



RULES CHANGE COMMITTEE

RCC Resolution No. 2021-08: Revisions to RCC Resolution No. 2019-19 on the Proposed Revisions to the WESM Rules and New WESM Compliance Officers (WCO) Certification and Registration Manual

Effective Date : 16 July 2021

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WHEREAS, Chapter 7 of the WESM Rules provides the responsibilities for ensuring that all WESM members comply with the WESM Rules and each WESM Member shall designate a WESM Compliance Officer (WCO);

WHEREAS, on 19 May 2019, the Philippine Electricity Market Corporation (PEMC) Proposed a New Manual, the WCO Accreditation Manual, that establishes competency standards among the Compliance Officers in the WESM and sets out the guidelines and procedures for the certification and registration of WESM Compliance Officers as provided for in the WESM Rules;

WHEREAS, during its 159th meeting on 06 December 2019, the RCC approved the endorsement of the proposal to the PEM Board through RCC Resolution No. 2019-19¹;

WHEREAS, on 11 December 2019, the PEM Board approved the proposal through PEM Board Resolution No. 2019-19-03 and submitted the same on 16 January 2020 to DOE;

WHEREAS, on 22 and 29 July 2020, the DOE conducted virtual public consultations for Luzon and Visayas-Mindanao leg respectively, to solicit further inputs or comments for the finalization of the Department Circular;

WHEREAS, through a letter dated 10 May 2021, the DOE provided PEMC with the updated version of the proposal and corresponding process flowchart as outputs from the DOE-PEMC consultation meeting held on 16 April 2021;

WHEREAS, in same letter, the DOE informed PEMC and the RCC to consider revising the proposal to a simpler and more practical version and requested additional inputs to address the following concerns:

- a. Clear delineation of responsibilities between the Direct and Indirect WESM Members, particularly on whether the latter should be mandated to register a WCO or it can be on voluntary basis;
- b. Identification of specific non-compliances with the non-designation of WCO and corresponding penalty in relation to the Penalty Manual; and
- c. Inclusion of the repercussions for the non-compliant WCOs;

WHEREAS, during the 179th RCC Regular Meeting on 21 May 2021, PEMC presented the proposed changes of the said proposal to address the DOE's concerns, which are summarized as follows:

¹ <https://www.wesm.ph/market-governance/rules-change/rcc-resolutions>

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Highlights of Revisions	Rationale
A. Conceptual Changes	
1. From Accreditation to Certification	<ul style="list-style-type: none"> Retained the original concept but proposed rewording from accreditation to certification. The person or individual who meets the requirements is being certified. No more accreditation for the training service provider.
2. Certification to precede the Registration	<ul style="list-style-type: none"> Certification is obtained by fulfilling the required credit units within a compliance period. Once certified, the WESM Member may designate a Certified WCO as "Registered WCO"
3. No more WCO Accreditation Body	<ul style="list-style-type: none"> Governance Arm to act as the WCO Accreditation Body This section was replaced by Responsible Parties (Governance Arm, Market Operator and the WESM Members)
4. Non-designation of WCOs and non-compliance with the certification requirements are subject to Non-Compliance Fee	<ul style="list-style-type: none"> Express mandatory provision subject to penalty under the WESM Penalty Manual (₱5,000 per proposed revised penalty manual for catch-all provision)
5. Market Operator is exempted from the certification program	<ul style="list-style-type: none"> The Market Operator can register a WCO without undergoing a Certification program in recognition of his/her expertise in market operations, and it is also responsible for providing training services. However, the registered WCO shall also meet the qualifications as set in the manual.
6. Extending the Compliance Period and adding a Transitory Provision	<ul style="list-style-type: none"> To ensure the readiness and compliance by the current WCOs. Compliance Period is revised from 1 to 3 years.
7. Removal of the pro-rated compliance vis-à-vis the credit units	<ul style="list-style-type: none"> Full compliance to the requirement. Credit units were increased from 20 to 36 units.
8. Removal of the classification of Active, Inactive, and Probationary Members and Reinstatement provisions	<ul style="list-style-type: none"> Removal of classifications of members whether Active, Inactive or Probationary; rather a straightforward consequence of a non-compliance with the requirement is set, i.e., subject to sanctions under the WESM Rules and Penalty Manual.
B. Other Changes (Nomenclature)	
1. From "Accreditation/Accredited" to "Certification/Certified"	<ul style="list-style-type: none"> Global change to mean certification of individual
2. Change in Manual Title from "WESM Compliance Officers (WCO) Accreditation Manual" to "WESM Compliance Officers Certification and Registration"	<ul style="list-style-type: none"> As proposed by DOE

Highlights of Revisions	Rationale
3. Change of PEMC to Governance Arm	<ul style="list-style-type: none"> To align with DOE Department Circular DC2020-10-0021 on the implementation of Independent Market Operator
4. Deletion of the term “WESM Enforcement Officers”	<ul style="list-style-type: none"> Since this is covered by term WESM Compliance Officers
5. Re-arrangement of order/sequence; rewording; and merging of related provisions under one main section	<ul style="list-style-type: none"> For coherence and clarity

WHEREAS, PEMC also presented the following inputs to address the DOE’s concerns:

- a. PEMC will align the delineation of responsibilities between Direct and Indirect WESM Members with the RCC’s final resolution on IEMOP’s rules change proposal² regarding clarifications on Indirect WESM Membership.
- b. The non-compliances of the Registered WCOs include a breach of any of the obligations specified in WESM Rules Clause 7.2.9.2 and the failure to comply with the registration and certification requirements for WCOs under the proposed Manual. Such non-compliances will be subject to sanction under the proposed revised WESM Penalty Manual which sets a penalty of reprimand, or financial penalty of ₱5,000, as the case may be.
- c. As repercussion for non-compliance, WCOs will not be authorized to represent the company or the WESM Member in all compliance and enforcement proceedings.

WHEREAS, following a line-by-line discussion during its 181st Regular Meeting on 16 July 2021, the RCC had no significant changes to the proposal;

NOW THEREFORE, we, the undersigned, on behalf of the sectors we represent, hereby resolve via electronic communication platforms, as follows:

RESOLVED, that the RCC approves the additional changes and proposed amendments under RCC Resolution No. 2019-09 on the Proposed Amendments to the WESM Rules and New WESM Compliance Officers (WCO) Certification and Registration Manual, as renamed, attached as Annex A and B;





RESOLVED FURTHER, that the said additional changes and proposed amendments under RCC Resolution No. 2019-09 on the Proposed Amendments to the WESM Rules and New WESM Compliance Officers (WCO) Certification and Registration Manual, are hereby endorsed to the PEM Board for approval and for submission to DOE for consideration.

Done this **16th** day of **July 2021**, Pasig City.

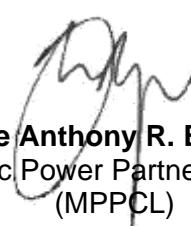



² ORCP-WR-WM-2020-14

Approved by:
THE RULES CHANGE COMMITTEE



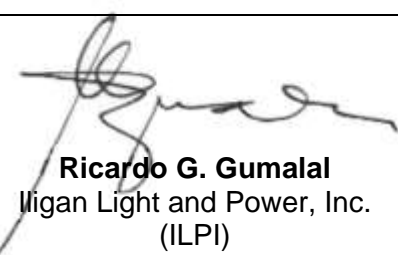
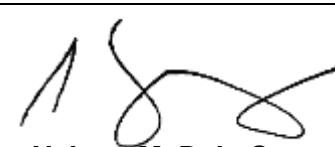
Independent Members:

 Maila Lourdes G. de Castro Chairperson	 Francisco L.R. Castro, Jr.
 Allan C. Nerves	 Concepcion I. Tanglao

Generation Sector Members:

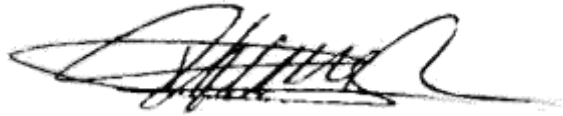
 Dixie Anthony R. Banzon Masinloc Power Partners Co. Ltd. (MPPCL)	 Cherry A. Javier Aboitiz Power Corp. (APC)
 Carlito C. Claudio Millennium Energy, Inc./ Pansia Energy, Inc. (MEI/PEI)	 Mark D. Habana Vivant Corporation - Philippines (Vivant)

Distribution Sector Members:

 Virgilio C. Fortich, Jr. Cebu III Electric Cooperative, Inc. (CEBECO III)	 Ryan S. Morales Manila Electric Company (MERALCO)
 Ricardo G. Gumalal Iligan Light and Power, Inc. (ILPI)	 Nelson M. Dela Cruz Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)



Supply Sector Member:



Lorreto H. Rivera
Team (Philippines) Energy Corporation
(TPEC)

Market Operator Member:



Isidro E. Cacho, Jr.
Independent Electricity Market Operator of the Philippines
(IEMOP)

System Operator Member:



Ambrocio R. Rosales
National Grid Corporation of the Philippines
(NGCP)

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
Compliance Committee	1.8				
Responsibilities of the Compliance Committee	1.8.2	<p>The <i>Compliance Committee</i> shall from time to time as necessary and as appropriate, or whenever the Governance Arm, through the PEM Board, directs:</p> <p>(a) Review reports of investigation of breaches of 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 recommend imposition of sanctions or penalties if warranted;</p> <p>(b) Review and monitor the compliance of Enforcement and Compliance Office with the reportorial requirements pursuant to the WESM Rules, Market Manuals, and other applicable laws, rules, regulations, or issuances;</p> <p>(c) Review and monitor the compliance by the Market Operator and the System Operator with their obligations pursuant to the WESM Rules and</p>		<p>The <i>Compliance Committee</i> shall from time to time as necessary and as appropriate, or whenever the Governance Arm, through the PEM Board, directs:</p> <p>(a) Review reports of investigation of breaches of 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 recommend imposition of sanctions or penalties if warranted;</p> <p>(b) Review and monitor the compliance of Enforcement and Compliance Office with the reportorial requirements pursuant to the WESM Rules, Market Manuals, and other applicable laws, rules, regulations, or issuances;</p> <p>(c) Review and monitor the compliance by the Market Operator and the System Operator with their obligations pursuant to the WESM Rules and Market</p>	<p>To include as one of the responsibilities of the Compliance Committee the review and approval of the competency</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
		<p>Market Manuals, or any coordinating or operating agreements, or protocols which may be established governing the performance of their functions and obligations under the WESM Rules and Market Manuals.</p> <p>(d) Propose amendments to the WESM Rules or Market Manuals in accordance with Chapter 8 with a view of:</p> <p>(i) Improving the efficiency and the effectiveness of the operation of the WESM; and</p> <p>(ii) Improving or enhancing the prospects for the achievement of the WESM objectives;</p> <p>(e) Assist the Rules Change Committee in relation to its assessment of proposals to amend the WESM Rules or Market Manuals under Chapter 8.</p>		<p>Manuals, or any coordinating or operating agreements, or protocols which may be established governing the performance of their functions and obligations under the WESM Rules and Market Manuals.</p> <p>(d) <u>Review and approve the guidelines for the WESM Compliance Officers' competency standards and certification program</u></p> <p>(d) Propose amendments to the WESM Rules or Market Manuals in accordance with Chapter 8 with a view of:</p> <p>(i) Improving the efficiency and the effectiveness of the operation of the WESM; and</p> <p>(ii) Improving or enhancing the prospects for the achievement of the WESM objectives;</p> <p>(e) Assist the Rules Change Committee in relation to its assessment of proposals to amend the WESM Rules or Market Manuals under Chapter 8.</p>	<p>standards and the guidelines for the WCO certification program.</p> <p>For check and balance. Governance Arm to establish the standards guidelines; CC to review and approve them.</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
Scope of Chapter 7	7.1	<p>In line with the principles of self-governance, expeditious, just and least expensive disposition of disputes and considering the continuous nature of the transactions and operations of the WESM, this chapter sets out:</p> <p>(a) The responsibilities for ensuring that all WESM members comply with the WESM Rules;</p> <p>(b) The procedures on how the alleged breaches will be dealt with including:</p> <p>(1) The correct party to whom notice of an alleged breach of the WESM Rules by a WESM member shall be given;</p> <p>(2) The manner in which an alleged breach is to be investigated;</p> <p>(3) The manner in which a breach is to be sanctioned;</p> <p>(c) Other provisions on how disputes are to be resolved; and</p> <p>(d) The appointment of an Enforcement and Compliance Officer, a Dispute Resolution Administrator and selection of mediators and arbitrators that shall</p>	<p>In line with the principles of self-governance, expeditious, just and least expensive disposition of disputes and breaches of the WESM Rules or Market Manuals and considering the continuous nature of the transactions and operations of the WESM, this chapter sets out:</p> <p>(a) The responsibilities for ensuring that all WESM Members comply with the WESM Rules;</p> <p>(b) The process for enforcement of the WESM Rules and Market Manuals including:</p> <p>(i) The procedures and responsibilities for carrying out enforcement proceedings, including the monitoring of compliance with the WESM Rules and Market Manuals, investigation of probable breach, and imposition of sanctions; and</p> <p>(ii) the enforcement actions that can be taken as consequences of a breach, and the</p>	<p>In line with the principles of self-governance, expeditious, just and least expensive disposition of disputes and considering the continuous nature of the transactions and operations of the WESM, this chapter sets out:</p> <p>(a) The responsibilities for ensuring that all WESM members comply with the WESM Rules;</p> <p>(b) The procedures on how the alleged breaches will be dealt with including:</p> <p>(1) The correct party to whom notice of an alleged breach of the WESM Rules by a WESM member shall be given;</p> <p>(2) The manner in which an alleged breach is to be investigated;</p> <p>(3) The manner in which a breach is to be sanctioned;</p> <p>(c) Other provisions on how disputes are to be resolved; and</p> <p>(d) The appointment of an Enforcement and Compliance Officer, a Dispute Resolution Administrator and selection of mediators and arbitrators that shall form</p>	<p>Note: The provisions which are different from the current WESM Rules but which are not highlighted here (are covered in the other proposals relating to Enforcement and Compliance Manual which are still pending with the DOE)</p> <p>Change in terminology (from "accreditation/ accredited" to certification/certified"</p> <p>To align with the conceptual change, as proposed by DOE.</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
		form part of the arbitration panel.	procedures and responsibilities for imposing and implementing the same; (c) Other provisions on how disputes are to be resolved; and (d) The appointment of an Enforcement and Compliance Officer, a Dispute Resolution Administrator and selection of mediators and arbitrators that shall form part of the arbitration panel; and <u>(e) The designation and accreditation of the WESM Compliance Officers.</u>	part of the arbitration panel. <u>(e) The designation and accreditation certification and registration of the WESM Compliance Officers.</u>	
ENFORCEMENT	7.2				
ENFORCEMENT	7.2.9	Designation of a Compliance Officer for WESM Member, Market Operator and System Operator			

