

[DOE DEPARTMENT CIRCULAR NO. DC 2011-03-0005, March 24, 2011]

FURTHER AMENDING SECTION 14 OF DEPARTMENT CIRCULAR NO. 98-03-004 ENTITLED "RULES AND REGULATIONS IMPLEMENTING REPUBLIC ACT 8479, DOWNSTREAM OIL INDUSTRY DEREGULATION ACT OF 1998," AS AMENDED BY DEPARTMENT CIRCULAR NO. 2003-06-007

SECTION 1. Coverage. Pursuant to Chapter VII, Section 23 of Republic Act No. 8479, otherwise known as the "Downstream Oil Industry Deregulation Act of 1998", Section 14 (paragraph) c of Department Circular No. 98-03-004, as amended by Department Circular No. 2002-05-001, is hereby further amended to read as follows:

"SECTION 14. Promotion of Retail Competition

xxx

c. Grant of Gasoline Station Loan

xxx

(4) Eligible Loan Purposes

The following Loan Purposes shall be eligible for funding under the Program:

(a) Establishment/Construction of New Gasoline Station/Auto LPG Station

(i) Purchase and installation of equipment to be used for the operation of a gasoline station / auto-LPG station, including, but not limited to, dispensing pumps, underground tanks, filters, compressors, and such other similar equipment;

(ii) Purchase and installation of basic tools and equipment related to health, safety and environmental protection including, but not limited to, wheel aligner/balancer, engine analyzer, fire

extinguishers, water tanks, oil and water separator and such other similar tools and equipment;

(iii) Site development, civil/electro-mechanical/erection works including but not limited to, construction and concreting of pump islands, perimeter wall, forecourt, driveway and other similar works;

(iv) Purchase of initial inventory of Petroleum Products from suppliers of good standing not exceeding Two Million Pesos (P2 million);

(v) Purchase of brand new LPG cylinders; and

(vi) Purchase and installation of other similar equipment as may be approved by OIMB.

(b) Improvement and Maintenance of Existing Gasoline Station

(i) Purchase and installation of equipment as an addition to or the replacement of old equipment installed in the gasoline station, including, but not limited to, major equipment and auxiliaries such as auto-LPG / liquid petroleum products (LPP) dispensing pumps, underground tanks, filters, compressors, and such other similar equipment;

(ii) For gasoline stations with above-ground tanks still existing prior to the effectivity of this Circular, the cost of relocation of the tank from above ground to underground including, but not limited to, excavation, purchase and installation cost of underground tanks and other similar costs;

(iii) Purchase and installation of basic tools and equipment related to health, safety and environmental protection including, but not limited to, wheel aligner/balancer, engine analyzer, fire extinguishers, water tanks, oil and water separator and such other similar tools and equipment;

(iv) Renovation and additional construction of facilities including, but not limited to, building, canopy, service bay, forecourt, engine room, roll-on/ twin post lifter, pump islands, and other similar facilities, as well as perimeter walls, forecourt, driveway and other similar works;