



ORCP-WM-25-02

Call for Comments to the Proposed General Amendments to the WESM Rules and WESM Manual on Market Surveillance regarding Market Surveillance Committee Processes (ORCP-WR-WM-25-02)

The Rules Change Committee (RCC) is inviting all WESM Members and interested parties to submit comments to the *Proposed General Amendments to the WESM Rules and WESM Manual on Market Surveillance regarding Market Surveillance Committee Processes (ORCP-WR-WM-25-02)*.

The proposed amendments seek to enhance and clarify the procedures/ processes of the Market Surveillance Committee (MSC), mainly to ensure effective operation of the Committee and to further enhance its functions, necessary to streamline operations, clarify responsibilities, and align with current structural and procedural realities.

The WESM documents for amendment are the WESM Rules and WESM Manual on Market Surveillance (MSM).

DOCUMENTS:

Provided below are the relevant materials for your reference:

- 1) [Overview, Discussion Paper, and Matrix of Proposed Amendments](#)
- 2) RCC Form3_Matrix of Proposed Amendments for Comments – Annexes of this document (*Please write your comments in the proper columns in the matrix.*)

Kindly submit your comments (in Word format) through the [File a Submission](#) page no later than **05 August 2025** or 30 working days from the date of publication (25 June 2025).

Please input in the proper field the e-mail address of your point person(s) who we could further contact regarding activities related to the processing of the proposal. All comments received shall be published in the PEMC website.

Thank you.

For the Rules Change Committee.



[In accomplishing and submitting this form, you give your consent for PEMC to collect, record, organize, and update your personal data as herein provided as part of your information for purposes of rules change process.]

Commenter's Information

Name	
Designation	
Company	<i>National Grid Corporation of the Philippines (NGCP)</i>
Company Address	<i>BIR Road corner Quezon Avenue, Diliman, Quezon City</i>
Telephone No.	
Email Address	

Commenter	General Comments	Proponent's Response
	<p><i>The proposed amendments authorizing the Market Surveillance Committee (MSC) in reviewing and approving proposed changes to the WESM Penalty Manual raises questions of procedural regularity and compliance with the governing regulatory framework.</i></p> <p><i>Under the present rules, the MSC's role is primarily monitoring, investigating, and recommending actions concerning breaches of market rules. The authority to approve amendments or policy manuals such as the WESM Penalty Manual rests with the PEM Board, subject to DOE's approval.</i></p> <p><i>Should the MSC unilaterally approve such changes without approval from the PEM Board, such act exceeds its authority. The authority of MSC makes it equivalent to PEM Board with respect to WESM Penalty Manual.</i></p> <p><i>Further, the proposed amendments may even undermine stakeholder trust in the market's institutional integrity.</i></p> <p><i>Any proposed amendments to the WESM Rules or the Penalty Manual should be endorsed to the Rules Change Committee and to be submitted to the PEM Board for deliberation and formal approval, and subsequently submitted to the DOE for approval.</i></p> <p><i>The proposals to amend the provisions of the WESM Rules or the Penalty Manual should be approved by the DOE, while</i></p>	

PDM-related matters should be approved by the ERC in accordance with Section 30 and Section 43 of the EPIRA.

WESM RULES as of 05 November 2024								
Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Chapter 1 – Introduction 1.6 Market Surveillance Committee	1.6.2 Responsibilities of the Market Surveillance Committee	The <i>Market Surveillance Committee</i> shall from time to time as necessary and appropriate or whenever the <i>PEM Board</i> directs: xxx (d) Assist the <i>Rules Change Committee</i> in relation to its assessment of proposals to amend the <i>WESM Rules</i> under Chapter 8.	The <i>Market Surveillance Committee</i> shall from time to time as necessary and appropriate or whenever the <i>PEM Board</i> directs: xxx (d) Assist the <i>Rules Change Committee</i> in relation to its assessment of proposals to amend the <i>WESM Rules</i> under Chapter 8; <u>and</u> <u>(e) Initiate or process proposed changes to the WESM Penalty Manual pursuant to Clause 7.2.5.5 and following the procedures outlined in Clause 8.4 of the WESM Rules</u>	To reflect the responsibility of the MSC to review proposed amendments to the WESM Penalty Manual pursuant to Clause 7.2.5.5 of the WESM Rules.	7.2.5.5 of the WESM Rules does not grant the Market Surveillance Committee the power to initiate changes to the WESM Penalty Manual. The authority granted to the Market Surveillance Committee is recommendatory only. The wording also suggests that the Market Surveillance Committee is the one to initiate the rules change before the PEM Board which is	Propose or recommend changes to the Rules Change Committee with respect to amendments of the WESM Penalty Manual.		

WESM RULES as of 05 November 2024								
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					<i>clearly within the scope of Rules Change Committee</i>			
Chapter 8 – Rule Change	8.1 – Scope of Chapter 8	<p>Proposals for changes, amendments, and modifications of the <i>WESM Rules and Market Manuals</i>, as well as the adoption of new <i>Market Manuals</i> shall be undertaken in accordance with the provisions of this chapter.</p> <p>This chapter 8 sets out: (a) The composition and manner of appointment of the <i>Rules Change Committee</i>; (b) The procedure for effecting a change to the <i>WESM Rules and Market Manuals</i>; and (c) The procedure for approval of a change to the <i>WESM Rules and Market Manuals</i>, including proposals that will result in an amendment to the <i>WESM Price Determination Methodology</i>; and adoption of new <i>Market Manuals</i>.</p>	<p>Proposals for changes, amendments, and modifications of the <i>WESM Rules and Market Manuals</i>, as well as the adoption of new <i>Market Manuals</i> shall be undertaken in accordance with the provisions of this chapter.</p> <p>This chapter 8 sets out: (a) The composition and manner of appointment of the <i>Rules Change Committee</i>; (b) The procedure for effecting a change to the <i>WESM Rules and Market Manuals</i>; and (c) The procedure for approval of a change to the <i>WESM Rules and Market Manuals</i>, including proposals that will result in an amendment to the <i>WESM Price Determination Methodology</i>; and adoption of new <i>Market Manuals</i>; and. <u>(d) The procedure for amendment of the WESM Penalty Provisions, as</u></p>	<p>The WESM Rules already provide a structured process for amendments to the WESM Rules and Market Manuals under Chapter 8, particularly Section 8.4. However, the WESM Penalty Manual is a critical regulatory document, and its amendment process is not explicitly stated within Chapter 8. By clarifying that Section 8.4 also applies to the revision of the WESM Penalty Manual, the proposed change ensures consistency in the governance process for rule modifications.</p> <p>The proposed change explicitly recognizes the MSC's role in</p>	<p><i>Same as above</i></p>	<p><i>The procedure for amendment of the WESM Penalty Provision, as provided under Section 8.4 being proposed by the Market Surveillance Committee.</i></p>		

