG industry participants against undue disclosure of information shall be
16 recognized. Unless necessary for ensuring the safe operations of the LPG
17 industry, the DOE may not require from the LPG industry participant the
18 disclosure of intellectual property rights, trade secrets and proprietary data, or
19 other legitimate commercial information which are confidential or privileged
20 in nature. Any information, document, plan, and other matter disclosed
21 necessary for ensuring the safe operations of the LPG industry which
22 constitute intellectual property, trade secrets or proprietary data or other
23 legitimate commercial information which are confidential or privileged in
24 nature, shall not be disclosed by the DOE or any other person having access
25 thereto to other LPG industry participants or to the public.

26 The provisions of Republic Act No. 8293, otherwise known as the
27 "Intellectual Property Code of the Philippines", and other laws insofar as

1 applicable shall continue to apply to information, documents, plans and other
2 matters disclosed pursuant to this Act.

3 CHAPTER VII

4 DECLARATION OF LPG CYLINDER AS DEFECTIVE,

5 HARMFUL, UNSAFE, OR DANGEROUS

6 SEC. 23. *Declaration of LPG Cylinder as Defective, Harmful, Unsafe,*
7 *or Dangerous.* – When the DOE or the DTI, as the case may be, finds, *motu*
8 *proprio* or upon petition of any person, that an LPG cylinder is defective,
9 harmful, unsafe, or dangerous, it shall, after due notice, issue the appropriate
10 order for the immediate confiscation, recall, seizure, impoundment or
11 prohibition from public sale or distribution of the defective, harmful, unsafe,
12 or dangerous cylinder, in which case the LPG cylinder owner shall be afforded
13 a hearing *within forty-eight (48) hours from issuance* of such order, for the
14 purpose of determining the propriety of the recall and seizure of the LPG
15 cylinder: *Provided,* That such a declaration shall be limited to instances when
16 the LPG cylinder is already filled and sealed and is inside a refilling plant,
17 dealer's showroom, retail outlet, or is in the possession of an LPG cylinder
18 transporter: *Provided, further,* That the DOE or the DTI shall, within thirty
19 (30) days from termination of administrative proceedings, *make a final*
20 *determination* as to whether or not an LPG cylinder is defective, harmful,
21 unsafe, or dangerous.

22 Filled LPG cylinders that are found by the DOE or the DTI to pose an
23 imminent threat or danger of exploding shall be disposed of without the
24 necessity of serving prior notice to the owners thereof. The DOE or the DTI
25 shall notify the violator, owner or respondent of such fact within five (5) days
26 after such disposition.

CHAPTER VIII

TRANSPORT OF LPG IN CYLINDERS

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3 SEC. 24. *Transport of LPG in Cylinders.* – The DOE shall, in
4 consultation with other concerned government agencies, issue appropriate
5 guidelines for the transport of LPG in cylinders. The LPG industry
6 participants shall not allow any vehicle used for the transport of LPG in
7 cylinders to enter its premises, including refilling plants, depots or
8 warehouses, unless such vehicle has complied with the requirements of the
9 DOE for the transport of LPG in cylinders. For the transport of LPG in
10 cylinders to households, the LPG industry participants shall only use vehicles
11 that meet the requirements prescribed by the DOE, as well as those of the
12 Department of Transportation and Communications (DOTC), Department of
13 Public Works and Highways (DPWH) and the concerned LGUs. As proof of
14 compliance, the certificate of roadworthiness from the Land Transportation
15 Office (LTO) or the Land Transportation Franchising and Regulatory Board
16 (LTFRB) shall be presented as additional documentary requirement for the
17 issuance and renewal of a license to operate.

18 Vehicles carrying, transporting, or delivering LPG cylinders which are
19 not registered and without the appropriate DOE signage shall be seized or
20 impounded by the DOE. The guidelines for the accreditation of drivers and
21 attendants for LPG delivery vehicles shall be prescribed by the DOE upon
22 prior consultation with the LPG industry participants and other government
23 agencies concerned.

