



RULES CHANGE COMMITTEE

Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual on Validation Timeline Adjustment in Metering and Billing

Effective Date : 17 December 2021

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WHEREAS, Clause 3.14 of the WESM Rules requires the Market Operator to issue preliminary settlement statements to trading participants within seven (7) days after the end of the billing period. After a review period, the Market Operator then issues final settlement statements to the trading participants within eighteen (18) days after the end of the billing period;

WHEREAS, Section 5.3.3 of the WESM Manual on Metering Standards and Procedures and Section 5.3.3 of the Retail Manual on Metering Standards and Procedures require Metering Services Providers (MSP) to submit metering data to the Market Operator three (3) days after the end of the billing period;

WHEREAS, the Market Operator, upon receipt of the data submitted by the MSPs, has four (4) days to validate and process the metering data, along with the prices and schedules in the WESM, for the issuance of the preliminary settlement statements;

WHEREAS, for the final settlement statement, the WESM Rules and Manuals provide for different timelines in the submission of corrected or new metering data as follows:

WESM Rules/Manuals	Timeline
WESM Rules Clause 3.14.4.4	Correction of any error or discrepancy for relevant final statements requiring input of an external party, including metering data, are received by Market Operator at least two (2) working days prior to issuance of final settlement statements
WESM Manual on Metering Standards and Procedures Issue No. 12.0 (WESM Metering Manual) Section 5.3.3 (d)	Four (4) days prior to issuance of final settlement statements
Retail Manual on Metering Standards and Procedures Issue No. 3.0 (Retail Metering Manual) Section 6.3.2 (c)	Five (5) days prior to issuance of final settlement statements

WHEREAS, on 04 January 2021, IEMOP submitted Proposed Amendments to the WESM Rules, WESM Metering Manual, and Retail Metering Manual on validation timeline adjustment in metering and billing. The proposal, among others, amends the current timelines for the final settlements since the Market Operator deems that it does not have a sufficient period to review settlement results and can only sufficiently complete the metering data validation and settlement calculation processes;

WHEREAS, in consideration of the volume of metering data being submitted to the Market Operator, continuously increasing number of contestable customers, and the forthcoming implementation of Green Energy Option Program (GEOP), the Market Operator requires more validation time to process all metering data;

WHEREAS, the summary of the proposal are as follows:

No.	Concern	Proposed Change
1	Delayed submission of some MSPs of metering data for preliminary settlement statement issuance	Report to the governance body non-compliance of wholesale and retail MSPs with the timely submission of monthly metering data and be subject to penalty
2	Timelines are only sufficient for metering data validation and settlement calculation Increasing volume of metering data for validation	Provide the Market Operator an additional one (1) day for settlement results validation by: <ul style="list-style-type: none"> adjusting the timeline for issuance of preliminary settlement statements to eight (8) days after the end of the billing period from seven (7) days after the end of the billing period setting the deadline for submission of metering data for final settlement statements to five (5) days prior to issuance of final settlement statement <p>Note: With the proposed changes, the Market Operator will have five (5) days to validate metering data, perform settlement calculations, and review settlement results for both the preliminary and final settlement statements</p>
3	Inconsistent metering data submission for final settlement statements	Reflect the proposed new deadline in the WESM Rules and Manuals

WHEREAS, the RCC initially took up the proposal during its 173rd Regular Meeting last 15 January 2021, and approved the same for publication to solicit comments from the stakeholders;

WHEREAS, following the 30-working day commenting period from 18 January 2021 to 03 March 2021, comments were received from Philippine Electricity Market Corporation (PEMC), National Grid Corporation of the Philippines (NGCP), and Manila Electric Company (MERALCO);

WHEREAS, during the deliberation of comments received on its 175th Regular Meeting last 19 March 2021, the RCC noted that the proposal will amend its approved changes under RCC Resolution 2019-10¹ specifically on the deadline of submission of metered quantities for inclusion in the preliminary and final settlement statements;

WHEREAS, on the same meeting, IEMOP informed RCC of their request for DOE to consider retaining the business days for the validation timeline in the DOE's ongoing public consultation and finalization of the earlier submitted proposal under RCC Resolution 2019-10. Considering said information, the RCC decided to defer the deliberation of the proposal and await the DOE's response to IEMOP's request;

WHEREAS, on 07 October 2021, IEMOP endorsed to RCC the response of DOE regarding its request to retain the term "business days" for the timeline and submission of metering data by the Metering Services Provider. The DOE responded that it has recognized the objective and justification of the Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual on Validation Timeline Adjustment in Metering and Billing, and concurs with IEMOP's proposal to retain the term "business days" in order to maintain the effective and efficient processing of market settlement;

