ORCP -WR-WM-26-01

Call for Comments to the Proposed General Amendments on Enforcement Proceedings and Compliance Guidelines (ORCP-WR-WM-26-01)

The Rules Change Committee (RCC) is inviting all WESM Members and interested parties to submit comments to PEMC's *Proposed General Amendments on Enforcement Proceedings and Compliance Guidelines (ORCP-WR-WM-26-01).*

The proposed amendments aim to enhance procedural clarity, align rule references with current regulatory frameworks, and integrate enforcement practices that reflect operational realities. Key revisions include:

- **Jurisdictional Clarification.** Investigations may now cover entities that were WESM Members during the two-year prescriptive period, regardless of subsequent changes in membership status or facility ownership.
- **Streamlined Investigation Timelines.** The prescribed period for completing formal investigations is reduced from 24 months to 150 business days, reckoned from the issuance of the Notice of Investigation, not from receipt of the Request for Investigation.
- **Refined Process Flow.** Clear distinction is established between the initiation of investigation (triggering events) and the formal commencement (issuance of notice), with a five-day verification period introduced prior to formal proceedings.
- **Clarified Filing Authority and Standardized Protocols.** The Manual now specifies eligible filers—WESM Members, Governance Committees, Market and System Operators—and limits filings to Market Rule or Manual violations. Terminology was streamlined, and notification procedures for decisions and enforcement outcomes were formalized.
- **Enhanced Provisions on Remedial Measures.** Provisions were added to ensure effective implementation of remedial actions, especially when other entities must be involved. Confidentiality safeguards were introduced to protect case integrity.
- **Integration of Reconsideration and Appeal Procedures.** Reconsideration and appeal mechanisms previously housed in the Penalty Manual are now incorporated into the EC Manual, with revised timelines and procedural safeguards to reflect actual enforcement practices.

The WESM documents for amendment are the following:

1. WESM Rules
2. WESM Enforcement and Compliance Manual 1.0

DOCUMENTS:

Provided below are relevant materials for your reference and perusal:

- Overview, Discussion Paper, and Matrix of Proposed Amendments
- Presentation of the Proposed Amendments
- 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 webpage no later than **3 March 2026** or 30 working days from the date of publication (19 January 2026). We recommend using Firefox browser for submitting your comments.

Please ensure that your submission is signed securely by the designated approving authority and/or representative of your company, and input in the proper field the e-mail address of your point person(s) whom we could contact regarding activities related to the processing of the proposal. All comments received shall be published in the PEMC website.

Thank you!

TO BE ACCOMPLISHED BY THE PARTY SUBMITTING THE COMMENTS

[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	[redacted] JAMES MARVIN A. MAMARADLO [Signature over Name]
Designation	OIC-Department Manager/WESM Compliance Officer (WCO)
Company	Power Sector Assets and Liabilities Management Corporation (PSALM)
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Commenter	General Comments	Proponent's Response
	Please write your general comment here, if any:	

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 7 – ENFORCEMENT AND DISPUTES 7.2 ENFORCEMENT 7.2.4 Enforcement Proceedings	7.2.4.2 (2nd paragraph)	7.2.4.1 x x x 7.2.4.2 x x x The Enforcement and Compliance Office shall ensure that the necessary verification or assessment of compliance or non-compliance is performed and that due process is observed in the conduct of compliance monitoring and assessment. Upon finding of breach by the Enforcement and Compliance Office, penalties shall immediately be imposed by the Enforcement and Compliance Office on the concerned WESM Member through	7.2.4.1 x x x 7.2.4.2 x x x The *Enforcement and Compliance Office* shall ensure that the necessary verification or assessment of compliance or non-compliance is performed, and that due process is observed in the conduct of compliance monitoring and assessment. Upon finding of *breach* by the *Enforcement and Compliance Office*, penalties shall ~~immediately~~ be imposed by the *Enforcement and Compliance Office* on the concerned *WESM*	• Changed PEMC to President of the WESM Governance Arm for consistency in the use of terminology. • Revised to provide basis for the rule on exhaustion of available remedies before a penalty is issued/implemented. (Remedies such as Request for Reconsideration and Appeal is proposed to be included in the implementing Market Manual, i.e., Enforcement and Compliance Manual). • Clerical revisions				

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		issuance of notice of specified penalty by the PEMC pursuant to Clause 7.2.5.2. Provided, however, that the WESM Member may file a request for reconsideration with the Enforcement and Compliance Office.	*Member* **pursuant to Clause 7.2.5.2** through issuance of *Notice of Specified Penalty* by the ~~*PEMC*~~ **President of the *WESM Governance Arm;*** ~~pursuant to Clause 7.2.5.2.~~ ~~P~~**p**rovided~~,~~ ~~however,~~ that **it shall be issued to** the **said** *WESM Member* ~~may file a request for reconsideration with the *Enforcement and Compliance Office*.~~ **after it has been afforded the adequate opportunity to avail of the enforcement remedies provided by the relevant *Market Manual.***					
Chapter 7 – ENFORCEMENT AND DISPUTES 7.2 ENFORCEMENT	7.2.4.11	7.2.4.11 If the decision of the *PEM Board* is to penalize the *WESM Member,* the *Enforcement and Compliance Office*,	7.2.4.11 If the decision of the *PEM Board* is to penalize the *WESM Member,* the ~~*Enforcement and Compliance Office*~~,	• Added President of the WESM Governance Arm – for consistency with Sections 3.2 and 3.5.1 of the WESM Penalty Manual.				

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7.2.4 Enforcement Proceedings		shall issue a notice of penalty to the *WESM Member* in accordance with the *WESM Penalty Manual* adopted pursuant to Clause 7.2.5.5. Provided, however, that the *WESM Member* may file a request for reconsideration to the *PEM Board.*	**President of the *WESM Governance Arm*** shall issue a ~~*n*~~***Notice*** *of* ***Specified*** ~~*p*~~***Penalty*** to the *WESM Member* in accordance with the *WESM Penalty Manual* adopted pursuant to Clause 7.2.5.5.**:** **p**~~P~~rovided~~,~~ ~~however,~~ that **it shall be issued to** the *WESM Member* ~~may file a request for reconsideration to the *PEM Board.*~~ **after it has been afforded the adequate opportunity to avail of the enforcement remedies provided in this Manual.**	• Added "specified" and italicize the word – to align with the terminology used in the Market Rules and Market Manuals. • Revised to provide basis for the rule on exhaustion of available remedies before a penalty is issued or implemented.				
CHAPTER 7 - ENFORCEMENT AND DISPUTES 7.2 ENFORCEMENT	7.2.5.5	7.2.5.5 A *WESM Penalty Manual* shall be adopted and promulgated by the *DOE* which shall specify the:	7.2.5.5 A *WESM Penalty Manual* shall be adopted and promulgated by the *DOE* which shall specify the:	Revised to add basis for including within the scope of the Penalty Manual a provision on penalty flowback in the Penalty Manual. The existing procedures for billing, collecting, and				

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7.2.5 Enforcement Actions		(a) Acts or omissions constituting *breach* of the *WESM Rules* or *Market Manuals* for which penalties can be imposed; (b) Penalties, financial and non-financial, that can be imposed for each type of *breach*, which should be commensurate to the nature and gravity of the *breach*; and (c) Procedures for and respective obligations of responsible persons or entities in implementing penalties. x x x	(a) Acts or omissions constituting breach of the WESM Rules or Market Manuals for which penalties can be imposed; (b) Penalties, financial and non-financial, that can be imposed for each type of breach, which should be commensurate to the nature and gravity of the breach; ~~and~~ **(c) Flowback of financial penalty collected; and** ~~(c)~~ (d) Procedures for and respective obligations of responsible persons or entities in implementing penalties. x x x	distributing penalties to electricity end-users through customers are proposed for inclusion under Section 6 of the WESM Penalty Manual. It bears noting that enforcement proceedings, such as requests for reconsideration and appeals, fall outside the scope of the Penalty Manual under Clause 7.2.5. This serves as the basis for proposing the transfer of the enforcement-related provisions from the Penalty Manual to the EC Manual.				
CHAPTER 11 – Glossary		Enforcement proceeding. This is the activity carried out to establish and determine the occurrence of breach	Enforcement proceeding - This is the activity **or series of activities** carried out to establish and determine the occurrence of	To add reconsideration and appeal proceedings as essential enforcement activities in determining breach of the Rules.				

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		and the corresponding enforcement action that will be carried out as a consequence of the breach, and includes monitoring, assessment, investigation and imposing enforcement actions.	*breach* and the corresponding enforcement action that will be carried out as a consequence of the *breach*, and includes monitoring, assessment, investigation, **reconsideration and appeal proceedings,** and ~~imposing~~ **imposition of appropriate** enforcement actions.					

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 3 – Legal and Regulatory Framework 3.2 - Enforcement of the Market Rules	3.2.2	In line with this, the *WESM Rules* prescribe the respective mandates of the Philippine Electricity Market Board and the *Compliance Committee* in respect to enforcement and compliance. The *WESM Rules* also provide for the creation of an *Enforcement and Compliance Office* to assist the Board in carrying out its enforcement and compliance functions. The *Enforcement and Compliance Office* is a unit within the Philippine Electricity Market Corporation (PEMC).	In line with this, the *WESM Rules* prescribe the respective mandates of the ~~Philippine Electricity Market~~ ***PEM*** *Board* and the *Compliance Committee* in respect to enforcement and compliance. The *WESM Rules* also provide for the creation of an *Enforcement and Compliance Office* to assist the Board in carrying out its enforcement and compliance functions. The *Enforcement and Compliance Office* is a unit within the ~~Philippine Electricity Market Corporation (PEMC)~~ ***WESM Governance Arm***.	Updated to align with the terminology used in the Market Rules and Market Manuals.				
Section 3 – Legal and Regulatory Framework	3.4.1	*WESM Rules* Clause 1.8.1 provides that the Rules are to be	*WESM Rules* Clause ~~1.8.1~~ **1.9.1** provides that the Rules are to be	Corrected the rule reference				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
3.4 - Enforcement Actions Under the WESM Rules		enforceable in accordance with its Chapter 7.	enforceable in accordance with its Chapter 7.					
Section 4 – Responsibilities 4.2 – Compliance Committee	4.2.1	Within the limits set out in this Manual and in addition to its functions as set out in the Market Rules and the Compliance Committee Manual, the Compliance Committee has the following authority and obligation in respect to enforcement of the Market Rules. Its enforcement authority includes the authority to: a) Review reports of investigations of breaches to the WESM Rules and Market Manuals carried out by the Enforcement and Compliance Office and, based on the results of such investigation, decide on the outcomes of the investigation and	Within the limits set out in this Manual and in addition to its functions as set out in the Market Rules and the Compliance Committee Manual, the Compliance Committee has the following authority and obligation in respect to enforcement of the Market Rules. Its enforcement authority includes the authority to: x x x **d) Review and approve the guidelines for the *WESM Compliance Officers'* competency standards and certification program;** **e)** x x x	Inserted as item (d) – review and approval of the WCO's competency standards and certification program for consistency with Clause 1.8.2 (d) of the WESM Rules. Renumbered (d) – (f) to **(e) – (g)** following the proposed addition.				

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		recommend imposition of sanctions or penalties if warranted; b) Review and monitor the compliance of the Enforcement and Compliance Office with the reportorial requirements pursuant to the WESM Rules, Market Manuals, and other applicable laws, rules, regulations, or issuances; c) Review and monitor the compliance by the Market Operator and the System Operator with their obligations pursuant to the WESM Rules and Market Manuals, or any coordinating or operating agreements, or						

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		protocols which may be established governing the performance of their functions and obligations under the WESM Rules and Market Manuals. d) Propose amendments to the WESM Rules or Market Manuals in accordance with chapter 8 with a view to: (i) Improving the efficiency and the effectiveness of the operation of the WESM; and (ii) Improving or enhancing the prospects for the achievement of the WESM objectives; e) Assist the Rules Change Committee in relation to its						

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		assessment of proposals to amend the WESM Rules or Market Manuals under Chapter 8; and f) Recommend to the PEM Board the imposition of penalties for breaches other than those arising from and determined through the compliance monitoring and assessment by Enforcement and Compliance Office, and implementation of remedial measures as a consequence of such *breach*, based on outcomes of investigation carried out by the *Enforcement and Compliance Office*.						

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Section 4 – Responsibilities **4.4 –** PEMC President	**4.4.1**	**4.4.** PEMC President **4.4.1** The PEMC President shall have the following functions in respect to enforcement and compliance in the market **–** a) Appoint the *Enforcement and Compliance Office* staff; b) Exercise administrative supervision over the *Enforcement and Compliance Office* and its performance of the duties and responsibilities under this Manual; and c) Issue notices and receive notices or authorize receiving of notices required in this Manual to be issued by or to the *Market Operator* in accordance with	**4.4.** ~~PEMC~~ President of the ***WESM Governance Arm*** **4.4.1** The ~~PEMC~~ President **of the *WESM Governance Arm*** shall have the following functions in respect to enforcement and compliance in the market **–** a) Appoint the *Enforcement and Compliance Office* staff; b) Exercise administrative supervision over the *Enforcement and Compliance Office* and its performance of the duties and responsibilities under this Manual; and c) Issue ~~notices~~ and receive notices or authorize receiving of notices required in this Manual **and the**	Updated to align with the terminology used in the Market Rules and Market Manuals. Clerical correction.				