WESM RULES as of 05 November 2024								
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			<u>provided under Section 8.4, including proposals initiated by the Market Surveillance Committee (MSC).</u>	initiating revisions, strengthening its ability to recommend adjustments based on market surveillance findings and enforcement experience.				
Chapter 8 – Rule Change	8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee <i>(Title of the Section).</i>	Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	To allow for flexibility in the rules which will allow MSC to refer to the considerations under this Clause in the review of the proposed amendments to the WESM Penalty Manual which is the responsibility of the Committee.	<i>From the authority granted to MSC, they are tasked to review or assess proposals to amend the WESM Rules.</i> <i>The proposals should be first reviewed by the RCC.</i>	<i>Please retain the original provision.</i>		
Chapter 8 – Rule Change	8.4.1 – Rules Change Classification	(NEW)	<u>8.4.1.4 Subject to approval of the DOE for amendments related to Penalty provisions, the Market Surveillance Committee</u>	To introduce new provision that provides basis for the MSC to establish and develop guidelines and	<i>The provision under 7.2.5.5 limits the authority of the MSC to propose amendments.</i>	<i>NGCP suggests omitting the new provision.</i>		

WESM RULES as of 05 November 2024								
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8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	n Procedures		<u>shall develop guidelines and procedures for matters related to the penalty mechanism. These guidelines and procedures will, as far as practicable, be consistent with the provisions of this Chapter 8, provided, however, that the Committee may establish procedures, time periods and manner of publication and effectivity other than as stated in this Chapter 8 depending on the classification of the proposed change.</u>	procedures for amendments related to the WESM Penalty Manual in view of its responsibility under Clause 7.2.5.5 of the WESM Rules.	<p><i>Amendments or proposals to change the provisions of the WESM Penalty Manual should be coured through the RCC and must be approved by the PEM Board.</i></p> <p><i>Lastly, the proposals to amend the provisions of the WESM Rules or the Penalty Manual should be approved by the DOE, while the PDM-related matters should be approved by ERC in accordance with Section 30 and Section 43 of the EPIRA.</i></p>			

WESM RULES as of 05 November 2024								
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Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	8.4.2 – Assessment of proposals	Pursuant to <i>WESM Rules</i> Clause 8.3.3 (b), the <i>Rules Change Committee</i> shall assess whether the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> , or the proposal for a new <i>Market Manual</i> is: xxx	Pursuant to <i>WESM Rules</i> Clauses 1.6.2 (e) and 8.3.3 (b), the <i>Rules Change Committee</i> or the Market Surveillance Committee, for matters related to penalty provisions in the WESM, shall assess whether the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> , or the proposal for a new <i>Market Manual</i> is: xxx	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM	Same comments as above. It grants the MSC authority overlapping with RCC	Pursuant to WESM Rules Clause 8.3.3 (b), the Rules Change Committee shall assess whether the proposed change to the WESM Penalty Manual, WESM Rules, Market Manual, or the proposal for a new Market Manual is: X x x x.		
Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change	8.4.3 – Discretions when assessing a proposal	In considering whether a proposal for a change in the <i>WESM Rules</i> or a <i>Market Manual</i> , or for the adoption of a new <i>Market Manual</i> satisfies the criteria as set out in <i>WESM Rules</i> Clause 8.4.1, the <i>Rules Change Committee</i> may:	In considering whether a proposal for a change in the <i>WESM Rules</i> or a <i>Market Manual</i> , or for the adoption of a new <i>Market Manual</i> satisfies the criteria as set out in <i>WESM Rules</i> Clause 8.4.1, the <i>Rules Change Committee</i> or the Market Surveillance Committee for matters	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM	Rules change is also within the authority of the RCC and not MSC. The authority of MSC is recommendatory.	We recommend retaining the original provision.		

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the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee		<p>(a) Take into account any information and documents that the <i>Rules Change Committee</i> reasonably considers to be relevant to its consideration of the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> or the proposed new <i>Market Manual</i>;</p> <p>(b) Consult with such persons whom the <i>Rules Change Committee</i> reasonably considers will likely be affected by the proposal;</p> <p>(c) Seek such information and views from any person as may be practicable under the circumstances; and</p> <p>(d) Refer and delegate the proposal to any working group, comprised of persons having such expertise as the <i>Committee</i>, in the <i>Rules Change Committee's</i> absolute discretion, whenever it</p>	<p><u>related to Penalty Manual</u> may:</p> <p>(a) Take into account any information and documents that the <i>Rules Change Committee</i> reasonably considers to be relevant to its consideration of the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> or the proposed new <i>Market Manual</i>;</p> <p>(b) Consult with such persons whom the <i>Rules Change Committee</i> reasonably considers will likely be affected by the proposal;</p> <p>(c) Seek such information and views from any person as may be practicable under the circumstances; and</p> <p>(d) Refer and delegate the proposal to any working group, comprised of persons having such expertise as the <i>Committee</i>, in the <i>Rules Change Committee's</i> absolute</p>		<p><u>8.4.3 (d) Should be reworded disallowing the delegation of proposals to any working group. Rather, the RCC should only seek assistance from other committees in the review of the proposals.</u></p>			

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		considers reasonable or necessary or as it may consider practicable in the circumstances delegating to that working group any obligation or task of the <i>Rules Change Committee</i> as set out in <i>WESM Rules</i> Clauses 8.4.3 , and 8.4.5 other than this <i>WESM Rules</i> Clause 8.4.3 (d).	discretion , whenever it considers reasonable or necessary or as it may consider practicable in the circumstances delegating to that working group any obligation or task of the <i>Rules Change Committee</i> as set out in <i>WESM Rules</i> Clauses 8.4.3 , and 8.4.5 other than this <i>WESM Rules</i> Clause 8.4.3 (d).					
Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules	8.4.4 – Notification following failure to satisfy criteria	If the <i>Rules Change Committee</i> concludes that a proposal does not satisfy the criteria set out in <i>WESM Rules</i> Clause 8.4.2, it shall notify the proponent and the <i>PEM Board</i> within 10 <i>working days</i> after its decision on the non-adoption of the proposal, including the reason for its decision.	<u>(a)</u> If the <i>Rules Change Committee</i> concludes that a proposal does not satisfy the criteria set out in <i>WESM Rules</i> Clause 8.4.2, it shall notify the proponent and the <i>PEM Board</i> within 10 <i>working days</i> after its decision on the non-adoption of the proposal, including the reason for its decision. <u>(b) For amendments related to Penalty provision, the Market Surveillance Committee shall notify the proponent within 10 working</u>	Renumbering To clarify the responsibility of the MSC to review any proposed amendments				