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
	7.2.9.1	Each WESM Member, the Market Operator, the System Operator, Metering Service Provider and any other WESM Service Providers shall designate a Compliance Officer in their respective organizations.	<p>7.2.9.1 All WESM Members, and the Market Operator shall designate a WESM Compliance Officer in their respective organizations; Provided that the person so appointed should have an understanding of the WESM compliance requirements of his or her organization and occupies a senior management position in the organization that he or she is able to recognize possible non-compliances and has sufficient authority to resolve the same. <u>Furthermore, said WESM Compliance Officer shall undergo an accreditation program to be administered by PEMC.</u></p> <p><u>For this purpose, PEMC shall:</u></p> <p>(a) <u>In consultation with the WESM Members and the Market Operator, develop and establish the necessary program and guidelines for the accreditation of the WESM Compliance Officers with the end in view of attaining a higher level of compliance with their obligations in the WESM</u></p>	<p>7.2.9.1 All WESM Members, and the Market Operator shall designate a WESM Compliance Officer in their respective organizations; Provided that the person so appointed should have an understanding of the WESM compliance requirements of his or her organization and occupies a senior management position in the organization that he or she is able to recognize possible non-compliances and has sufficient authority to resolve the same. <u>Furthermore, said WESM Compliance Officer shall undergo an accreditation a certification program to be administered by PEMC the Market Operator and the Governance Arm.</u></p> <p><u>For this purpose, PEMC the Governance Arm shall:</u></p> <p>(a) <u>In consultation with the WESM Members and the Market Operator, develop and establish the necessary program and guidelines for the accreditation certification of the WESM Compliance Officers with the end in view of attaining a higher level of compliance with</u></p>	<p>Change in terminology (from “accreditation/ accredited” to certification/certified”</p> <p>For consistency with the conceptual change, as proposed by the DOE, i.e., IEMOP and PEMC may provide training services.</p> <p>Change in terminology</p> <p>Change in terminology</p> <p>For consistency with the conceptual change, as proposed by the DOE, i.e., removal of the WCO Accreditation Body.</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
			<p>and keeping them informed of their company's obligations in the market and any market developments.</p> <p>(b) Create an Accreditation Body, composed of members independent of the Philippine electric power industry and the Government and in such number and with such skills and expertise deemed necessary who shall be responsible for the following:</p> <p>i) implementing an accreditation program for all WESM Compliance Officers;</p> <p>ii) recommending or establishing the competency standards; and accrediting or reviewing the compliance of all WESM Compliance Officers with the accreditation program referred to in the preceding paragraph.</p>	<p>their obligations in the WESM and keeping them informed of their company's obligations in the market and any market developments.</p> <p>(a) Create an Accreditation Body, composed of members independent of the Philippine electric power industry and the Government and in such number and with such skills and expertise deemed necessary who shall be responsible for the following:</p> <p>i) implementing an accreditation program for all WESM Compliance Officers;</p> <p>ii) recommending or establishing the competency standards; and accrediting or reviewing the compliance of all WESM Compliance Officers with the accreditation program referred to in the preceding paragraph.</p> <p>(b) Implement a certification program for all WESM</p>	<p>The functions will instead be performed by the Governance Arm.</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
				<u>Compliance Officers; and</u> <u>(c) Recommend or establish the competency standards for the WESM Compliance Officers.</u>	
	7.2.9.2	The Compliance Officer shall: (a) Monitor and undertake necessary activities to ensure the full compliance of their respective organization to the EPIRA, the EPIRA Implementing Rules and Regulations, WESM Rules, and the WESM Market Manuals; and develop necessary procedures and	7.2.9.2 The WESM Compliance Officer shall: (a) Monitor the activities and transactions in the WESM of his or her organization and carry out measures to ensure compliance with the EPIRA, its Implementing Rules and Regulations, the WESM Rules and Market Manuals; and put in place necessary procedures and guidelines for this purpose; (b) From time to time and if he or she deems it necessary or	The Compliance Officer shall: (a) Monitor and undertake necessary activities to ensure the full compliance of their respective organization to the EPIRA, the EPIRA Implementing Rules and Regulations, WESM Rules, and the WESM Market Manuals; and develop necessary procedures and guidelines for this purpose.	Proposed to be transferred to the last item under (e)

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
		<p>guidelines for this purpose.</p> <p>(b) From time to time, if the Compliance Officer deems it necessary or appropriate, propose policies or amendments to the WESM Rules and/or WESM Market Manuals to enhance or develop the WESM enforcement and compliance, with the objective of promoting good commercial and technical practices.</p> <p>(c) Be responsible in facilitating and coordinating with the WESM Enforcement Compliance Office (ECO), all matters relating to the enforcement and compliance of their respective organization, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the ECO.</p> <p>(d) Submit a report to the ECO concerning their respective organization's compliance with WESM Rules and WESM Market Manuals on an annual</p>	<p>appropriate, propose amendments to the WESM Rules and WESM Market Manuals to enhance or develop the WESM enforcement and compliance and to promote good commercial and technical practices;</p> <p>(c) Be responsible in coordinating with the Enforcement Compliance Office (ECO), on all matters relating to the WESM enforcement, compliance and governance, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the Enforcement and Compliance Office; and</p> <p>(d) Submit to the Enforcement and Compliance Office a report of his or her organization's compliance with WESM Rules and Market Manuals covering such period, but not less frequent than annually, and in such form as may be prescribed by the Enforcement and Compliance Office; and</p>	<p>(b) From time to time, if the Compliance Officer deems it necessary or appropriate, propose policies or amendments to the WESM Rules and/or WESM Market Manuals to enhance or develop the WESM enforcement and compliance, with the objective of promoting good commercial and technical practices.</p> <p>(c) Be responsible in facilitating and coordinating with the WESM Enforcement Compliance Office (ECO), all matters relating to the enforcement and compliance of their respective organization, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the ECO.</p> <p>(d) Submit a report to the ECO concerning their respective organization's compliance with WESM Rules and WESM Market Manuals on an annual basis or as may be determined by the ECO or</p>	<p>Change in terminology (from "accreditation/ accredited" to certification/certified")</p>

WESM Rules (As amended by DOE DC 2020-10-0021)					
Title	Section	Original Provision	Provision on RCC Resolution 2019-19	Further Amendments (2021 Version)	Rationale
		basis or as may be determined by the ECO or any of the WESM Governance Committees.	<u>(e) Undergo the accreditation process for WESM Compliance Officers.</u>	any of the WESM Governance Committees. <u>(e) Undergo a certification process for WESM Compliance Officers;</u>	

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
				<p>General Comment:</p> <p>Most of the revisions include:</p> <ul style="list-style-type: none"> • Re-arrangement of the order and sequence of some of the provisions of this proposed Manual • Merging of some provisions under one main section for clarity • Rewordings for clarity <p>Red font- proposed revisions by DOE Blue font- further revisions by PEMC</p>
Manual Title		WESM Compliance Officers (WCO) Accreditation Manual Issue No. 1.0	WESM Compliance Officers (WCO) Certification and Registration Manual Issue No. 1.0	Change in the terminology
PURPOSE OF THE ACCREDITATION	1.0		SECTION 1- PURPOSE OF THE ACCREDITATION MANUAL	Change in the terminology.
		1.1. This accreditation aims to provide the competency standards for all WESM Compliance Officers (WCO) by creating a program or mechanism that promotes continuous quality enhancement in the WCOs' performance of their compliance-	1.1. This accreditation-Manual aims to provide the competency standards for all WESM Compliance Officers (WCOs) by creating a program or mechanism that promotes continuous quality enhancement in the WCOs' performance of their compliance-	For clarity.

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		related functions. This seeks to ensure that throughout their participation in the Wholesale Electricity Spot Market, WCOs are well-informed of all market rule developments and obligations.	related functions. It also seeks to ensure that WCOs are well-informed of all market rule developments and are compliant with their obligations throughout their participation in the Wholesale Electricity Spot Market.	
		1.2. It also seeks to establish effective leadership that will help promote WESM compliance within the organization.	1.2. It also seeks to establish effective leadership that will help promote WESM compliance within their organization.	
WESM ACCREDITATION BODY	2.0		SECTION 2 – WESM Accreditation Body RESPONSIBLE PARTIES	Removal of the WCO Accreditation Body The obligations will be performed instead by the WESM Governance Arm with modifications.
		2.1. Within two (2) months from the approval hereof, the WCO Accreditation Body shall be constituted in accordance with this Manual.	2.1. Within two (2) months from the approval hereof, the WCO Accreditation Body shall be constituted in accordance with this Manual.	Removal of the WCO Accreditation Body The obligations will be performed instead by the WESM Governance Arm with modifications.
		2.2. The WCO Accreditation Body shall be composed of three (3) members who shall be: 2.2.1. appointed by the PEM Board for a term of three (3) years; 2.2.2. independent of the Philippine electric power industry and the Government; 2.2.3. of proven probity and integrity; and 2.2.4. with relevant experience in the field of electricity market operations/	2.2. The WCO Accreditation Body shall be composed of three (3) members who shall be: 2.2.1. appointed by the PEM Board for a term of three (3) years; 2.2.2. independent of the Philippine electric power industry and the Government; 2.2.3. of proven probity and integrity; and 2.2.4. with relevant experience in the field of electricity market operations/ trading, energy facility operations or	Removal of the WCO Accreditation Body The obligations will be performed instead by the WESM Governance Arm with modifications.

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		trading, energy facility operations or regulation and compliance in the energy sector. A person is deemed to be independent of the Philippine electric power industry if he/she meets the requirements set forth under WESM Rules Clause 1.4.2.7.	regulation and compliance in the energy sector. A person is deemed to be independent of the Philippine electric power industry if he/she meets the requirements set forth under WESM Rules Clause 1.4.2.7.	
		2.3. The WCO Accreditation Body shall be responsible for the following: 2.3.1 ensuring compliance with the WESM Rules on the designation of WCO; 2.3.2 establishing or reviewing the competency standards for the WCO; 2.3.3 implementing the accreditation program; 2.3.4 and accrediting or reviewing the compliance of all WCO with the requirements of the WCO Accreditation.	2.2. The WCO Accreditation Body shall be composed of three (3) members who shall be: 2.2.1. appointed by the PEM Board for a term of three (3) years; 2.2.2. independent of the Philippine electric power industry and the Government; 2.2.3. of proven probity and integrity; and 2.2.4. with relevant experience in the field of electricity market operations/ trading, energy facility operations or regulation and compliance in the energy sector. A person is deemed to be independent of the Philippine electric power industry if he/she meets the requirements set forth under WESM Rules Clause 1.4.2.7.	Removal of the WCO Accreditation Body The obligations will be performed instead by the WESM Governance Arm with modifications.
			<u>2.1 WESM Governance Arm</u> <u>The WESM Governance Arm shall be responsible for the following:</u> <u>2.1.1 Enforcing and ensuring compliance with the WESM Rules and this Manual on the registration of Certified WCOs by the WESM Members and the Market Operator.</u>	Removal of the WCO Accreditation Body The obligations will be performed instead by the WESM Governance Arm with modifications. The re-arrangement in the order of sections merging of some

			<p><u>2.1.2 Registering the Certified WCOs designated by the WESM Member and the Market Operator.</u></p> <p><u>2.1.3 Establishing and reviewing the competency standards for the certification and registration of WCOs subject to the review and approval of the Compliance Committee.</u></p> <p><u>2.1.4 Developing and implementing the WCO certification program with the Market Operator and System Operator subject to the review and approval of the Compliance Committee.</u></p> <p><u>2.1.5 Reviewing Monitoring the compliance of all Registered WCOs with the requirements of the WCO Certification Guidelines.</u></p> <p><u>2.1.6 Providing lectures or trainings to the following:</u></p> <p>a) <u>Designated WCOs by the WESM Members; and</u></p> <p>b) <u>Registered WCOs by the WESM Members for purposes of renewal of their registration.</u></p> <p><u>2.1.7. Evaluating the WCO's submitted reports concerning their respective organization's compliance with the WESM Rules and WESM Manuals on an</u></p>	<p>provisions under one section; and the revisions/changes or rewording in some of these provisions were made during the PEMC-DOE meetings/ workshops in August and October 2020.</p> <p>Review of the established standards and guidelines shall be made by the Compliance Committee for check and balance.</p> <p>Same as above.</p>
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			<p><u>annual basis or as may be determined by the Enforcement and Compliance Office or any of the WESM Governance Committees and the Compliance Committee.</u></p>	
			<p><u>2.2 WESM Members</u></p> <p><u>2.2.1 They shall be responsible for the registration of their respective WCOs in the WESM; Provided, that prior to registration, the designated WCO of the WESM Member shall pass the certification program as required in Section 3.1 hereof.</u></p> <p><u>In this regard, the Registered WCO by of the WESM Member shall:</u></p>	<p>Also added are the responsibilities of the WESM Members and the Market Operator.</p> <p>Certification shall precede the registration.</p> <p>Consistent with Section 7.2.9.2 of the WESM Rules</p> <p>Suggest adding these for completeness</p>

			<p>a) <u>Monitor the activities and transactions in the WESM of his or her organization and carry out measures to ensure compliance with the WESM Rules and Market Manuals; and put in place necessary procedures and guidelines for this purpose;</u></p> <p>b) <u>From time to time and if he or she deems it necessary or appropriate, propose amendments to the WESM Rules and WESM Market Manuals to enhance or develop the WESM enforcement and compliance and promote good commercial and technical practices;</u></p> <p>c) <u>Be responsible in coordinating with the Enforcement and Compliance Office, on all matters relating to WESM enforcement, compliance and governance, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the Enforcement and Compliance Office;</u></p> <p>d) <u>Submit to the Enforcement and Compliance Office an annual report on his or her organization's compliance</u></p>	
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			<p><u>with the WESM Rules and Market Manuals in such form as may be prescribed by the Enforcement and Compliance Office; and</u></p> <p>e) <u>Comply with the continuing certification requirements as set forth herein.</u></p>	
			<p><u>2.3 Market Operator</u></p> <p><u>2.3.1 The Market Operator shall be responsible for registration of registering its WCO in the WESM. The designated WCO of the Market Operator need not to undergo the certification program considering its expertise in the WESM.</u></p> <p><u>Similarly, the registered WCO by the Market Operator shall:</u></p>	<p>Clerical edit.</p> <p>WCO of the Market Operator is proposed to be exempted from the certification program in recognition of its expertise in the WESM. However, he/she is also responsible to perform the functions and obligations of WCO as provided in Section 7.2.9.2 of the WESM Rules. Also, he/she must have the same qualifications as provided in Section 3.1.2 of the proposed Manual</p>

			<p>a) <u>Monitor the activities and transactions in the WESM of his or her organization and carry out measures to ensure compliance with the WESM Rules and Market Manuals; and put in place necessary procedures and guidelines for this purpose;</u></p> <p>b) <u>From time to time and if he or she deems it necessary or appropriate, propose amendments to the WESM Rules and WESM Market Manuals to enhance or develop WESM enforcement and compliance and promote good commercial and technical practices;</u></p> <p>c) <u>Be responsible in coordinating with the Enforcement and Compliance Office, on all matters relating to the WESM enforcement, compliance and governance, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the Enforcement and Compliance Office; and</u></p>	
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			<p>d) <u>Submit to the Enforcement and Compliance Office an annual report of his or her organization's compliance with WESM Rules and Market Manuals in such form as may be prescribed by the Enforcement and Compliance Office.</u></p> <p><u>2.3.2 The Market Operator shall also provide lectures or trainings to the following:</u></p> <p>a) <u>Designated WCOs by the WESM Members; and</u></p> <p>b) <u>Registered WCOs by the WESM Members for purposes of renewal of their registration.</u></p>	
SUBJECT OF ACCREDITATION	3		<u>SECTION 3 - CERTIFICATION AND REGISTRATION PROCESS OF WCOs</u>	Proposed to focus on the process rather than the subject of the certification

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		3.1 The accreditation is mandatory for all WCO as registered or nominated by the WESM Member. It is, however, optional, for WESM Enforcement Officers (WEO) and other officers who are directly or indirectly involved in the compliance-related activities of the company, including enforcement personnel under probation or apprenticeship with the company.	<p><u>3.1 Certification</u></p> <p><u>3.1.1 The certification is mandatory for all individuals duly designated as WCO/s by the WESM Members. The WCO Certification shall be granted by the WESM Governance Arm to the designated WCO/s by the WESM Member after satisfying and completing the relevant lecture or training requirements in accordance with the WCO certification program adopted by the WESM Governance Arm.</u></p>	<p>The re-arrangement in the order or sequence of sections; and the revisions/changes or rewording in some of these provisions were made during the PEMC-DOE meetings/ workshops in August and October 2020.</p> <p>These provide further details on the certification and registration processes which combined the original Sections 3 and 4.</p> <p>Clerical edit (remove repetitive words)</p> <p>Note: the term WEOs is removed as they are covered by the term "Designated WCOs"</p>

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		3.2 In strict compliance with Clause 7.2.9 of the WESM Rules, each WESM Member, the Market Operator, the System Operator, Metering Service Provider and any other WESM Service Provider shall designate a WCO in their respective organizations. The aforesaid entities shall update the registration of their respective WCO in PEMC on or before the commencement of the compliance period as referred to in Section 5 hereof, and whenever there is a change in the WCO. Failure to comply with Clause 7.2.9 of the WESM Rules shall be dealt strictly by the WCO Accreditation Body.		Transferred to 3.2.3 but reworded for clarity.
		3.3 A WCO nomination form shall, for this purpose, be developed by the WCO Accreditation Body which shall be used by the concerned entities in updating the registration referred to in the preceding section.	3.3 A WCO nomination form shall, for this purpose, be developed by the WCO Accreditation Body which shall be used by the concerned entities in updating the registration referred to in the preceding section.	Removed. This detailed procedure may be covered by the internal business process of the Governance Arm.
			<u>3.1.2. The WESM Members shall designate individual/s occupying senior management position such as those pertaining, but not limited, to legal, risk management, regulatory or compliance, to undergo certification program.</u> <u>For this purpose, senior management shall refer to a position in the company which carries with it the authority, capability, and responsibility to plan and direct the work of</u>	Transferred from Section 4.1 but reworded for clarity. Transferred from Section 4.1. No change in the definition of senior management

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			<u>individuals or group of individuals, or make key decisions in an organization, either through employment or consultancy engagement or agreement.</u>	
			<u>3.1.3. Each designated WCO/s by the WESM Member must complete at least thirty-six (36) credit units of compliance lecture series or trainings. prior issued with a WCO certification.</u>	Transferred from Section 4.4 but reworded. From 20 credit units to 36 credit units. Clerical edit.
			<u>3.1.4 Upon conclusion of a lecture or training, the WESM Governance Arm or the Market Operator shall issue a Certificate of Completion to the designated WCO/s by the WESM Member identifying the time, date, location, subject matter and length of the activity and the number of credit units earned.</u>	Transferred from Section 8.1 but reworded for clarity and consistency of the terminologies used in the Manual.
			<u>3.1.5. The WESM Governance Arm shall maintain a database containing the list of all Certified WCOs, and Registered WCOs. Similarly, the training courses attended, and credit units earned shall also be reflected in the said database. The contents of the database shall be updated on a regular basis and indicate the compliance status of each WCO.</u>	Transferred from Section 8.2 but reworded for clarity. Clerical edit
			<u>3.1.6. The WESM Governance Arm shall, for this purpose, formulate</u>	Added - For the Governance Arm to

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			<u>the guidelines to effectively facilitate the information exchange and update the information of the Certified WCOs, and Registered WCOs.</u>	develop more detailed internal business process for the effective implementation of the provisions of this Manual.
			<u>3.1.7. Certified WCOs who were not selected by their company as a Registered WCO in the WESM may undertake the certification program again for renewal purposes of their WCO Certification. In this regard, these Certified WCOs can be selected by their companies to be the latter's new Registered WCO for instances provided in Section 7 hereof.</u>	Added - For continuing certification
			<u>3.2 Registration</u> <u>3.2.1 In strict compliance with Clause 7.2.9 of the WESM Rules, all WESM Members, and the Market Operator shall register their respective WCOs in their respective organizations to the WESM through the Governance Arm.</u>	These revisions/changes were made during the PEMC-DOE meetings/ workshops in August and October 2020. Clerical edits for clarity.
			<u>3.2.2 Only the Market Operator can register a WCO without undergoing a certification program as it has already the expertise in the WESM, and also responsible in providing training</u>	WCO of the Market Operator is proposed to be exempted from the certification program in recognition of its expertise in the

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			<p><u>and lecture courses for the designated WCOs of the WESM Members. However, the registered WCO by the Market Operator shall also occupy senior management position such as those pertaining, but not limited, to legal, risk management, regulatory or compliance.</u></p> <p><u>Likewise, senior management shall refer to a position in the company which carries with it the authority, capability, and responsibility to plan and direct the work of individuals or group of individuals, or make key decisions in an organization, either through employment or consultancy engagement or agreement.</u></p>	<p>WESM. However, he/she is also responsible to perform the functions and obligations of WCO as provided in the WESM Rules and Manual. Also, he/she must have the same qualifications as provided in Section 3.1.2 of the proposed Manual.</p> <p>Same definition of senior management.</p>
			<p><u>3.2.3 All WESM Members and the Market Operator shall update the registration of their respective Registered WCOs to the WESM Governance Arm within the compliance period referred to in Section 4 of this Manual. Failure to comply with Clause 7.2.9 of the WESM Rules shall be subject to sanctions pursuant to Section 7.2.5.2 of the WESM Rules.</u></p>	<p>Transferred from Section 3.2 but reworded for clarity.</p> <p>With the extended compliance period and the inclusion of a transitory provision, the WCOs are afforded adequate time to comply with the rules. This would warrant the removal</p>