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		internal business processes of PEMC.	***WESM Penalty Manual*** ~~to be issued by or~~ to **or from** the *Market Operator* **or the *System Operator*** in accordance with internal business processes of ~~PEMC~~ **of the *WESM Governance Arm.***					
Section 5 – WESM Enforcement Proceedings and Actions 5.2 – Enforcement Proceedings	5.2.1	WESM *enforcement proceedings* refer to the activities or processes that are carried out to establish and determine the occurrence of *breach* and the corresponding *enforcement action* that will be carried out as a consequence of the *breach*. These include the processes for compliance monitoring and assessment, investigation for *breach* and imposition of *enforcement actions.* The timeline and the entities responsible and/or	WESM *enforcement proceedings* refer to the activities or processes that are carried out to establish and determine the occurrence of *breach* and the corresponding *enforcement action* that will be carried out as a consequence of the *breach*. These include the processes for compliance monitoring and assessment, investigation for *breach*, **resolution of request for reconsideration and appeal,** and imposition of *enforcement actions.* The	Updated to treat reconsideration and appeal resolution as integral to proceedings, with related processes to be moved to the EC Manual. The Penalty Manual will instead focus on penalty design, levels, implementation, and utilization. For ease of reference, the summary timeline table is proposed to				

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		accountable for the *enforcement proceedings* are summarized in Appendices I and II of this Manual.	timeline and the entities responsible and/or accountable for the *enforcement proceedings* are summarized in **Appendix I** ~~Appendices I and II~~ of this Manual.	be replaced with a **process flowchart** in Appendix I.				
Section 5 – WESM Enforcement Proceedings and Actions 5.2 – Enforcement Proceedings	5.2.4	Investigation of the Market Operator and the System Operator. The investigation of the *Market Operator* and the *System Operator* by the *Enforcement and Compliance Office* shall be in accordance with the relevant provisions of the *Enforcement and Compliance Manual*. The *PEM Board*, as it may deem necessary, may thereafter file a formal complaint with the *ERC* and the *DOE*.	Investigation of the Market Operator and the System Operator. The investigation of the *Market Operator* and the *System Operator* by the *Enforcement and Compliance Office* shall be in accordance with **Clause 7.2.3 of the *WESM Rules* and** the relevant provisions of the *Enforcement and Compliance Manual*. The *PEM Board*, as it may deem necessary, may thereafter file a formal complaint with the *ERC* and the *DOE*.	Added as general reference: WESM Rules Clause 7.2.3 – Alleged Breaches of the WESM Rules by the Market Operator or the System Operator.				
Section 5 – WESM Enforcement	5.2.6	Imposition of sanctions and penalties by the *PEM*	Imposition of sanctions and penalties by the *PEM*	Corrected typo error and updated rule				

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Proceedings and Actions 5.2 – Enforcement Proceedings		*Board* is carried out in the accordance with the *WESM Penalty Manual* and is based on the recommendations of the *Compliance Committee*. The latter submits recommendations based on its findings of facts on an investigation which, in turn, is based on its review of the results of the investigations by the *Enforcement and Compliance Office*. The investigations referred to herein are those initiated in accordance with Section 7.3.1 of this Manual.	*Board* is carried out in the accordance with the *WESM Penalty Manual* and is based on the recommendations of the *Compliance Committee*. The latter submits recommendations based on its findings of facts on an investigation which, in turn, is based on its review of the results of the investigations by the *Enforcement and Compliance Office*. The investigations referred to herein are those initiated in accordance with Section ~~7.3.1~~ **7.2** of this Manual.	reference: "Initiation of Investigation'" is under Section 7.2, while Section 7.3 pertains to the "Notice of Investigation"				
Section 5 – WESM Enforcement Proceedings and Actions 5.2 – Enforcement Proceedings		(New)	**5.2.9 Reconsideration or Appeal. A request for reconsideration or appeal may be filed by a *WESM Member* upon receipt of a compliance report or a resolution finding or confirming a finding of *breach* of the *Market Rules* and/or *Manuals*. This shall be**	Added to treat reconsideration and appeal resolution as integral to proceedings, with related processes to be moved to the EC Manual. The Penalty Manual will instead focus on				

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			filed within the prescribed timeline and in accordance with the requirements and procedures provided in Section 9 of this Manual.	penalty design, levels, implementation, and utilization. It bears noting that enforcement proceedings—including requests for reconsideration and appeals—are expressly outside the scope of the Penalty Manual under Clause 7.2.5. This serves as the basis for the proposed transfer of the enforcement-related provisions (RR and appeal) from the Penalty Manual to the EC Manual, as these remedies are inherently enforcement mechanisms that appropriately fall within the domain of				

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				enforcement and compliance.				
Section 6 – Procedures for Compliance Monitoring and Assessment 6.1 – Guiding Principles	6.1.4	If, as a result of its compliance monitoring and assessment, and after taking into account all the market data and information cited in Section 6.4.1, the reasons provided by the concerned *WESM Member* and all the supporting documents submitted in relation thereto under Section 6.3.2, the *Enforcement and Compliance Office* determines that there is a *breach* committed by a *WESM Member*, and shall issue the *Notice of Specified Penalty* through the PEMC President in accordance with the *WESM Penalty Manual*. Where remedial measures are required, it shall cause the implementation of the	If, as a result of its compliance monitoring and assessment, and after taking into account all the market data and information cited in Section 6.4.1, the reasons provided by the concerned *WESM Member* and all the supporting documents submitted in relation thereto under Section 6.3.2, the *Enforcement and Compliance Office* determines that there is a *breach* committed by a *WESM Member*, ~~and~~ **it** shall issue ~~the *Notice of Specified Penalty* through the PEMC President in accordance with the *WESM Penalty Manual*~~ **a compliance report and notify the WESM Member of its findings and the corresponding**	Updated to add the ECO's compliance report as part of the documents to be provided to the concerned WESM Member in observance of due process. • Note: The NSP will be issued only when the finding, resolution or decision becomes *final and executory* which is defined under Section 4.13.2 of the Penalty Manual in line with the proposed principle of exhaustion of remedies. Even then, the compliance				

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		same in accordance with Section 7.1.5.	**penalty.** Where remedial measures are required, it shall cause the implementation of the same in accordance with Section ~~7.1.5~~**7.14**.	report should still indicate the computed penalty amount so the concerned WESM Member is properly informed— especially since errors in penalty computation are one of the grounds for filing an RR. Corrected the rule reference. The details of remedial measures are outlined in Section 7.14, while the corresponding guiding principle is found in Section 7.1.5.				
Section 6 – Procedures for Compliance	6.1.5	A *WESM Member* may seek a reconsideration or appeal of the findings contained in the	A *WESM Member* may seek a reconsideration or appeal of the findings contained in the	Updated rule reference to indicate the proposed inclusion				

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Monitoring and Assessment 6.1 – Guiding Principles		compliance monitoring and assessment report in accordance with the procedures and subject to the requirements provided in the *WESM Penalty Manual*.	compliance monitoring and assessment report in accordance with the procedures and subject to the requirements provided in ~~the *WESM Penalty Manual.*~~ **Section 9 of this Manual.**	of procedures for Request for Reconsideration and Appeal under Section 9 of this Manual, incorporating provisions lifted from the Penalty Manual.				
Section 6 – Procedures for Compliance Monitoring and Assessment 6.3 – Submission of Reply and Supporting Documents	6.3.1	The *WESM Member* shall have three (3) business days from receipt of the non-compliance notice or flagging of probable breach to respond thereto.	The *WESM Member* shall have ~~three (3)~~ **five (5)** business days from receipt of the non-compliance notice or flagging of probable breach to respond thereto **unless a different period is prescribed in the relevant *Market Manual***.	Revised to allow WESM Members additional time to respond, reflecting current practice and the need to gather information from the responsible person or unit.	While PSALM appreciates the proposed extension to five days, PSALM respectfully submits that the period within which the response should be submitted should be reckoned in "working days" instead of "business days" since relevant plant personnel and approving authority usually conducts business during regular working hours	PSALM proposes: "The WESM Member shall have five (5) working days from receipt of the non-compliance notice or flagging of probable breach to respond thereto unless a different period is prescribed in the relevant Market Manual."		

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					and the same may be affected by regular/special holidays and unforeseen work suspensions (e.g., inclement weather). This adjustment ensures that WESM members are provided with ample time to prepare and submit their responses. Additionally, technical delays in the PEMC File Transfer Protocol often result in the delayed or 'bulk' receipt of Non-Compliance Notices (NCNs) relative to their NCN issuance date.			

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					Further, the upload of the NCN to the FTP system shall be accompanied by an official email notification to the WESM Member for purposes of ensuring proper and timely notice, as previously implemented.			
Section 6 – Procedures for Compliance Monitoring and Assessment 6.4 – Validation and Assessment	6.4.2	The *Enforcement and Compliance Office* may, from time to time, require the *WESM Member* to submit additional documents or information to clarify the reasons or explanations provided by the latter.	The *Enforcement and Compliance Office* may, from time to time, require the *WESM Member* to submit additional documents or information**, conduct conferences or power plant inspection** to clarify **and validate** the reasons or explanations provided by the latter.	For due process.				
Section 6 – Procedures for Compliance Monitoring and Assessment	6.4.3	The *Enforcement and Compliance Office* shall complete its validation and assessment of a specific billing or	The *Enforcement and Compliance Office* shall complete its validation and assessment of a specific billing or	Revised to reflect the period required to conclude the assessment, taking into account data				

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6.4 – Validation and Assessment		monitoring period by the 15th of the month following the month subject of the monitoring unless a different period of monitoring and assessment is hereafter set by the *Market Manuals* or due to unforeseen events or incidents which are beyond the control of the *Enforcement and Compliance Office*.	monitoring period ~~by the 15th of the month following the month subject of the monitoring~~ **within forty-five (45) *business days* following the end of the calendar month covered in the monitoring** unless a different period ~~of monitoring and assessment is hereafter set by the~~ **is prescribed in the relevant** *Market Manuals* ~~or due to unforeseen events or incidents which are beyond the control of the *Enforcement and Compliance Office*~~. **Provided, however, that such period may be extended in the event of force majeure or other unforeseen circumstances beyond the control of the *Enforcement and Compliance Office*. In**	availability, completeness of submitted documents, and the volume of daily information received from participants across Luzon, Visayas, and Mindanao. This adjustment is also aligned with current practice. Added a provision to allow an extended assessment period in cases of force majeure or other unforeseen events that affect the availability of data or the timely completion of required documentation.				

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			such instances, it shall conclude the assessment within the same timeframe from the cessation of the event that gave rise to the delay.					
Section 6 – Procedures for Compliance Monitoring and Assessment 6.4 – Validation and Assessment	6.4.4	(New)	**In the event that, during or after the conduct of compliance monitoring and assessment, the *Enforcement and Compliance Office* determines that a particular act or omission by a *WESM Member* requires immediate remedial action to mitigate or prevent its potential adverse impact on the WESM, the provisions of Section 7.14 shall apply, without prejudice to the completion of monitoring activities, investigation proceedings, or the**	Added to enable prompt remedial action when a potentially harmful act or omission is identified during compliance monitoring, validation, or assessment, thus, ensuring timely mitigation of risks to the WESM while allowing regular enforcement processes to continue. Renumbered the succeeding provision (6.4.4 to				

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			resolution of any case review or appeal.	6.4.5) following the proposed addition.				
Section 6 – Procedures for Compliance Monitoring and Assessment 6.4 – Validation and Assessment	6.4.4	6.4.4 The *Enforcement and Compliance Office* shall maintain a compliance database that contain all the files and documents used in relation to its monitoring and assessment activity.	~~6.4.4~~**6.4.5** The *Enforcement and Compliance Office* shall maintain a compliance database that contain all the files and documents used in relation to its monitoring and assessment activity.	Renumbered Section 6.4.5 following the proposed addition.				
Section 6 – Procedures for Compliance Monitoring and Assessment 6.5 – Issuance of Report	6.5.1	The *Enforcement and Compliance Office* shall, based on the available market data at the time of the assessment, prepare the compliance monitoring and assessment report which shall: a) contain or provide, among others, a finding whether the concerned *WESM Member* is compliant with the *Market Rules*;	The *Enforcement and Compliance Office* shall, based on the available market data at the time of the assessment, prepare the compliance monitoring and assessment report which shall: a) contain or provide, among others, a finding whether the concerned *WESM Member* is compliant with the *Market Rules*;	Revised to ensure consistency with Section 6.4.3 and to eliminate any redundant language.				

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		b) contain or provide the penalty amounts, if any, as a result of the finding of breach; c) cover one billing month unless a different period or duration is set by other *Market Manuals*; d) be issued to the concerned *WESM Member* with respect to each facility or plant that is subject of monitoring, as applicable; and e) be issued not later than the 15th day of the month following the month subject of the monitoring. For instance, the monitoring covers the September billing month, the report shall be	b) contain or provide the penalty amounts, if any, as a result of the finding of breach; c) cover one billing month unless a different period or duration is set by other *Market Manuals*; d) be issued to the concerned *WESM Member* with respect to each facility or plant that is subject of monitoring, as applicable; and e) be issued ~~not later than the 15th day of the month following the month subject of the monitoring. For instance, the monitoring covers the September billing month, the report shall be issued not later than 15 October.~~ **within the period**					

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		issued not later than 15 October.	**set in Section 6.4.3 of this Manual.**					
Section 6 – Procedures for Compliance Monitoring and Assessment 6.5 – Issuance of Report	6.5.2	If there is a finding of breach by the *Enforcement and Compliance Office* based on its validation and assessment, the report shall likewise be accompanied by a *Notice of Specified Penalty*. The service of *Notice of the Specified Penalty* and the effect thereof, including the collection of penalties, are provided in the *WESM Penalty Manual.*	If there is a finding of breach by the *Enforcement and Compliance Office* based on its validation and assessment, the report shall **reflect the corresponding penalty.** ~~likewise be accompanied by a *Notice of Specified Penalty*. The service of *Notice of the Specified Penalty* and the effect thereof, including the collection of penalties, are provided in the *WESM Penalty Manual.*~~ **The penalty or sanction indicated therein shall be enforced in accordance with the procedures prescribed in Section 6 of the Penalty Manual.**	For consistency with the rule on exhaustion of remedies. • Note: The NSP will be issued only when the finding, resolution or decision becomes *final and executory* which is defined under Section 4.13.2 of the Penalty Manual in line with the proposed principle of exhaustion of remedies. Even then, the compliance report should still indicate the computed penalty amount so the concerned WESM Member				

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				is properly informed— especially since errors in penalty computation are one of the grounds for filing an RR.				
Section 6 – Procedures for Compliance Monitoring and Assessment 6.6 – Reconsideration and/or Appeal	6.6.1	The filing of Request for Reconsideration or Appeal, the grounds, formal requirements, and resolution or decision thereon are set forth in the *WESM Penalty Manual.*	The filing of Request for Reconsideration or Appeal, the grounds, formal requirements, and resolution or decision thereon are set forth in ~~*WESM Penalty Manual*~~ **Section 9 of this Manual**.	Updated rule reference to indicate the proposed inclusion of procedures for Request for Reconsideration and Appeal under Section 9 of this Manual, incorporating provisions lifted from the Penalty Manual.				
Section 6 – Procedures for Compliance Monitoring and Assessment	6.7.1	The *Notice of Penalty* shall be issued by the *Enforcement and Compliance Office* through PEMC President in accordance with the *WESM Penalty Manual.*	The *Notice of* ***Specified*** *Penalty* shall be issued by the ~~*Enforcement and Compliance Office* through PEMC President~~ ***WESM Governance Arm*** in accordance with **the**	Revised to clarify that the NSP is issued by PEMC (not necessarily the ECO as the notice is signed by the PEMC President)				

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6.7 – Issuance of Notice of Specified Penalty			**timeline and procedures prescribed in** the *WESM Penalty Manual.*	and to refer to the timeline and procedures in Penalty Manual in consideration of the principle of exhaustion of remedies, i.e., NSP to be issued after RR/Appeal. Ref: Sec. 4.13.2 of the Penalty Manual				
Section 7 – Procedures for Investigation and Review 7.1 – Guiding Principles	7.1.8	(New)	**Investigations may be initiated against an entity that was a *WESM Member* at any point within the two-year prescriptive period, for any act or omission committed during its membership, irrespective of its registration status at the time of filing the request for investigation or notice of probable breach, or any subsequent transfer of ownership of**	Added to ensure accountability and establish jurisdiction over any entity that was a WESM Member during the two-year prescriptive period, regardless of changes in membership status or facility ownership. To maintain coherence, this provision is inserted				