CHAPTER IX

PHILIPPINE LPG CYLINDER IMPROVEMENT PROGRAM

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25 SEC. 25. *Philippine LPG Cylinder Improvement Program.* – A
26 Philippine LPG Cylinder Improvement Program shall be implemented with
27 the objective of safeguarding and ensuring the safety of consumers. The DOE
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1 shall, upon prior consultation with the LPG industry participants and other
2 government agencies concerned, determine the mechanics, rules, and
3 regulations for the Philippine LPG Cylinder Improvement Program.

4 CHAPTER X

5 PROHIBITED ACTS, FINES AND PENALTIES

6 SEC. 26. *Engaging in Business Without License to Operate.* – Any
7 LPG industry participant who engages in the business of refilling, selling,
8 trading, distribution, or transporting of LPG cylinders without securing a
9 license to operate from the DOE shall be penalized with a fine of five
10 thousand pesos (P5,000.00) for each day of operation without a license to
11 operate: *Provided, That the maximum fine to be imposed shall be five*
12 *hundred thousand pesos (P500,000.00) for an individual and one million*
13 *pesos (P1,000,000.00) for a corporation.*

14 SEC. 27. *Engaging in Business Without Accreditation.* – Any person
15 who engages in the business of manufacturing LPG cylinder seals or
16 requalifying, repairing or scrapping LPG cylinders without first securing a
17 certificate of accreditation from the DTI shall be penalized with a fine of one
18 million pesos (P1,000,000.00).

19 SEC. 28. *Refusal or Obstruction of Inspection.* – Any LPG industry
20 participant who refuses, prevents, or obstructs the inspection of its premises
21 and records shall be penalized with a fine of three hundred thousand pesos
22 (P300,000.00) for the first violation, five hundred thousand pesos
23 (P500,000.00) for the second violation and revocation of the license to
24 operate for the third violation.

25 SEC. 29. *Failure to Post License to Operate.* – Any LPG industry
26 participant who fails or refuses to post its license to operate issued by the
27 DOE as required under this Act shall be penalized with a fine not exceeding
28 five thousand pesos (P5,000.00) for each instance of violation.

1 SEC. 30. *Failure to Submit Reportorial Requirements.* – Any LPG
2 industry participant who fails to submit periodic reports within a reasonable
3 period and in the manner prescribed by the DOE shall be penalized with a fine
4 of ten thousand pesos (P10,000.00) for an individual and twenty thousand
5 pesos (P20,000.00) for a partnership or a corporation.

6 SEC. 31. *Illegal Storage.* – Any refiner, importer, refiller, hauler,
7 dealer, retail outlet, or bulk consumer who stores LPG in bulk without
8 obtaining a license to operate or CNC shall, upon conviction, be penalized
9 with a fine of not less than twenty thousand pesos (P20,000.00) but not more
10 than one hundred thousand pesos (P100,000.00).

11 SEC. 32. *Failure to Comply With Product Standards.* – Any concerned
12 LPG industry participant who, by act or omission, fails to comply with plant
13 or product standards set by the DOE with respect to their specific activity
14 shall, upon conviction, be penalized as follows:

15 (a) *Noncompliance with DOE mandatory requirements on safety*
16 *designs for refilling plants, equipment, depots, centralized LPG distribution*
17 *systems and similar facilities shall be penalized with a fine of not less than*
18 *fifty thousand pesos (P50,000.00) but not more than five hundred thousand*
19 *pesos (P500,000.00). For this purpose, the DOE shall formulate a table of*
20 *penalties to determine the imposition of the minimum and the maximum*
21 *penalty. Failure to secure the required PNS certificate for LPG cylinders shall*
22 *be penalized with a fine of five thousand pesos (P5,000.00) for each*
23 *noncompliant LPG cylinder used and distributed to consumers: Provided,*
24 *That the maximum fine to be imposed shall be five hundred thousand pesos*
25 *(P500,000.00) for an individual and one million pesos (P1,000,000.00) for a*
26 *corporation: Provided, further, That this section shall apply only upon the*
27 *full implementation of the Philippine LPG Cylinder Improvement Program.*