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Change Committee			<u>days after its decision on the non-adoption of the proposal, including the reason for its decision.</u>	related to penalties imposed in the WESM.				
Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	8.4.5 – Notification following satisfy criteria	If the <i>Rules Change Committee</i> concludes that a proposal satisfies the criteria as set out in <i>WESM Rules</i> Clause 8.4.2, the <i>Rules Change Committee</i> shall: (a) Notify the <i>PEM Board</i> , all <i>WESM Members</i> and all other interested parties of the proposal; and (b) Invite such parties to make written submissions regarding the proposal within the next 30 <i>working days</i> after publication of the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> , or new <i>Market Manual</i> in the market information website.	If the <i>Rules Change Committee</i> concludes that a proposal satisfies the criteria as set out in <i>WESM Rules</i> Clause 8.4.2, the <i>Rules Change Committee</i> shall: (a) Notify the <i>PEM Board</i> , all <i>WESM Members</i> and all other interested parties of the proposal; and (b) Invite such parties to make written submissions regarding the proposal within the next 30 <i>working days</i> after publication of the proposed change to the <i>WESM Rules</i> or <i>Market Manual</i> , or new <i>Market Manual</i> in the market information website. <u>If the <i>Market Surveillance Committee</i> concludes that a proposal satisfies the</u>	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM				

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			<p><u>criteria as set out in <i>WESM Rules Clause 8.4.1.1 (b) and (c) and WESM Penalty Manual Section 7.1.2, the Market Surveillance Committee shall:</i></u></p> <p><u>(a) Notify all <i>WESM Members and all other interested parties of the proposal; and</i></u></p> <p><u>(b) Invite such parties to make written submissions regarding the proposal within the next 30 working days after publication of the proposed change to the <i>WESM Penalty Manual in the market information website.</i></u></p>					
Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change	8.4.6 – Submissions regarding proposed Rules Change	To be validly considered, a written submission made in response to a proposed change to the <i>WESM Rules, Market Manual</i> , or proposal for the adoption of a new <i>Market Manual</i> , as provided under Clause 8.4.5 (b), must be	To be validly considered, a written submission made in response to a proposed change to the <i>WESM Rules, Market Manual</i> , or proposal for the adoption of a new <i>Market Manual</i> , as provided under Clause 8.4.5 (b), must be	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM				

WESM RULES as of 05 November 2024								
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the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee		received by the <i>Rules Change Committee</i> no later than 30 <i>working days</i> after the notice and invitation referred to in <i>WESM Rules</i> Clauses 8.4.5 (a) and (b) are issued.	received by the <i>Rules Change Committee</i> <u>or the Market Surveillance Committee for matters related to Penalty Provision</u> , no later than 30 <i>working days</i> after the notice and invitation referred to in <i>WESM Rules</i> Clauses 8.4.5 (a) and (b) are issued.					
Chapter 8 – Rule Change 8.4 – Consideration of Proposals to Change the WESM Rules or Market Manuals or to adopt new Market Manuals by the Rules Change Committee	8.4.7 – Approval of proposals	If the <i>Rules Change Committee</i> , upon deliberation of the proposal and having considered all valid submissions, concludes that it is necessary or desirable to give effect to the proposed change to the <i>WESM Rules</i> or the <i>Market Manual</i> , or adoption of new <i>Market Manual</i> , then it shall submit said proposal to the <i>PEM Board</i> for approval.	If the <i>Rules Change Committee</i> <u>or the Market Surveillance Committee for matters related to Penalty Provision</u> , upon deliberation of the proposal and having considered all valid submissions, concludes that it is necessary or desirable to give effect to the proposed change to the <i>WESM Rules</i> or the <i>Market Manual</i> , or adoption of new <i>Market Manual</i> , then it shall submit said proposal to the <i>PEM Board</i> <u>or directly to DOE for</u>	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM	<i>Suggest to reject</i> <i>The proposals must first be reviewed and evaluated by the PEM Board.</i> <i>Further, it is the PEM Board who should submit the proposals to the DOE for its approval.</i> <i>To allow the Committees to submit the proposals directly</i>			

WESM RULES as of 05 November 2024								
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			<u>amendments to Penalty Provision</u> for approval.		to DOE would be effectively granting the Committee the same authority as the PEM Board which can act on its own without approval from the PEM Board.			
Chapter 8 – Rule Change 8.6 – Approval of Proposal for Changes to the WESM Rules or Market Manuals or adopt new Market Manuals	8.6.1 – DOE assessment of proposal	If the <i>PEM Board</i> submits a proposal to the <i>DOE</i> for <i>DOE's</i> final approval of any changes to the <i>WESM Rules</i> or <i>Market Manuals</i> , or adoption of a new <i>Market Manual</i> , in accordance with the <i>WESM Rules</i> Clause 8.5.4, the <i>DOE</i> shall assess whether the proposed change to the <i>WESM Rules</i> satisfies the criteria which are set out in Clause 8.4.2.	If the <i>PEM Board</i> <u>or Market Surveillance Committee for amendments related to Penalty provision</u> submits a proposal to the <i>DOE</i> for <i>DOE's</i> final approval of any changes to the <i>WESM Rules</i> or <i>Market Manuals</i> , or adoption of a new <i>Market Manual</i> , in accordance with the <i>WESM Rules</i> Clause 8.5.4, the <i>DOE</i> shall assess whether the proposed change to the <i>WESM Rules</i> satisfies the criteria which are set out in Clause 8.4.2.	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM	Same as above			

WESM RULES as of 05 November 2024								
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Chapter 8 – Rule Change 8.6 – Approval of Proposal for Changes to the WESM Rules or Market Manuals or adopt new Market Manuals	8.6.3 – Notification following failure to satisfy criteria	If the <i>DOE</i> concludes that a proposal does not satisfy the criteria, which are set out in <i>WESM Rules</i> Clause 8.4.2, the <i>DOE</i> , shall notify: (a) The <i>PEM Board</i> ; (b) The <i>Rules Change Committee</i> ; and (c) The person who proposed the change to the <i>WESM Rules</i> , within 10 <i>working days</i> of reaching that conclusion and shall provide reasons for its decision.	If the <i>DOE</i> concludes that a proposal does not satisfy the criteria, which are set out in <i>WESM Rules</i> Clause 8.4.2, the <i>DOE</i> , shall notify: (a) The <i>PEM Board</i> <u>and the Rules Change Committee for amendments to WESM Rules and Market Manuals</u> ; (b) The Rules Change Committee <u>Market Surveillance Committee for amendments related to Penalty Manual</u> ; and (c) The person who proposed the change to the <i>WESM Rules</i> , within 10 <i>working days</i> of reaching that conclusion and shall provide reasons for its decision.	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM				