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				of the provisions regarding the partial compliance with the certification rules, and the classification of “active,” “inactive,” and “probationary” WCOs; rather, a more clear-cut provision in terms of compliance with the certification and registration requirements by subjecting the non-compliant WCOs or the WESM Members to a penalty.
			<u>3.2.4. Affiliated WESM Members shall may be allowed to register one (1) WCO to represent them in the WESM provided that the representation is limited under one (1) company name.</u>	As proposed by DOE. PEMC: Suggest changing shall to may to afford the WESM Members the opportunity to register different WCOs for each WESM Member for justifiable reason. (e.g. for different types of power plant belonging to the different but affiliated WESM Members -

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			<p><u>For instance, there can be one CertifiedRegistered WCO for the National Grid Corporation of the Philippines even if it functions as the System Operator, Metering Services Provider, and Network Services Provider., and so on..</u></p>	there may be a need for a dedicated WCO depending on the set of obligations under the rules)
			<p><u>3.2.5. Prior the end of the compliance period referred in Section 4 hereof, the Registered WCO shall ensure that he/she complies with the required credit units specified in Section 3.2.6 hereof in order to represent its company in the next compliance period.</u></p>	Added - For continuing certification and registration requirement
			<p><u>3.2.6. The Registered WCOs shall complete at least thirty-six (36) units of Certification activities within the three year period allotted for the completion of the required units.</u></p>	Added - For continuing certification and registration requirement
			<p><u>3.2.7 For renewal purposes, within six (6) months before the end of each Compliance Period, the WESM Governance Arm shall assess the compliance status of all Registered WCOs. Within the same period, the concerned Registered WCOs shall be notified by the WESM Governance Arm of the</u></p>	<p>Transferred from Section 8.3 with modification on the period: From one (1) month to 6 months.</p> <p>To be performed by the Governance Arm (instead of WCO Accreditation Body).</p>

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			<u>deficiency, if any, for completion of the requirements.</u>	
			<u>3.2.8. The Registered WCO applying for renewal who meets all the requirements set forth herein shall be issued a renewed Certificate of Registration. The Certificate of Registration shall also indicate the validity period.</u>	Added - For continuing certification and registration requirement
MINIMUM QUALIFICATIONS AND REQUIREMENTS FOR WCO ACCREDITATION	4			The provisions are transferred to Section 3 of the Manual (see above)
		4.1 The WCO should occupy a senior management position such as those pertaining, but not limited, to legal, risk management, regulatory or compliance. For this purpose, senior management shall refer to a position in the company which carries with it the authority, capability, and responsibility to plan and direct the work of individuals or group of individuals, or make key decisions in an organization, either through employment or consultancy engagement or agreement.		Transferred to 3.1.2. but reworded
		4.2 The WEO should have at least one (1) year work experience to a relevant field specifically on electricity market operations/ trading, energy facility	4.2 The WEO should have at least one (1) year work experience to a relevant field specifically on electricity market operations/ trading, energy facility operations or regulation and compliance in the energy sector.	Removed as they are covered already under 3.1.2. WEO

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		operations or regulation and compliance in the energy sector.		Note: the term WEOs is removed as they are covered by the term "Designated WCOs"
		4.3 Notwithstanding the provisions set forth in Sections 4.1 and 4.2 hereof, the Head of the concerned entity may, subject to the approval of the WCO Accreditation Body, nominate a WCO who does not meet the requirements of the position and/or work experience, provided that he/she shall indicate in the nomination form that he/she is aware of the lacking requirements of the nominee, and shall state the reasons for the nomination.	4.3 Notwithstanding the provisions set forth in Sections 4.1 and 4.2 hereof, the Head of the concerned entity may, subject to the approval of the WCO Accreditation Body, nominate a WCO who does not meet the requirements of the position and/or work experience, provided that he/she shall indicate in the nomination form that he/she is aware of the lacking requirements of the nominee, and shall state the reasons for the nomination.	Removed Qualifications set -for strict implementation, as proposed by DOE
		4.4. Every WCO must complete at least twenty (20) credit units of Compliance Lecture Series and/or accreditation test within the compliance period as referred to in Section 5 hereof. The WEO is highly encouraged but not required to complete the same number of units within the compliance period.		Transferred to 3.1.3 Changed the 20 credit units to 36 credit units
COMPLIANCE PERIOD	5		SECTION 4 – COMPLIANCE PERIOD	Renumbered due to the Merger of original Sections 3 and 4.
		5.1 The commencement of the compliance period for WCO Accreditation shall be officially declared by the WCO Accreditation Body. The first compliance period shall be for twelve (12) months. The succeeding compliance period shall be for the same duration and shall begin on the day after the end of the previous compliance period.	4.1 The commencement of the compliance period for WCO Certification shall be officially declared by the WCO Accreditation Body WESM Governance Arm . The first-initial compliance period shall be for thirty-six (36) months. The succeeding compliance period shall be for the same duration and shall begin on the day after the end of the previous compliance period.	The function is to be performed by the Governance Arm instead of the WCO Accreditation Body.

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		Thus, for instance: 1st Compliance Period: 01 July 2020 to 30 June 2021 2nd Compliance Period: 01 July 2021 to 30 June 2022	Thus, for instance: 1st Compliance Period: 01 July 2022 to 30 June 2025 2nd Compliance Period: 01 July 2025 to 30 June 2028	
		5.2 For officers or personnel who are already the designated WCO at the start of the compliance period, the accreditation requirements as set forth herein shall be complied with within the compliance period.	<u>4.2.</u> For officers or personnel who are already <u>designated registered as WCOs in the WESM but not yet certified by the WESM Governance Arm before the start of the first compliance period, their company-respective WESM Members shall undertake necessary action to comply with the certification requirements as set forth herein.</u>	<ul style="list-style-type: none"> Registered instead of designated for consistency. Certification instead of accreditation. Reworded for clarity
		5.3 For officers or personnel who get nominated as WCO after the start of the compliance period, the following guidelines shall apply: 5.3.1 If three (3) months or less remain of the Compliance Period after the nomination of a WCO, he/she is exempted from complying with the accreditation program requirements during the initial Compliance Period and shall be listed under "Probationary Status" until he/she fully meets the requirement for the succeeding compliance period. He/she may still attend any lecture series but the credit units earned will not be carried over to the next compliance period.	5.3 For officers or personnel who get nominated as WCO after the start of the compliance period, the following guidelines shall apply: 5.3.1 If three (3) months or less remain of the Compliance Period after the nomination of a WCO, he/she is exempted from complying with the accreditation program requirements during the initial Compliance Period and shall be listed under "Probationary Status" until he/she fully meets the requirement for the succeeding compliance period. He/she may still attend any lecture series, but the credit units earned will not be carried over to the next compliance period.	Removed With the extended compliance period and the inclusion of a transitory provision, the WCOs are afforded adequate time to comply with the rules. This would warrant the removal of the provisions regarding the partial compliance with the certification rules, and the classification of

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		The WCO Accreditation Body may, at any time, assess the propriety of the designation or appointment of WCO three (3) months or less before the end of each compliance period. Upon determination by the WCO Accreditation Body that such designation is deliberately done to take full advantage of the provision set forth in Section 5.3.1, it shall impose the appropriate sanctions under Section 10 of this Manual.	The WCO Accreditation Body may, at any time, assess the propriety of the designation or appointment of WCO three (3) months or less before the end of each compliance period. Upon determination by the WCO Accreditation Body that such designation is deliberately done to take full advantage of the provision set forth in Section 5.3.1, it shall impose the appropriate sanctions under Section 10 of this Manual.	“active,” “inactive,” and “probationary” WCOs; rather, a more clear-cut provision in terms of compliance with the certification and registration requirements by subjecting the non-compliant WCOs or the WESM Members to a penalty.
		5.3.1 If more than three (3) months remain of the Compliance Period after the nomination of a WCO, he/she shall complete a number of hours of compliance lecture series on Fundamentals of WESM or other basic courses or shall earn units through examination, the total credit units of which shall be in proportion to the number of months remaining in the compliance period. For instance, a WCO was nominated four (4) months prior to the end of compliance period, he/she shall need to earn seven (7) credit units within the remaining compliance period (i.e., 4/12 [month] x 20 [credit units]).	5.3.1 If more than three (3) months remain of the Compliance Period after the nomination of a WCO, he/she shall complete a number of hours of compliance lecture series on Fundamentals of WESM or other basic courses or shall earn units through examination, the total credit units of which shall be in proportion to the number of months remaining in the compliance period. For instance, a WCO was nominated four (4) months prior to the end of compliance period, he/she shall need to earn seven (7) credit units within the remaining compliance period (i.e., 4/12 [month] x 20 [credit units]).	Removed Same comment

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		5.4. The foregoing conditions shall apply for all WEO or other officers who voluntarily join or participate in the Accreditation Program. Their compliance and credit units earned shall likewise be recognized and updated in accordance with Section 8 hereof.	5.4. The foregoing conditions shall apply for all WEO or other officers who voluntarily join or participate in the Accreditation Program. Their compliance and credit units earned shall likewise be recognized and updated in accordance with Section 8 hereof.	Removed as they are covered already under 3.1.2. WEO Note: the term WEOs is removed as they are covered by the term "Designated WCOs"
COMPUTATION OF CREDIT UNITS	6		SECTION <u>5</u> – COMPUTATION OF CREDIT UNITS	
		6.1. Credit units shall be earned through: (a) attendance to compliance lecture series; and (b) taking and passing the examination administered for every lecture series. 6.1.1. Attendance to Compliance Lecture Series 6.1.1.1 Credit units are equivalent to credit hours. These shall be measured based on the actual time spent or hours of participation in any of the compliance lecture series cited in Section 7 hereof. However, a fraction of an hour shall be rounded up to one full hour. For instance, if the lecture series lasted for	5.1 Credit units shall be earned through (a) attendance to compliance lecture series; and (b) taking and passing the examination administered for every lecture series. <u>5.1.1.</u> Credit units are equivalent to credit hours. These shall be measured based on the actual time spent or hours of participation in any of the compliance lecture series cited in Section <u>6</u> hereof. However, a fraction of an hour shall be rounded up to one full hour. For instance, if the lecture series lasted for only 3.5 hours, four (4) credits will be earned. <u>5.1.2</u> Lectures may be organized or facilitated by PEMC or by the Independent Electricity Market Operator of the Philippines	Attending trainings will be adequate to earn credit units. The Market Operator and the Governance Arm may both provide training services.

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		only 3.5 hours, four (4) credits will be earned. 6.1.1.2 Lectures may be organized or facilitated by PEMC or by the Independent Electricity Market Operator of the Philippines (IEMOP), or by any group that the Accreditation Body may thereafter accredit.	(IEMOP), or by any group that the Accreditation Body may thereafter accredit or trainings shall be provided by the WESM Governance Arm or by the Market Operator.	
		6.1.2 Taking and Passing the Examination 6.1.2.1 Credit units under this category shall be earned as follows: (a) 2 points for taking the examination; and (b) 2 points for passing the examination 6.1.2.2 The examination shall be administered by the entity or group who facilitated the trainings or lectures referred to in Section 6.1.1.2 above. A member of the Secretariat or authorized personnel of the WCO Accreditation Body must be present during the examination. 6.1.2.3. The examination may be taken immediately after the	6.1.2—Taking and Passing the Examination 6.1.2.1—Credit units under this category shall be earned as follows: (a) 2 points for taking the examination; and (b) 2 points for passing the examination 6.1.2.2—The examination shall be administered by the entity or group who facilitated the trainings or lectures referred to in Section 6.1.1.2 above. A member of the Secretariat or authorized personnel of the WCO Accreditation Body must be present during the examination. 6.1.2.3. The examination may be taken immediately after the lecture series, or online or via website. If the examination is	Removed Attending trainings will be adequate to earn credit units.