1 SEC. 33. *Adulteration.* – Any LPG-filled cylinder found to be
2 *containing LPG mixed with another finished or unfinished petroleum product*
3 or stock, or with any nonpetroleum substance or material that will result in a
4 change in product quality or in the failure of the LPG to meet the required
5 product specifications as determined by the DOE shall render the person in
6 possession thereof *prima facie* liable for violating this provision and shall,
7 upon conviction, be penalized with a fine of five thousand pesos (P5,000.00)
8 for each LPG cylinder containing adulterated LPG: *Provided*, That the
9 maximum fine to be imposed shall be five hundred thousand pesos
10 (P500,000.00) for an individual and one million pesos (P1,000,000.00) for a
11 corporation.

12 SEC. 34. *Underfilling.* – When the net quantity of LPG contained in
13 LPG cylinders intentionally sold, transferred, delivered, or filled by refillers is
14 less than the LPG cylinder content required by the DOE at the filling plant,
15 the refiller, upon conviction, shall be penalized with a fine of five thousand
16 pesos (P5,000.00) for each underfilled LPG cylinder or with imprisonment of
17 at least six (6) months but not more than two (2) years, or both, at the
18 discretion of the court: *Provided*, That subsequent violations shall be
19 penalized with both fine and imprisonment: *Provided, further*, That the
20 maximum fine to be imposed shall be five hundred thousand pesos
21 (P500,000.00) for an individual and one million pesos (P1,000,000.00) for a
22 corporation.

23 When the net quantity of LPG in cylinders intentionally sold,
24 transferred, or delivered by dealers or retail outlets is three tenths of one
25 kilogram (0.30 Kg) less than the DOE-required LPG cylinder content quantity,
26 the dealers or retail outlets shall be penalized with the same fines mentioned
27 in the preceding paragraph: *Provided*, That when the net quantity of LPG

1 cylinders sold, transferred, or delivered by dealers or retail outlets is at least
2 five hundred (500) grams less than the DOE-required LPG cylinder content
3 quantity, the cylinders shall be confiscated outright and the erring refiller,
4 dealer, or retail outlet shall be penalized with the aforementioned penalties.

5 The following shall be considered as *prima facie* evidence of
6 underfilling:

7 (a) A broken, tampered, absent, or removed seal; or

8 (b) An LPG cylinder containing less than the required LPG quantity
9 which is not so identified and set apart or taken out from the sales area by a
10 dealer or retail outlet and is presumed to be for sale.

11 SEC. 35. *Illegal Refilling.* – The following shall constitute an act of
12 illegally refilling an LPG cylinder:

13 (a) Refilling of LPG cylinder by a person or entity other than the brand
14 owner thereof, unless an express permission is granted by the brand owner for
15 the refilling as evidenced by a written contract or similar instrument;

16 (b) Refilling of LPG cylinder with a brand, trademark, trade name, or
17 registered business name other than that of the brand owner indicated on the
18 LPG cylinder tank, otherwise called “pirate filling” or “cross-filling”;

19 (c) Refilling of LPG cylinder without the embossed markings or other
20 indication of the brand or trade name thereof, or bearing defaced, tampered, or
21 illegible markings contrary to the mandatory labelling and stamping
22 requirements under this Act;

23 (d) Refilling of LPG cylinder which is due for repair, requalification,
24 or scrappage as provided in this Act, or is subject to a recall or prohibition
25 order issued by the DOE;

26 (e) Filling of LPG cylinder directly from LPG tank trucks without the
27 use of approved filling machines;

1 (f) Refilling of LPG from one LPG cylinder to another without using
2 the prescribed equipment;

3 (g) Backyard refilling of LPG cylinder other than in properly designed
4 LPG refilling plants;

5 (h) Filling of LPG cylinder with products or substances other than
6 LPG to achieve the correct net weight;

7 (i) Refilling of LPG cylinders for household or commercial use by
8 Auto-LPG Dispensing Stations;

9 (j) Refilling of LPG into single-trip or tin canister or cartridge not
10 designed or intended for LPG or not in compliance with existing PNS or, in
11 the absence of a PNS, without the express consent, approval or conformity of
12 the DTI;

13 (k) Any other refilling of LPG cylinders in violation of the mandatory
14 requirements or prescribed standards under this Act; and

15 (l) Unauthorized loading of bulk LPG tanks in industrial accounts.