WESM RULES as of 05 November 2024								
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Chapter 8 – Rule Change	8.7 – Rules Change Committee Indemnity	<p>8.7 RULES CHANGE COMMITTEE INDEMNITY</p> <p>The <i>Rules Change Committee</i> and its members, and any working group to whom any task or obligation is delegated under Clause 8.4, are not to be personally liable in any way for any change, which is made to the <i>WESM Rules</i>.</p>	<p>8.7 RULES CHANGE COMMITTEE AND MARKET SURVEILLANCE COMMITTEE INDEMNITY</p> <p>The <i>Rules Change Committee or the Market Surveillance Committee</i> and its members, and any working group to whom any task or obligation is delegated under Clause 8.4, are not to be personally liable in any way for any change, which is made to the <i>WESM Rules</i>.</p>	To cover the responsibility of the MSC to review any proposed amendments related to penalties imposed in the WESM				

WESM Manual on Market Surveillance Issue 2.0								
Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Section 1 – Introduction 1.1 Purpose	1.1.1	This Manual establishes the principles of the <i>WESM Rules</i> and <i>Retail Rules</i> on market monitoring, assessment and surveillance. The same also provides the procedures for the conduct of activities related to market monitoring, assessment and surveillance to implement the said rules.	This Manual establishes the principles of the <i>WESM Rules</i> and <i>Retail Rules</i> on market monitoring, assessment and surveillance. The same also provides the procedures for the conduct of activities related to market monitoring, assessment and surveillance to implement the said rules, <u>and the review of proposed amendments to the WESM Penalty Manual in accordance with the Clauses 1.6.2 (e) and 7.2.5.5 of the WESM Rules.</u>	To reflect the responsibility of the MSC to review any proposed amendments to the WESM Penalty Manual pursuant to Clause 7.2.5.5 of the WESM Rules.				
Section 1 – Introduction	1.2 – Scope	This Manual covers all related procedures and activities concerning market monitoring, assessment and surveillance as follows: (a) All activities and procedures, including the functions, authority and reports	This Manual covers all related procedures and activities concerning market monitoring, assessment and surveillance, <u>and review of proposed amendments to the WESM Penalty Manual</u> as follows: (a) All activities and procedures, including the functions, authority and reports	To reflect the responsibility of the MSC to review any proposed amendments to the WESM Penalty Manual pursuant to Clause 7.2.5.5 of the WESM Rules.				

WESM Manual on Market Surveillance Issue 2.0								
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		of the Market Surveillance Committee, Enforcement and Compliance Office and the Market Assessment Group; and (b) Rules on access to information and data management.	of the Market Surveillance Committee, Enforcement and Compliance Office and the Market Assessment Group; and (b) Rules on access to information and data management.					
Section 2 – Definition, Interpretation, and Construction	2.1 – Definition of terms	xxx Market Assessment Report means the periodic report prepared by the <i>Market Assessment Group</i> and submitted to the <i>Market Surveillance Committee</i> . xxx Market Surveillance Committee refers to the WESM Governance Committee tasked under WESM Rules to monitor, assess and report on the	xxx Market Assessment Report means the periodic report <u>for Wholesale and Retail electricity markets</u> prepared by the <i>Market Assessment Group</i> and submitted to the <i>Market Surveillance Committee</i> . xxx Market Surveillance Committee refers to the WESM Governance Committee tasked under WESM Rules to monitor, assess and report on the	To reflect that the assessment reports include both the Wholesale and Retail Electricity markets. To include MSC's responsibility in reviewing the WESM Penalty Manual and any amendments thereof.				

WESM Manual on Market Surveillance Issue 2.0								
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		activities and developments in the WESM.	activities and developments in the WESM, <u>and review the WESM Penalty Manual and any amendments thereof.</u>					
			xxx					
			<u>Monthly Market Statistics refers to the monthly online publication on market statistics in the Philippines.</u>	To reflect the appropriate term or name of documents / reports conducted by the Committee.				
			<u>Monitoring Report refers to the accomplishments of the Market Surveillance Committee deliberated during the covered period including the approved market reports.</u>					
		xxx	xxx					
		Review Document on Over-Riding Constraints means the report prepared by the <i>Market Surveillance</i>	Review Document on Over-Riding Constraints Report means the report prepared by the <i>Market Surveillance</i>					