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			the concerned facility to another entity.	as Section 7.1.8, immediately following Section 7.1.7, which prescribes a two-year prescriptive period for cases.				
Section 7 – Procedures for Investigation and Review 7.1 – Guiding Principles	7.1.8	7.1.8. Unless the *PEM Board* authorizes a longer period, the *Enforcement and Compliance Office* shall complete an investigation of a case and submit its investigation report as set out in Section 7.7 not later than twenty-four (24) months from the issuance of the *notice investigation*. The *PEM Board*, at its discretion and on written request by the *Enforcement and Compliance Office*, may allow a longer period for	~~7.1.8.~~ **7.1.9** ~~Unless the *PEM Board* authorizes a longer period, the~~ **The** *Enforcement and Compliance Office* shall complete an investigation of a case and submit its investigation report **to the Compliance Committee** ~~as set out in Section 7.7 not later than twenty-four (24) months from the issuance of the *notice investigation*.~~ **within the period prescribed in Section 7.7.1, with full observance of due process in**	Renumbered as Section 7.1.9 following the proposed addition. Revised to reflect the revised period for issuing the investigation report, which is 150 days, not 24 months. The last part is proposed to be removed in light of the proposed provision under Section 7.7.1, which allows an extended timeline for completing the investigation for reasons beyond the				

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		an investigation to be completed if it is satisfied that the right of the parties investigated to due process will be prejudiced if a longer period is not allowed. Where a case is remanded pursuant to Section 7.10 and, for this reason, the *Enforcement and Compliance Office* is unable to complete the investigation within the twenty-four-month period, the *PEM Board* shall, upon request of the latter, allow a longer period for the investigation to be completed.	**the final determination of the case.** ~~The *PEM Board*, at its discretion and on written request by the *Enforcement and Compliance Office*, may allow a longer period for an investigation to be completed if it is satisfied that the right of the parties investigated to due process will be prejudiced if a longer period is not allowed. Where a case is remanded pursuant to Section 7.10 and, for this reason, the *Enforcement and Compliance Office* is unable to complete the investigation within the twenty-four-month period, the~~	control of the ECO, and for due process.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			~~*PEM Board* shall, upon request of the latter, allow a longer period for the investigation to be completed.~~					
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.1	An investigation is initiated upon the endorsement to the *Enforcement and Compliance Office* of a report of probable breach or a *request for investigation* on the WESM Member that is subject of the investigation or upon a directive from the *PEM Board*, the *DOE* or *ERC*. The related procedures on investigation, such as, issuance of notice of investigation, submission by the parties, conduct of ocular inspections, and implementation of the decisions, set forth in Sections 7.3 to 7.12 of this Manual shall apply.	~~An investigation is initiated upon the endorsement to the *Enforcement and Compliance Office* of a report of probable breach or a *request for investigation* on the WESM Member that is subject of the investigation or upon a directive from the *PEM Board*, the *DOE* or *ERC*. The related procedures on investigation, such as, issuance of notice of investigation, submission by the parties, conduct of ocular inspections, and implementation of the decisions, set forth in Sections 7.3 to 7.12 of this Manual shall apply.~~	Removed – Content was redundant with Section 7.2.2, which already enumerates the triggers for investigation. Replaced – Section 7.2.2 is proposed to be transferred as the first sub-section under Section 7.2, with modifications.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.2	7.2.2 A *notice of investigation* shall be issued upon either one of the following – a) A *report of probable breach* submitted by the *System Operator* or the *Market Operator*; or b) A *request for investigation* submitted by any *WESM Governance Committee* or any *WESM Member*; or c) A directive from the *PEM Board, DOE* or *ERC* specifically directing investigation for *breach* for possible imposition of sanctions under the *WESM Rules* or the *WESM Penalty Manual*; or d) Initiation of investigation by the *Enforcement and Compliance Office* in	7.2 Initiation of Investigation ~~7.2.2~~ **7.2.1.** ~~A *notice of investigation* shall be issued~~ **An investigation may be initiated** upon either one of the following – a) A *report of probable breach* submitted by the *System Operator* or the *Market Operator*; or b) A *request for investigation* submitted by any *WESM Governance Committee* or any *WESM Member*; or c) A directive from the *PEM Board, DOE* or *ERC* specifically directing investigation for *breach* for possible imposition of sanctions under the *WESM Rules* or the	Renumbered as Section 7.2.1 Revised to clearly differentiate between two distinct processes: 1. Initiation of Investigation – refers to the trigger for investigation, as outlined in Sections 7.2 and 7.2.4. *Note: Sections 7.2.5 to 7.2.11 cover the verification of an RFI, report of probable breach, or a directive/order to investigate.* 2. Issuance of Notice of Investigation – refers to the formal				

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		accordance with Section 7.1.2 of this Manual.	*WESM Penalty Manual*; or d) Initiation of investigation by the *Enforcement and Compliance Office* in accordance with Section 7.1.2 of this Manual.	commencement of the investigation, following verification and the acceptance of the filing for investigation, as provided in Section 7.3.				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.3	7.2.3. If the *Market Operator* or the *System Operator* monitors the occurrence of probable *breach* by a *WESM Member*, it may submit to the *Enforcement and Compliance Office* a *report of probable breach*. This shall be in writing and shall clearly specify, at the minimum, - x x x	~~7.2.3.~~ **7.2.2** If the *Market Operator* or the *System Operator* monitors the occurrence of probable *breach* by a *WESM Member*, it may submit to the *Enforcement and Compliance Office* a *report of probable breach*. This shall be in writing and shall clearly specify, at the minimum, – x x x	Renumbered as Section 7.2.2				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.4	7.2.4. If a *WESM Governance Committee, WESM Member* or any party believes that a *breach* may have been committed by any *WESM Member*, it may submit a	~~7.2.4.~~ **7.2.3** If a *WESM Governance Committee*~~,~~ **or a** *WESM Member* ~~or any party~~ believes that a *breach* may have been committed by any *WESM Member*, it may submit a	Renumbered as Section 7.2.3 Deleted "any party" - Only WESM Members, WGC,				

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		request for investigation to the *Enforcement and Compliance Office*. This shall be in writing and shall clearly specify, at the minimum – x x x	*request for investigation* to the *Enforcement and Compliance Office*. This shall be in writing and shall clearly specify, at the minimum – x x x	MO, and SO may file RFI or report/notice of probable breach (per Clause 7.2.4.3 of the WESM Rules)				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.5	7.2.5 A request *for investigation* or *report of probable breach* may cover more than one occurrence of the same type of *breach*. x x x	~~7.2.5~~ **7.2.4** A request *for investigation* or *report of probable breach* may cover more than one occurrence of the same type of *breach*. x x x	Renumbered as Section 7.2.4				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.6	7.2.6. Immediately upon receipt of the *report of probable breach* or *request for investigation*, the *Enforcement and Compliance Office* shall determine whether the specific acts or omissions referred to are already covered in a formal investigation it has or intends to initiate as a result of its compliance monitoring under Section 6.2. If so included, it shall	~~7.2.6~~ **7.2.5** Immediately upon receipt of the *report of probable breach* or *request for investigation*, the *Enforcement and Compliance Office* shall determine: **a) whether the alleged act or omission constitutes a potential violation of the Market Rules and/or Market Manuals. Should**	Renumbered as Section 7.2.5 Added sub-section (a) to specify that submissions should only involve possible violations of the Market Rules or Market Manuals, helping avoid unnecessary investigation efforts.				

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		notify the party submitting the *report of probable breach* or *request for investigation* that an investigation has been or will be initiated and that no separate investigation shall thus be initiated.	**the matter pertain instead to a possible breach of the *Philippine Grid Code*, the *Philippine Distribution Code*, or other applicable rules and regulations that are outside the scope of the Market Rules and Manuals, the *Enforcement and Compliance Office* shall formally advise the concerned party that the subject of the request falls beyond its authority, and that no investigation shall be undertaken.** **b)** **whether** the specific acts or omissions referred to **in the request for**	Second item is now listed as sub-section (b) under this section.				

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			investigation or *report of probable breach* are already covered in a formal investigation it has or intends to initiate as a result of its compliance monitoring under Section 6.2. If so included, it shall notify the party submitting the *report of probable breach* or *request for investigation* that an investigation has been or will be initiated and that no separate investigation shall thus be initiated.					
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.7	7.2.7 If the *request for investigation* or *report of probable breach* is not covered by a formal investigation initiated or intended to be initiated, the *Enforcement and Compliance Office* shall	~~7.2.7~~ **7.2.6** If the *request for investigation* or *report of probable breach* is ~~not covered by a formal investigation initiated or intended to be initiated,~~ **determined to fall within the scope of**	Renumbered as Section 7.2.6 Revised for clarity and consistency with the preceding section.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		verify if the same substantially contains the information required in Section 7.2.4 or 7.2.5. If not, it shall return the same to the requesting party which shall then rectify the identified shortcomings and submit a new *request for investigation* or *report of probable breach* no later than five (5) business days from receipt of the notice from the *Enforcement and Compliance Office*. If no revision is received within the five-day period, the matter shall be deemed abandoned and no investigation shall be initiated upon such request or report.	**authority of the *Enforcement and Compliance Office*, and no separate or ongoing investigation is being conducted on the same subject matter involving the same parties,** the *Enforcement and Compliance Office* shall **further** verify if the same substantially contains the information required ~~in~~ **under** Section ~~7.2.4 or 7.2.5~~ **7.2.2 or7.2.3**. If not, it shall return the same to the requesting party which shall then rectify the identified shortcomings and submit a new *request for investigation* or *report of probable breach* no later than five (5) business days from receipt of the notice from the *Enforcement and Compliance Office*. If no revision is received					

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			within the five-day period, the matter shall be deemed abandoned and no investigation shall be initiated upon such request or report.					
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.8	7.2.8 If the *Enforcement and Compliance Office* determines that the *request for investigation* or *report of probable breach* is complete, it shall immediately initiate a formal investigation in accordance with this *Manual*. The *Enforcement and Compliance Office* shall not unreasonably withhold confirmation or delay any action required in this paragraph.	~~7.2.8~~ **7.2.7** If the *Enforcement and Compliance Office* determines that the *request for investigation* or *report of probable breach* is complete, it shall ~~immediately initiate a~~ **proceed with the** formal investigation in accordance with **Section 7.3** this *Manual*. The *Enforcement and Compliance Office* shall not unreasonably withhold confirmation or delay any action required in this paragraph.	• Renumbered as Section 7.2.7 • Removed "immediately" to align with the specified period for serving a notice of investigation under Section 7.3.				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.9	7.2.9 Where the conduct of an investigation is directed by the *PEM Board*, *DOE* or *ERC*, the *Enforcement and Compliance Office* shall	~~7.2.9.~~ **7.2.8** Where the conduct of an investigation is directed by the *PEM Board*, *DOE* or *ERC*, the *Enforcement and Compliance Office*	• Renumbered as Section 7.2.8 • Revised to clarity and to ensure				

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		initiate formal investigation in accordance with this Manual no later than ten (10) working days from receipt of the order, resolution, decision or any such other document containing the directive, unless a different period is directed.	shall ~~initiate~~ **proceed with the** formal investigation in accordance with **the timelines and procedures prescribed under Section 7 of** this Manual**,** ~~no later than ten (10) working days from receipt of the order, resolution, decision or any such other document containing the directive,~~ unless a different period is directed.	uniformity and procedural consistency in investigations by aligning them with the standard timelines and protocols set forth in the Manual, except where a different period, such as expedited proceedings, is specifically directed by the PEM Board, DOE, or ERC.				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.10	7.2.10 The directive from the *PEM Board*, *DOE* or *ERC* to conduct an investigation will be carried out in accordance with this Manual only if the directive clearly specifies that the investigation is for the	~~7.2.10~~ **7.2.9** The directive from the *PEM Board*, *DOE* or *ERC* to conduct an investigation will be carried out in accordance with this Manual only if the directive clearly specifies that the investigation is for the	Renumbered as Section 7.2.9				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
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		purpose of a possible imposition by the *PEM Board* of sanctions and penalties pursuant to the *WESM Penalty Manual* or the *WESM Rules*. Where the investigation directed is not for such purpose or is for fact-finding purposes only, the investigation shall be carried out in accordance with the directive. In such case, the procedures set out in this Manual shall only have suppletory effect.	purpose of a possible imposition by the *PEM Board* of sanctions and penalties pursuant to the *WESM Penalty Manual* or the *WESM Rules*. Where the investigation directed is not for such purpose or is for fact-finding purposes only, the investigation shall be carried out in accordance with the directive. In such case, the procedures set out in this Manual shall only have suppletory effect.					
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.11	7.2.11 Where the *Enforcement and Compliance Office* is uncertain as to whether or not the *PEM Board*, *DOE* or *ERC* directive is clearly for the conduct of an investigation under this Manual, it shall seek clarification of the same and the period stated in Section 7.2.8 shall be reckoned from the date	~~7.2.11~~ **7.2.10** Where the *Enforcement and Compliance Office* is uncertain as to whether or not the *PEM Board*, *DOE* or *ERC* directive is clearly for the conduct of an investigation under this Manual, it shall seek clarification of the same and the period stated in Section ~~7.2.8~~ **7.2.7** shall be reckoned from the	Renumbered as Section 7.2.10 Revised for consistency.				