16 An LPG industry participant found guilty of illegal refilling under this
17 section shall, upon conviction, be penalized with a fine of five thousand pesos
18 (P5,000.00) for each illegally filled or refilled LPG cylinder, or imprisonment
19 of at least six (6) months but not more than two (2) years, or both, at
20 the discretion of the court: *Provided*, That subsequent violations shall be
21 penalized with both fine and imprisonment: *Provided, further*, That the
22 maximum fine to be imposed shall be five hundred thousand pesos
23 (P500,000.00) for an individual and one million pesos (P1,000,000.00) for a
24 corporation: *Provided, finally*, That illegally refilled LPG cylinders described
25 in subparagraphs (c), (d), (e), (f), (g), (h) and (i) above shall be confiscated
26 outright and the refillers, dealers, or retail outlets thereof shall be penalized
27 with the aforementioned penalties.

1 SEC. 36. *Hoarding.* – An LPG industry participant who, before a
2 price increase or in times of tight supply, unduly accumulates LPG products
3 beyond the normal inventory levels and unreasonably limits or refuses to
4 dispose of, sell or distribute LPG products to the general public even if the
5 buyer or consumer has the ability to pay in cash for the LPG products shall,
6 upon conviction, be penalized with a fine of at least one hundred thousand
7 pesos (P100,00.00) but not more than one million pesos (P1,000,000.00) and
8 imprisonment of at least six (6) months but not more than two (2) years.

9 The determination of a participant's usual inventory shall be reckoned
10 from the third month immediately preceding the discovery of the stocks in
11 case the participant has been engaged in the business for at least three
12 (3) months. Otherwise, it shall be reckoned from the time the participant
13 started the business.

14 For purposes of this Act, it shall be considered as *prima facie* evidence
15 of hoarding when the following conditions concur:

16 (a) The LPG industry participant has stocks of LPG products fifty
17 percent (50%) higher than the inventory capacity; and

18 (b) The LPG industry participant unreasonably limits, refuses, or fails
19 to sell the same to the general public at the time of discovery of the stocks.

20 SEC. 37. *Unauthorized Trading of LPG Cylinders.* – Any concerned
21 LPG industry participant who, without the consent of the LPG brand owner,
22 stores or sells empty LPG cylinders in quantities in excess of those allowed by
23 the DOE, or engages in LPG cylinder swapping and other similar practices,
24 and exchanges, barter, sells, distributes, or otherwise transfers ownership or
25 possession thereof to a person or entity other than the LPG brand owner
26 without the latter's consent or authority, upon conviction, shall be penalized
27 with a fine of five thousand pesos (P5,000.00) for each illegally stored or sold
28 empty LPG cylinder, or imprisonment of at least six (6) months but not more

1 than two (2) years, or both, at the discretion of the court: *Provided, That*
2 *subsequent violations shall be penalized with both fine and imprisonment:*
3 *Provided, further, That the maximum fine to be imposed shall be five hundred*
4 *thousand pesos (P500,000.00) for an individual and one million pesos*
5 *(P1,000,000.00) for a corporation.*

6 *SEC. 38. Tampering of LPG Cylinders and Similar Acts. – Any*
7 *person, other than an LPG cylinder owner, who destroys, tampers, alters, or*
8 *modifies LPG cylinders through any means, such as, changing the LPG*
9 *cylinder valve, repainting and relabelling, upon conviction, shall be penalized*
10 *with a fine of five thousand pesos (P5,000.00) for each tampered or altered*
11 *LPG cylinder, or imprisonment of at least six (6) months but not more*
12 *than two (2) years, or both, at the discretion of the court: Provided, That*
13 *second and subsequent violations shall be penalized with both fine and*
14 *imprisonment: Provided, further, That the maximum fine to be imposed shall*
15 *be five hundred thousand pesos (P500,000.00) for an individual and one*
16 *million pesos (P1,000,000.00) for a corporation.*

