No. 2126
DATE July 13, 1976 3:50 P.M.

APPROVED: JUAN A. ALBORS
Secretary of State
BY: [signature]
Assistant Secretary of State

Commonwealth of Puerto Rico
DEPARTMENT OF CONSUMER AFFAIRS
P. O. Box 41059 - Minillas Station
Santurce, Puerto Rico 00940

PRICE REGULATION NO. 45
Amendment No. 1

Subject Matter: Price Control in the sale of gasoline, kerosene and diesel at all levels of distribution

In order to avoid probable unjustified excesive hikes in the prices of residual fuel oils, products of prime necessity in our society, it is necessary to issue the present regulation, that will allow an orderly transition of price control on a local level, once federal control of residual fuel oils cease. The present amendment culminates the regulation process with regards to Price Regulation No. 45 of August 29, 1975, which was issued in accordance with Article 8 (b) of Law No. 5 of April 23, 1973. This Amendment repeals said Price Regulation No. 45, receiving and incorporating the provisions of said regulation.

ARTICLE 1: Authority

This regulation is adopted and issued in accordance with the powers conferred upon the Secretary by Laws No. 228 of May 12, 1942 and No. 5 of April 23, 1973, as amended.

ARTICLE 2: Purposes

This Regulation controls the prices and the profit margins in the sale of gasoline, kerosene and diesel, at all levels of distribution, including refineries, establishing the mecanism by means of which the Secretary may fix and revise said prices.

ARTICLE 3: Declaration of Sales Prices

Once federal price controls cease over any of the products herein regulated, and as long as the Secretary has not fixed maximum prices for the product in question, no person may raise his sales prices of the product unless he informs the Secretary in writing of the proposed change, at least fifteen days prior to the effectiveness of the change.

ARTICLE 4: Price Orders

On his own initiative, or upon request of an interested party, the Secretary may issue orders fixing and revising the maximum prices and the maximum profit margins of the products herein regulated, in accordance with the following criteria:

a. The cost of the mixture of crude to the refinery.

b. Yield of the mixture of crude to the refineries.

c. Demand of derived products produced by the refinery.

d. Credits for the sale of products not controlled by this regulation.

e. Refining costs.

f. Cost diferentials between leaded and unleaded gasoline.

g. Reasonable profit margin for the refinery.

h. Reasonable profit margin at the different distribution levels:

1. reasonable profit margin for operation expenses

2. reasonable net profit margin

3. turn over of the product

4. adjustment to the gross profit margin considering the products turn over

ARTICLE 5: Price differential for Vieques and Culebra

The Secretary may, by means of an order, establish maximum prices for the sale, in Vieques and Culebra, of the products herein regulated, that are different from the maximum prices prevalent for the rest of Puerto Rico considering the additional cost of transportation and handling from Puerto Rico to said islands.

ARTICLE 6: Labeling of prices

Any owner, lessee or operator of a gasoline station must exhibit in the premises of his station a sign, poster, or blackboard, or any other similar mean, clearly visible and legible from the road where automobiles circulate, indicating the prices at which he sells the products herein regulated.

The numbers indicating the price must have the following size: The whole number must be at least twelve (12) inches high; each number of any fraction must be at least one half the size of the whole number.

In every other retail establishment where the products herein regulated are sold a clearly readable sign must also be exhibited indicating the sales prices of said products, but the size limitation aforementioned shall not apply. The sign must be placed in a place clearly visible to the consumers that to to the stablishment to buy said products.

The maximum price orders issued under the present regulation may specify the way to label said maximum prices.

ARTICLE 7: Delivery methods

It is forbidden to change the accustomed methods of delivery, terms, discounts, concessions or services rendered in the sale and distribution of the products herein regulated, if such a change should result in a price higher than that established by this regulation.

ARTICLE 8: Records

Any persons who sells, distributes or manufactures the products here-in regulated must prepare and maintain for inspection by the Secretary, or the person designated by him, all the necessary records to demonstrate the manufacturing costs and/or the prices charged and paid for the products herein regulated, for the term of one year from the date of each transaction.

ARTICLE 9: Reports

The Secretary may request at any moment and from any person dedicated to the manufacturing, distribution or sales of the products herein regulated the presentation of facts and information pertinent and necessary to the furtherance of the purposes of this regulation.

ARTICLE 10: Evasions

Obtaining directly of indirectly a price or profit margin in excess of the maximum established by this regulation, and the hiding or falsification of records, documents or information herein required, constitutes a violation of this regulation. In order to established an evasion the Secretary is not obligated to demostrate intent nor lack of good faith on the part of the infractor.

ARTICLE 11: Interpretations

Any interested party may request in writing from the Secretary, and official written interpretation of this regulation, indicating the article whose interpretation he desires and specifying the doubts he has. An act or omission carried out strictly in accordance with and offical written interpretation of the Secretary shall constitute a defense if for said act or omission said party be prosecuted for a violation of this regulation.

ARTICLE 12: Separability

In case any part of this regulation is declared null and void by any Court, such declaration shall not affect in any way the remaining parts of this regulation which will continue in full force.

ARTICLE 13: Violations and Penalties

No persona shall commit an act forbidden by this regulation nor shall omit any act required by this regulation, nor shall he offer, solicit, intent nor conspire to do or omit any of said acts. No person may charge a price nor obtain a gross profit margin in excess of the maximums established by the Secretary.

Any person who incurs in a violation of this regulation shall be subject to the administrative sanctions and penalties established by Laws No. 228 of May 12, 1942 and No. 5 of April 23, 1973, as amended.

ARTICLE 14: Discrepancies between the Spanish and Inglish texts

In case of a discrepancy between the Spanish and English texts, the Spanish text will prevail.

ARTICLE 15: Definitions

a. Secretary	-	Means Secretary of The Department of Consumer Affairs
b. Department	-	Means Department of Consumer Affairs
c. Person	-	Includes natural and legal persons and any corporation, enterprise, society, association or any other person organized group of persons and their legal succesors, agents, and the representatives of all the aforementioned
d. Records	-	Account books, price lists, notes of sales, orders, vouchers, contracts, receipts, invoices, bills of ladings, and other papers and documents

ARTICLE 16: Repealing Clause

Order P-18, issued by the Secretary and filed on August 17, 1973; Amendment No. 1 to said order, filed on November 9, 1973; Amendment No. 2 to said order, filed on December 11, 1973; and the Addendum to said Amendment No. 2, filed on December 11, 1973, are hereby repealed.

Price Regulation No. 45, filed on August 29, 1975 and Order P-16, filed on March 27, 1973, are hereby repealed also.

ARTICLE 17: Effectiveness

This regulation shall become effective on the same day it is filed in accordance with Law No. 112 of June 30, 1957 and Law No. 5 of April 23, 1973 as amended.

In San Juan, Puerto Rico, this 23 JUL 1976 day of 1976.

Federico Hernández Denton
Secretary

FILED:

EFFECTIVE: