

[ERB RESOLUTION NO. 98-03, February 04, 1998]

**DIRECTING OIL COMPANIES TO CONTRIBUTE TO OR WITHDRAW
FROM THE OIL PRICE STABILIZATION FUND**

WHEREAS, the Board issued an Order dated January 16, 1998 granting provisional authority to oil companies to increase provisionally the wholesale posted prices of their petroleum products, refined and/or marketed by them locally, by a weighted average amount of FIFTY TWO POINT NINETY SEVEN CENTAVOS (P0.5297) per liter, said amount to be allocated and distributed as follows:

Industry Cost Increase

Product	In Peso Per Liter
Premium Gasoline	1.1850
Unleaded-Premium	1.0500
Regular Gasoline	1.0500
Avturbo	1.5500
Kerosene	0.5000
Diesel Oil	0.5000
Fuel Oil/Feedstock	0.3340
LPGas	0.0000

Average	0.5297
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WHEREAS, in the said Order, the Board stated that the above increase shall be correspondingly reflected as an upward adjustment in the retail price of each product sold anywhere in the country, without prejudice to the issuance by this Board of a resolution fixing/rationalizing the retail prices throughout the Philippine of all petroleum products;

WHEREAS, at the time of the issuance of the aforesaid Order, the average wholesale posted prices Ex-Pandacan is SEVEN PESOS AND FORTY-ONE POINT NINE CENTAVOS (P7.4190) per liter. This amount was computed based on July 1, 1996 wholesale posted price of SIX PESOS AND EIGHTY-EIGHT POINT NINETY THREE CENTAVOS (P6.8893) per liter plus cost recovery due to increase in landed cost of imported crude amounting to ONE PESO AND THIRTY-FOUR POINT THIRTY-SIX CENTAVOS (P1.3436) per liter minus the weighted average increase during the transition and the deregulated period amounting to EIGHTY-ONE POINT THIRTY-EIGHT CENTAVOS (P0.8138) per liter;

WHEREAS, on June 11, 1996 Republic Act No. 8184, was enacted Restructuring The Tax Excise of Petroleum products wherein socialized pricing was considered;