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		that the clarification has been received by *Enforcement and Compliance Office*.	date that the clarification has been received by *Enforcement and Compliance Office*.					
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.12	7.2.12 If the acts or omissions required to be investigated by the *PEM Board*, *DOE* or *ERC* are already covered, in whole or in part, by an investigation or by the compliance monitoring and assessment activity already initiated or intended to be initiated by the *Enforcement and Compliance Office*, it may, if appropriate, consolidate or integrate the data or information used in the compliance monitoring, or the results thereof, in the investigation so that no overlapping investigations or monitoring activities shall be carried out, and shall notify the agency directing the investigation	~~7.2.12~~ **7.2.11** If the acts or omissions required to be investigated by the *PEM Board*, *DOE* or *ERC* are already covered, in whole or in part, by an investigation or by the compliance monitoring and assessment activity already initiated or intended to be initiated by the *Enforcement and Compliance Office*, it may, if appropriate, consolidate or integrate the data or information used in the compliance monitoring, or the results thereof, in the investigation so that no overlapping investigations or monitoring activities shall be carried out, and shall notify the agency	• Renumbered as Section 7.2.11 • Removed the term *preliminary* to clarify that the notice of investigation issued following due verification is the formal notice, thereby eliminating any misconception that a separate formal or final notice would follow. • Aligned terminology for consistency, using *notice of investigation* as defined in the				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		and the parties being investigated of such consolidation or the results of the previous compliance monitoring and assessment. If necessary, an amended *Preliminary Notice of Investigation* shall be issued.	directing the investigation and the parties being investigated of such consolidation or the results of the previous compliance monitoring and assessment. If necessary, an amended ~~*Preliminary* Notice of~~ *Investigation* shall be issued.	Glossary of the EC Manual to refer exclusively to the formal notice.				
Section 7 – Procedures for Investigation and Review 7.2 – Initiation of Investigation	7.2.12	(New)	**7.2.12 The verification process outlined above shall be concluded within five (5) *business days* from receipt of a request for investigation, report of a probable breach, directive or order to investigate, or clarification to investigate. Upon confirmation that the matter is complete in both form and substance, it shall advance to formal investigation in**	Added to establish a clear timeline for completing the verification process, ensuring prompt transition to formal investigation once the request, reported, or directive is deemed complete and clarified. *(Based on current practice)*				

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			accordance with the succeeding provisions of this Manual.					
Section 7 – Procedures for Investigation and Review 7.3 – Notice of Investigation	7.3.1	The *Preliminary Notice of Investigation* shall be issued to and served on the *WESM Member* that will be investigated within five (5) business days from receipt of the endorsement of request for investigation or directive from the *PEM Board*, *DOE* or *ERC*, as the case may be, and shall clearly state, at the minimum, the following – a) type of *breach* alleged to have been committed and the provision of the *Market Rules* alleged to have been breached; b) acts or omission constituting the possible *breach*; c) generation or customer facility or	The ~~*Preliminary* Notice of~~ *Notice of Investigation* shall be issued to and served on the *WESM Member* that will be investigated within five (5) business days ~~from receipt of the endorsement of request for investigation or directive from the *PEM Board*, *DOE* or *ERC*, as the case may be,~~ **following the completion of the verification process detailed in the preceding sections,** and shall clearly state, at the minimum, the following – a) type of *breach* alleged to have been committed and the provision of the *Market Rules* alleged	• Aligned terminology for consistency, using *notice of investigation* as defined in the Glossary of the EC Manual to refer exclusively to the formal notice. • Revised to establish that the five (5)-day period for issuing the Notice of Investigation shall commence upon completion of the verification process				

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		resource involved; and d) time or trading interval and the trading day when the possible *breach* occurred.	to have been breached; b) acts or omission constituting the possible *breach*; c) generation or customer facility or resource involved; and d) time or trading interval and the trading day when the possible *breach* occurred.	outlined in Section 7.2.12.				
Section 7 – Procedures for Investigation and Review 7.7 – Completion of Formal Investigation	7.7.1	The formal investigation shall be completed not later than one hundred fifty (150) business days from the receipt of the request for investigation as endorsed by the requesting party.	The formal investigation shall be completed not later than one hundred fifty (150) business days from ~~the receipt of the request for investigation as endorsed by the requesting party~~ **the issuance of the *Notice of Investigation*. However, should there be a need to extend the period for the submission of data, information, or clarification from the *WESM Member*, the *Market Operator*, the**	• Revised to establish that the 150-day period for concluding the investigation report shall be reckoned from the date of issuance of the Notice of Investigation, which formally initiates the investigation. This replaces				

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			***System Operator*, or any other relevant entity in response to a request from the *Enforcement and Compliance Office* pursuant to Sections 7.4.5 and 7.6 of this Manual, the latter may correspondingly extend the investigation timeline. In all cases, the extension for completion of investigation shall not exceed thirty (30) *business days* from receipt of the required information.**	the previous reference point of receipt of the request, report of probable breach, or directive to investigate, as such submissions remain subject to the verification process under Section 7.2 of the Manual. • Added the timeline extension provision (2nd sentence) to help keep the process fair and practical. There are times when the ECO needs additional data or clarification from the WESM				

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				Member, MO or SO or other parties; and when that information comes in late (esp. for complex cases), it also affects the investigation timeline. Since these delays are often beyond the ECO's control, it is reasonable to allow an extension when the additional information is essential to resolving the case properly and in observance of due process. • The 30-day timeline keeps				

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				things balanced: it gives the ECO enough time to review the required information, while also setting a clear limit so the process does not drag on unnecessarily.				
Section 7 – Procedures for Investigation and Review 7.8 – Review of the Investigation	7.8.1	The *Compliance Committee* shall review all investigation reports submitted by the *Enforcement and Compliance Office* on its next scheduled meeting after the receipt of the investigation report. The review report of the *Compliance Committee* shall be submitted to the *PEM Board* together with the investigation report of the *Enforcement and Compliance Office* within	The *Compliance Committee* shall review all investigation reports submitted by the *Enforcement and Compliance Office* ~~on~~ **at** its next scheduled meeting ~~after~~ **following** the receipt of the investigation report **or at a special meeting convened for this purpose, as may be necessary**. ~~The review report of the *Compliance Committee* shall be~~	• The CC customarily meets on a monthly basis but may convene a special meeting as needed to facilitate the expeditious disposition of cases *(based on current practice)*.				

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		thirty (30) business days upon receipt of the investigation report.	~~submitted to the *PEM Board* together with the investigation report of the *Enforcement and Compliance Office* within thirty (30) business days upon receipt of the investigation report.~~	• The second sentence has been removed and transferred to Section 7.8.3, *with modification.* ○ 7.8.1 – When Committee commences its review of IR. ○ 7.8.2. – Authority of CC to order additional submission or clarification ○ 7.8.3 – When the case should be decided				
Section 7 – Procedures for Investigation and Review	7.8.2	(New)	**7.8.2. The *Compliance Committee* may, when deemed necessary, direct and order the**	• Added to ensure that the Compliance Committee can				

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7.8 – Review of the Investigation			**submission of further explanations, data, records, memoranda, or other pertinent documents from the parties to the case, the *Enforcement and Compliance Office* or any other relevant entity. Such order shall be issued in writing and shall indicate a submission period of not less than five (5) working days from receipt of the Committee's order. In the event of non-compliance, Section 7.4.6 shall apply.**	obtain additional information necessary for case review within a defined timeframe *(based on current practice).* • Reference to Section 7.4.6: "The party that fails to submit its reply and/or any additional submission within the periods stated is deemed to have waived its right to submit its reply or additional submission."				
Section 7 – Procedures for Investigation and Review	7.8.3	(New)	**7.8.3. The *Compliance Committee's* resolution, together with the investigation**	Added to set a clear deadline for submitting the resolution and				

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7.8 – Review of the Investigation			**report from the *Enforcement and Compliance Office*, shall be submitted to the *PEM Board* within ninety (90) *business days* from the date the case is deemed submitted for resolution.** **A case shall be deemed submitted for resolution upon the Compliance Committee's determination that the record is complete, which shall occur upon any of the following circumstances:** **a) the Committee's completion of initial evaluation of the investigation report and any accompanying submissions, with no further**	investigation report, ensuring timely action by the PEM Board. Included the criteria for determining when a case is deemed submitted for resolution, for clarity.				

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			clarifications or additional information required from the *Enforcement and Compliance Office* or the concerned *WESM Member*; **b) the Committee's receipt of all additional data, information, or clarification previously requested, together with a determination that no further submissions are necessary; or** **c) the lapse of the period granted to the concerned *WESM Member* or other relevant entity for the submission of additional data,**					

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			information, or clarification, with no further submissions made.					
Section 7 – Procedures for Investigation and Review 7.8 – Review of the Investigation	7.8.2	7.8.2. The review report of the *Compliance Committee* shall clearly state whether it agrees or disagrees with the investigation report of the *Enforcement and Compliance Office* and the basis therefor. The *Compliance Committee* may likewise recommend to the *PEM Board* that the case be remanded to the *Enforcement and Compliance Office* for further investigations.	~~7.8.2~~ **7.8.4** The ~~review report~~ **resolution** of the *Compliance Committee* shall clearly state whether it agrees or disagrees with the investigation report of the *Enforcement and Compliance Office* and the basis therefor. ~~The Compliance Committee may likewise recommend to the PEM Board that the case be remanded to the Enforcement and Compliance Office for further investigations.~~	Renumbered as 7.8.4 • Aligned terminology for consistency. • The second sentence referring to the remand of the case has been removed, as the inserted provisions (7.8.2 and 7.8.3) now authorize the Compliance Committee to directly request additional data or information during its review of the Enforcement				

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				and Compliance Office's investigation report, eliminating the need to seek remand from the Board for the same purpose.				
Section 7 – Procedures for Investigation and Review 7.9 – Decision	7.9.1	The *PEM Board* shall, within thirty (30) working days from receipt of the review report of the *Compliance Committee*, render a decision approving, disapproving or modifying the sanctions, remedial measures, and other recommendations or remanding the case to the *Enforcement and Compliance Office* for further investigation.	The *PEM Board* shall, within thirty (30) working days from receipt of the ~~review report~~ **resolution** of the *Compliance Committee*, render a decision approving, disapproving or modifying the sanctions, remedial measures, and other recommendations or remanding the case to the *Enforcement and Compliance Office* for further investigation.	Same comment as above				
Section 7 – Procedures for	7.9.2	7.9.2 The copy of the *PEM Board* decision on the investigation,	The copy of the *PEM Board* decision on the investigation,	Aligned terminology for consistency.				

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Investigation and Review 7.9 – Decision		accompanied by a copy of the Investigation Report of the *Enforcement and Compliance Office,* and the Review Report of the *Compliance Committee,* upon which the decision is based, shall be provided to the concerned trading participant or the party being investigated.	accompanied by a copy of the Investigation Report of the *Enforcement and Compliance Office,* and the ~~Review Report~~ **resolution** of the *Compliance Committee,* upon which the decision is based, shall be provided to the concerned trading participant or the party being investigated.					
Section 7 – Procedures for Investigation and Review 7.10 – Remand of Cases	7.10.2	Within five (5) working days from receipt of the notice of the remand, the *Enforcement and Compliance Office* shall notify the party investigated of the remand and the reasons therefor. If the investigation was initiated upon a *request for investigation* or a *notice of probable breach*, the parties that submitted the same shall likewise be notified of the remand.	~~Within five (5) working days from receipt of the notice of the remand, the *Enforcement and Compliance Office* shall notify the party investigated of the remand and the reasons therefor. If the investigation was initiated upon a *request for investigation* or a *notice of probable breach*, the parties that submitted the same shall likewise be notified of the remand.~~	Removed the requirement for ECO to notify the party under investigation of the case's remand to ECO. Note: At this stage of the proceedings, the party has neither received the Investigation Report yet nor been informed of any action taken by the PEM Board. As				

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				such, notifying the party of the remand would be premature. Moreover, the remand process remains internal – limited to the PEM Board, the Compliance Committee (CC), and ECO, given that no final decision has been reached yet.				
Section 7 – Procedures for Investigation and Review 7.10 – Remand of Cases	7.10.3	7.10.3 The *Enforcement and Compliance Office*, as it deems appropriate, may conduct conferences and ocular inspections; require submission of market data and reports from the *Market Operator* or the *System Operator*, or the *Market Assessment Group*, or other *WESM Members*; request technical assistance from	~~7.10.3~~ **7.10.2.** The *Enforcement and Compliance Office*, as it deems appropriate, may conduct conferences and ocular inspections; require submission of market data and reports from the *Market Operator* or the *System Operator*, or the *Market Assessment Group*, or other *WESM Members*; request technical assistance from the *Market Assessment*	Renumbered as 7.10.2 due to proposed deletion of the preceding section				

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		the *Market Assessment Group*, the *Market Operator*, the *System Operator* or any *WESM Governance Committee*; or require additional submissions from the party being investigated. These shall be carried out following the applicable procedures set out Sections in 7.4.5, 7.5.1, and 7.6.	*Group*, the *Market Operator*, the *System Operator* or any *WESM Governance Committee*; or require additional submissions from the party being investigated. These shall be carried out following the applicable procedures set out Sections in 7.4.5, 7.5.1, and 7.6.					
Section 7 – Procedures for Investigation and Review 7.10 – Remand of Cases	7.10.4	7.10.4 The *Enforcement and Compliance Office* shall submit a revised investigation report to the *PEM Board* within thirty (30) business days from remand of the case. The revised investigation report shall clearly set out the procedures undertaken and the changes in the findings, assessment and recommendations.	~~7.10.4~~ **7.10.3.** The *Enforcement and Compliance Office* shall submit a revised investigation report to the *PEM Board* within thirty (30) business days from remand of the case. The revised investigation report shall clearly set out the procedures undertaken and the changes in the findings, assessment and recommendations.	Renumbered as 7.10.3 due to proposed deletion of the preceding section				
Section 7 – Procedures for	7.12.2	Upon finality of the decision or resolution of the PEM Board Decision,	Upon finality of the decision or resolution of the PEM Board Decision,	Revised to establish a definitive timeline for the issuance of				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Investigation and Review 7.12 – Notice and Implementation of the PEM Board Decision		the *PEM Board*, through its Corporate Secretary, shall immediately notify the *Enforcement and Compliance Office,* the *Compliance Committee and* the concerned parties of its decision or resolution. The Corporate Secretary of the *PEM Board* shall issue a certification of the relevant resolution or the excerpt of the minutes of the meeting of *PEM Board*.	the *PEM Board*, through its Corporate Secretary, shall ~~immediately~~ notify the *Enforcement and Compliance Office~~, the Compliance Committee and the concerned parties of its decision or resolution. The Corporate Secretary of the PEM Board shall issue a certification of the relevant resolution or the excerpt of the minutes of the meeting of PEM Board.~~* **of the Board's decision or action on a specific investigation case by issuing the appropriate certification within five (5) *business days* from the ratification of the corresponding PEM Board action.**	the Secretary's Certificate on the PEM Board resolution concerning the case. The provision for notifying the CC and concerned parties was removed, as ECO will undertake the necessary notifications upon receipt of the Board's certification, in accordance with the succeeding section. (based on current practice)				
Section 7 – Procedures for Investigation and Review	7.12.3	7.12.3 The *Enforcement and Compliance Office* shall thereafter take the following actions – a) Issue a notice of penalty to the party investigated in	7.12.3 **Within ten (10) *business days* from receipt of the certification referred to in the preceding section,** the ~~The~~ *Enforcement and*	Established a clear timeline for issuing the Notice of PEM Board Action to the concerned WESM Member.				

