

# **[ EXECUTIVE ORDER NO. 422, September 11, 1990 ]**

## **ACTIVATING AND REORGANIZING THE ENERGY OPERATIONS BOARD AS THE ADMINISTRATIVE MACHINERY FOR THE EFFICIENT AND EQUITABLE ALLOCATION AND DISTRIBUTION OF ENERGY UNDER CERTAIN CONDITIONS**

WHEREAS, there is a continuing uncertainty in the international crude oil supplies resulting in the increasing trend of world petroleum process;

WHEREAS, it has become imperative that measures be adopted to cushion the impact of the increasing oil prices by insuring the efficient and judicious utilization of the country's energy supply in order to secure its optimum use consistent with the energy conservation thrust of the government;

WHEREAS, there is an urgent need to activate and reorganize the Emergency Petroleum Operations Board created under Executive Order No. 547 dated July 23, 1979 into the Energy Operations Board as an inter-agency entity responsible for drawing an effective system for the efficient and equitable allocation and distribution of energy among the various end-users in the event of severe energy supply disruptions or imminent danger thereof, as may be determined by the Board;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Emergency Petroleum Operations Board, created under Executive Order No. 547 dated July 23, 1979, is hereby activated and reorganized as the Energy Operations Board, hereinafter referred to as the Board, to be composed of the Executive Secretary as Chairman; and the Secretary of Trade and Industry, the Secretary of Agriculture, the Secretary of National Defense, the Secretary of Local Government, the Secretary of Transportation and Communications, the Executive Director of the Office of Energy Affairs, and a representative from the private sector to be designated by the President, as members.

SEC. 2. The Board shall be responsible for formulating policies, guidelines, and rules and regulations for the allocation and distribution of energy/petroleum products to all consumers and for developing an overall plan of action for implementing the allocation and distribution system, including such rationing schemes as may be necessary.

In carrying out this responsibility on the basis of sectoral requirements, the Board may consult with other departments and agencies concerned, particularly the National Economic and Development Authority, the Department of Finance and Department of Labor and Employment. The Board may also direct such other departments and agencies as may be necessary to assist in the allocation and

distribution of petroleum products to special categories of users.

SEC. 3. The Board shall designate an Executive Director to act as the Executive Officer of the Board on a regular and permanent basis whose functions shall be determined by the Board.

The Office of Energy Affairs shall act as the Secretariat of the Board and shall provide administrative support and facilities for central monitoring of the Board's operations.

The Board shall also constitute an Inter-Agency Technical Staff composed of representatives from all members of the Board and provide technical assistance and other related services to the Board. These representatives shall work on a permanent basis for the duration of the implementation of the Board's programs. They shall be authorized to avail themselves of the facilities and communications networks of other agencies of the government as may be necessary and in addition to what they may have.

Whenever necessary, the Board may also direct other concerned agencies such as the Philippine National Oil Company, the National Power Corporation and the National Electrification Administration for additional membership in the Secretariat or the Inter-Agency Technical Staff.

SEC. 4. The primary responsibilities of the various departments with respect to the allocation and distribution of energy/petroleum products shall be as follow:

- a) The Office of the Executive Secretary shall be responsible for providing the overall leadership in the formulation of policies and guidelines as well as for overseeing the operations of the allocation and distribution system.
- b) The Department of Trade and Industry shall be responsible for undertaking appropriate classifications of the industrial/commercial sectors for purposes of priority in their energy/petroleum products requirements. It shall, likewise, monitor the effects of prices of other commodities as a result of energy/petroleum products allocation and distribution, and undertake measures to assure reasonable price and adequate supply of these commodities.
- c) The Department of Agriculture shall be responsible for providing effective representation of the agricultural production sector, especially in behalf of small end-users in the rural areas who are engaged in food production for prioritization and assurance for them of an adequate supply of energy requirements.
- d) The Department of National Defense shall be responsible for the enforcement of laws relative to prohibited acts and activities specified under Batas Pambansa Blg. 33, as amended, as well as of the rules and regulations of the Board pertaining to the operation of the allocation and distribution

system.

It shall also provide all security assistance, facilities and other requirements necessary for the effective implementation and enforcement of operations/activities of the Board.

- e) The Department of Local Government shall be responsible for the implementation of the allocation and distribution system, the monitoring of the implementation thereof from the regional down to the barangay levels, and the conduct of surveys to effect the comprehensive listing of end-users of energy particularly petroleum products at the barangay level.
- f) The Department of Transportation and Communications shall be responsible for providing effective representation of the transport sector, especially in behalf of the public mass transport operators in order to assure them of sufficient supply of their petroleum product needs.
- g) The Office of Energy Affairs shall, in addition to its function as Secretariat of the Board, represent the energy sector for overall policy/program planning, formulation and implementation. The Board may also assign to it, such other functions and responsibilities as the Board may deem necessary.

The respective primary responsibilities of the abovementioned agencies shall extend, as applicable, down to the regional and sub-regional levels, including the provincial, city, municipal and barangay levels.

SEC. 5. At the regional level, there shall be a Regional Inter-Agency Committee, which shall be directly responsible to the Board, to be composed of the Chairman of the Regional Development Council (RDC) as Chairman: and a regional representative each of the Department of Trade and Industry, the Department of Agriculture, the Department of National Defense, the Department of Local Government, Department of Transportation and Communication, the Office of Energy Affairs, and the Regional Commander of the PC-INP, and the representative from the private sector to be designated by the RDC Chairman, as members.

The Committee shall be responsible for overseeing and coordinating the implementation of the system for the allocation and distribution of energy particularly petroleum products within the region and the monitoring of the progress of the implementation thereof, including an assessment of the problems encountered and taking remedial measures as may be necessary to resolve such problems, subject to such guidelines as shall be established by the Board. The Committee shall submit periodic reports to the Board on the progress of implementation within the region.

The RDC Chairman shall serve as the Regional Executive Officer of the Committee and shall provide the leadership in directing the implementation of action programs and measures as may be decided upon by the Committee through the respective agencies concerned within the region. For this purpose, he shall have the authority