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		lecture series, or online or via website. If the examination is taken online or via website, the WCO Accreditation Body shall adopt a system that would ensure the integrity of the examinations to be taken.	taken online or via website, the WCO Accreditation Body shall adopt a system that would ensure the integrity of the examinations to be taken.	
		6.2 Notwithstanding the foregoing provisions on credit unit computation, the WCO Accreditation Body may, upon its own assessment of the degree of importance, relevance, or complexity of a certain lecture series or sets of examination, assign a greater weight than the points established under Sections 6.1.1 and 6.1.2 hereof.	5.2 Notwithstanding the foregoing provisions on credit unit computation, the WCO Accreditation Body WESM Governance Arm or the Market Operator may, upon its own assessment of the degree of importance, relevance, or complexity of a certain lecture series or sets of examination, assign a greater weight than the points established under Section 65.1.1 and 6.1.2 hereof.	Removal of the WCO Accreditation Body. The obligations will be performed instead by the WESM Governance Arm with modifications. The Market Operator and the Governance Arm may both provide training services. Renumbered
		6.3. The credit units that will be measured at the end of the Compliance Period shall be the total of point systems referred to in Sections 6.1.1 and 6.1.2.	5.3 The credit units that will be measured at the end of the Compliance Period shall be the total of point systems referred to in Section 65.1.1 hereof.	Renumbered
COMPLIANCE LECTURE COURSES OR PROGRAMS	7		<u>SECTION 6 - CERTIFICATION PROGRAMS</u>	Renamed for consistency with the terminology used
		7.1. All accreditation activities must have significant content relating to the WESM operations, governance, regulatory compliances, or compliance with the relevant market rules and manuals.	6.1. All accreditation certification that shall be provided by the Market Operator and the WESM Governance Arm must have significant content relating to the WESM operations, governance,	Change in terminology (certification instead of accreditation)

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		<p>These shall include, but not limited to, the following –</p> <ul style="list-style-type: none"> a. Fundamentals of WESM b. WESM Features c. Membership and Participation in WESM d. Market Dispatch Optimization Model e. Market Offer f. Real-Time Dispatch g. Pricing and Settlement Process h. Market Network Model Development and Maintenance i. Load Forecasting j. Procedure for Load Shedding k. Procedures for Start-up and Shutdown of Generators l. Management of Must-Run Units m. The Role of the WESM Governance Committees n. Market Monitoring o. Generators' Compliances p. Penalties for Breach of WESM Rules q. Submission of Nominations of Loading Levels or Projected Outputs r. Compliance with Forecast Accuracy Standards s. Relevant or recent DOE and ERC Issuances 	<p>regulatory compliances, or compliance with the relevant market rules and manuals. These shall include, but not be limited to, the following –</p> <ul style="list-style-type: none"> a. Fundamentals of WESM b. WESM Features c. Membership and Participation in WESM d. Market Dispatch Optimization Model e. Market Offer f. Real-Time Dispatch g. Pricing and Settlement Process h. Market Network Model Development and Maintenance i. Load Forecasting j. Procedure for Load Shedding k. Procedures for Start-up and Shutdown of Generators l. Management of Must-Run Units m. The Role of the WESM Governance Committees n. Market Monitoring o. Generators' Compliances p. Penalties for Breach of WESM Rules q. Submission of Nominations of Loading Levels or Projected Outputs r. Compliance with Forecast Accuracy Standards s. Relevant or recent DOE and ERC Issuances 	<p>The Market Operator and the Governance Arm may both provide training services.</p>
		<p>7.2. The WCO Accreditation Body shall approve the training lectures, courses, or curriculum based on content, relevance, and associated costs, among others. It may, on its own initiative or based on the recommendations of the market</p>	<p>7.2. The WCO Accreditation Body shall approve the training lectures, courses, or curriculum based on content, relevance, and associated costs, among others. It may, on its own initiative or based on the recommendations of the market</p>	<p>Removal of the WCO Accreditation Body.</p> <p>Already included in or deemed part of Sec. 2.1.4 under the</p>

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		participants, include or add courses or subjects relevant to this program.	participants, include or add courses or subjects relevant to this program.	obligations of the Governance Arm (as reworded)
		7.3. The WCO Accreditation Body shall ensure that there are adequate courses or lecture series that can be offered within the compliance period for all types of sectors or members in the WESM. When appropriate, the WCO Accreditation Body may, in advance, determine and authorize the publication of the lectures or courses to be offered for the entire compliance period.	6.2. The WCO Accreditation Body WESM Governance Arm and the Market Operator shall ensure that there are adequate courses or lecture series that can be offered within the compliance period for all types of sectors or members in the WESM. When appropriate, the WCO Accreditation Body they may, in advance, determine and authorize the publication of the lectures or courses to be offered for the entire compliance period.	Removal of the WCO Accreditation Body. The obligations will be performed instead by the WESM Governance Arm with modifications. The Market Operator and the Governance Arm may both provide training services. Renumbered
		7.4 The schedule of any lecture or training shall be posted or published in PEMC website at least one month prior to the intended date of lecture or training. The notice to the WCO, WEO, and other compliance officers shall mark the lecture that is being offered as a “WCO-Accredited Lecture or Training” and shall indicate the credit unit(s) or points assigned to each lecture or course offered.	6.3. The schedule of any lecture or training shall be posted or published in PEMC website both the Governance Arm and Market Operator websites at least one (1) month prior to the intended date of lecture or training. The notice to the WCO, WEO, and other compliance officers WESM Members shall mark the lecture that is being offered as a “WCO- Accredited Certified Lecture or Training” and shall indicate the credit unit(s) or points assigned to each lecture or course training offered.	The Market Operator and the Governance Arm may both provide training services. Change in terminology (certified instead of accredited) Renumbered

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		7.5 The accreditation activity shall be conducted by person(s) with adequate professional training and experience.	7.5—The accreditation activity shall be conducted by person(s) with adequate professional training and experience.	Removed. This may be covered by the internal business process of the Governance Arm and the Market Operator.
		7.6 Substantive written materials must be distributed to all participants. Such materials must be distributed during or before the time the activity is offered.	6.4 Substantive written materials must be distributed to all participants. Such materials must be distributed during or before the time the activity is offered. <u>It may also be distributed through email or may be downloadable through the WESM Governance Arm and the Market Operator's respective websites.</u>	Added the alternative means of distribution based on current practice and practicality. Renumbered
		7.7 The lecture or training shall be for a reasonable or minimal fee as would cover the cost of training materials, meals, and other related expenses.	6.5. The lecture or training shall be for a reasonable or minimal fee as would cover the cost of training materials, meals, and other related expenses.	Renumbered
			6.6. <u>The lecture or training may also be conducted through online platforms.</u>	In consideration of the pandemic and the practical training modality under the New Normal setting. Renumbered
Proof of Accreditation	8	8.1. Upon conclusion of a training course, the facilitator or the Secretariat as appointed by the WCO Accreditation Body, shall issue a certificate of attendance to each participant identifying the time, date, location, subject matter and length of the activity and the number of credit units earned.		Transferred to 3.1.4 but reworded

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		8.2. The WCO Accreditation Body, through its Secretariat, shall maintain a database that shall contain the list of all WCO and WEO, the training courses attended, and credit units earned. The contents of the database shall be updated on a regular basis.		Transferred to 3.1.5 but reworded
		8.3. Within one (1) month before the end of each Compliance Period, the WCO Accreditation Body shall assess the compliance status of all WCO and WEO. Within the same period, the concerned WCO or WEO shall be notified by the WCO Accreditation Body of the deficiency, if any, for completion of the requirements.		Transferred to 3.1.5 but reworded
		8.4. A WCO or WEO meeting all the requirements set forth herein shall be issued a WCO Accreditation Certificate, and shall be listed in the "Active Status" of the database. The certificate shall indicate the compliance period to which it pertains and the validity period.	8.4. A WCO or WEO meeting all the requirements set forth herein shall be issued a WCO Accreditation Certificate, shall be listed in the "Active Status" of the database. The certificate shall indicate the compliance period to which it pertains and the validity period.	Removed The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either.
CHANGE OF WCO/WEO	9		SECTION 7 – CHANGE OF WCO WEO	For consistency with the proposed removal of WEO. WEO is covered by the terms designated WCOs.
		9.1. The Head of the concerned entity or organization or their Main Contact shall notify the WCO Accreditation Body of the	<u>7.1 The WESM Members and the Market Operator shall notify the WESM Governance Arm of its intent to change</u>	Reworded for clarity.

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		resignation, retirement, termination, or any other cause of separation of the WCO or WEO currently registered in the WESM within 15 calendar days from such occurrence. He/she shall also update the registration of the new WCO or WEO in accordance with Section 3.2. of this Manual. The new WCO or WEO shall be listed under a "Probationary Status," until he/she meets the requirements provided in Sections 9.2 and 9.2.1.	<p><u>its Registered WCO in the WESM due to resignation, retirement, termination, or any other cause of separation within three (3) working days from such occurrence. Said WESM Member or the Market Operator shall also register its new WCO in accordance with Section 3.2 of this Manual.</u></p> <p>9.1. The Head of the concerned entity or organization or their Main Contact shall notify the WCO Accreditation Body of the resignation, retirement, termination, or any other cause of separation of the WCO or WEO currently registered in the WESM within 15 calendar days from such occurrence. He/she shall also update the registration of the new WCO or WEO in accordance with Section 3.2. of this Manual. The new WCO or WEO shall be listed under a "Probationary Status," until he/she meets the requirements provided in Sections 9.2 and 9.2.1.</p>	<p>Changed from 15 working days to 3 days</p> <p>Removal of "Probationary Status"</p> <p>The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either.</p>
	9	9.2. If, at the time of his/her nomination, the new WCO or WEO has a valid WCO accreditation or has already earned credit units by reason of his previous employment or engagement, he/she can seek confirmation from the WCO Accreditation Body of the accreditation already earned within the compliance period. The WCO Accreditation Body may accredit in full or in part the accreditation points earned within the compliance period depending on the relevance of the accreditation activities previously undertaken by the WCO or	<p><u>7.2. During the WESM Member's selection of a qualified individual to become its new Registered WCO, and there is an individual who has already a valid WCO Certification or has already earned credit units by reason of his/her previous employment or engagement, the WESM Member can seek confirmation from the WESM Governance Arm regarding of the said accreditation certification that was already earned within the compliance period.</u></p> <p>9.2. If, at the time of his/her nomination, the new WCO or WEO has a valid WCO</p>	<p>Reworded for clarity.</p> <p>No more full or partial certification. Earned credit units as previously earned from previous employment may however be confirmed with the WESM Governance Arm.</p> <p>Remove other provisions:</p>

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		<p>WEO in relation to his/her present employment or engagement.</p> <p>9.2.1. If the new WCO or WEO is granted a full accreditation, he/she shall be listed in the “Active Status” of the database. The accreditation shall only be valid within the compliance period indicated in the certificate referred to in Section 8.4 hereof.</p> <p>9.2.2. If the new WCO or WEO is granted a partial accreditation by the WCO Accreditation Body, he or she shall be listed under “Probationary Status” and shall make good any deficiency by taking into account the lacking credit units in relation to the remaining time towards the completion period, as required under Sections 5.3.1 and 5.3.2 hereof.</p>	<p>accreditation or has already earned credit units by reason of his previous employment or engagement, he/she can seek confirmation from the WCO Accreditation Body of the accreditation already earned within the compliance period. The WCO Accreditation Body may accredit in full or in part the accreditation points earned within the compliance period depending on the relevance of the accreditation activities previously undertaken by the WCO or WEO in relation to his/her present employment or engagement.</p> <p>9.2.1. If the new WCO or WEO is granted a full accreditation, he/she shall be listed in the “Active Status” of the database. The accreditation shall only be valid within the compliance period indicated in the certificate referred to in Section 8.4 hereof.</p> <p>9.2.2. If the new WCO or WEO is granted a partial accreditation by the WCO Accreditation Body, he or she shall be listed under “Probationary Status” and shall make good any deficiency by taking into account the lacking credit units in relation to the remaining time towards the completion period, as required under Sections 5.3.1 and 5.3.2 hereof.</p>	<p>The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either.</p>
			<u>7.3 The WESM Member may also select the replacement of its Registered WCO from its pool of Certified WCOs.</u>	
			<u>7.4 On the other hand, the Market Operator may select the replacement of its</u>	In view of the proposed change