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7.12 – Notice and Implementation of the PEM Board Decision		accordance with the requirements provided in the *WESM Penalty Manual.* b) Provide a copy of the notice to the Market Operator to cause the billing and collection of the amount due. c) Where remedial measures are required, cause the implementation of the same in accordance with Section 7.14. d) Notify the *Compliance Committee,* ERC, and DOE of the action taken on the investigation. The notification submitted shall serve as a compliance with the obligation of the *PEM Board* set out in *WESM Rules* Clause 1.4.5.1 (e).	*Compliance Office* shall ~~thereafter take~~ **undertake** the following actions – **a) Issue a formal notice to the concerned *WESM Member* regarding the action taken by the *PEM Board.* This notice, duly signed by the President of the *WESM Governance Arm*, shall be accompanied by a copy of PEM Board certification, and the Investigation Report including its appendices.** ~~a) Issue a notice a)~~ **b) Specify in the formal notice the amount** of **computed** penalty **corresponding to the established breach,** ~~to the party investigated in accordance with the requirements provided in the~~	Included a provision requiring the transmittal of the Investigation Report, along with the Notice of PEM Board Action and relevant references pertaining to the concerned WESM Member. Adjusted item numbering from (a)–(d) to (b)–(e). Note: At this stage, the NSP shall not yet be issued to the concerned WESM Member and the Market Operator, as the decision or action of the PEM Board remains subject to a potential request for reconsideration that may be filed by the said WESM				

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			~~*WESM Penalty Manual.*~~ ~~b) Provide a copy of the notice to the Market Operator to cause the billing and collection of the amount due.~~ c) Where remedial measures are required, cause the implementation of the same in accordance with Section 7.14. d) Notify the *Compliance Committee,* ERC, and DOE of the action taken on the investigation. The notification submitted shall serve as ~~a~~ compliance with the obligation of the *PEM Board* set out in *WESM Rules* Clause 1.4.5.1 ~~(e)~~ **(f)**.	Member. Issuing a copy to the Market Operator would be premature; hence, the proposed deletion of item (b). Clerical revisions				
Section 7 – Procedures for Investigation and Review 7.13 – Investigation of the Market Operator	7.13.12	The copy of the decision of the *PEM Board* shall be provided to the concerned parties, and implemented in the same manner as that set out in Section 7.9.	The copy of the decision of the *PEM Board* shall be provided to the concerned parties, and implemented in the same manner as that set out in	Updated the rule references to reflect the following provisions: • Section 7.9 – Distribution of				

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and the System Operator			Sections 7.9 **and 7.12 of this Manual**.	Decision Copies • Section 7.12 – Notice and Implementation of the PEM Board Decision				
Section 7 – Procedures for Investigation and Review 7.14 – Remedial Measures	7.14.1	Remedial measures are tasks or actions that are required of a *WESM Member* being investigated or found in *breach* for the purpose of mitigating or preventing the adverse impact of breach or to prevent recurrence of the *breach*. They may be required when the act or omission subject of the investigation may – a) Negatively impact trading in the *WESM* and would likely prevent orderly and efficient trading or settlement; b) Lead to unfair or unreasonable *WESM* prices;	Remedial measures are tasks or actions that are required of a *WESM Member* being investigated or found in *breach* for the purpose of mitigating or preventing the adverse impact of breach or to prevent recurrence of the *breach*. They may be required when the act or omission subject of the investigation may – a) Negatively impact trading in the *WESM* and would likely prevent orderly and efficient trading or settlement; b) Lead to unfair or unreasonable WESM prices;	Added to ensure that remedial measures are effectively implemented especially when resolving an issue that requires support from another WESM Member, System Operator, or the Market Operator because the investigated member cannot address it alone.				

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		c) Cause material negative impact on the viability and sustainability of the WESM or the functions of the *Market Operator* if not immediately remedied; or d) Cause material negative impact on the system or the functions of the *System Operator* if not immediately remedied.	c) Cause material negative impact on the viability and sustainability of the WESM or the functions of the *Market Operator* if not immediately remedied; or d) Cause material negative impact on the system or the functions of the *System Operator* if not immediately remedied. **When the effective implementation of remedial measures would require the involvement of another *WESM Member* or the *Market Operator*, such measures shall be carried out in accordance with the relevant provisions in the succeeding sections of this Manual.**					
Section 7 – Procedures for	7.14.3	A *WESM Member* may be required to implement remedial measures by	A WESM *Member* **or the *Market Operator*** may be required to implement	Added to make sure that any other entities asked to				

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Investigation and Review 7.14 – Remedial Measures		the *Enforcement and Compliance Office*, the *Compliance Committee* or the *PEM Board*.	remedial measures by the *Enforcement and Compliance Office*, the *Compliance Committee* or the *PEM Board*. **Where such remedial measures are to be extended to entities other than the investigated party, said entities shall be duly notified of the case and the intended outcome, with the assurance that all information pertaining to the case shall be treated with strict confidentiality. Correspondingly, these entities shall also uphold the same level of confidentiality with respect to any case-related information disclosed to them for this purpose.**	carry out remedial measures are properly informed about the case and can respond in line with what the ECO, CC, or PEM Board intended. It also establishes a confidentiality requirement to help safeguard the integrity of the case.				
Section 7 – Procedures for Investigation and Review	7.15.2	Notwithstanding the foregoing, the costs associated with the day-to-day operations of the *Enforcement and Compliance Office*, the	Notwithstanding the foregoing, the costs associated with the day-to-day operations of the *Enforcement and Compliance Office*, the	Updated to align with the terminology used in the Market Rules and Market Manuals.				

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7.14 – Remedial Measures		Market Assessment Group, and the *Compliance Committee* shall not be passed on to a *WESM Member* as cost associated with any investigation, decision or remedial measure. These shall instead be included in the annual revenue requirements of the PEMC which shall be defrayed through the market fees.	Market Assessment Group, and the *Compliance Committee* shall not be passed on to a *WESM Member* as cost associated with any investigation, decision or remedial measure. These shall instead be included in the annual revenue requirements of the ~~PEMC~~ ***WESM Governance Arm*** which shall be defrayed through the market fees.					
(NEW) SECTION 9 - RECONSIDERATION AND APPEAL PROCEEDINGS AND IMPLEMENTATION OF ENFORCEMENT ACTIONS		(New)	**SECTION 9 - RECONSIDERATION AND APPEAL PROCEEDINGS AND IMPLEMENTATION OF ENFORCEMENT ACTIONS**	Reconsideration and appeal provisions currently in the WESM Penalty Manual are proposed to be moved to Section 9 of the EC Manual to align with the enforcement process flow. The Penalty Manual will focus solely on penalty amounts, levels, implementation, and utilization.				

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SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.1 – Reconsideration Under the Compliance Monitoring and Assessment Proceedings	9.1.1	(New) Provisions from Penalty Manual: 4.12.1 Under the Compliance Monitoring and Assessment Proceedings 4.12.1.1. *Period and Ground for Filing a Request for Reconsideration.* The concerned WESM Member may request for reconsideration of the *results of the compliance monitoring and assessment*, subject to the following conditions: a) The request shall be filed within fifteen (15) *Business Days* from the	**9.1. Reconsideration Under the Compliance Monitoring and Assessment Proceedings** **9.1.1 Period and Ground for Filing a Request for Reconsideration. The concerned *WESM Member* may request for reconsideration of the results of the compliance monitoring and assessment, subject to the following conditions:** **a) The request shall be filed within fifteen (15) *Business Days* from the receipt of the compliance monitoring and assessment report of the *Enforcement and Compliance Office*:**	Lifted from Penalty Manual, with slight modification on the sub-title of Section 9.1 for clarity. Note: No NSP has been issued at this point in view of the integration of the principle of exhaustion of remedies into this proposal; therefore, the filing of RR should be reckoned from the receipt of CMAR provided by ECO, not the NSP.	The last paragraph of the proposed amendment might be too restrictive and may cause undue prejudice to WESM Members. While the WESM Members adhere to the prescribed timelines under the WESM Rules, it is equally important that the supporting documents should reflect the true and accurate nature of the issue to properly provide the required explanation or justification. In most cases, particularly with legacy plants, diagnosis and troubleshooting of	PSALM proposes that the last paragraph of the proposed amendment be reconsidered or deleted.		

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		receipt of the said notice; b) A request for reconsideration shall be based on the ground that the finding of breach is not supported by substantial evidence; and/or the computation is incorrect or the penalties imposed are not in accordance with the *Penalty Manual* and *Market Rules*; c) The request for reconsideration shall be filed with the *Enforcement and Compliance Office*.	**b) A request for reconsideration shall be based on the ground that the finding of breach is not supported by substantial evidence; and/or the computation is incorrect, or the penalties imposed are not in accordance with the Penalty Manual and Market Rules;** **c) The request for reconsideration shall be filed with the *Enforcement and Compliance Office*.** **A request for reconsideration shall not be allowed for findings of breach that rely on information which the *WESM Member*, without valid cause, failed to present or provide during the**	Added to ensure that the ground for reconsideration must be based on the monitoring results derived from information timely submitted during the investigation. This safeguards the process from attempts to withhold evidence or from laxity in submitting required information, only to later use such information to contest the findings, consistent with the waiver rule in Section 7.1.3. Participants are given sufficient opportunity under existing procedures to respond and provide all necessary documentation.	the cause/s of non-compliance often take longer time to determine the root cause of the problem. With the proposed limitations, WESM members may be deprived with the opportunity to present the appropriate explanations or supporting documents to properly justify the non-compliance/s.			

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			compliance monitoring and assessment period or during the formal investigation, or where the *WESM Member* did not provide the required explanation or justification within the timelines prescribed under the rules. Such information is deemed waived and may not thereafter be used as basis for reviewing the results of the monitoring and investigation, consistent with the provisions of Section 7.1.3.					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.1 - Reconsideration Under the Compliance Monitoring and	9.1.2	(New) Provisions from Penalty Manual: 4.12.1.2. *Form and Contents of the Request for Reconsideration and Notice thereof.* The request shall:	**9.1.2 *Form and Contents of the Request for Reconsideration and Notice thereof.* The request shall:** **a) Be made in writing and signed by the *WESM Compliance Officer* of the *WESM Member* concerned,**	Lifted from Penalty Manual				

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Assessment Proceedings		a) Be made in writing and signed by the WESM Compliance Officer of the *WESM Member* concerned, and shall be made under oath; b) State the date when the compliance monitoring and assessment report sought to be considered was received by the *WESM Member*; c) State that the findings of breach by the *Enforcement and Compliance Office* is not supported by substantial evidence, and/or the computation is incorrect or the penalties imposed are not in accordance with the *Penalty Manual* and *Market Rules*; and d) Contain the evidence to support the reversal of the findings of breach by	**and shall be made under oath;** **b) State the date when the compliance monitoring and assessment report sought to be considered was received by the *WESM Member*;** **c) State that the findings of breach by the *Enforcement and Compliance Office* is not supported by substantial evidence, and/or the computation is incorrect, or the penalties imposed are not in accordance with the *Penalty Manual* and *Market Rules*; and** **d) Contain the evidence to support the reversal of the findings of breach by the Enforcement**					

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		the *Enforcement and Compliance Office*. Failure to provide the complete requirements pursuant to this clause shall cause the *Enforcement and Compliance Office* to immediately deny the request for reconsideration.	**and Compliance Office.** **Failure to provide the complete requirements pursuant to this clause shall cause the *Enforcement and Compliance Office* to immediately deny the request for reconsideration.**					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.1 – Reconsideration Under the Compliance Monitoring and Assessment Proceedings	9.1.3	(New) Provisions from Penalty Manual 4.12.1.3. *Resolution on the Request for Reconsideration.* a) A request for reconsideration shall be resolved by the *Enforcement and Compliance Office* within fifteen (15) *Business Days* from receipt thereof. This shall be done through a Resolution which shall clearly state the facts of the case and the reasons	**9.1.3. *Resolution on the Request for Reconsideration.*** **a) A request for reconsideration shall be resolved by the *Enforcement and Compliance Office* within ~~fifteen (15)~~ sixty (60) *Business Days* from receipt thereof. However, the period for resolving the request for reconsideration may be extended pending the**	Lifted from the Penalty Manual, with the following modifications: • Extended resolution period to 60 business days to allow ECO and the requesting WESM Member ample time for case review and supporting documentation, recognizing that this process is undertaken				

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		supporting its findings and conclusions. The *Resolution* shall be signed by the *Enforcement and Compliance Office*. A copy of the *Resolution* shall be served on the concerned *WESM Member* and appropriate persons or entities. b) Copies of the Resolution will be furnished to the PEM Board, the Compliance *Committee, and the Market Operator.* Should this Resolution require implementation of a directive on the part of the *System Operator*, a copy of said notice shall likewise be sent to the *System Operator and/or Market Operator* for appropriate action.	**submission of additional data, information, or clarification from the *WESM Member*, the *Market Operator*, the *System Operator*, or any other relevant entity, when such information is necessary for the proper resolution of the case. In all cases, any extension shall not exceed thirty (30) *business days* from receipt of the required information.** **b) ~~This~~ The resolution shall be ~~done through a Resolution which shall~~ clearly state the facts of the case and the reasons supporting its findings and conclusions. ~~The~~**	alongside ECO's regular monitoring duties. • 2nd sentence- added to ensure fairness and consistency when resolving RR. There are cases where the ECO needs additional data or clarification from the WESM Member, MO, SO or other entities, and delays in receiving this information can affect the timeline. Since these delays are often outside the ECO's control, allowing a limited extension				

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			~~***Resolution*** **shall be** duly signed by the Head of the ***Enforcement and Compliance Office.*** **A copy of the *Resolution* shall be served on the concerned *WESM Member.*** ~~b)~~ c) **Copies of the Resolution will be furnished to the *PEM Board* and the *Compliance Committee* and the *Market Operator.* Should this Resolution require implementation of a directive on the part of the *Market Operator* and/or the *System Operator*, a copy of said notice shall likewise be sent to the *System Operator and/or Market Operator* for appropriate action.**	(aligned with Section 7.7.1 revision) helps ensure the request is resolved properly. The 30-day timeline keeps the process reasonable and prevents the process from dragging on unnecessarily, while still allowing the ECO enough time to review essential information. • Clarified signatory by specifying that the Resolution shall be signed by the Head of the Enforcement and				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
				Compliance Office.				
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.2 – Reconsideration Under the Investigation Proceedings	9.2.1	(New) Provisions from Penalty Manual: 4.12.2 Under Investigation Proceedings 4.12.2.1 *Ground for Filing a Request for Reconsideration.* A WESM Member that is penalized under Section 4.1.3 of this Manual may submit a request for reconsideration of the PEM Board decision on the investigation on the following grounds – a) Review of the findings of facts of the *Enforcement and Compliance Office* or for consideration of additional data that was already existing at the time of the original investigation but was not presented during such investigation	**9.2 Reconsideration Under the Investigation Proceedings** **9.2.1 *Ground for Filing a Request for Reconsideration.* A *WESM Member* that is penalized under Section 7.9 of this Manual may submit a request for reconsideration of the *PEM Board* decision on the investigation on the following grounds –** **a) Review of the findings of facts of the *Enforcement and Compliance Office* or for consideration of additional data that was already existing at the time of the original investigation but was not presented during such investigation due to**	Lifted from Penalty Manual, with slight modification on the sub-title of Section 9.2 for clarity.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		due to justifiable reasons; or b) Legal issues, including but not limited to issues on the conclusions of the *Enforcement and Compliance Office* or the *Compliance Committee*, but does not require review of factual findings, or the propriety of the penalty or other measures approved to be imposed by the *PEM Board*.	**justifiable reasons; or** **b) Legal issues, including but not limited to issues on the conclusions of the *Enforcement and Compliance Office* or the *Compliance Committee*, but does not require review of factual findings, or the propriety of the penalty or other measures approved to be imposed by the *PEM Board*.**					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.2 – Reconsideration Under the Investigation Proceedings	9.2.2	(New) Provisions from Penalty Manual 4.12.2.2 *Form and Contents.* The request for reconsideration shall: a) clearly state the grounds for the request for reconsideration and the findings of facts	**9.2.2 *Form and Contents.* The request for reconsideration shall:** **a) be made in writing and signed by the WESM Compliance Officer of the *WESM Member* concerned, and shall be made under oath;** **b) clearly state the grounds for the**	Lifted from the Penalty Manual with the following modifications: • Specified the authorized party to file RR • Included a requirement to submit supporting evidence				

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		or the conclusions or resolution that are sought to be reviewed and reconsidered. The request shall be accompanied by supporting data and affidavits; and b) be submitted at PEMC Office within fifteen (15) *Business Days* from receipt of the notice of the PEM Board action. The request shall be in writing and shall be submitted to the PEM Board, through the Office of the Corporate Secretary. No submission by email shall be allowed. All requests that were timely filed will be immediately endorsed to the *Enforcement and Compliance Office* for further investigation.	**request for reconsideration and the findings of facts or the conclusions or resolution that are sought to be reviewed and reconsidered. The request shall be accompanied by supporting data and affidavits;** **c) contain the evidence to support the request for reconsideration; and** **d) be submitted ~~at PEMC Office~~ to the *PEM Board*, through the Office of the Corporate Secretary within fifteen (15) *business days* from receipt of the notice of the *PEM Board* action concerning the final disposition of the case. ~~The request shall be in writing and shall be submitted to the PEM Board, through the~~**	• Removed the physical submission requirement, recognizing PEMC's shift to paperless communication; electronic filing is now permitted, subject to the provisions of the E-Commerce Law For clarity; to provide greater certainty regarding the period within which the filed RR must be endorsed to ECO.				