WESM Manual on Market Surveillance Issue 2.0								
Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		<p><i>Committee</i> in accordance with Section 5.5 of this Manual.</p> <p>xxx</p> <p>Review Report means the report prepared by the <i>Market Surveillance Committee</i> and submitted to the <i>PEM Board</i> in accordance with Section 5.7 of this Manual.</p> <p>xxx</p>	<p><i>Committee</i> in accordance with Section 5.5 of this Manual.</p> <p>xxx</p> <p>Review Report on Market Intervention / Suspension means the report prepared by the <i>Market Surveillance Committee</i> and submitted to the <i>PEM Board</i> in accordance with Section 5.73 of this Manual.</p> <p>xxx</p>	To update reference provision.				
Section 3 – Responsibilities	3.1 – Market Surveillance Committee	<p>In accordance with the <i>WESM Rules</i>, the <i>Market Surveillance Committee</i> shall have the following responsibilities:</p> <p>xxx</p> <p>(b) Prepare and Submit Monthly Monitoring Reports, Quarterly Retail Market Monitoring Reports, Annual Reports to the <i>PEM Board</i>, the</p>	<p>In accordance with the <i>WESM Rules</i>, the <i>Market Surveillance Committee</i> shall have the following responsibilities:</p> <p>xxx</p> <p>(b) Prepare and Submit Monthly Monitoring Reports, Quarterly Retail Market Monitoring Reports, Annual Reports to the <i>PEM Board</i>, the</p>	<p>It is proposed shifting from monthly to quarterly monitoring to enhance the depth and accuracy of market assessments. This change will allow us to:</p> <ul style="list-style-type: none"> Conduct More Detailed Assessments: By covering longer 				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		<p>DOE and the ERC, as the case may be, as required under this <i>Market Manual</i>, which shall include the following:</p> <p>(i) Market Assessment Report; (ii) Retail Market Assessment Report; (iii) Over-riding Constraints Report; and (iv) Apparent or suspected incidents of <i>anti-competitive behavior</i> or abuse of market power by any <i>WESM Participant/Member</i></p>	<p>DOE and the ERC, as the case, which may be, as required under this <i>Market Manual</i>, <u>the Quarterly Monitoring Reports, Quarterly Market Reports covering three (3) billing periods, and Annual Market Reports covering the January to December billing period, including the last quarter, for the Wholesale and Retail electricity markets,</u> which shall include the following:</p> <p>(i) Market Assessment Report; (ii) Retail Market Assessment Report; (iii) Over-riding Constraints Report; and (iv) Apparent or suspected incidents of anti-competitive behavior or abuse of market power by any WESM Participant/Member</p>	<p>periods, we can perform more comprehensive analyses, leading to more accurate and insightful evaluations of market conditions.</p> <ul style="list-style-type: none"> Identify Trends: Quarterly monitoring will enable us to better identify and understand market trends, which may not be as apparent in shorter, monthly reports. Resource Optimization: Focusing on quarterly reports will allow us to allocate resources more efficiently, ensuring that our analyses are 				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<u>The Committee shall publish Monthly Market Statistics that include the results of the monitoring indices specified in the Catalogue of Market Monitoring Data and Indices (CMMDI) and Catalogue of Retail Market Monitoring Data and Indices (CRMMDI).</u>	<p>thorough and well supported.</p> <p>Additionally, to address any specific market issues or developments, we retain the discretion to submit monthly reports or special reports as necessary. This flexibility ensures that we can respond promptly to any emerging concerns or significant changes in the market.</p>				
Section 3 – Responsibilities	3.1 – Market Surveillance Committee	(NEW)	<u>(c) In the conduct of its market surveillance function, recommend to PEMC President the issuance of Notice of Possible Commission of Anti-competitive Behavior for any apparent or suspected incidents of anti-competitive behavior or abuse of market power by</u>	In view of the revisions to Section 3.1(b), a separate provision is introduced to specify the responsibility of the MSC in addressing any observed or suspected incidents of anti-competitive behavior or abuse of market power by any WESM				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		(c) Prepare and submit special market reports as may be directed by the PEM Board, DOE or ERC;	<u>any WESM Participant/Member.</u> <u>(d)</u> (e) Prepare and submit special market reports as may be directed by the PEM Board, DOE or ERC;	Participant/Member. This separate provision aims to clarify that reports related to such behavior will be submitted on a per-occurrence basis rather than periodically. Consistent with Section 4.4 of the Market Surveillance Manual, clarified that the recommendation for the issuance of Notice of the MSC will be submitted to PEMC President. Renumbering				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Section 3 – Responsibilities	3.1 – Market Surveillance Committee	<p>(d) Review an event of <i>market intervention</i> or <i>market suspension</i>, as defined under Chapter 6 of the <i>WESM Rules</i>, and prepare the corresponding Market Intervention or Market Suspension Report to be submitted to the <i>PEM Board</i>;</p> <p>(e) Propose amendments to the <i>WESM Rules</i> in accordance with Chapter 8;</p>	<p>(e) (d) Review an event of <i>market intervention</i> or <i>market suspension</i>, as defined under Chapter 6 of the <i>WESM Rules</i>, and prepare the corresponding Review Report on Market Intervention or Market Suspension Report to be submitted to the <i>PEM Board</i>;</p> <p>(f) (e) Propose amendments to the <i>WESM Market Rules and Market Manuals</i> in accordance with Chapter 8;</p>	<p>To reflect the appropriate name of the report and to distinguish it from the report/s submitted by either System Operator or Market Operator.</p> <p>To reflect the appropriate name of the report and to distinguish it from the report/s submitted by either System Operator or Market Operator.</p>				
Section 3 – Responsibilities	3.1 – Market Surveillance Committee	<p>(f) Upon request, assist the Rules Change Committee in reviewing proposed amendments to the WESM Rules and Market Manuals, and make recommendations on the expected impact and</p>	<p>(g) (f) Upon request, assist the Rules Change Committee in reviewing proposed amendments to the WESM Rules and Market Manuals, and make recommendations on the expected impact and</p>	Renumbering				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		necessity of the amendment proposal; (g) Annually review and propose changes, as appropriate, to the <i>WESM Penalty Manual</i> pursuant to Clause 7.2 of the <i>WESM Rules</i> .	necessity of the amendment proposal; <u>(h)</u> (g) Annually review, and propose changes, as appropriate, <u>and review any proposed amendments</u> to the <i>WESM Penalty Manual</i> pursuant to Clause 7.2.5.5 of the <i>WESM Rules</i> ; <u>(i) Submit a Request for Investigation (RFI) whenever the Committee has information on acts or omissions which may possibly constitute to a breach of the WESM Rules and WESM Manuals in accordance with Section 4.6.2 of the Enforcement and Compliance Manual.</u>	To update the reference Clause, for clarity. To reflect the responsibility of the MSC to review any proposed amendments to the WESM Penalty Manual pursuant to Clause 7.2.5.5 of the WESM Rules. To include that in the performance of its monitoring functions the MSC have observed any acts or breaches to the WESM Rules and Market manuals, the Committee may submit a RFI to ECO for further assessment / evaluation.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Section 3 – Responsibilities	3.3 – Market Assessment Group	In accordance with the <i>WESM Rules</i> , the <i>Market Assessment Group</i> shall, among others, have the following authorities and responsibilities: xxx (i) Inform the <i>Market Surveillance Committee</i> on policy developments, amendments to the <i>WESM Rules</i> and <i>Market Manuals</i> , and decisions of the PEM Board relevant to the market monitoring and surveillance functions; and (j) Recommend to the <i>Market Surveillance Committee</i> the adoption or modification of market monitoring indices.	In accordance with the <i>WESM Rules</i> , the <i>Market Assessment Group</i> shall, among others, have the following authorities and responsibilities: xxx (i) Inform the <i>Market Surveillance Committee</i> on policy developments, amendments to the <i>WESM Rules</i> and <i>Market Manuals</i> , and decisions of the PEM Board relevant to the market monitoring and surveillance functions; and (j) Recommend to the <i>Market Surveillance Committee</i> the adoption or modification of market monitoring indices; <u>and</u> <u>(k) Provide preliminary assessment on submitted proposed general</u>	To include as a responsibility of MAG, as Secretariat of the MSC, the preliminary assessment of submitted proposals for completeness and accuracy. This assessment will serve as a reference for the Committee.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<u>amendments to the WESM Penalty Manual.</u>					
Section 3 – Responsibilities	3.6 – Other WESM Governance Committees	In accordance with the WESM Rules, the other <i>WESM Governance Committees</i> shall, among others, have the following responsibilities: (a) Notify the <i>Market Surveillance Committee</i> whenever they have knowledge of acts or omissions which may possibly constitute to a Breach of the <i>WESM Rules</i> and WESM Manuals; (b) Notify the <i>Market Surveillance Committee</i> when they have knowledge of acts or omissions constituting possible abuse of market power or anti-competitive behavior.	In accordance with the WESM Rules, the other <i>WESM Governance Committees</i> shall, among others, have the following responsibilities: (a) Notify the <i>Market Surveillance Committee</i> whenever they have knowledge of acts or omissions which may possibly constitute to a Breach of the <i>WESM Rules</i> and WESM Manuals; (a) (b) Notify the <i>Market Surveillance Committee</i> when they have knowledge of acts or omissions constituting possible abuse of market power or anti-competitive behavior.	The responsibility related to the Breach of the WESM Rules and Market Manuals was transferred to the Compliance Committee (CC). Renumbering				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		(c) Provide assistance and technical expertise to other <i>WESM Governance Committees</i> when so requested; and (d) Promptly provide all data, information, reports and other documentation requested by <i>DOE, ERC, PEM Board, WESM Governance Committees, Market Assessment Group or Enforcement and Compliance Office.</i>	(c) Provide assistance and technical expertise to the other <i>WESM Governance</i> <u>Market Surveillance</u> <i>Committees</i> when so requested; and (d) Promptly provide all data, information, reports and other documentation requested by <i>DOE, ERC, PEM Board, WESM Governance Committees, <u>or</u> Market Assessment Group or Enforcement and Compliance Office.</i>	To clearly indicate the other WGCs' assistance to the MSC pursuant to its mandate under the WESM Rules and Market Surveillance Manual. Removal of ECO since the enforcement functions of the MSC were transferred to the CC				
Section 3 – Responsibilities	3.7 – WESM Members and Participants	Whenever required by the <i>Market Surveillance Committee, the Enforcement and Compliance Office or Market Assessment Group</i> , a WESM Member shall timely submit requested information and data and documents to enable the <i>Market Surveillance</i>	Whenever required by the <i>Market Surveillance Committee, the Enforcement and Compliance Office or Market Assessment Group</i> , a WESM Member shall timely submit requested information and data and documents to enable the <i>Market Surveillance</i>	Removal of ECO since the enforcement functions of the MSC were transferred to the CC.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		<i>Committee</i> to effectively carry out its functions and responsibilities under this Manual.	<i>Committee</i> to effectively carry out its functions and responsibilities under this Manual.					
Section 4 – Market Monitoring 4.1 – Market Assessment	4.1.1	The Market Assessment Group shall prepare monthly and annual Market Assessment Reports for submission to the <i>Market Surveillance Committee</i> , which shall include: xxx	The Market Assessment Group shall prepare monthly , quarterly and annual Market Assessment Reports for submission to the Market Surveillance Committee, which shall include: xxx	It is being proposed shifting from monthly to quarterly monitoring to enhance the depth and accuracy of market assessments. This change will allow us to: <ul style="list-style-type: none"> • Conduct More Detailed Assessments: By covering longer periods, we can perform more comprehensive analyses, leading to more accurate and insightful evaluations of market conditions. • Identify Trends: Quarterly monitoring will enable us to better 				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
				identify and understand market trends, which may not be as apparent in shorter, monthly reports. <ul style="list-style-type: none"> Resource Optimization: Focusing on quarterly reports will allow us to allocate resources more efficiently, ensuring that our analyses are thorough and well supported. 				
Section 4 – Market Monitoring 4.1 – Market Assessment	4.1.3	(NEW)	<u>4.1.3 The Market Assessment Group shall maintain a record of its monitoring and assessment and provide the Market Surveillance Committee a summary of observations during its periodic monitoring meetings.</u>	To ensure that the Committee will be updated on the actual condition of the market and if there's any issues or notable observations that require immediate action, MAG shall				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
					continue to present in periodic meetings.			
Section 4 – Market Monitoring 4.1 – Market Assessment	4.1.3	4.1.3 The <i>Market Surveillance Committee</i> shall review and prepare periodic reports for submission to the <i>PEM Board</i> , the <i>DOE</i> and the <i>ERC</i> , as the case may be.	4.1.3 4.1.4 The <i>Market Surveillance Committee</i> shall review and prepare periodic reports for submission to the <i>PEM Board</i> , the <i>DOE</i> and the <i>ERC</i> , as the case may be.	Renumbering				
Section 4 – Market Monitoring 4.1 – Market Assessment	4.1.4	4.1.4 Upon submission to the <i>PEM Board</i> , the above-mentioned <i>Market Assessment Reports</i> shall be published in the <i>WESM market information website</i> .	4.1.4 4.1.5 Upon submission to the <i>PEM Board</i> , the above-mentioned <i>Market Assessment Reports</i> shall be published in the <i>WESM market information website</i> .	Renumbering				
Section 4 – Market Monitoring 4.3 – Periodic Monitoring by the Market	4.3.1	The <i>Market Surveillance Committee</i> shall meet at least once every month to carry out a review of the Market Assessment Report and the Retail Market Assessment Report submitted by the <i>Market Assessment Group</i> , and the preparation of the Monthly Monitoring Report and	The <i>Market Surveillance Committee</i> shall meet at least once every month to carry out a review of the <u>WESM and Competitive Retail Electricity Market conditions</u> Market Assessment Report and the Retail Market Assessment Report submitted by the	To clarify that the Market Surveillance Committee shall still meet at least once every month to review the current market conditions for both the WESM and Retail Market. This is to ensure the				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Surveillance Committee		Retail Market Monitoring Report to be submitted to the <i>PEM Board</i> .	Market Assessment Group, which shall form part of the preparation of the Monthly Monitoring Report and Retail Market Monitoring Report to be submitted to the <i>PEM Board</i>, DOE and ERC.	Committee's immediate response for any issues or notable observations that require immediate action. Further, the Monthly Monitoring Report, which contains the accomplishments of the Committee for every billing period, will still be prepared and submitted monthly to apprise the PEM Board, DOE and ERC of the activities undertaken of the Committee. For checks and balance.				
Section 4 – Market Monitoring 4.3 – Periodic	4.3.2	Subject to existing health protocols issued by the National Government and/or local government units by reason of the COVID-19 pandemic, meetings of the	Subject to existing health protocols issued by the National Government and/or local government units by reason of the COVID-19 pandemic, meetings of the	Make it general just in case there will be another form of pandemic happened in the future.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Monitoring by the Market Surveillance Committee		<i>Market Surveillance Committee</i> shall be held "onsite" at the PEMC office premises or "online" via remote communication. The <i>PEMC</i> shall ensure that adequate space and facilities are allocated to the <i>Market Surveillance Committee</i> for this purpose.	<i>Market Surveillance Committee</i> shall be held "onsite" at the PEMC office premises or "online" via remote communication. The <i>PEMC</i> shall ensure that adequate space and facilities are allocated to the <i>Market Surveillance Committee</i> for this purpose.					
Section 4 – Market Monitoring 4.3 – Periodic Monitoring by the Market Surveillance Committee	4.3.4	In the periodic monitoring meetings, the <i>Market Surveillance Committee</i> shall: (a) Assess market monitoring indices and price trends in the <i>WESM</i> and the Retail Market to evaluate whether spot prices and reserve prices are in line with those that may be expected in an effectively competitive market; Identify market outcomes or pricing situations that are inefficient or contrary to competition or the <i>WESM</i> objectives; (b) Identify market outcomes or pricing situations that are	In the periodic monitoring meetings, the <i>Market Surveillance Committee</i> shall: (a) Assess market monitoring indices and price trends in the <i>WESM</i> and the Retail Market to evaluate whether spot prices and reserve prices are in line with those that may be expected in an effectively competitive market; Identify market outcomes or pricing situations that are inefficient or contrary to competition or the <i>WESM</i> objectives; (b) Identify market outcomes or pricing situations that are	remove the redundant provision				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		inefficient or contrary to competition or the <i>WESM</i> Objectives; xxx	inefficient or contrary to competition or the <i>WESM</i> Objectives; xxx					
Section 4 – Market Monitoring 4.3 – Periodic Monitoring by the Market Surveillance Committee	4.3.7	The <i>Market Surveillance Committee</i> shall prepare a Monthly Monitoring Report at the end of each periodic monitoring meeting which shall contain: xxx (g) Approved Market Assessment Report	The <i>Market Surveillance Committee</i> shall prepare a Monthly Quarterly Monitoring Report at the end of each periodic monitoring period meeting which shall contain: xxx (g) Approved Market Assessment Reports	It is being proposed to shift from monthly to quarterly monitoring to avoid redundancy in the reports as well as enhance the depth and accuracy of market assessments.				
Section 4 – Market Monitoring 4.3 – Periodic Monitoring by the Market	4.3.8	The <i>Market Surveillance Committee</i> shall submit to the <i>PEM Board</i> the following: (a) Monthly Monitoring Report, not later than one week after its approval; (b) Quarterly Retail Market Monitoring Report, not later	The <i>Market Surveillance Committee</i> shall submit to the <i>PEM Board</i> the following: (a) Monthly and Quarterly Monitoring Report, not later than one week after its approval; (b) Annual Monitoring Report, which contains its	To reflect the existing timescale of the reports submitted and prepared by the Committee. Renumbering.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
Surveillance Committee		<p>than one week after its approval;</p> <p>(c) Annual Retail Market Monitoring Report, within the first quarter of the succeeding year;</p> <p>(d) Annual Market Assessment Report, within the third quarter of the succeeding year; and</p> <p>(e) Annual Report, which contains its accomplishments and work plan, within the first quarter of the succeeding year.</p>	<p><u>accomplishments and work plan, within the first quarter of the succeeding year;</u></p> <p><u>(c)-(b) Quarterly Retail Market Assessment Monitoring Report, not later than one week after its approval;</u></p> <p><u>(d)-(e) Annual Retail Market Assessment Monitoring Report, within the first quarter of the succeeding year;</u></p> <p><u>(e) Quarterly Market Assessment Report, not later than one week after its approval;</u></p> <p><u>(f) (d) Annual Market Assessment Report, within the second third quarter of the succeeding year; and</u></p> <p><u>(g) Quarterly Over-riding Constraints Report, not later than one week after its approval;</u></p> <p><u>(h) Annual Over-riding Constraints Report, within the third quarter of the succeeding year</u></p>					