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
			<u>Registered WCO in accordance with Section 3.2 hereof.</u>	under Sections 2.3.1 and 3.2.2
NON-COMPLIANCE AND CONSEQUENCES OF NON-COMPLIANCE	10		SECTION 8 - NON-COMPLIANCE AND CONSEQUENCES OF NON-COMPLIANCE WITH THE REGISTRATION REQUIREMENTS	
		10.1 The WCO failing to comply with this Manual will receive a Non-Compliance Notice with a statement about a specific deficiency. The Notice shall be addressed to: (a) concerned WCO; and (b) the Head of the company or entity which he/she represents for compliance purposes.	<u>8.1 Subject to the transitory provisions provided under Section 10 of this Manual, failure by a WESM Member or the Market Operator to comply with the registration of the WCOs pursuant to Section 7.2.9 of the WESM Rules and this manual, shall result to the issuance of a Non-Compliance Notice by the Governance Arm.</u>	Reworded for clarity. Subject to transitory provision
		10.2 The non-compliant WCO will be given thirty (30) days from the receipt of the notification to explain the deficiency or otherwise show compliance with the requirements.	10.2 The non-compliant WCO will be given thirty (30) days from the receipt of the notification to explain the deficiency or otherwise show compliance with the requirements.	Removed. DOE proposed that the non-compliant WESM Member be subjected to sanctions.
		10.3. A non-compliance fee shall be paid by the company or entity being represented by the non-compliant WCO in accordance with the WESM Penalty Manual. The WCO Accreditation Body may waive the payment of non-compliance fee if it determines that the non-compliance hereof was due to justifiable or reasonable reasons or circumstances that are beyond the control of the WCO or WEO.	<u>8.2 The failure of the WESM Member or the Market Operator to comply with the registration requirements set forth herein shall be the basis of the WESM Governance Arm to impose on and collect a non-compliance fee from the non-compliant WESM Member as a penalty in such amounts authorized under the WESM Penalty Manual.</u>	Reworded for clarity and consistency with the parties involved. (No more WCO accreditation body) The consequence of non-compliance with the rules – subject to sanctions;

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		10.4. The non-compliant WCO shall be listed under "Inactive Status". The WCO in "Inactive Status" shall not be authorized to represent his/her respective organization in matters relating to the enforcement and compliance or to exercise any of the functions provided in Clause 7.2.9.2 of the WESM Rules. He/she shall continue to have such status until reinstated.	10.4. The non-compliant WCO shall be listed under "Inactive Status". The WCO in "Inactive Status" shall not be authorized to represent his/her respective organization in matters relating to the enforcement and compliance or to exercise any of the functions provided in Clause 7.2.9.2 of the WESM Rules. He/she shall continue to have such status until reinstated.	Removed The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either. Please see proposed further revision under 8.4
		10.5. The WEO or other compliance officers who have been accredited under Section 8.4 of this Manual, may represent their respective organizations, while the WCO referred to in the preceding paragraph is in "Inactive Status"		Transferred to Section 7.3 but reworded for clarity.
			<u>8.3</u> The non-compliant <u>Registered</u> WCO shall be listed under "Inactive Status". The WCO in "Inactive Status" shall not be authorized to represent his/her respective organization in <u>any case proceedings pending with the Governance Arm or in</u> matters relating to enforcement and compliance or to exercise any of the functions provided in Clause 7.2.9.2 of the WESM Rules. He/she shall continue to have such status until reinstated. <u>For this purpose, the WESM Member shall immediately register in the WESM another WCO from its pool of Certified WCOs.</u>	Transferred from original Section 10.4. Proposed to retain this to indicate the additional consequence of the non-compliance of the WCO with modification.
REINSTATEMENT	11			

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		11.1 The WCO may use the 30-day period referred to in Section 10.2 to complete his/her compliance with this Manual. Credit units earned during this period may only be counted toward compliance with the prior compliance period requirement unless units in excess of the requirement are earned, in which case the excess may be counted toward meeting the current compliance period requirement.	11.1 The WCO may use the 30-day period referred to in Section 10.2 to complete his/her compliance with this Manual. Credit units earned during this period may only be counted toward compliance with the prior compliance period requirement unless units in excess of the requirement are earned, in which case the excess may be counted toward meeting the current compliance period requirement.	Removed The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either.
		11.2. The WCO shall be reinstated to “Active Status” upon determination of full compliance in accordance with the preceding section. He/she shall be immediately notified of the reinstatement and shall be issued a WCO Accreditation Certificate as referred to in Section 8.4 hereof.	11.2. The WCO shall be reinstated to “Active Status” upon determination of full compliance in accordance with the preceding section. He/she shall be immediately notified of the reinstatement and shall be issued a WCO Accreditation Certificate as referred to in Section 8.4 hereof.	Removed The consequence of non-compliance with the rules – subject to sanctions; no more classification whether active or inactive. No reinstatement to active status either.
(NEW)			<u>8.4 The procedures relating to the certification and registration of the WCOs in the WESM including the imposition of the non-compliance fees, if warranted, are illustrated in Appendix I of this Manual.</u>	Added - To make reference to the process flowchart (as Appendix I), as proposed by the DOE.
REVIEW	12		SECTION 9 - MANUAL REVIEW	
		12.1. This Manual shall be reviewed by the WCO Accreditation Body annually or as may be necessary.	9.1 This Manual shall be reviewed by the WCO Accreditation Body <u>WESM Governance Arm</u> annually or as may be necessary.	The responsibilities of WCO Accreditation Body are instead placed under the Governance Arm with modifications.

Proposed New WESM Manual on WESM Compliance Officers Certification and Registration Manual Issue 1.0				
Title	Section	Provision on RCC Resolution 2019-19	Proposed Further Amendments (2021 Version)	Rationale
		12.2. The WCO Accreditation Body shall conduct consultations with the market participants for possible amendment or revision of the guidelines provided under this Manual.		
		12.3. Any revisions or changes made to this Manual shall be published in PEMC Website.	9.2. Any revisions or changes made to this Manual shall be <u>approved by the DOE and published in PEMC Website the website of the WESM Governance Arm.</u>	Regular process in the amendment of manual (subject to approval of DOE) Change in terminology (PEMC to Governance Arm)
NEW			<u>SECTION 10 – TRANSITORY PROVISION</u> <u>All current Registered WCOs in the WESM may remain to be the Registered WCOs subject to the provisions set forth in this Manual</u>	Added - To ensure readiness of the
EFFECTIVITY	13	This Manual shall become effective upon approval of the Department of Energy and fifteen (15) days after publication in newspaper of general circulation.	SECTION <u>11</u> – EFFECTIVITY This Manual shall become effective upon approval of the Department of Energy and fifteen (15) days after publication in <u>two (2)</u> newspapers of general circulation.	To add the general requirement for publication

PUBLIC

WESM Manual

WESM Compliance Officers Certification and Registration Manual Issue No. 1.0

Abstract	This manual sets out the guidelines and procedures for the certification and registration of WESM Compliance Officers as provided for in the WESM Rules.
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Document Identity: WESM-WCR-001

Issue No.: 1.0

Reason for Issue: New Manual

Approval Date:

Publication Date:

Effective Date:



Document Change History

Issue No.	Proponent	Date of Effectivity	Reason for Amendment
1.0	PEMC-Office of the Chief Governance Officer/ Enforcement and Compliance Office		<p>The WCO Certification and Registration Manual is a new <i>Market Manual</i>. It sets out the guidelines and procedures for the certification and registration of WESM Compliance Officers as provided for in the WESM Rules.</p> <p>With the adoption of this Manual, WESM Members will be guided on how their WESM Compliance Officers may attain certification as WESM-Certified WCOs. This new Manual likewise provides the mechanism for maintaining said certification.</p>

Document Approval

Issue No.	RCC Approval	RCC Resolution No.	PEM Board Approval	PEM Board Resolution No.	DOE Approval	DOE Circular No.
1.0	06 December 2019	2019-19				

Reference Documents

Document ID	Document Title
	Wholesale Electricity Spot Market Rules (<i>WESM Rules</i>)
	WESM Penalty Manual

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SECTION 1 PURPOSE OF THE MANUAL

- 1.1 This Manual aims to provide the competency standards for all WESM Compliance Officers (WCOs) by creating a program or mechanism that promotes continuous quality enhancement in the WCOs' performance of their compliance-related functions. It also seeks to ensure that throughout their participation, WCOs are well-informed of all market rule developments and are compliant with their obligations in the Wholesale Electricity Spot Market.
- 1.2 It also seeks to establish effective leadership that will help promote WESM compliance within their organization.

SECTION 2 RESPONSIBLE PARTIES**2.1 WESM Governance Arm**

The WESM Governance Arm shall be responsible for the following:

- 2.1.1 Enforcing and ensuring compliance with the WESM Rules and this Manual on the registration of Certified WCOs by the WESM Members and the Market Operator.
- 2.1.2 Registering the Certified WCOs designated by the WESM Members and the Market Operator.
- 2.1.3 Establishing the competency standards for the certification and registration of WCOs subject to the review and approval of the Compliance Committee.
- 2.1.4 Developing and implementing the WCO certification program with the Market Operator and System Operator subject to the review and approval of the Compliance Committee.
- 2.1.5 Monitoring the compliance of all Registered WCOs with the requirements of the WCO Certification Guidelines.
- 2.1.6 Providing lectures or trainings to the following:
- a) Designated WCOs by the WESM Members; and
 - b) Registered WCOs by the WESM Members for purposes of renewal of their registration.
- 2.1.7 Evaluating the WCO's submitted reports concerning their respective organization's compliance with the WESM Rules and WESM Manuals on an annual basis or as may be determined by the Enforcement and Compliance Office and the Compliance Committee.



2.2 WESM Members

- 2.2.1 They shall be responsible for the registration of their respective WCOs in the WESM; Provided, that prior to registration, the designated WCO of the WESM Member shall pass the certification program as required in Section 3.1 hereof.

In this regard, the Registered WCO of the WESM Member shall:

- a) Monitor the activities and transactions in the WESM of his or her organization and carry out measures to ensure compliance with the WESM Rules and Market Manuals; and put in place necessary procedures and guidelines for this purpose;
- b) From time to time and if he or she deems it necessary or appropriate, propose amendments to the WESM Rules and WESM Market Manuals to enhance or develop the WESM enforcement and compliance and promote good commercial and technical practices;
- c) Be responsible in coordinating with the Enforcement and Compliance Office, on all matters relating to WESM enforcement, compliance and governance, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the Enforcement and Compliance Office;
- d) Submit to the Enforcement and Compliance Office an annual report on his or her organization's compliance with the WESM Rules and Market Manuals in such form as may be prescribed by the Enforcement and Compliance Office; and
- e) Comply with the continuing certification requirements as set forth herein.

2.3 Market Operator

- 2.3.1 The Market Operator shall be responsible for registering its WCO in the WESM. The designated WCO of the Market Operator need not undergo the certification program considering its expertise in the WESM.

Similarly, the registered WCO by the Market Operator shall:

- a) Monitor the activities and transactions in the WESM of his or her organization and carry out measures to ensure compliance with the WESM Rules and Market Manuals; and put in place necessary procedures and guidelines for this purpose;
- b) From time to time and if he or she deems it necessary or appropriate, propose amendments to the WESM Rules and WESM Market Manuals to enhance or develop WESM enforcement and compliance and promote good commercial and technical practices;

- c) Be responsible in coordinating with the Enforcement and Compliance Office, on all matters relating to the WESM enforcement, compliance and governance, including the provision of the necessary information and data, as may be required by any of the WESM Governance Committees and by the Enforcement and Compliance Office; and
- d) Submit to the Enforcement and Compliance Office an annual report of his or her organization's compliance with WESM Rules and Market Manuals in such form as may be prescribed by the Enforcement and Compliance Office.

2.3.2 The Market Operator shall also provide lectures or trainings to the following:

- a) Designated WCOs by the WESM Members; and
- b) Registered WCOs by the WESM Members for purposes of renewal of their registration.

