



## SUMMARY OF SENATE BILL ON SECOND READING\*

**Second Regular Session, Eighteenth Congress**

**S. NO 1955** AN ACT PROVIDING FOR THE NATIONAL ENERGY POLICY AND REGULATORY FRAMEWORK FOR THE PHILIPPINE LIQUEFIED PETROLEUM GAS INDUSTRY  
*(In substitution of Senate Bill No. 1188)*

**Authors:** Senators Win Gatchalian and Emmanuel "Manny" D. Pacquiao

**Referred to:** Committees on Energy; and Trade, Commerce and Entrepreneurship

**Key words:** LPG, accreditation, alteration, ancillary, authorized LPG seal, bulk consumer, bulk distributor, bulk storage tank, cross-filling, cylinder owner, cylinder exchange, cylinder swapping, dealer, generic cylinder, hauler, importer, marketer, pilferage, PNS, retail outlet, scrappage, refiner, tare weight, trademark owner, LPG Industry Development Plan

---

The LPG Act seeks to strengthen and streamline the laws and regulations overseeing the domestic LPG industry. The regulatory reforms embodied by the bill also aims at instituting reforms in the LPG industry, addressing concerns in health, safety, security, environmental, and quality standards for the benefit of consumers as well as LPG participants. The bill shall apply to the importation, refining, refilling, transportation, conveyance, distribution, marketing of LPG and manufacturing, requalifying, exchanging, and swapping of LPG pressure vessels. The said act covers all LPG industry players from the bulk suppliers, refillers, brand owners and marketers to the dealers and retailers.

As defined in this bill, LPG refers to liquefied petroleum gas which consists of commercial propane gas or commercial butane gas, or a mixture of both gases, with properties conforming to the standards set forth in the Philippine National Standards (PNS).

The proposed measure will require LPG players to secure a license to operate for a specific activity prior to their commencement of commercial operation. The DOE will have the exclusive authority to issue the license to operate which will be valid for three years. Likewise, the DOE will be tasked to regulate, supervise, and monitor the LPG industry participants, and to implement and ensure compliance with the quality and safety standards prescribed in the PNS.

---

\* LRS publishes summarized information of Senate bills under consideration for second reading in the Second Regular Session, 18<sup>th</sup> Congress. The annual budget (General Appropriations Act); tax, banking and finance, and other bills which are predominantly fiscal in nature will not be included in the LRS reports.

The bill also enumerates the corresponding administrative and criminal penalties for specific violations such as hoarding, underfilling, illegal refilling and engaging in an activity without a valid license to operate, among others. Fines range from as low as five thousand pesos (P5,000) to as high as one million pesos (P1,000,000) depending on the offense. Penalties also include suspension of the license to operate, permanent disqualification from engaging in any activity as an LPG industry participant, impounding of LPG products and even imprisonment, depending on the nature of the violation.

The DOE, together with the DTI, and in consultation with the concerned government agencies (DILG, BFP, LTO, LTFRB, MARINA, LGUs, PNP, and DENR), and stakeholders including consumer groups shall promulgate the implementing rules and regulations of this Act.

*(Summary prepared by: Elizabeth A. Casao, 10 February 2021)*

---

*\* LRS publishes summarized information of Senate bills under consideration for second reading in the Second Regular Session, 18<sup>th</sup> Congress. The annual budget (General Appropriations Act); tax, banking and finance, and other bills which are predominantly fiscal in nature will not be included in the LRS reports.*