17 *SEC. 39. Illegal Possession of LPG Cylinder Seal. – Any person*
18 *found in possession of LPG cylinder seals, including the seals already used in*
19 *the LPG cylinders, without authority from the LPG cylinder owner or its*
20 *authorized refiller, upon conviction, shall be penalized with a fine of five*
21 *thousand pesos (P5,000.00) for each LPG seal illegally possessed: Provided,*
22 *That the maximum fine to be imposed shall be five hundred thousand pesos*
23 *(P500,000.00) for an individual and one million pesos (P1,000,000.00) for a*
24 *corporation.*

25 *SEC. 40. Failure to Comply With Weighing Device Requirements. –*
26 *Any refiner, importer, refiller, dealer, or retail outlet, whether an individual or*
27 *a corporation, who fails to comply with the requirements pertaining to*
28 *weighing devices as required by the DOE and the DTI, shall be penalized with*

1 a fine of ten thousand pesos (P10,000.00) for an individual or twenty
2 thousand pesos (P20,000.00) for a corporation.

3 SEC. 41. *Overloading.* – Any hauler, whether an individual or a
4 corporation, who loads and transports, or permits the loading and
5 transportation of LPG cylinders quantities greater than the rated capacity of
6 the vehicle or in such a manner that endangers the life and safety of its
7 passengers or the public, shall be penalized with a fine of twenty thousand
8 pesos (P20,000.00) for an individual and fifty thousand pesos (P50,000.00)
9 for a corporation: *Provided,* That the penalties provided herein shall be
10 without prejudice to its liability under other laws for any damage or injury to
11 person or property.

12 SEC. 42. *Importation of Used or Second-Hand LPG Cylinders.* – Any
13 person who imports used or second-hand LPG cylinders or containers without
14 securing authority to import from the DTI shall, upon conviction, be penalized
15 with a fine of one hundred thousand pesos (P100,000.00) or five thousand
16 pesos (P5,000.00) per LPG cylinder or container, whichever is higher, and
17 imprisonment of at least six (6) months and one (1) day to two (2) years.

18 SEC. 43. *Sale or Distribution to Noncomplying Persons or Entities.*
19 – Any LPG industry participant who knowingly sells or distributes LPG
20 products, LPG cylinders or LPG seals to persons or entities committing any of
21 the prohibited acts provided in this Act and in other issuances or orders to be
22 issued by the DOE or the DTI, as the case may be shall, upon conviction, be
23 penalized for each sale or distribution with a fine of not less than one hundred
24 thousand pesos (P100,000.00) but not more than five hundred thousand pesos
25 (P500,000.00) or imprisonment of at least six (6) months but not more than
26 two (2) years, or both, at the discretion of the court.

27 SEC. 44. *Pilferage of LPG.* – Any person, whether an individual or a
28 corporation, who pilfers LPG shall, upon conviction, be penalized with a fine

1 of five hundred thousand pesos (P500,000.00) for an individual and one
2 million pesos (P1,000,000.00) for a corporation or imprisonment of at least
3 *six (6) months* but not more than two (2) years, or both, at the discretion of
4 the court: *Provided*, That second and subsequent violations shall be penalized
5 with both fine and imprisonment: *Provided, further*, That the maximum fine
6 to be imposed shall be five hundred thousand pesos (P500,000.00) for an
7 individual and one million pesos (P1,000,000.00) for a corporation.

8 SEC. 45. *Sale or Distribution of LPG-filled Cylinders Without Seals.* –
9 Any person, brand owner, or its authorized refiller, dealer, or retail outlet who
10 sells or distributes LPG-filled cylinders without a seal, or with a tampered or
11 broken seal, or with a seal not belonging to the brand owner, shall be
12 penalized with a fine of not less than five thousand pesos (P5,000.00) for each
13 LPG cylinder or imprisonment of at least six (6) months but not more than
14 two (2) years, or both, at the discretion of the court: *Provided*, That the
15 maximum fine to be imposed shall be five hundred thousand pesos
16 (P500,000.00) for an individual and one million pesos (P1,000,000.00) for a
17 corporation.

