

[PRESIDENTIAL DECREE NO. 1128, April 25, 1977]

FURTHER AMENDING REPUBLIC ACT NUMBERED SIX THOUSAND ONE HUNDRED SEVENTY-THREE, AS AMENDED, OTHERWISE KNOWN AS THE OIL INDUSTRY COMMISSION ACT

WHEREAS, in order to ensure prompt and effective execution and enforcement by the Oil Industry Commission of its decision, orders, rules and regulations, its power to punish summarily for contempt must be enlarged to include instances of willful failure or refusal, without just cause, to comply with its decisions, orders, rules and regulations;

WHEREAS, for the abovementioned purpose, it is likewise necessary that the Commission be empowered to impose administrative fines for violations of its decisions, orders, rules and regulations, and to assess and collect surcharges on delinquent payments of fees;

WHEREAS, a procedure for appeal from decisions or orders of the Commission in cases involving matters other than the fixing of prices of petroleum products has to be provided;

WHEREAS, in view of the foregoing requisites, the charter of the Oil Industry Commission needs to be amended;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree, as part of the law of the land, the following amendments of Republic Act Numbered Six Thousand One Hundred Seventy-Three, as amended:

SECTION 1. Section two of the Act is hereby amended to read as follows:

"Sec. 2. Definition of Terms. —

"(a) 'Commission' shall mean the Oil Industry Commission.

"(b) 'Petroleum' shall be construed to mean a complex mixture of 84 to 87 percent carbon, 13 to 11 percent hydrogen, and 1 to 4 percent impurities such as nitrogen, sulfur, and helium. It shall include products commercially known as natural gas, gasoline and kerosene in liquid form and a wide range of lubricating oils, asphalt and pitch in solid state.

"(c) 'Petroleum products' shall mean products formed in the course of refining crude petroleum through distillation, cracking, solvent refining and chemical treatment, coming out as primary stocks from the refinery like: LPG, naphtha gasolines, solvents, kerosenes, aviation turbine fuels, automatic/industrial diesel oils, industrial/residual fuel oils, waxes and petrolatums, asphalts, bitumins, coke and refinery sludges, or such refinery petroleum fractions which have not undergone any process or treatment as to produce separate chemically defined compounds in a pure or commercially pure state; and to which various substances may have been added to render them suitable for particular uses, provided

that the resultant product contains not less than 50% by weight of such petroleum products."

SECTION 2. Section 2 of the Act is hereby renumbered as Section 3 and paragraph (d) thereof is amended to read as follows:

"**Sec. 3.** (d) To protect PETROLEUM dealers and distributors from unfair and onerous trade conditions.

SECTION 3. Section 3 of the same Act is hereby renumbered as Section 4 thereof.

SECTION 4. Section 4 of the same Act is hereby renumbered as Section 5 thereof.

SECTION 5. Section 5 of the same Act is hereby renumbered as Section 6 thereof and amended to read as follows:

"**Sec. 6. Staff .** — The Commission shall appoint and maintain an adequate staff, which shall include a Secretary-Executive Director who shall be a member of the Philippine Bar with at least five years experience in the active practice of law in the Philippines or in the discharge of an office requiring as an indispensable requisite admission to the practice of law in the Philippines. HE SHALL BE THE RECORDER AND OFFICIAL REPORTER OF THE COMMISSION AND SHALL HAVE AUTHORITY TO ADMINISTER OATH IN ALL MATTERS COMING UNDER THE JURISDICTION OF THE COMMISSION. HE SHALL BE THE CUSTODIAN OF MINUTES OF THE COMMISSION, AND OF REPORTS, DOCUMENTS AND PAPERS FILED IN CONNECTION WITH ANY CASE OR PROCEEDINGS BEFORE THE COMMISSION. HE SHALL LIKEWISE BE RESPONSIBLE FOR THE EFFECTIVE IMPLEMENTATION OF THE POLICIES, RULES AND DIRECTIVES PROMULGATED BY THE COMMISSION, SHALL COORDINATE AND SUPERVISE THE ACTIVITIES OF THE DIFFERENT OPERATING UNITS AND SHALL PERFORM SUCH FUNCTIONS AS MAY BE ASSIGNED TO HIM BY THE CHAIRMAN AND/OR BY THE COMMISSION.

"The members of the technical staff, except for those performing purely clerical functions, shall possess at least a bachelor's degree in the line of specialization required by their respective positions: Provided, That except as to positions which are policy-determining highly technical or primarily confidential, all positions in the Commission are subject to the provisions of the Civil Service Law and Rules, but are exempt from the regulations of the Wage and Position Classification Office."

SECTION 6. Section 6 of the Same Act as is hereby renumbered as Section 7 and Paragraph (d) thereof is amended to read as follows:

"**Sec. 7.** (d) To encourage and assist in the organization of associations of Filipino Oil AND PETROLEUM dealers and distributors throughout the Philippines, public utility operators, oil AND PETROLEUM consumers, and other similar groups, through the formation of cooperatives or through other group action."

SECTION 7. Section 7 of the Act is hereby renumbered as Section 8 thereof.

SECTION 8. Section 8 of the Act is hereby renumbered as Section 9 and paragraph (b) thereof is amended to read as follows: