

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session

HOUSE RESOLUTION NO. 44



Introduced by Honorable Mark O. Go

RESOLUTION
DIRECTING THE HOUSE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON THE CONTINUED DISPARITY AND OVERPRICING
OF FUEL PRICES IN NORTHERN LUZON

WHEREAS, as provided under Republic Act No. 8479 otherwise known as the "Downstream Oil Industry Deregulation Act of 1998," it shall be the policy of the State to liberalize and deregulate the downstream oil industry in order to ensure a truly competitive market under a regime of fair prices, adequate and continuous supply of environmentally-clean and high-quality petroleum products;

WHEREAS, Section 7 of RA 8479 provides that the Department of Trade and Industry (DTI) and Department of Energy shall take all measures to promote fair trade and prevent cartelization, monopolies, combinations in restraint of trade, and any unfair competition in the industry as defined in Article 186 of the Revised Penal Code, and Articles 168 and 169 of Republic Act No. 8293, otherwise known as the "Intellectual Property Law";

WHEREAS, second paragraph of the aforesaid section states that the Department of Energy shall monitor the relationship between the oil companies (refiners and importers) and their dealers, haulers and LPG distributors to help ensure the observance of fair and equitable practices and to ensure the enforcement of existing contracts;

WHEREAS, the increment in the oil price passed on to the petroleum companies directly hits the consumer household as it passes the burden to the shoulders of consumers and affects inflation rate which leads to the increase in the price of basic commodities;

WHEREAS, House Resolution No. 853 was filed during the 17th Congress directing the House Committee on Energy to conduct an investigation on the disparity and overpricing of fuel prices in Northern Luzon particularly in Baguio City. The Committee on Energy has conducted four committee hearings on the matter;

WHEREAS, as a result of persistent appeals and separate meetings made with the big oil companies, a reduction of oil prices in Baguio City has been implemented by the three major oil

companies namely Petron, Chevron and Shell. An average of Php 5.00-6.00/liter decrease in the price of gasoline and Php 1.50-2.00/liter decrease in diesel was observed and monitored in Baguio City;

WHEREAS, notwithstanding this reduction in fuel prices, there is still a significant disparity between the pump prices of fuel in the province of La Union and Baguio City which is in fact remains questionable. As of July 9, 2019, the disparity in the prices of fuel remains at Php 6.00 per liter for gasoline and Php 4.00-4.80 per liter for diesel;

WHEREAS, the consumers in Baguio City still deserve a full explanation on this matter and an immediate reduction in the prices of fuel to be at the same rate with Rosario, La Union;

WHEREAS, it is therefore with cogency, that this concern be settled immediately to mitigate further prejudice to the consuming sector;

NOW, THEREFORE, BE IT RESOLVED AS IT HEREBY RESOLVED, that the House of Representatives directs its Committee on Energy to conduct an inquiry, in aid of legislation, on the continued disparity and overpricing of fuel prices in the Northern Luzon.

Adopted,



MARK O. GO