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			(e) Annual Report, which contains its accomplishments and work plan, within the first quarter of the succeeding year.					
Section 4 – Market Monitoring 4.3 – Periodic Monitoring by the Market Surveillance Committee	4.3.9	The <i>Market Surveillance Committee</i> shall transmit a copy of the Monthly Monitoring Report, Annual Market Assessment Report, Quarterly Retail Market Monitoring Report and Annual Retail Market Monitoring Report to the <i>DOE</i> and <i>ERC</i> .	The <i>Market Surveillance Committee</i> shall transmit a copy of the Monthly Quarterly Monitoring Report, Quarterly and Annual Market Assessment Report, Quarterly and Annual Retail Market Assessment Monitoring Report and Annual Retail Market Monitoring Report Quarterly and Annual Over-riding Constraints Report to the <i>DOE</i> and <i>ERC</i> .	To reflect the existing timescale of the reports submitted and prepared by the Committee. Harmonization of the term / name of the reports for clarity.				
Section 5 – Other Review Functions		(NEW)	<u>5.6 Review of the Proposed Amendments to the WESM Penalty Manual</u> <u>5.6.1 The proposals shall be submitted to the Market Surveillance Committee, through the WESM Governance Committee Secretariat, who shall check</u>	To provide a clear and detailed framework for the MSC regarding its responsibilities and procedures for reviewing and approving any proposed changes to the WESM Penalty	<i>Task is more appropriate for the RCC rather than the MSC.</i> <i>Further, it is necessary that the proposal be reviewed and approved by PEM</i>			

