

**[DOE CIRCULAR NO. 97-12-004, December 24,
1997]**

**REITERATING ADMINISTRATIVE ORDER NO. 95-001 ENTITLED
"RELAXING CERTAIN NON-PRICING REGULATIONS GOVERNING
THE DOWNSTREAM PETROLEUM INDUSTRY" AND ADOPTING
APPROPRIATE PROVISIONS OF DEPARTMENT CIRCULAR NO. 95-
09-008, THE IMPLEMENTING RULES AND REGULATIONS OF SAID
ADMINISTRATIVE ORDER NO. 95-001**

WHEREAS, the Department of Energy through the Energy Industry Administration Bureau (EIAB) is mandated under Section 5 (e) of Republic Act No. 7638, otherwise known as the Department of Energy (DOE) Act of 1992, to "regulate private sector activities relative to energy projects as provided for under existing laws; Provided, that the Department shall endeavor to provide for an environment conducive to free and activate private sector participation and involvement in all energy activities;"

WHEREAS, the same section provides further that "At the end of four (4) years from the effectivity of this Act, the Department shall, upon the approval of the President, institute the programs and timetable of deregulation of the appropriate energy projects and activities of the energy industry;

WHEREAS, on 28 March 1996, Republic Act No, 8180 was enacted deregulating the downstream oil industry;

WHEREAS, the Supreme Court has declared, with finality, Republic Act No. 8180 as unconstitutional;

WHEREAS, prior to the enactment of Republic Act No. 8180, the DOE issued Department Order No. 95-001 relaxing non-pricing regulations governing the downstream petroleum industry;

WHEREAS, pursuant to the policy of the government to deregulate the downstream oil industry, and in anticipation of the eventual passage by Congress of a new downstream oil deregulation law, the DOE deems it practicable to maintain a liberalized environment conducive to full and active private sector participation and investment in the downstream oil industry;

WHEREAS, the continued relaxation of non-pricing regulations governing the downstream petroleum industry will sustain the operation of existing new players and may further attract entry of prospective investors in the downstream oil business;

WHEREFORE, premises considered, the following provisions of DOE Administrative Order No. 95-001 are hereby reinstated regarding the relaxation of the non-pricing rules and regulations governing the downstream petroleum activities subject to such