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			~~Office of the Corporate Secretary. No submission by email shall be allowed.~~ **All requests that were timely filed ~~will~~ shall be ~~immediately~~ endorsed by the PEM Board to the *Enforcement and Compliance Office* not later than ten (10) *business days* from the ratification of the PEM Board action directing ~~for further investigation~~ further review of the case.**					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.2 – Reconsideration Under the Investigation Proceedings	9.2.3	(New) Provisions from Penalty Manual 4.12.2.3 *Reconsideration Proceedings.* a) The *Enforcement and Compliance Office* shall evaluate the endorsed request and carry out further investigations. In	**9.2.3 *Reconsideration Proceedings.*** **a) The *Enforcement and Compliance Office* shall evaluate the endorsed request and carry out further investigations. In conducting further investigations, the *Enforcement and Compliance Office***	Lifted from the Penalty Manual with the following modifications: • Extended resolution period to 60 business days to allow ECO and the requesting WESM Member				

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		conducting further investigations, the *Enforcement and Compliance Office* may require submission of additional information or obtain information from parties other than the requesting party, or conduct a conference with the requesting party or other relevant parties, or carry out ocular inspections of relevant facilities. b) Within thirty (30) *Business Days* from endorsement of the request for reconsideration, the *Enforcement and Compliance Office* shall submit a report to the PEM Board containing the additional findings of fact, assessment and recommendations.	**may require submission of additional information or obtain information from parties other than the requesting party or conduct an ocular inspection of relevant facilities or conference with the requesting party or other relevant parties.** **b) Within sixty (60) *business days* from endorsement of the request for reconsideration, the *Enforcement and Compliance Office* shall submit a case review report to the ~~PEM Board~~ *Compliance Committee* containing the additional findings of fact, assessment, and recommendations. However, the timeline extension**	ample time for case review and supporting documentation, recognizing that this process is undertaken alongside ECO's regular monitoring duties. • Added a step for the CC to review the ECO's resolution on request for reconsideration before it is elevated to the PEM Board. Given that original investigations already undergo CC review before reaching the Board, it's only logical that any case referred				

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			allowed under Section 9.1.3 (a) shall likewise apply, as may be necessary for the proper resolution of the request for reconsideration.	back to ECO for reconsideration should follow the same path: moving through the CC before the Board makes its final decision.				
			c) **The *Compliance Committee* shall review the report submitted by the *Enforcement and Compliance Office*. The Committee may request additional explanations, data, records, memoranda, or other relevant documents from the parties to the case or the *Enforcement and Compliance Office*, applying the same procedure and timeline outlined in Section 7.8.2 of this Manual. The case shall then be considered**	Added to ensure thorough review of the investigation report while maintaining procedural consistency and timely resolution. Added to ensure timely submission of the Committee's resolution and recommendations to the PEM Board.				

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			submitted for review and resolution in accordance with Section 7.8.3. **d) The *Compliance Committee* shall transmit its resolution and recommendations to the *PEM Board* within ninety (90) *business days* from the date the case is deemed submitted for review and resolution under the preceding paragraph of this Section.**					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.2 - Reconsideration Under the Investigation Proceedings	9.2.4	(New) Provisions from Penalty Manual 4.12.2.4 *Resolution on the Request for Reconsideration.* a) The PEM Board shall decide on the request for reconsideration within thirty (30)	**9.2.4 *Resolution on the Request for Reconsideration.*** **a) The *PEM Board* shall decide on the request for reconsideration within thirty (30) *Business Days* from receipt of the case review report and**	Lifted from the Penalty Manual with modification: A reference to related notification provisions was added to avoid repetition and ensure consistency in informing concerned parties.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		business days from receipt of the case review report submitted by the *Enforcement and Compliance Office*. b) Where penalties and other mitigation measures are approved, the *Enforcement and Compliance Office* shall cause the issuance of the appropriate notices. 4.12.2.5 *Effect of PEM Board Decision.* The decision of the PEM Board on the request for reconsideration shall be final and executory upon receipt of the same by the concerned trading participant. No further request for reconsideration shall be allowed.	**resolution submitted by the *Compliance Committee.*** **b) Where penalties and other mitigation measures are approved, the *Enforcement and Compliance Office* shall cause the issuance of the appropriate notices in accordance with the requirements set out in Sections 7.12.2 and 7.12.3 of this Manual.** **c) The decision of the *PEM Board* on the request for reconsideration shall be final and executory upon receipt of the same by the concerned trading participant. No further request for reconsideration shall be allowed.**					

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SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.3 - Appeal	9.3.1	(New)	**9.3 Appeal** **9.3.1 *Scope of Application.* The remedy of appeal shall be available to the *WESM Members* who seek to contest the resolution issued by the *Enforcement and Compliance Office* on a request for reconsideration filed pursuant to Section 9.1 of this Manual, arising from the results of compliance monitoring and assessment. Resolutions rendered by the *PEM Board* under Section 9.2 of this Manual shall not be subject to appeal, consistent with Section 9.2.4 (c) of this Manual**	This provision was introduced to clarify that the remedy of appeal to CC is available only in cases arising from compliance monitoring, following an adverse resolution by ECO on a request for reconsideration. Aside from those 2 remedies, no further recourse to the PEM Board is allowed. In contrast, the appeal mechanism does not apply to cases initiated through investigations filed by WESM Members, the WESM Governance Committee, MO, or SO, as the resolution on the request for reconsideration is issued directly by				

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				the PEM Board and becomes final and executory upon its issuance.				
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.3 - Appeal	9.3.2	(New) Provisions from Penalty Manual: 4.12.1.4. *Appeal to the Compliance Committee and Period of Appeal.* The Resolution issued by the *Enforcement and Compliance Office* may be appealed by the concerned *WESM Member* by filing an Appeal Memorandum with the *Compliance Committee* within ten (10) *Business Days* from receipt of the Resolution. 4.12.1.5. *Ground for Appeal.* The appeal shall be based only on the ground that the *Enforcement and Compliance Office* has committed abuse of	**9.3.2 *Period and Ground for Filing an Appeal.* The concerned *WESM Member* may file an appeal, subject to the following conditions:** **a) The Appeal Memorandum must be filed within fifteen (15) *Business Days* from receipt of the resolution on the Request for Reconsideration;** **b) The appeal shall be based only on the ground that the *Enforcement and Compliance Office* has committed abuse of discretion in issuing the resolution, or the penalty the *Enforcement and***	Lifted from Penalty Manual with the following modifications: • Consolidated the provisions on the appeal filing period and grounds for appeal into a single section for clarity. • Extended the appeal filing period to 15 calendar days to allow WESM Members adequate time to prepare their Appeal Memorandum. • Included a specification on the proper filing office for	The proposed amendment under Section 9.3.2 (b) which limits the appeals to 'Abuse of Discretion' creates a significant barrier for WESM Members seeking remedy for technical errors. To provide the WESM members with the opportunity to challenge the resolutions issued by ECO, further grounds for appeal is proposed to be considered consistent with the principles of fairness and due process.	PSALM proposes to item B: b) The appeal shall be based on the grounds that: 1. The Enforcement and Compliance Office has committed an error of fact in issuing the resolution; 2. The findings are not supported by the weight of the evidence on record; 3. There is Newly Discovered Evidence which could not have been discovered and produced during the investigation or reconsideration period,		

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		discretion in issuing the Resolution, or the *penalty/ies* the *Enforcement and Compliance Office* had imposed is not in accordance with this Manual.	***Compliance Office* had imposed is not in accordance with this Manual.** c) **The appeal shall be filed with the *Compliance Committee.***	appeals to distinguish it from requests for reconsideration: appeals shall be filed with CC, whereas RRs are submitted to ECO.		and which would likely materially alter the result; 4. The Enforcement and Compliance Office has committed an abuse of discretion; or 5. The penalty imposed is not in accordance with this Manual or the Market Rules."		
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.3 - Appeal	9.3.3	(New) Provisions from Penalty Manual: 4.12.1.6. *Form and Contents of the Appeal.* The appeal shall: a) Be made in writing and signed by the WESM Compliance Officer of the *WESM Member* concerned, and shall be made under oath;	**9.3.3 *Form and Contents of the Appeal*** **a. Be made in writing and signed by the WESM Compliance Officer of the *WESM Member* concerned, and shall be made under oath;** **b. State the date when the resolution being**	Lifted from the Penalty Manual with the following modifications: • Updated the reference to the applicable Manual to reflect that penalty calculations are governed by the Penalty Manual.	Aligned with the proposed changes to Section 9.3.2, Section 9.3.3 is proposed to be amended to accommodate additional grounds for appeal. This includes the right to submit additional evidence not previously provided, subject to an appropriate justification for the	PSALM proposes the following for items C and D: "c. Explain how the Enforcement and Compliance Office: 1. Committed an error of fact in the issuing the Resolution; 2. Issued findings that are not supported by		

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		b) State the date when the Resolution being appealed was received by the *WESM Member*; and c) Explain how the *Enforcement and Compliance Office* committed an abuse of discretion in issuing the Resolution or that the penalty/ies imposed by the *Enforcement and Compliance Office* is not in accordance with this Manual. Failure on the part of the *WESM Member* concerned to provide the foregoing requirements shall cause outright dismissal of the appeal by the *Compliance Committee*.	**appealed was received by the *WESM Member*;** **c. Explain how the *Enforcement and Compliance Office* acted with abuse of discretion in issuing the Resolution or that the penalty imposed is not in accordance with the *WESM Penalty Manual;* and** **d. Contain the evidence, if applicable, to support the reversal of the findings of breach by the *Enforcement and Compliance Office.*** **Failure on the part of the *WESM Member* concerned to provide the foregoing requirements shall cause outright**	• Included a requirement to present evidence of abuse of discretion to aid the CC in evaluating the merits of the appeal.	delay. This ensures that the contents of the appeal are not restricted by procedural timelines when substantive truth is at stake.	the weight of the evidence on record; 3. Acted with abuse of discretion in issuing the Resolution; or 4. Imposed a penalty that is not in accordance with the WESM Penalty Manual or Market Rules; d. Contain the evidence to support the reversal of the findings of breach, including any newly discovered evidence that was not reasonably available during the investigation or reconsideration period, provided that the WESM Member has meritorious ground for the late submission;"		

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			dismissal of the appeal by the *Compliance Committee.*					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.3 - Appeal	9.3.4	(New) Provisions of Penalty Manual: 4.12.1.7. *Decision on the Appealed Case.* a) The *Compliance Committee* shall resolve the appealed case within thirty (30) working days from receipt of the Original Records of the Case by issuing a Decision duly signed by its Chairperson. A copy of the Decision shall be served on the concerned *WESM Member* and appropriate persons or entities, the *Enforcement and Compliance Office*, PEMC President and the *Market Operator.* b) The *Compliance Committee*'s Decision on the Appeal shall	**9.3.4 *Decision on the Appealed Case.*** a) **The *Compliance Committee* may direct the submission of additional documents or explanations from the Appellant-*WESM Member* or the *Enforcement and Compliance Office*, allowing at least five (5) working days for submission. Upon receipt of the requested data or information, or upon lapse of the deadline, the case shall be considered submitted for decision, applying the provisions set out in Sections 7.8.2 and 7,8,3 of this Manual.**	To streamline case resolution by empowering the Compliance Committee to request additional materials directly and set a clear timeline for decision-making. Added to establish a reasonable period for resolving appealed cases to promote timeliness and predictability in the appeals process. By referring to Section 7.8.3 to determine when a case is deemed submitted for decision, it				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		be final and executory upon receipt by the *WESM Member* concerned of the said Decision. c) Copies of the Decision rendered by the *Compliance Committee* will be furnished to the *PEM Board* and the *Market Operator*. Should this Notice require implementation of a directive on the part of the *System Operator*, a copy of said Decision shall likewise be sent to the *System Operator* for appropriate action.	b) The ***Compliance Committee*** shall resolve the appealed case within ninety (90) ***business days*** from the date it is deemed submitted for decision. For this purpose, the rule under Section 7.8.3 for determining when a case is deemed submitted shall likewise apply. c) **The *Compliance Committee's* Decision on the Appeal shall be final and executory upon receipt by the *WESM Member* concerned of the said Decision.** d) **Copies of the Decision** shall be served on the Appellant-***WESM Member, the Enforcement and***	ensures consistency in the computation of timelines and avoids uncertainty for both the Committee and the parties.				