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<p><u>for the completeness of the proposal and its compliance with the formal requirements set forth in Section 7.1.4 of the WESM Penalty Manual. Only proposals which are made in the prescribed form shall be accepted and considered as submitted.</u></p> <p><u>5.6.2 Complete proposals shall be given due course and shall be forwarded to the Market Surveillance Committee for consideration within five (5) working days from receipt of complete proposal.</u></p> <p><u>5.6.3 Incomplete proposals or those which do not comply with the formal requirements shall be denied due course, and the WESM Governance Committee Secretariat shall notify the proponent of the denial citing the grounds</u></p>	Manual or Penalty Provisions.	Board before seeking DOE's approval.			

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<p><u>therefor. The proponent may resubmit the proposal and comply with the formal requirements.</u></p> <p><u>5.6.4 Upon endorsement by the WESM Governance Committee Secretariat,</u></p> <p><u>(a) the Market Surveillance Committee shall give due course to the proposal in the next Committee meeting.</u></p> <p><u>b) if the Market Surveillance Committee finds that the proposal does not satisfy the criteria as prescribed in Sections 7.1.2 of the WESM Penalty Manual, it shall notify the proponent within ten (10) working days of its decision and the reasons therefor.</u></p> <p><u>c) if the Market Surveillance Committee determines that the proposal satisfies the</u></p>					

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<p><u>criteria as prescribed in Section 7.1.2 and 7.1.3 of the WESM Penalty Manual, it shall notify the proponent of the proposal and proceed to evaluate the proposal in the manner set forth in this Market Manual.</u></p> <p><u>5.6.5 Consultation to Other Committees and Entities</u></p> <p><u>a) The Market Surveillance Committee shall notify all the WESM participants, as well as other interested parties of the proposal through publication, inviting them to give written submissions regarding the proposal.</u></p> <p><u>b) The Market Surveillance Committee shall hold a consultation meeting with the Rules Change Committee and the PEM Board on the proposed</u></p>					

