

DEPARTMENT CIRCULAR NO. DC 2018 - 03 - 0004

PROHIBITING THE SALE AND DISTRIBUTION OF SMALL-SIZED 2.7 KG CAPACITY AND BELOW LPG CYLINDERS WITHOUT THE REQUIRED "FOR OUTDOOR USE ONLY" MARKING IN ADDITION TO THE USUAL MANDATORY MARKINGS FOR LPG CYLINDERS, AND FOR OTHER PURPOSES

Whereas, pursuant to Section 5 (k) of Chapter 1 of Republic Act 7638 (Department of Energy Act of 1992), the Department of Energy (DOE) shall formulate rules and regulations as may be necessary to guide the operations of both government and private entities in energy resource supply and distribution;

Whereas, pursuant to Republic Act Nos. 7638 and 8479 (Downstream Oil Industry Deregulation Act of 1998), Batas Pambansa Blg. 33 as amended by Presidential Decree 1865 (Defining and penalizing certain prohibited acts involving petroleum products), and under pertinent rules and regulations, the DOE has the power to monitor, supervise and regulate the petroleum industry and impose corresponding administrative penalties for violations thereof;

Whereas, the DOE has issued Department Circular (DC) No. 2000-05-007, requiring among others the conformance to Product Standard / Import Commodity Clearance (PS/ICC) and other mandatory markings for all LPG cylinders in circulation;

Whereas, the DOE has issued DC No. 2000-06-010 entitled "Revised Schedule of Penalties in the LPG Industry", specifically Section 8, which provides for the requirement of a distinctive design within two (2) years after the effectivity of the said Circular;

Whereas, the Bureau of Philippine Standards (BPS) of the Department of Trade and Industry (DTI) has amended and promulgated Philippine National Standards (PNS) 03-1:2014 entitled "Transportable and refillable welded steel cylinders for liquefied petroleum gas (LPG) – Part 1: Specification", specifying, among others, additional mandatory markings to be indicated on the body of the cylinders with water capacity up to 150 liters, specifically on the small-sized 2.7 kg cylinders;

Whereas, it has come to the attention of the DOE that there is a substantial number of small-sized 2.7 kg LPG cylinders circulating in the market without the required "For Outdoor Use Only" markings to warn the consumer that the product shall be used only for outdoor area;

Whereas, compared to the standard 11 kg capacity household cylinders, the small-sized 2.7 kg cylinder does not have safety features for indoor cooking, i.e., pressure relief valve, regulators, shut off device, and thus are advised to be used only for outdoor cooking. Proper outdoor ventilation prevents the accumulation of LPG vapor which when confined in an enclosed space would result in a violent explosion;

Whereas, in consideration of the foregoing, the following guidelines are hereby promulgated to govern these concerns:

RULE 1

GENERAL PROVISIONS

SECTION 1. Short Title - This Department Circular shall be known as the "Additional Mandatory Markings for Small-Sized 2.7 KG LPG Cylinder and below of 2018."

SECTION 2. Coverage - This Department Circular shall apply to all person or entities engaged in any and all activities involving the commerce of Liquefied Petroleum Gas (LPG).

RULE 2

MANDATORY MARKINGS AND MINIMUM REQUIREMENTS

SECTION 3. Required Mandatory Markings – Each small-sized 2.7 kg cylinder and below shall have "embossed" markings of the brand name or name of the owner and shall be placed on the shoulder of the cylinder and not along the knuckle radius. For purposes of this Circular, the "knucle radius" is the curved part on the upper and lower part of the cylinder. In no way shall "name plating" or any other means of indicating cylinder ownership, especially through application of hot works, shall be allowed on any part of the cylinder.

The following minimum requirements shall be silk-screened on the body of the cylinders:

- 1. Brand name and logo;
- 2. Net content in kg;
- 3. Tare weight in kg;
- Date of regualification (month/year);
- 5. Safety warnings and other informational signs as prescribed; and
- For 2.7 kg capacity and below cylinders and below, an additional marking of "FOR OUTDOOR USE ONLY."

RULE 3

OFFENSES AND PENALTIES

SECTION 4. Offenses And Penalties - Penalties and sanctions for violations of this Circular shall be covered by existing regulations, including DOE DC No. 2000-06-010 ("Revised Schedule of Penalties in the LPG Industry of 2000"), and DOE DC No. 2014-01-0001 ("LPG Industry Rules"), or amendments thereto, to wit;

1. DC No. 2014-01-0001

RULE VIII

PROHIBITED ACTS

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Section 24. Illegal Trading. The following shall constitute Illegal Trading:

- e) Sale of LPG in cylinders that do not conform with the PNS on manufacture, requalification and repair of LPG cylinders, such as:
- 1) Without required markings;

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Section 25. Illegal Refilling, which is committed under any of the following circumstances:

c) Refilling of LPG cylinder without the embossed markings or other indication of the brand or trade name thereof, or bearing defaced, tampered or illegible markings contrary to the mandatory labeling and stamping requirements under this Act;

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RULE IX

ADMINISTRATIVE FINES AND SANCTIONS

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e) Any person or entity who violates any provision of this Circular not covered by DOE Circular No. 2000-06-010 shall be penalized by a fine of P10,000 for every prohibited act or P5,000, per cylinder, whichever is higher.

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2. DC No. 2000-06-010

ARTICLE II TABLE OF OFFENSES AND THEIR CORRESPONDING PENALTIES

 $X \times X$

Section 8. No Trade Name, Unbranded LPG Cylinders, No Serial Number, No Distinguishing Color, No Embossed Identifying Markings on Cylinder or Distinctive Collar or Design (Requirement on Serial Number and Distinctive Collar or Design Shall Take Effect Two (2) Years After Effectivity of This Circular).

A. LPG REFILLER/MARKETER

1st Offense - Fine of P4,000 for each cylinder 2nd Offense - Fine of P5,000 for each cylinder 3rd Offense - Recommend business closure to the proper local government unit

B. DEALER

1st Offense - Fine of P3,000 for each cylinder 2nd Offense - Fine of P4,000 for each cylinder 3rd Offense - Recommend business closure to the proper local government unit

C. LPG RETAIL OUTLET

1st Offense - Fine of P1,000 for each cylinder 2nd Offense - Fine of P2,000 for each cylinder 3rd Offense - Recommend business closure to the proper local government unit

 $X \times X$

SECTION 5. TRANSITORY CLAUSE - Provisions to complement this Circular may be issued subsequently, as necessary.

SECTION 6. EFFECTIVITY AND PUBLICATION - This Circular shall take effect immediately upon its publication in two (2) newspapers of general circulation.

Bonifacio Global City, Taguig City.

Secretary
Department of Energy

Republic of the Philippines
DEPARTMENT OF ENERGY
IN REPLYING PLS. CITE:

DOE-AGC-18006589

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