

Republic of the Philippines  
Province of Davao del Norte  
CITY OF TAGUM

**BEFORE THE 4<sup>TH</sup> CITY COUNCIL**

**EXCERPT FROM THE MINUTES OF THE 70<sup>th</sup> REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON NOVEMBER 24, 2008 AT THE SP SESSION HALL.**

**PRESENT:**

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. MARIA LINA F. BAURA,	Member
Hon. ROBERT L. SO,	Member
Hon. DE CARLO L. UY,	Member
Hon. RAYMOND JOEY D. MILLAN,	Member
Hon. VICENTE C. ELIOT, SR.,	Member
Hon. JOEDEL T. CAASI,	Member
Hon. ALAN D. ZULUETA,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. REYNALDO T. SALVE,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. CYRIL LEONARD L. MURING,	Member (SKF Representative)
Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)

**RESOLUTION NO. 554, S-2008**

**“A RESOLUTION URGING THE OIL COMPANIES TO LOWER DOWN THE PRICES OF PETROLEUM PRODUCTS SOLD IN THE CITY TO A PRICE LEVEL SAME AS THAT OF DAVAO CITY”.**

**WHEREAS**, a Committee Hearing was held on November 18, 2008 at the SP Session Hall relative to the substantial difference of prices of petroleum products sold in Tagum City and Davao City;

**WHEREAS**, one main reason for the substantial fuel price difference is the entry of small players in Davao City which offer petroleum products at lower prices thus resulting to “price war”;

**WHEREAS**, with the entry of small players in Davao City, the so-called “Big Three” players, i.e., Caltex, Shell and Petron, heed to the request of their respective dealers to allow them to lower down their prices to be able to compete with the small players;

**WHEREAS**, Republic Act No. 8479 or the Oil Deregulation Law came into play in the City of Davao for it was the consumers who determined the market and thus concluded the price of fuel or any petroleum product in the market;

**WHEREAS**, considering that the retail prices of petroleum products being offered in Davao City is less than their purchase price, the “Big Three” Companies had to subsidize the cost difference enabling the Davao City gasoline dealers to sell their products at prices lower than their cost;

**WHEREAS**, the Tagum City gasoline dealers already felt the sales volume reduction resulting from the price difference as their customers would prefer to purchase fuel in Davao City;

**WHEREAS**, the Tagum City gasoline dealers are urging their companies to allow them to lower down the prices of their petroleum products and to subsidize the cost difference as well, otherwise they would be operating at a loss;

**NOW THEREFORE**, be it resolved, by the Sangguniang Panlungsod of Tagum to urge the oil companies to lower down the prices of petroleum products sold in the city to a price level same as that of Davao City.

**RESOLVED FURTHER**, that copies of this resolution be furnished to the Department of Energy, Provincial Government of Davao del Norte, gasoline station owners, Department of Trade and Industry and other agencies involved in this endeavor for their information, reference and proper guidance.

**CARRIED AND APPROVED.**

**I HEREBY CERTIFY to the correctness of the foregoing.**

(Sgd) **REY A. BUHION**  
Secretary to the Sanggunian

**ATTESTED AND CERTIFIED  
TO BE DULY ADOPTED:**

(Sgd) **ALLAN L. RELLON, MPA**  
City Vice Mayor  
(Presiding Officer)

*fname:RN55408*  
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