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			Compliance Office, **and the *PEM Board* and the *Market Operator*. Should this Notice require implementation of a directive on the part of the *System Operator*, a copy of said Decision shall likewise be sent to it for appropriate action.**					
SECTION 9 - Reconsideration and Appeal Proceedings and Implementation of Enforcement Actions Section 9.4 – Service of Request, Resolutions, and Related Notices	9.5	(New)	**9.5 Service of Request, Resolutions, and Related Notices** **The filing and service of a Request for Reconsideration, an Appeal, and any corresponding resolutions, decisions, or related notices may be effected through personal delivery, postal mail, or electronic mail.**	Added to acknowledge both traditional and electronic mail as valid modes of filing and service, supporting efficiency and procedural flexibility.				
SECTION 9 - WESM MEMBER INTERNAL COMPLIANCE		SECTION 9 - WESM MEMBER INTERNAL COMPLIANCE 9.1 xxx 9.1.1 xxx	SECTION ~~9~~**10** - WESM MEMBER INTERNAL COMPLIANCE ~~9.1~~ **10.1** xxx ~~9.1.1~~ **10.1.1** xxx	Renumbered Section 9 (including its sub-sections) as **Section 10**				

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		x	~~9.1.2~~ **10,1,2** xxx ~~9.1.3~~ **10.1.3** xxx ~~9.2~~ **10.2** xxx ~~9.2.1~~ **10.2.1** xxx ~~9.2.2~~ **10,2,2** xxx ~~9.2.3~~ **10.2.3** xxx ~~9.3~~ **10,3** xxx ~~9.3.1~~ **10.3.1** xxx ~~9.3.2~~ **10,3,2** xxx ~~9.3.3~~ **10.3.3** xxx ~~9.4~~ **10,4** xxx ~~9.4.1~~ **10.4.1** xxx ~~9.5~~ **10,5** xxx ~~9.5.1~~ **10.5.1** xxx ~~9.5.2~~ **10.5.2** xxx ~~9.5.3~~ **10.5.3** xxx					
SECTION 10 - INFORMATION DISCLOSURE AND RECORDS MANAGEMENT		SECTION 10 - INFORMATION DISCLOSURE AND RECORDS MANAGEMENT 10.1 xxx 10.1.1 xxx x	SECTION ~~10~~**11** - INFORMATION DISCLOSURE AND RECORDS MANAGEMENT ~~10.1~~ **11.1** xxx ~~10.1.1~~ **11.1.1** xxx ~~10.2~~ **11.2** xxx ~~10.2.1~~ **11,2,1** xxx ~~10.2.2~~ **11.2.2** xxx ~~10.2.3~~ **11.2.3** xxx ~~10.3~~ **11.3** xxx ~~10.3.1~~ **11.3.1** xxx ~~10.3.2~~ **11.3.2** xxx ~~10.4~~ **11.4** xxx	Renumbered Section 10 (including its sub-sections) as **Section 11**				

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			~~10.4.1~~ **11.4.1** xxx ~~10.4.2~~ **11.4.2** xxx ~~10.4.3~~ **11.4.3** xxx					
SECTION 11 – LIMITATION OF LIABILITY AND INDEMNIFICATION		SECTION 11 – LIMITATION OF LIABILITY AND INDEMNIFICATION 11.1 xxx 11.1.1 xxx x	SECTION ~~11~~**12** - LIMITATION OF LIABILITY AND INDEMNIFICATION ~~11.1~~ **12.1** xxx ~~11.1.1~~ **12.1.1** xxx	Renumbered Section 11 (including its sub-sections) as **Section 12**				
SECTION 12 – AMENDMENT, PUBLICATION AND EFFECTIVITY		SECTION 12 – AMENDMENT, PUBLICATION AND EFFECTIVITY 12.1 xxx 12.1.1 xxx x	SECTION ~~12~~**13** - AMENDMENT, PUBLICATION AND EFFECTIVITY ~~12.1~~ **13.1** xxx ~~12.1.1~~ **13.1.1** xxx ~~12.2~~ **13.2** xxx ~~12.2.1~~ **13.2.1** xxx ~~12.2.2~~ **13.2.2** xxx	Renumbered Section 12 (including its sub-sections) as **Section 13**				
SECTION 13 GLOSSARY		SECTION 13 GLOSSARY	SECTION ~~13~~**14** - GLOSSARY	Renumbered Section 13 (including its sub-sections) as **Section 14**				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
SECTION 13 GLOSSARY		Enforcement and Compliance Office -The unit created within PEMC pursuant to *WESM Rules* Clause 1.4.8, which is primarily responsible for the administration of the enforcement and compliance which shall include monitoring, assessment and investigation of the *WESM Members* in relation to their compliance with the *WESM Rules*.	~~Enforcement and Compliance Office The unit created within PEMC pursuant to *WESM Rules* Clause 1.4.8, which is primarily responsible for the administration of the enforcement and compliance which shall include monitoring, assessment and investigation of the *WESM Members* in relation to their compliance with the *WESM Rules*.~~	Deletion - Already defined in the WESM Rules				
SECTION 13 GLOSSARY		Enforcement proceeding - This is the activity or series of activities carried out to establish and determine the occurrence of *breach* and the corresponding enforcement action that will be carried out as a consequence of the *breach*, and includes monitoring, assessment, investigation and imposing enforcement actions.	~~Enforcement proceeding - This is the activity or series of activities carried out to establish and determine the occurrence of *breach* and the corresponding enforcement action that will be carried out as a consequence of the *breach*, and includes monitoring, assessment, investigation and imposing enforcement actions.~~	Deletion – Already defined in the WESM Rules				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
SECTION 13 GLOSSARY		Notice of investigation- Formal notice issued by the Enforcement and Compliance Office to a WESM Member to initiate investigation for possible breach.	Notice of investigation – ~~Formal~~ **A** notice issued by the *Enforcement and Compliance Office* to a *WESM Member* to initiate ~~an~~ **a formal** investigation for possible *breach*.	Revised for clarity				
SECTION 13 GLOSSARY		Report of probable breach - Written report submitted to the *Enforcement and Compliance Office* by the *Market Operator* or the *System Operator* to notify the *Enforcement and Compliance Office* of probable *breach* by a *WESM Member* for purposes of initiating an investigation.	Report of probable breach – **a** ~~Written~~ **written** report submitted to the *Enforcement and Compliance Office* ~~by the *Market Operator* or the *System Operator* to notify the *Enforcement and Compliance Office* of probable *breach* by a *WESM Member* for purposes of initiating an investigation~~ **to notify it of a potential breach by a *WESM Member*, the *Market Operator*, or the *System Operator* intended to initiate an investigation. For purposes of this Manual, it may be used interchangeably with the term "notice of probable breach".**	Revised to apply to reports filed **by or against** the Market Operator or System Operator, in alignment with Section 7.2.4.3 (a) of the WESM Rules. Also, a clarifying clause was included to indicate that "report of probable breach" and "notice of probable breach" may be used interchangeably throughout the Manual, given their consistent usage and intent.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 2. Submission of Reply and Supporting Documents	No. 2	Timeline/Frequency 3 business days from initial flagging of probable breach	Timeline/Frequency ~~3~~**5** business days from initial flagging of probable breach	Revised for consistency				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 4. Issuance of CMAR	No. 4	Timeline/Frequency On or before 15th day of the month following the covered billing month	Timeline/Frequency On or before ~~15~~**45**th day ~~of~~ **following** the **end of the calendar** month ~~following the covered billing month~~ **covered in the monitoring**	Revised for consistency				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL	No. 5	Activities 5. Issuance of Notice of Specified Penalty Responsible PEMC President	~~Activities~~ ~~5. Issuance of Notice of Specified Penalty~~ ~~Responsible~~ ~~PEMC President~~	Deletion - for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 5. Issuance of Notice of Specified Penalty		Facility/Mode/Process Manual Recipient TP IEMOP Timeline/Frequency Simultaneous with the Issuance of CMAR Reference Manual/Document WESM Penalty Manual	~~Facility/Mode/Process Manual~~ ~~Recipient~~ ~~TP~~ ~~IEMOP~~ ~~Timeline/Frequency~~ ~~Simultaneous with the Issuance of CMAR~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual~~					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 6. Implementation of the Notice of the Specified Penalty (Issuance of billing)	No. 6	Activities 6. Implementation of the Notice of the Specified Penalty (Issuance of billing) Responsible IEMOP Facility/Mode/Process Manual Recipient TP Timeline/Frequency 3 business days from receipt of the Notice of Specified Penalty	~~Activities~~ ~~6. Implementation of the Notice of the Specified Penalty (Issuance of billing)~~ ~~Responsible~~ ~~IEMOP~~ ~~Facility/Mode/Process Manual~~ ~~Recipient~~ ~~TP~~ ~~Timeline/Frequency~~ ~~3 business days from receipt of the Notice of Specified Penalty~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		Reference Manual/Document WESM Penalty Manual	~~Reference~~ ~~Manual/Document~~ ~~WESM Penalty Manual~~					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 7. Payment of Penalty	No. 7	Activities 7. Payment of Penalty Responsible TP Facility/Mode/Process Manual Recipient IEMOP Timeline/Frequency 12 business days from receipt of billing and collection Reference Manual/Document WESM Penalty Manual	~~Activities~~ ~~7. Payment of Penalty~~ ~~Responsible~~ ~~TP~~ ~~Facility/Mode/Process~~ ~~Manual~~ ~~Recipient~~ ~~IEMOP~~ ~~Timeline/Frequency~~ ~~12 business days from receipt of billing and collection~~ ~~Reference~~ ~~Manual/Document~~ ~~WESM Penalty Manual~~	Transferred to No. 12 with modification				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE	No. 8	Activities 8. Filing of Request for Reconsideration Reference Manual/Document WESM Penalty Manual	Activities ~~8~~5. Filing of Request for Reconsideration Reference Manual/Document	Renumbered as No. 5 Lifted from Penalty Manual				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
MONITORING ACTIVITY OF ECO 8. Filing of Request for Reconsideration			~~WESM Penalty~~ **EC** Manual					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 9. Resolution of the Request for Reconsideration	No. 9	Activities 9. Resolution of the Request for Reconsideration Timeline/Frequency 15 business days from receipt of request for reconsideration Reference Manual/Document WESM Penalty	Activities ~~9~~**6.** Resolution of the Request for Reconsideration Timeline/Frequency ~~15~~**60** business days from receipt of request for reconsideration **or may be extended additional 30 business days from receipt of required information** Reference Manual/Document ~~WESM Penalty~~ **EC** Manual	Renumbered as No. 6 Revised for consistency Lifted from Penalty Manual				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO	No. 10	Activities 10. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty Responsible PEMC President Facility/Mode/Process	~~Activities~~ ~~10. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty~~ ~~Responsible~~ ~~PEMC President~~ ~~Facility/Mode/Process~~	Deletion - for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
10. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty		Manual Recipient TP IEMOP Timeline/Frequency Simultaneous with the Issuance of Resolution of Request for Reconsideration Reference Manual/Document WESM Penalty Manual	~~Manual~~ ~~Recipient~~ ~~TP~~ ~~IEMOP~~ ~~Timeline/Frequency~~ ~~Simultaneous with the Issuance of Resolution of Request for Reconsideration~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual~~					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 11. Implementation of the Resolution of the Request for Reconsideration/ Notice of Specified Penalty/ Revocation (Collect or Refund)	No. 11	Activities 11. Implementation of the Resolution of the Request for Reconsideration/ Notice of Specified Penalty/ Revocation (Collect or Refund) Responsible IEMOP Facility/Mode/Process Manual Recipient TP Timeline/Frequency	~~Activities~~ ~~11. Implementation of the Resolution of the Request for Reconsideration/ Notice of Specified Penalty/ Revocation (Collect or Refund)~~ ~~Responsible~~ ~~IEMOP~~ ~~Facility/Mode/Process~~ ~~Manual~~ ~~Recipient~~ ~~TP~~ ~~Timeline/Frequency~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		Immediately upon receipt Reference Manual/Document WESM Penalty Manual	~~Immediately upon receipt~~ ~~Reference Manual/Document WESM Penalty Manual~~					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 12. Filing of Appeal	No. 12	Activities 12. Filing of Appeal Recipient MSC Timeline/Frequency 10 business days from receipt of the Resolution of the Request for Reconsideration Reference Manual/Document WESM Penalty Manual	Activities ~~12~~7. Filing of Appeal Recipient ~~MSC~~**CC** Timeline/Frequency ~~10~~**15** business days from receipt of the Resolution of the Request for Reconsideration Reference Manual/Document ~~WESM Penalty~~ **EC** Manual	Renumbered as No. 7 Jurisdictional clarification Revised for consistency Lifted from Penalty Manual				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO	No. 13	Activities 13. Issuance of Order to Elevate the Original Records of the Case Responsible MSC Facility/Mode/Process Manual	~~Activities~~ ~~13. Issuance of Order to Elevate the Original Records of the Case~~ ~~Responsible~~ ~~MSC~~ ~~Facility/Mode/Process Manual~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
13. Issuance of Order to Elevate the Original Records of the Case		Recipient ECO TP Timeline/Frequency 20 business days from receipt of Appeal Reference Manual/Document WESM Penalty Manual	~~Recipient~~ ~~ECO~~ ~~TP~~ ~~Timeline/Frequency~~ ~~20 business days from receipt of Appeal~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual~~					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 14. Elevation of the Original Records of the Case	No. 14	Activities 14. Elevation of the Original Records of the Case Responsible ECO Facility/Mode/Process Manual Recipient MSC Timeline/Frequency 5 business days from receipt of the Order Reference Manual/Document WESM Penalty Manual and MS Manual	~~Activities~~ ~~14. Elevation of the Original Records of the Case~~ ~~Responsible~~ ~~ECO~~ ~~Facility/Mode/Process Manual~~ ~~Recipient~~ ~~MSC~~ ~~Timeline/Frequency~~ ~~5 business days from receipt of the Order~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual and MS Manual~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 15. Decision on Appeal	No. 15	Activities 15. Decision on Appeal Responsible MSC Timeline/Frequency 30 working days from receipt of the Original Records of the Case as elevated to it by ECO Reference Manual/Document WESM Penalty Manual and MS Manual	Activities ~~15~~**8**. Decision on Appeal Responsible ~~MSC~~**CC** Timeline/Frequency ~~30~~**90** ~~working~~ **business** days from ~~receipt of the Original Records of the Case as elevated to it by ECO~~ **the date it is deemed submitted for decision** Reference Manual/Document WESM ~~Penalty~~ **EC** Manual ~~and MS Manual~~	Renumbered as No. 8 Jurisdictional clarification Revised for consistency Lifted from Penalty Manual				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO 16. Issuance of Notice of Specified Penalty or Revocation of the	No. 16	Activities 16. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty Timeline/Frequency Simultaneous with the Issuance of the Decision on Appeal	Activities ~~16~~**9**. Issuance of Notice of Specified Penalty ~~or Revocation of the previously-issued Notice of Penalty~~ Timeline/Frequency ~~Simultaneous with the Issuance of the Decision on Appeal~~ **5 Business Days from the date that the finding of breach or the resolution or**	Renumbered as No. 9 Requirement for the issuance of the NSP is upon the finality and executory status of the breach findings, report, or decision.				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
previously-issued Notice of Penalty			**decision on a case becomes final and executory**					
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO	(new)	(new)	**Activities** **10. Issuance of Periodic Penalty Summary Report** **Responsible** **ECO** **Facility/Mode/Process** **Manual** **Recipient** **IEMOP** **Timeline/Frequency** **Every 28th of the month** **Reference** **Manual/Document** **WESM Penalty Manual**	Requirement for submitting a periodic penalty summary report listing all the penalties imposed by the WESM Governance Arm for the month, and to be collected by the Market Operator for ease of tracking by both parties.				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO	No. 17	Activities 17. Implementation of the Decision on Appeal/ Notice of Specified Penalty/ Revocation (Collect or Refund) Timeline/Frequency Immediately upon receipt	Activities ~~6~~**11**. Implementation of the ~~Decision on Appeal/~~ Notice of Specified Penalty~~/ Revocation~~ (~~Collect or Refund~~ **Issuance of billing**) Timeline/Frequency ~~Immediately upon receipt~~ **15th day of the**	Revised for consistency Added to formalize the billing and collection of penalties based on enforcement				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
17. Implementation of the Decision on Appeal/ Notice of Specified Penalty/ Revocation (Collect or Refund)			**succeeding month from the receipt of the periodic penalty summary report**	reports, ensuring timely notification to WESM Members of their settlement obligations.				
Appendix I – COMPLIANCE MONITORING, INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM COMPLIANCE MONITORING ACTIVITY OF ECO	No. 12	Transferred from No. 7 Activities 7. Payment of Penalty Timeline/Frequency 12 business days from receipt of billing and collection	Activities ~~7~~**12**. Payment of Penalty Timeline/Frequency ~~12 business days from receipt of billing and collection~~ **25th day of the month in which the billing is received, or on the next working day if 25th fall on a non-working day**	Renumbered as No.12 Added to set a clear deadline for WESM Members to remit penalty payments, ensuring timely collection by the Market Operator.				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 1. Filing of Request for Investigation (RFI)	No. 1	Activities 1. Filing of Request for Investigation (RFI) Responsible Any WESM Member, Market Operator, WESM Governance Committees (except CC), ECO (motu propio)	Activities 1. Filing of Request for Investigation (RFI) **or Report of Probable Breach**	Revised for consistency				
Appendix II – INVESTIGATION,	(new)	(new)	**Activities**	Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION			**2, Verification of RFI form and substance** **Responsible** **ECO** **Facility/Mode/Process Manual** **Recipient** **WESM Member, Market Operator or WESM Governance Committees (except CC) filed the RFI** **Timeline/Frequency** **5 business days from receipt of RFI or Report of Probable Breach** **Reference Manual/Document** **EC Manual**					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	No. 2	Activities 2. Issuance of Preliminary Notice of Investigation (PNI) Recipient TP (entity subject of RFI) Timeline/Frequency	Activities ~~2~~3. Issuance of ~~Preliminary~~ Notice of Investigation (~~P~~NI) Recipient TP (entity subject of RFI **or report of probable breach**)	Renumbered as No.3 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
2. Issuance of Preliminary Notice of Investigation (PNI)		5 business days from receipt of the RFI	Timeline/Frequency 5 business days from confirmation that the ~~matter is complete~~ **RFI or report of probable breach is found** in both form and substance, ~~it~~ **and** shall advance to formal investigation					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 3. Investigation Proper	No. 3	Activities 3. Investigation Proper Recipient TP (entity subject of RFI) Timeline/Frequency Not more than 120 business days from receipt of RFI	Activities ~~3~~**4**. Investigation Proper Recipient TP (entity subject of RFI **or report of probable breach**) Timeline/Frequency ~~Not more than 120 business days from receipt of RFI~~ **150 business days from issuance of Notice of Investigation or may be extended additional 30 business days from receipt of required information**	Renumbered as No.4 Revised for Consistency				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE	No. 4	Activities 4. Completion of Formal Investigation Recipient TP (entity subject of RFI)	Activities 4**5**. Investigation Proper Recipient	Renumbered as No.5 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
EMANATING FROM THE REQUESTS FOR INVESTIGATION 4. Completion of Formal Investigation		Timeline/Frequency Not more than 120 business days from receipt of RFI	TP (entity subject of RFI **or report of probable breach**) Timeline/Frequency ~~Not more than 120 business days from receipt of RFI~~ **150 business days from issuance of Notice of Investigation or may be extended additional 30 business days from receipt of required information**					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 5. Issuance of Investigation Report	No. 5	Activities 5. Issuance of Investigation Report	Activities ~~5~~**6**. Issuance of Investigation Report	Renumbered as No.6				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS	No. 6	Activities 6. Review of the Investigation Report Timeline/Frequency Within thirty (30) business days from	Activities ~~6~~**7.** Review of the Investigation Report Timeline/Frequency Within ~~thirty (30)~~**90** business days from	Renumbered as No.7 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
FOR INVESTIGATION 6. Review of the Investigation Report		receipt of the Investigation Report Reference Manual/Document EC Manual and MS Manual	~~receipt of the Investigation Report~~ **the case is deemed submitted for resolution** Reference Manual/Document EC Manual ~~and MS Manual~~					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 7. Preparation and Submission of Review Report	No. 7	Activities 7. Preparation and Submission of Review Report Timeline/Frequency Within thirty (30) business days from receipt of the Investigation Report Reference Manual/Document EC Manual and MS Manual	Activities ~~7~~**8**. Preparation and Submission of ~~Review Report~~ **Resolution** Timeline/Frequency Within ~~thirty (30)~~**90** business days from ~~receipt of the Investigation Report~~ **the date the case is deemed submitted for resolution** Reference Manual/Document EC Manual ~~and MS Manual~~	Renumbered as No.7 Revised for Consistency				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE	No. 8	Activities 8. PEM Board Review of the CC Review Report and ECO Investigation Report	Activities ~~8~~**9**. PEM Board Review of the CC ~~Review Report~~ **Resolution** and ECO Investigation Report	Renumbered as No.9 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
EMANATING FROM THE REQUESTS FOR INVESTIGATION 8. PEM Board Review of the CC Review Report and ECO Investigation Report		Timeline/Frequency Within thirty (30) working days upon receipt of the MSC Review Report and ECO Investigation Report Reference Manual/Document EC Manual and CC Manual	Timeline/Frequency ~~Within thirty (~~30~~)~~ working days upon receipt of the ~~MSC~~ **CC** ~~Review Report~~ **Resolution** and ECO Investigation Report Reference Manual/Document EC Manual ~~and CC Manual~~					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 9. Issuance of Notice of Remand, *if necessary*	No. 9	Activities 9. Issuance of Notice of Remand, *if necessary*	Activities ~~9~~**10**. Issuance of Notice of Remand, *if necessary*	Renumbered as No.10				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	No. 10	Activities 10. Submission of Revised Investigation Report *(in case of remand)*	Activities ~~10~~**11**. Submission of Revised Investigation Report *(in case of remand)*	Renumbered as No.11				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
10. Submission of Revised Investigation Report *(in case of remand)*								
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 11. PEM Board Review of the Investigation Report *(in case of remand)*	No. 11	Activities 11. PEM Board Review of the Investigation Report *(in case of remand)* Reference Manual/Document EC Manual and MS Manual	Activities ~~11~~**12.** PEM Board Review of the Investigation Report *(in case of remand)* Reference Manual/Document EC Manual ~~and MS Manual~~	Renumbered as No.12 Revised for Consistency				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 12. Board Action on the Investigation and Issuance of Notice of Board Action (PEM Board Resolution on Investigation Report)	No. 12	Activities 12. Board Action on the Investigation and Issuance of Notice of Board Action (PEM Board Resolution on Investigation Report) Timeline/Frequency • Within thirty (30) working days from receipt of the MSC Review Report and ECO Investigation Report; or • Within thirty (30) working days from receipt	~~12~~**13.** Board Action on the Investigation and Issuance of Notice of Board Action (PEM Board Resolution on Investigation Report) Timeline/Frequency • ~~Within thirty (30)~~ working days from receipt of the ~~MSC~~ **CC** ~~Review Report~~ **Resolution** and ECO Investigation Report; or • ~~Within thirty (30)~~ working days from receipt	Renumbered as No.13 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		of the Revised Investigation Report of the ECO (in case of remand). Reference Manual/Document EC Manual and CC Manual	of the Revised Investigation Report of the ECO (in case of remand). Reference Manual/Document EC Manual ~~and CC Manual~~					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 13. Notification of the PEM Board's Resolution	No. 13	Activities 13. Notification of the PEM Board's Resolution Reference Manual/Document WESM Penalty Manual	Activities ~~13~~**14**. Notification of the PEM Board's Resolution Reference Manual/Document ~~WESM Penalty~~ **EC** Manual	Renumbered as No.14 Revised for Consistency				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 14. Issuance of Notice of Specified Penalty	No. 14	Activities 14. Issuance of Notice of Specified Penalty Responsible PEMC President Facility/Mode/Process Manual Recipient TP	~~Activities~~ ~~14. Issuance of Notice of Specified Penalty~~ ~~Responsible PEMC President~~ ~~Facility/Mode/Process Manual~~ ~~Recipient TP~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		IEMOP Timeline/Frequency Simultaneous with the Issuance of Notice of PEM Board's Resolution Reference Manual/Document WESM Penalty Manual and EC Manual	~~IEMOP~~ ~~Timeline/Frequency~~ ~~Simultaneous with the Issuance of Notice of PEM Board's Resolution~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual and EC Manual~~					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 15. Implementation of the Notice of the Specified Penalty (Issuance of billing)	No. 15	Activities 15. Implementation of the Notice of the Specified Penalty (Issuance of billing) Responsible IEMOP Facility/Mode/Process Manual Recipient TP Timeline/Frequency 3 business days from receipt of the Notice of Specified Penalty Reference Manual/Document WESM Penalty Manual	~~Activities~~ ~~15. Implementation of the Notice of the Specified Penalty (Issuance of billing)~~ ~~Responsible~~ ~~IEMOP~~ ~~Facility/Mode/Process Manual~~ ~~Recipient~~ ~~TP~~ ~~Timeline/Frequency~~ ~~3 business days from receipt of the Notice of Specified Penalty~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual~~	Deletion – for consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 16. Payment of Penalty	No. 16	Activities 16. Payment of Penalty Responsible TP Facility/Mode/Process Manual Recipient IEMOP Timeline/Frequency 12 business days from receipt of billing and collection Reference Manual/Document WESM Penalty Manual	~~Activities~~ ~~16. Payment of Penalty~~ ~~Responsible~~ ~~TP~~ ~~Facility/Mode/Process Manual~~ ~~Recipient~~ ~~IEMOP~~ ~~Timeline/Frequency~~ ~~12 business days from receipt of billing and collection~~ ~~Reference Manual/Document~~ ~~WESM Penalty Manual~~	Transferred to No. 25 with modification				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 17. Filing of Request for Reconsideration	No. 17	Activities 17. Filing of Request for Reconsideration Reference Manual/Document WESM Penalty Manual and EC Manual	Activities ~~17~~15. Filing of Request for Reconsideration Reference Manual/Document ~~WESM Penalty Manual and~~ EC Manual	Renumbered as No.15 Revised for Consistency				
Appendix II – INVESTIGATION,	No. 18	Activities	Activities	Renumbered as No.16				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 18. Endorsement of the Request for Reconsideration		18. Endorsement of the Request for Reconsideration	~~18~~**16**. Endorsement of the Request for Reconsideration					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 19. Submission of Revised Investigation Report	No.19	Activities 19. Submission of Revised Investigation Report Recipient PEM Board Timeline/Frequency Within 30 business days from endorsement of the PEM Board Reference Manual/Document WESM Penalty Manual and EC Manual	Activities ~~19~~**17**. Submission of ~~Revised Investigation~~ **Case Review** Report Recipient ~~PEM Board~~ **CC** Timeline/Frequency Within ~~30~~**60** business days from endorsement of the PEM Board**. However, may be extended additional 30 business days from receipt of required information.** Reference Manual/Document ~~WESM Penalty Manual and~~ EC Manual	Renumbered as No.17 Revised for Consistency				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	(new)	(new)	**Activities** **18, Preparation and Submission of Resolution** **Responsible** **CC** **Facility/Mode/Process Manual** **Recipient** **PEM Board** **Timeline/Frequency** **Within 90 business days from the date the case is deemed submitted for resolution** **Reference Manual/Document** **EC Manual**	Added to ensure thorough review of the case review report while maintaining procedural consistency and timely resolution.				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	No. 20	Activities 20. Resolution of the Request for Reconsideration Timeline/Frequency 30 working days from receipt of the Revised Investigation Report	Activities ~~2019~~. **PEM Board Review of the CC** Resolution ~~of the Request for Reconsideration~~ **and Case Review Report** Timeline/Frequency	Renumbered as No.19 Revised for Consistency				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
20. Resolution of the Request for Reconsideration		Recipient PEMC Reference Manual/Document WESM Penalty Manual	30 ~~working~~ **business** days from receipt of the ~~Revised Investigation Report~~ **Case Review Report and CC Resolution** Recipient ~~PEMC~~**N/A** Reference Manual/Document ~~WESM Penalty~~ **EC** Manual					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	(new)	(new)	**Activities** **20. Board Action on the Resolution of the Request for Reconsideration and Issuance of Notice of Board Action** **Responsible** **PEM Board** **Facility/Mode/Process** **Manual** **Recipient** **PEMC** **Timeline/Frequency** **30 working days from receipt of the Case**	Added to ensure thorough review of the case review report and CC resolution while maintaining procedural consistency and timely resolution.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			Review Report and CC Resolution **Reference** **Manual/Document** **EC Manual**					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	(new)	(new)	**Activities** **21, Notification of the PEM Board's Resolution** **Responsible** **PEMC** **Facility/Mode/Process Manual** **Recipient** **PEMC** **Timeline/Frequency** **Upon receipt of PEM Board Resolution on Investigation Report** **Reference** **Manual/Document** **EC Manual**	Added for issuance of PEM Board's Resolution				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE	No. 21	Activities 21. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty	Activities ~~21~~**22**. Issuance of Notice of Specified Penalty ~~or Revocation of the previously-issued Notice of Penalty~~	Renumbered as No. 22				