SECTION 3 CERTIFICATION AND REGISTRATION PROCESS OF WCOs

3.1 Certification

3.1.1 The certification is mandatory for all individuals duly designated as WCO/s by the WESM Members. The WCO Certification shall be granted by the WESM Governance Arm to the designated WCO/s after satisfying and completing the relevant lecture or training requirements in accordance with the WCO certification program adopted by the WESM Governance Arm.

3.1.2. The WESM Members shall designate individual/s occupying senior management positions such as those pertaining, but not limited, to legal, risk management, regulatory or compliance, to undergo certification program.

For this purpose, senior management shall refer to a position in the company which carries with it the authority, capability, and responsibility to plan and direct the work of individuals or group of individuals, or make key decisions in an organization, either through employment or consultancy engagement or agreement.

3.1.3. Each designated WCO/s by the WESM Member must complete at least thirty-six (36) credit units of compliance lecture series or trainings.

3.1.4 Upon conclusion of a lecture or training, the WESM Governance Arm or the Market Operator shall issue a Certificate of Completion to the designated WCO/s by the WESM Member identifying the time, date, location, subject matter and length of the activity and the number of credit units earned.



- 3.1.5. The WESM Governance Arm shall maintain a database containing the list of all Certified WCOs, and Registered WCOs. Similarly, the training courses attended, and credit units earned shall also be reflected in the said database. The contents of the database shall be updated on a regular basis and indicate the compliance status of each WCO.
- 3.1.6. The WESM Governance Arm shall, for this purpose, formulate the guidelines to effectively facilitate the information exchange and update the information of the Certified WCOs, and Registered WCOs.
- 3.1.7. Certified WCOs who were not selected by their company as a Registered WCO in the WESM may undertake the certification program again for renewal purposes of their WCO Certification. In this regard, these Certified WCOs can be selected by their companies to be the latter's new Registered WCO for instances provided in Section 7 hereof.

3.2 Registration

- 3.2.1 In strict compliance with Clause 7.2.9 of the WESM Rules, all WESM Members, and the Market Operator shall register their respective WCOs in the WESM through the Governance Arm.
- 3.2.2 Only the Market Operator can register a WCO without undergoing a certification program as it has already the expertise in the WESM, and also responsible in providing training and lecture courses for the designated WCOs of the WESM Members. However, the registered WCO by the Market Operator shall also occupy senior management position such as those pertaining, but not limited, to legal, risk management, regulatory or compliance.

Likewise, senior management shall refer to a position in the company which carries with it the authority, capability, and responsibility to plan and direct the work of individuals or group of individuals, or make key decisions in an organization, either through employment or consultancy engagement or agreement.

- 3.2.3 All WESM Members and the Market Operator shall update the registration of their respective Registered WCOs to the WESM Governance Arm within the compliance period referred to in Section 4 of this Manual. Failure to comply with Clause 7.2.9 of the WESM Rules shall be subject to sanctions pursuant to Section 7.2.5.2 of the WESM Rules.
- 3.2.4. Affiliated WESM Members may be allowed to register one (1) WCO to represent them in the WESM provided that the representation is limited under one (1) company name.

For instance, there can be one Registered WCO for the National Grid Corporation of the Philippines even if it functions as the System Operator, Metering Services Provider, and Network Services Provider.

- 3.2.5. Prior the end of the compliance period referred in Section 4 hereof, the Registered WCO shall ensure that he/she complies with the required credit units specified in Section 3.2.6 hereof in order to represent its company in the next compliance.
- 3.2.6. The Registered WCOs shall complete at least thirty-six (36) units of Certification activities within the three-year period allotted for the completion of the required units.
- 3.2.7. For renewal purposes, within six (6) months before the end of each Compliance Period, the WESM Governance Arm shall assess the compliance status of all Registered WCOs. Within the same period, the concerned Registered WCOs shall be notified by the WESM Governance Arm of the deficiency, if any, for completion of the requirements.
- 3.2.8. The Registered WCO applying for renewal who meets all the requirements set forth herein shall be issued a renewed Certificate of Registration. The Certificate of Registration shall also indicate the validity period.

SECTION 4 COMPLIANCE PERIOD

- 4.1 The commencement of the compliance period for WCO Certification shall be officially declared by the WESM Governance Arm. The initial compliance period shall be for thirty-six (36) months. The succeeding compliance period shall be for the same duration and shall begin on the day after the end of the previous compliance period.

Thus, for instance:

1st Compliance Period: 01 July 2022 to 30 June 2025

2nd Compliance Period: 01 July 2025 to 30 June 2028

- 4.2. For officers or personnel who are already registered as WCOs in the WESM but not yet certified by the WESM Governance Arm before the start of the first compliance period, their respective WESM Members shall undertake necessary action to comply with the certification requirements as set forth herein.



SECTION 5 COMPUTATION OF CREDIT UNITS

- 5.1 Credit units shall be earned through attendance to compliance lecture series.
- 5.1.1. Credit units are equivalent to credit hours. These shall be measured based on the actual time spent or hours of participation in any of the compliance lecture series cited in Section 6 hereof. However, a fraction of an hour shall be rounded up to one full hour. For instance, if the lecture series lasted for only 3.5 hours, four (4) credits will be earned.
- 5.1.2 Lectures or trainings shall be provided by the WESM Governance Arm or by the Market Operator.
- 5.2 Notwithstanding the foregoing provisions on credit unit computation, the WESM Governance Arm or the Market Operator may, upon its own assessment of the degree of importance, relevance, or complexity of a certain lecture series, assign a greater weight than the points established under Section 5.1.1 hereof.
- 5.3 The credit units that will be measured at the end of the Compliance Period shall be the total of point systems referred to in Section 5.1.1 hereof.

SECTION 6 CERTIFICATION PROGRAMS

- 6.1. All certification activities that shall be provided by the Market Operator and the WESM Governance Arm must have significant content relating to the WESM operations, governance, regulatory compliances, or compliance with the relevant market rules and manuals. These shall include, but not be limited to, the following –
- a) Fundamentals of WESM
 - b) WESM Features
 - c) Membership and Participation in WESM
 - d) Market Dispatch Optimization Model
 - e) Market Offer
 - f) Real-Time Dispatch
 - g) Pricing and Settlement Process
 - h) Market Network Model Development and Maintenance
 - i) Load Forecasting
 - j) Procedure for Load Shedding
 - k) Procedures for Start-up and Shutdown of Generators
 - l) Management of Must-Run Units
 - m) The Role of the WESM Governance Committees
 - n) Market Monitoring
 - o) Generators' Compliances
 - p) Penalties for Breach of WESM Rules

- q) Submission of Nominations of Loading Levels or Projected Outputs
 - r) Compliance with Forecast Accuracy Standards
 - s) Relevant or recent DOE and ERC Issuances
- 6.2. The WESM Governance Arm and the Market Operator shall ensure that there are adequate courses or lecture series that can be offered within the compliance period for all types of sectors or members in the WESM. When appropriate, they may, in advance, determine and authorize the publication of the lectures or courses to be offered for the entire compliance period.
- 6.3. The schedule of any lecture or training shall be posted or published in both the Governance Arm and Market Operator websites at least one (1) month prior to the intended date of lecture or training. The notice to the WESM Members shall mark the lecture that is being offered as a “WCO Certified Lecture or Training” and shall indicate the credit unit(s) or points assigned to each lecture or course training offered.
- 6.4. Substantive written materials must be distributed to all participants. Such materials must be distributed during or before the time the activity is offered. It may also be distributed through email or may be downloadable through the WESM Governance Arm’s and the Market Operator’s respective websites.
- 6.5. The lecture or training shall be for a reasonable or minimal fee as would cover the cost of training materials, meals, and other related expenses.
- 6.6. The lecture or training may also be conducted through online platforms.

SECTION 7 CHANGE OF WCO

- 7.1 The WESM Member and the Market Operator shall notify the WESM Governance Arm of its intent to change its Registered WCO in the WESM due to resignation, retirement, termination, or any other cause of separation within three (3) working days from such occurrence. Said WESM Member or the Market Operator shall also register its new WCO in accordance with Section 3.2 of this Manual.
- 7.2. During the WESM Member’s selection for a qualified individual to become its new Registered WCO, and there is an individual who already has a valid WCO Certification or has already earned credit units by reason of his/her previous employment or engagement, the WESM Member may seek confirmation from the WESM Governance Arm regarding the said accreditation certification that was already earned within the compliance period.
- 7.3 The WESM Member may also select the replacement of its Registered WCO from its pool of Certified WCOs.
- 7.4 On the other hand, the Market Operator may select the replacement of its Registered WCO in accordance with Section 3.2 hereof.



SECTION 8 NON-COMPLIANCE WITH THE REGISTRATION REQUIREMENTS

- 8.1 Subject to the transitory provisions provided under Section 10 of this Manual, failure by a WESM Member or the Market Operator to comply with the registration of the WCOs pursuant to Section 7.2.9 of the WESM Rules and this manual shall result to the issuance of a Non-Compliance Notice by the Governance Arm.
- 8.2 The failure of the WESM Member or the Market Operator to comply with the registration requirements set forth herein shall be the basis of the WESM Governance Arm to impose on and collect a non-compliance fee from the non-compliant WESM Member as a penalty in such amounts authorized under the WESM Penalty Manual.
- 8.3 The non-compliant Registered WCO shall not be authorized to represent his/her respective organization in any case proceedings pending with the Governance Arm or in matters relating to the enforcement and compliance or to exercise any of the functions provided in Clause 7.2.9.2 of the WESM Rules. For this purpose, the WESM Member shall immediately register in the WESM another WCO from its pool of Certified WCOs.
- 8.5. The procedures relating to the certification and registration of the WCOs in the WESM including the imposition of the non-compliance fees, if warranted, are illustrated in Appendix I of this Manual.

SECTION 9 MANUAL REVIEW

- 9.1 This Manual shall be reviewed by the WESM Governance Arm annually or as may be necessary.
- 9.2. Any revisions or changes made to this Manual shall be approved by the DOE and published in the website of the WESM Governance Arm.

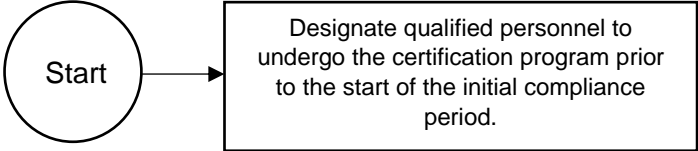
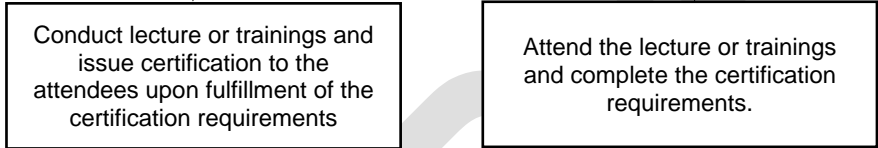
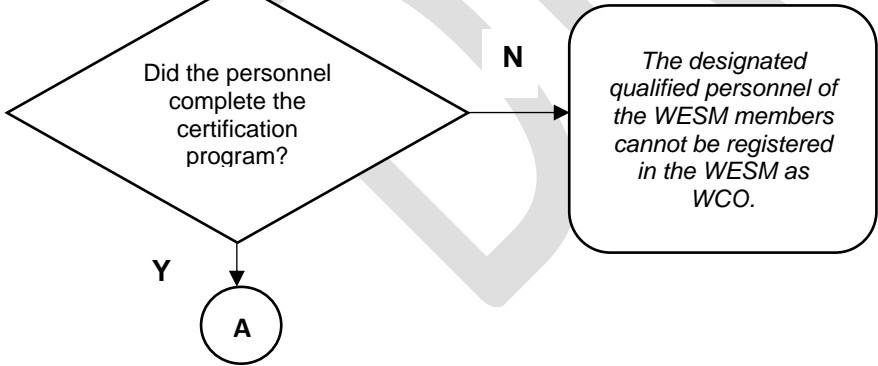
SECTION 10 TRANSITORY PROVISION

All current Registered WCOs in the WESM may remain to be the Registered WCOs subject to the provisions set forth in this Manual.