18 SEC. 46. *Refusal to Refund the Deposit.* – Any LPG brand owner, its
19 authorized dealer or retail outlet that refuses to refund the deposit on the LPG
20 cylinder to any consumer shall be administratively charged and, upon proper
21 proof, shall be imposed a fine of one thousand five hundred pesos (P1,500.00)
22 for each LPG cylinder and a warning that its license to operate shall be
23 suspended or revoked: *Provided*, That subsequent violations thereof shall be
24 imposed a fine of five thousand pesos (P5,000.00) per LPG cylinder and the
25 suspension and revocation of its license to operate.

26 SEC. 47. *Sale of LPG in Canisters or Cartridges.* – It shall be
27 unlawful for any person to refill, sell, trade, or distribute LPG in single-trip tin
28 canister or cartridge that is intended or labeled as for one time use only, not

1 designed or intended for LPG, not in compliance with existing PNS or in the
2 absence of PNS, without the express consent, approval or conformity of the
3 DTI.

4 Any person who sells or distributes LPG in single-trip (nonrefillable)
5 canisters or cartridges which has been previously filled with butane and not
6 designed or intended for refilling of LPG due to noncompliance with the PNS
7 or not certified or allowed by the DTI shall be penalized with a fine of not less
8 than five thousand pesos (P5,000.00) for each LPG canister or cartridge or
9 imprisonment of at least six (6) months but not more than two (2) years, or
10 both, at the discretion of the court: *Provided*, That the maximum fine to
11 be imposed shall be five hundred thousand pesos (P500,000.00) for an
12 individual and one million pesos (P1,000,000.00) for a partnership or a
13 corporation.

14 SEC. 48. *Other Prohibited Acts.* - The following acts shall likewise
15 be prohibited:

16 (a) Sale and distribution to or transactions with an LPG industry
17 participant who has no license to operate;

18 (b) Manufacture, sale, or distribution of LPG cylinders to the local
19 market without the necessary Philippine Standard (PS) marks and other
20 markings as required by the PNS and its future amendments, or the detailed
21 standard governing LPG cylinder manufacture, requalification, and repair;

22 (c) Sale and distribution of LPG cylinders considered substandard as
23 defined by the PNS;

24 (d) Manufacture or sale of LPG cylinders carrying a brand name, logo,
25 mark, or distinction without the express approval of the registered brand
26 owner;

27 (e) Manufacture of LPG cylinders using substandard or nonindustrial
28 steel plates;

1 (f) Wrong or misleading information stamped on the LPG cylinder
2 such as the tare weight; and

3 (g) Knowingly selling illegally filled or refilled LPG cylinders by
4 marketers, dealers, or retail outlets.

5 A fine of at least five hundred thousand pesos (P500,000.00) but not
6 more than one million pesos (P1,000,000.00) and imprisonment of at least six
7 (6) years and one (1) day to twelve (12) years shall be imposed on any person,
8 firm, partnership, or corporation found guilty of committing any of the
9 foregoing prohibited acts.

10 SEC. 49. *Share of LGUs on Fines and Penalties.* – The LGU
11 concerned shall be allotted a forty percent (40%) share of the proceeds from
12 fines and penalties collected by the DOE: *Provided,* That the remaining sixty
13 percent (60%) shall be remitted by the DOE to the National Treasury.

14 SEC. 50. *“Strike Three” Penalty.* – Any person convicted or found
15 administratively liable with finality of violating the provisions of this Act for
16 three (3) instances shall be perpetually disqualified from engaging in any
17 activity in the LPG industry.

18 SEC. 51. *Publication of Persons Convicted of Violations of this Act.* –
19 The DOE shall, on a quarterly basis, publish in a newspaper of general
20 circulation, the names of LPG industry participants found liable for prohibited
21 acts under Chapter X of this Act.