WESM ENFORCEMENT AND COMPLIANCE MANUAL								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
EMANATING FROM THE REQUESTS FOR INVESTIGATION 21. Issuance of Notice of Specified Penalty or Revocation of the previously-issued Notice of Penalty		Timeline/Frequency Simultaneous with the Issuance of Resolution of Request for Reconsideration Reference Manual/Document WESM Penalty Manual and EC Manual	Timeline/Frequency ~~Simultaneous with the Issuance of Resolution of Request for Reconsideration~~**5 Business Days from the date that the finding of breach or the resolution or decision on a case becomes final and executory** Reference Manual/Document ~~WESM Penalty Manual and~~ EC Manual	Requirement for the issuance of the NSP is upon the finality and executory status of the breach findings, report, or decision.				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	(new)	(new)	**Activities** **23. Issuance of Periodic Penalty Summary Report** **Responsible** **ECO** **Facility/Mode/Process Manual** **Recipient** **IEMOP** **Timeline/Frequency** **Every 28th of the month**	Requirement for submitting a periodic penalty summary report listing all the penalties imposed by the WESM Governance Arm for the month, and to be collected by the Market Operator for ease of tracking by both parties.				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			Reference Manual/Document WESM Penalty Manual					
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION 22. Implementation of the Resolution of the Request for Reconsideration/ Notice of Specified Penalty/ Revocation (Collect or Refund)	No. 22	Activities 22. Implementation of the Resolution of the Request for Reconsideration/ Notice of Specified Penalty/ Revocation (Collect or Refund) Timeline/Frequency Immediately upon receipt Reference Manual/Document WESM Penalty Manual	Activities ~~22~~**24**. Implementation of the ~~Resolution of the Request for Reconsideration/~~ Notice of Specified Penalty~~/ Revocation (Collect or Refund~~ **Issuance of billing**) Timeline/Frequency ~~Immediately upon receipt~~**15th day of the succeeding month from the receipt of the periodic penalty summary report** Reference Manual/Document WESM Penalty Manual	Renumbered as No. 24 Added to formalize the billing and collection of penalties based on enforcement reports, ensuring timely notification to WESM Members of their settlement obligations.				
Appendix II – INVESTIGATION, RECONSIDERATION, AND APPEAL PROCESS TIMELINE EMANATING FROM THE REQUESTS FOR INVESTIGATION	No. 25	Transferred from No. 16 Activities 16. Payment of Penalty Timeline/Frequency 12 business days from receipt of billing and collection	Activities ~~16~~**25**. Payment of Penalty Timeline/Frequency ~~12 business days from receipt of billing and collection~~ **25th day of the month in which the billing is received, or on the next working day if**	Renumbered as No.12 Added to set a clear deadline for WESM Members to remit penalty payments, ensuring timely				

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Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			25th fall on a non-working day	collection by the Market Operator.				