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<p><u>amendments within thirty (30) working days from the date of first publication of notice.</u></p> <p><u>5.6.6 Adoption and Approval of the Proposal</u></p> <p><u>a) If the Market Surveillance Committee concludes that the proposal satisfies the prescribed criteria and that the procedures set forth in this Manual and in the WESM Penalty Manual have been duly complied with, it shall approve the amendment.</u></p> <p><u>b) In any case, the Market Surveillance Committee may approve the proposal with modifications if it deems proper.</u></p> <p><u>5.6.7 If the Market Surveillance Committee concludes that the proposal</u></p>					

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<p><u>does not satisfy the prescribed criteria, it shall notify the proponent, the parties who made written submissions, of its decision and the reasons for rejection, within five (5) working days from the approval of the resolution on the deliberation of the proposal.</u></p> <p><u>5.6.8 If the Market Surveillance Committee determines that the procedures set forth in this Manual were not duly complied with and that the breach of procedure is material, it shall refer the proposal back to the Proponent so that the procedural error can be rectified.</u></p> <p><u>5.6.9 Pursuant to Clause 7.2.5.5 of the WESM Rules and Sections 3 and 7 of the</u></p>					

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			<u>WESM Penalty Manual, the Market Surveillance Committee shall endorse the approved proposal(s) to the DOE for its review and promulgation, thereafter.</u>					
Section 7 – Access to Information and Data Management	7.4	A request for information by the <i>Market Surveillance Committee, Enforcement and Compliance Office and Market Assessment Group</i> shall: (a) Be in writing; (b) Indicate the reason for the request; (c) Specify the document or information requested and, when applicable, the format; (d) Specify a reasonable time within which the information must be provided; and Provide other relevant information or clarification to ensure that the request is understood by the Recipient.	A request for information by the <i>Market Surveillance Committee, Enforcement and Compliance Office and Market Assessment Group</i> shall: (a) Be in writing; (b) Indicate the reason for the request; (c) Specify the document or information requested and, when applicable, the format; (d) Specify a reasonable time within which the information must be provided; and <u>(e)</u> Provide other relevant information or clarification to	Removal of ECO since the enforcement and compliance functions were transferred to CC. Minor / clerical edit.				

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Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
			ensure that the request is understood by the Recipient.					
Section 8 – Confidentiality	8.8	The members of the <i>Market Surveillance Committee, Enforcement and Compliance Office</i> and <i>Market Assessment Group</i> as the case may be, shall prepare a version of their Reports, deleting information they have determined to be confidential, to enable its dissemination and publication.	The members of the <i>Market Surveillance Committee, Enforcement and Compliance Office</i> and <i>Market Assessment Group</i> as the case may be, shall prepare a version of their Reports, deleting information they have determined to be confidential, to enable its dissemination and publication.	Removal of ECO since the enforcement and compliance functions were transferred to CC.				
Section 9 – Limitation of Liability and Indemnification	9.1	Members of the <i>PEM Board</i> and other <i>PEMC</i> officers and staff, <i>Market Surveillance Committee, Enforcement and Compliance Office</i> , and the <i>Market Assessment Group</i> , as the case may be, shall not be made personally liable for any loss, liability or damage suffered or incurred by a <i>WESM member</i> , the <i>System Operator</i> , the <i>Market Operator</i> or any other person by reason of a disclosure of information in reports prepared as a result	Members of the <i>PEM Board</i> and other <i>PEMC</i> officers and staff, <i>Market Surveillance Committee, Enforcement and Compliance Office</i> , and the <i>Market Assessment Group</i> , as the case may be, shall not be made personally liable for any loss, liability or damage suffered or incurred by a <i>WESM member</i> , the <i>System Operator</i> , the <i>Market Operator</i> or any other person by reason of a disclosure of information in reports prepared as a result	Removal of ECO since the enforcement and compliance functions were transferred to CC.				

WESM Manual on Market Surveillance Issue 2.0								
Title	Section	Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		of the exercise of assessment, monitoring and compliance functions undertaken in accordance with the <i>WESM Rules, Retail Rules</i> or this <i>Market Manual</i> , unless they have acted with malice, manifest partiality, evident bad faith, gross incompetence or gross negligence.	of the exercise of assessment, monitoring and compliance functions undertaken in accordance with the <i>WESM Rules, Retail Rules</i> or this <i>Market Manual</i> , unless they have acted with malice, manifest partiality, evident bad faith, gross incompetence or gross negligence.					
Section 9 – Limitation of Liability and Indemnification	9.2	Should any member of the <i>PEM Board</i> and other <i>PEMC</i> officers and staff, <i>Market Surveillance Committee, Enforcement and Compliance Office, Market Assessment Group</i> , as the case may be, be adjudged liable for any amount for liability or damage suffered or incurred by any person or entity, the <i>PEMC</i> shall hold them free and harmless from such loss, liability or damage, and shall fully indemnify said persons through an indemnification process to be developed by the <i>PEM Board</i> ; Provided, however, that the	Should any member of the <i>PEM Board</i> and other <i>PEMC</i> officers and staff, <i>Market Surveillance Committee, Enforcement and Compliance Office, Market Assessment Group</i> , as the case may be, be adjudged liable for any amount for liability or damage suffered or incurred by any person or entity, the <i>PEMC</i> shall hold them free and harmless from such loss, liability or damage, and shall fully indemnify said persons through an indemnification process to be developed by the <i>PEM Board</i> ; Provided, however, that the	Removal of ECO since the enforcement and compliance functions were transferred to CC.				

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		indemnification shall exclude any liability arising out of conduct involving malice, manifest partiality, evident bad faith, gross incompetence or gross negligence. Said indemnification shall cover: xxx	indemnification shall exclude any liability arising out of conduct involving malice, manifest partiality, evident bad faith, gross incompetence or gross negligence. Said indemnification shall cover: xxx					
Section 10 – Amendment, Publication and Effectivity 10.2 – Publication and Effectivity	10.2.1	This Manual, as it may be amended from time to time, shall be published in the market information website maintained by the <i>Market Operator</i> . This Manual or any amendments thereto shall become effective upon approval of the <i>DOE</i> in accordance with WESM Rules Clause 8.6.4. The date of effectivity shall be indicated in this document.	This Manual, as it may be amended from time to time, shall be published in the market information website maintained by the <i>Market Operator</i> <u>WESM Governance Arm</u> . This Manual or any amendments thereto shall become effective upon approval of the <i>DOE</i> in accordance with WESM Rules Clause 8.6.4. The date of effectivity shall be indicated in this document.	To reflect the appropriate entity with oversight in the amendment and publication of the Manual.				