22 SEC. 52. *Violations by Juridical Entities.* – If the violation is
23 committed by a corporation, partnership, association, or other juridical entity,
24 the penalty of imprisonment shall be imposed on the responsible directors or
25 officers thereof. Any new juridical entity formed by persons previously found
26 in violation of the prohibited acts under Chapter X of this Act shall not be

1 eligible for any license to operate by the DOE. If the offender is an alien,
2 he shall be deported immediately, without further proceedings, after service of
3 sentence.

4 CHAPTER XI

5 EDUCATION AND RESEARCH

6 SEC. 53. *Usage Requirements for Customers and End-Users.* – The
7 DOE and the DTI shall jointly undertake educational and information
8 dissemination activities to enhance customer awareness among LPG
9 consumers and end-users. The DOE and the DTI, after consultation with the
10 LPG industry participants, may prescribe rules and regulations in relation to
11 the following:

12 (a) For industrial or large end-users, installation of sign at storage
13 facilities;

14 (b) Use of only branded, legally filled and certified LPG cylinders; and

15 (c) Installation of LPG appliances and devices approved by the DTI:
16 *Provided,* That the appliances and devices shall be installed only by qualified
17 servicemen as provided in this Act.

18 SEC. 54. *Development Research.* – The DOE shall, in coordination
19 with the Department of Science and Technology (DOST) and the DTI,
20 conduct study and research for the purpose of developing more efficient
21 methods of providing safe, clean and hazard-free LPG to consumers.

22 CHAPTER XII

23 FINAL PROVISIONS

24 SEC. 55. *Implementing Rules and Regulations.* – Unless otherwise
25 expressly provided in this Act, the DOE shall, upon prior public consultation
26 with LPG industry participants and the other appropriate agencies, be the lead
27 agency to formulate, issue, and promulgate the necessary implementing rules
28 and regulations within sixty (60) days from the effectivity of this Act. The

1 implementing rules and regulations shall cover, among others, guidelines and
2 standards for LPG weighing devices, cylinder sealing, labeling requirements,
3 quality standards, and delivery vehicles, drivers and attendants.

4 SEC. 56. *Transition Phase.* — The DOE shall, upon prior consultation
5 with the LPG industry participants and other government agencies and taking
6 into account data obtained from LPG industry participants and other sources,
7 determine the appropriate period for the transition phase to allow for
8 compliance by all LPG industry participants with the objectives of this Act.

9 SEC. 57. *Joint Congressional Oversight Committee.* — There is
10 hereby created a Joint Congressional Oversight Committee to monitor the
11 implementation of this Act. The Oversight Committee shall be composed of
12 three (3) Senators and three (3) Representatives to be appointed by the Senate
13 President and the Speaker of the House of Representatives, respectively. The
14 Oversight Committee shall be jointly chaired by the Chairpersons of the
15 Senate Committees on Energy and Trade and Commerce and the House
16 Committees on Energy and Trade and Industry: *Provided*, That the Minority
17 in both the Senate and the House of Representatives shall be equitably
18 represented therein: *Provided, further*, That the Oversight Committee shall
19 exist for a period of three (3) years from the effectivity of this Act.

20 The mandate given to the Joint Congressional Oversight Committee
21 under this Act shall be without prejudice to the performance of the duties and
22 functions by the respective existing oversight committees of the Senate and
23 the House of Representatives.

24 SEC. 58. *Construction and Interpretation.* — Any doubt in the
25 interpretation of any provision in this Act shall be interpreted in favor of the
26 interest of consumers particularly to ensure access to reasonably priced LPG
27 and the safety of the consumers and the general public.

1 SEC. 59. *Separability Clause.* – If, for any reason, any chapter,
2 section or provision of this Act shall be declared unconstitutional, illegal, or
3 invalid, such parts not affected thereby shall remain in full force and effect.

4 SEC. 60. *Repealing Clause.* – All laws, decrees, executive orders,
5 proclamations and administrative regulations, or parts thereof inconsistent
6 herewith are hereby repealed or modified accordingly.

7 SEC. 61. *Effectivity.* – This Act shall take effect fifteen (15) days after
8 its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

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