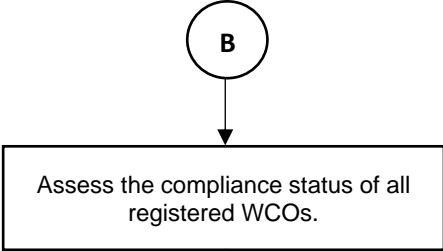
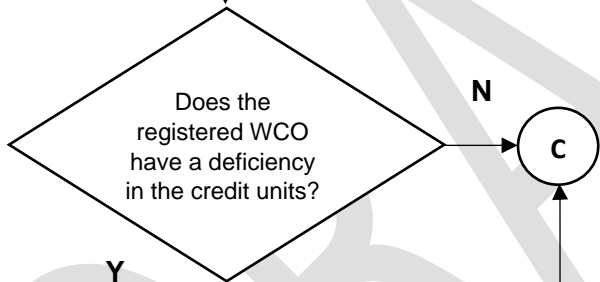
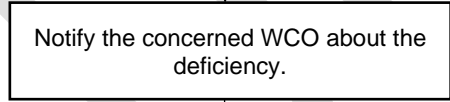
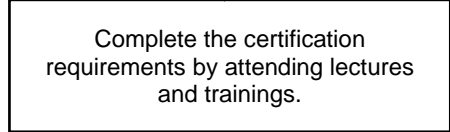
SECTION 11 EFFECTIVITY

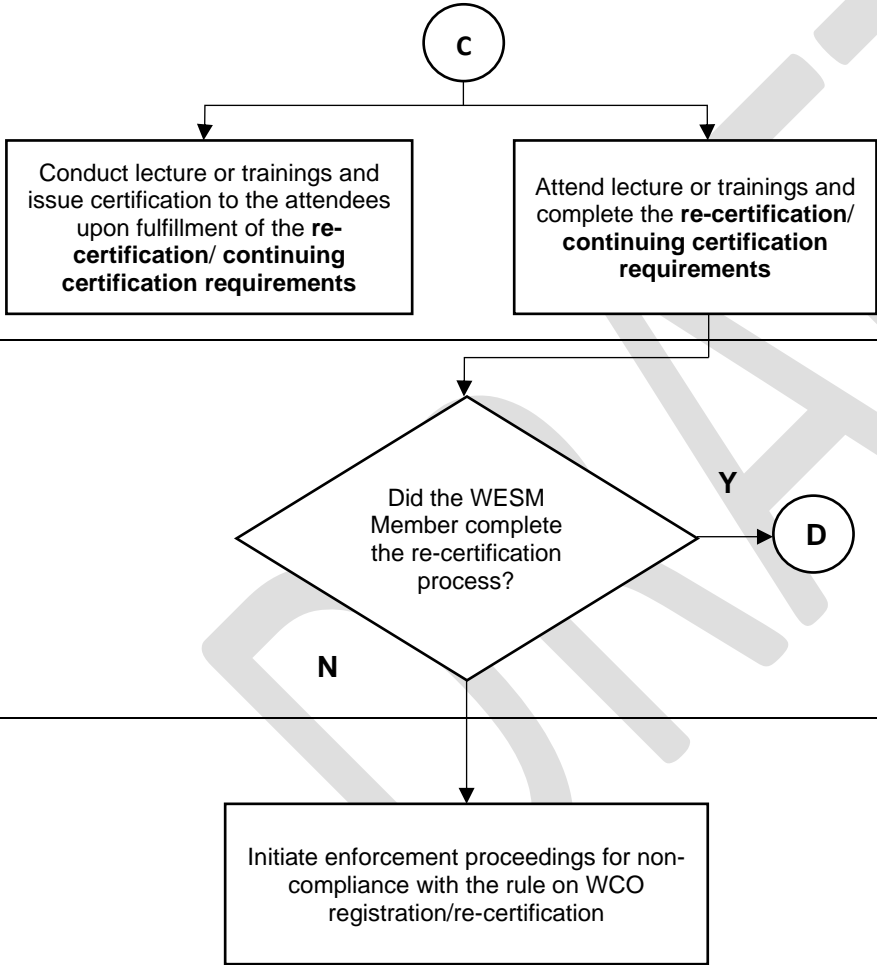
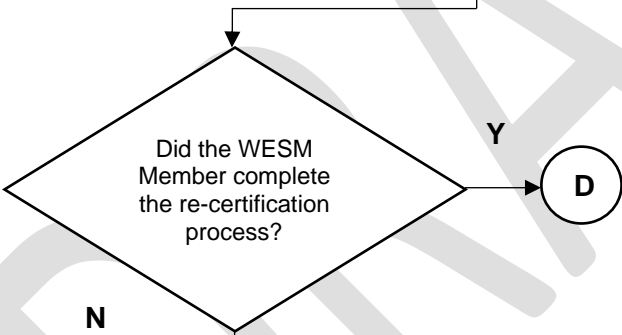
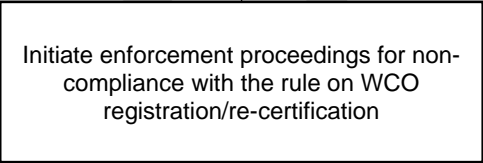
This Manual shall become effective upon approval of the Department of Energy and fifteen (15) days after publication in two (2) newspapers of general circulation.

APPENDIX I WCO CERTIFICATION AND REGISTRATION PROCESS FLOWCHART

Responsible Agency/ies	Procedures	Maximum Timeline/ Processing Period	Requirements/Remarks
All WESM Members		As soon as possible prior the start of the initial compliance period	<ul style="list-style-type: none"> Section 6.2 requires that the Governance Arm and the Market Operator ensure that there are adequate courses or lecture series that can be offered within the compliance period. Section 4 of the Manual provides the Compliance Period. The qualifications are stipulated in Section 3.1 of the Manual specifically: occupying senior management position such as those pertaining, but not limited, to legal, risk management, regulatory or compliance. The designated qualified personnel of the WESM Members (<i>except the Market Operator</i>) must complete at least thirty-six (36) credit units of compliance lecture series or trainings before being issued with a WCO Certification. The designated qualified personnel of the WESM Members can refer to Section 5 (Computation of Credit Units) and Section 6 (Certification Programs) of the Manual for reference.
Market Operator/ Governance Arm WESM Members		Within the compliance period	
Designated Qualified Personnel of the WESM Members		Within the compliance period	

Responsible Agency/ies	Procedures	Maximum Timeline/ Processing Period	Requirements/Remarks
All WESM WESM Members Governance Arm	<p style="text-align: center;">A</p> <p style="text-align: center;">↓</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> WESM Member shall select from its pool of certified WCOs a person to be registered in the WESM as WCO. The WESM Members shall proceed to the registration of their respective WCOs. </div> <p style="text-align: center;">↓</p>	<p style="text-align: center;">Within the compliance period</p>	<ul style="list-style-type: none"> Upon completion of the credit unit requirements, the WESM Governance Arm or the Market Operator shall issue a Certificate of Completion and WCO Certification. Section 2.1.2 mandates the Governance Arm to register the Certified WCOs designated by the WESM Members and the Market Operator.
All WESM Members Market Operator	<p style="text-align: center;">↓</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> Did the WESM Member register its certified WCO in the WESM? </div> <p style="text-align: center;">Y → B</p> <p style="text-align: center;">N ↓</p>	<p style="text-align: center;">Within the compliance period</p>	<ul style="list-style-type: none"> The WESM Members and the Market Operator shall refer to Section 3.2 of the Manual for the Registration Process. Section 4 of the Manual provides the Compliance Period. Sections 2.2 and 2.3 of the Manual provides for the responsibilities registered WCO of the WESM Member and the Market Operator, respectively.
WESM Governance Arm	<p style="text-align: center;">↓</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> Initiate enforcement proceedings for non-compliance with the rule on WCO registration. </div>		<ul style="list-style-type: none"> Section 8 of the Manual provides for the non-compliance with the registration requirements.

Responsible Agency/ies	Procedures	Maximum Timeline/ Processing Period	Requirements/Remarks
Governance Arm	 <pre> graph TD B((B)) --> A[Assess the compliance status of all registered WCOs.] A --> D{Does the registered WCO have a deficiency in the credit units?} D -- N --> C((C)) D -- Y --> E[Notify the concerned WCO about the deficiency.] E --> F[Complete the certification requirements by attending lectures and trainings.] F --> C </pre>	Within 6 months before the end of each Compliance Period.	<ul style="list-style-type: none"> Section 3.2.7 requires the Governance Arm to assess the status of compliance and notify the registered WCO for the deficiency, if any.
		Within 6 months before the end of each Compliance Period.	<ul style="list-style-type: none"> Section 4 of the Manual provides the Compliance Period. Sections 3.1.7, 3.2.6, 3.2.7 requires the renewal of certification.
		Within 6 months before the end of each Compliance Period.	<ul style="list-style-type: none"> Section 3.2.7 requires the Governance Arm to assess the status of compliance and notify the registered WCO for the deficiency, if any.
WESM Members		Before the end of each Compliance Period.	<ul style="list-style-type: none"> Sections 3.1 and 3.2 of the Manual provide the Certification and Registration processes.

Responsible Agency/ies	Procedures	Maximum Timeline/ Processing Period	Requirements/Remarks
Market Operator/ Governance Arm WESM Members	 <pre> graph TD C((C)) --> A[Conduct lecture or trainings and issue certification to the attendees upon fulfillment of the re-certification/ continuing certification requirements] C --> B[Attend lecture or trainings and complete the re-certification/ continuing certification requirements] A --> D{Did the WESM Member complete the re-certification process?} B --> D D -- Y --> D2((D)) D -- N --> E[Initiate enforcement proceedings for non-compliance with the rule on WCO registration/re-certification] </pre>	Within the succeeding compliance period	<ul style="list-style-type: none"> Section 4 of the Manual provides the Compliance Period. Section 6.2 requires that the Governance Arm and the Market Operator ensure that there are adequate courses or lecture series that can be offered within the compliance period.
WESM Members	 <pre> graph TD D{Did the WESM Member complete the re-certification process?} -- Y --> D2((D)) D -- N --> E[Initiate enforcement proceedings for non-compliance with the rule on WCO registration/re-certification] </pre>	Within the succeeding compliance period	<ul style="list-style-type: none"> Section 2.2.1 (e) requires the WESM Members to comply with the continuing certification requirements. Section 3.2.6. requires the registered WCOs to complete 36 units of certification activities within each compliance period.
Governance Arm	 <pre> graph TD E[Initiate enforcement proceedings for non-compliance with the rule on WCO registration/re-certification] </pre>	Within the succeeding compliance period	<ul style="list-style-type: none"> Section 8 of the Manual provides for the non-compliance with the registration requirements.

Responsible Agency/ies	Procedures	Maximum Timeline/ Processing Period	Requirements/Remarks
Governance Arm	<pre> graph TD D((D)) --> A[Update the WCO database on a regular basis.] </pre>	On a regular basis	<ul style="list-style-type: none"> Section 3.1.5 requires that the WESM Governance Arm maintains a database of WCOs and the status of their compliances, and to update the database on a regular basis.
WESM Members Market Operator	<pre> graph TD A[Update the WCO database on a regular basis.] --> B{Is the registered WCO still connected with the WESM Member?} </pre>	Within three (3) working days from resignation, retirement, termination, or any other cause of separation of the registered WCO	<ul style="list-style-type: none"> Section 3.2.3 requires that all WESM Members and the Market Operator shall update the registration of their respective Registered WCOs to the WESM Governance Arm within the compliance period. Section 7.1 requires that the WESM Member and the Market Operator notify the WESM Governance Arm of any change in WCO due to resignation, retirement, termination, or any other cause of separation.
WESM Members	<pre> graph TD B -- N --> C[Notify the Governance Arm of its intent to change the registered WCO and update the registration.] </pre>		
WESM Members	<pre> graph TD C[Notify the Governance Arm of its intent to change the registered WCO and update the registration.] --> D[Registered WCO to comply with the certification/continuing certification requirements.] </pre>		<ul style="list-style-type: none"> Section 3.2.6. requires the registered WCOs to complete 36 units of certification activities within each compliance period.