¹ Approved RCC Resolution 2019-10: Proposed Amendments to the WESM Metering Manual on Metering Standards and Procedures Issue No. 12, dated 19 July 2019

Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual
on Validation Timeline Adjustment in Metering and Billing

WHEREAS, during its 185th Meeting last 15 October 2021, noting DOE's responses to IEMOP's request, the RCC continued its deliberation on the proposal, and decided to:

- Retain "business days" to harmonize with DOE's agreement on IEMOP's request;
- Retain "7 business days" on the issuance of preliminary statements in consideration of the comments from the trading it does not seem equitable to adjust the schedule for all billings to address a limited concern of the non-timely submission of metering data of some MSPs; and
- Add provisions for non-compliances to the timeline set forth in the rules and manuals and to strictly implement the timeline of submission of monthly metering data;

WHEREAS, on 22 October 2021, the DOE published the department circular DOE DC 2021-07-0021 dated 25 June 2021 adopting changes to the WESM Rules and Market Manuals provisions for Metering Services Provider performance, metering standards and site-specific loss adjustments;

WHEREAS, during its 186th meeting on 19 November 2021, the RCC updated and finalized the proposal to reflect the DOE-approved revision in Section 5.3.3 of the WESM Metering Manual under the aforementioned department circular and approved the proposal for submission to PEM Board;

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


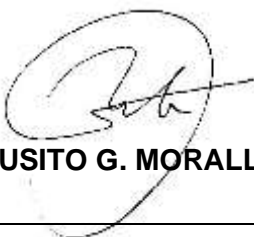




RESOLVED, that RCC approved the Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual on Validation Timeline Adjustment in Metering and Billing attached as Annex A;

RESOLVED FURTHER, that the said Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual on Validation Timeline Adjustment in Metering and Billing, are hereby endorsed to the PEM Board for approval and for submission to DOE for consideration.

Done this 17th day of **December 2021**, via Microsoft Teams.



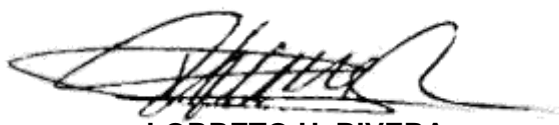
Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual
on Validation Timeline Adjustment in Metering and Billing

<p>Approved by: THE RULES CHANGE COMMITTEE</p>	
<p>Independent Members:</p>	
 ALLAN C. NERVES Chairperson	CONCEPCION I. TANGLAO
 JESUSITO G. MORALLOS	(vacant)
<p>Generation Sector Members:</p>	
 DIXIE ANTHONY R. BANZON Masinloc Power Partners Co. Ltd. (MPPCL)	 CHERRY A. JAVIER Aboitiz Power Corp. (APC)
 CARLITO C. CLAUDIO Millennium Energy, Inc./ Panasia Energy, Inc. (MEI/PEI)	MARK D. HABANA Vivant Corporation - Philippines (Vivant)
<p>Distribution Sector Members:</p>	
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)



Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual
on Validation Timeline Adjustment in Metering and Billing

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)

A. WESM Rules

Title	Clause	Provision	Proposed Amendment	Rationale
Preliminary Statements	3.14.4.1	<p>Within 7 <i>days</i> after the end of each billing period, the <i>Market Operator</i> shall give each <i>WESM member</i> who has engaged in <i>market transactions</i> in that billing period a preliminary statement which sets out the <i>market transactions</i> of that <i>WESM member</i> in that billing period and the settlement amount payable by or to that <i>WESM member</i>.</p> <p>If the seventh day falls on a <i>Non-Working Day</i>, the issuance of the preliminary statements shall be made during the next immediate <i>Working Day</i>.</p>	<p>Within 7 <u>business</u> <i>days</i> after the end of each billing period, the <i>Market Operator</i> shall give each <i>WESM member</i> who has engaged in <i>market transactions</i> in that billing period a preliminary statement which sets out the <i>market transactions</i> of that <i>WESM member</i> in that billing period and the settlement amount payable by or to that <i>WESM member</i>.</p> <p>If the seventh day falls on a <i>Non-Working Day</i>, the issuance of the preliminary statements shall be made during the next immediate <i>Working Day</i>.</p>	To maintain the effective and efficient processing of market settlement. This was concurred by the DOE concurred in its letter to the IEMOP (See Annex B).
	3.14.4.4	If the <i>Market Operator</i> considers that a preliminary statement contains an error or discrepancy after reviewing the preliminary statement as notified by a <i>WESM member</i> pursuant to clause 3.14.4.3 or as independently identified by the <i>Market Operator</i> , the <i>Market Operator</i> shall ensure that correction of any error or discrepancy is reflected in the relevant final statements, provided that corrections requiring the input of an external party are received by the <i>Market Operator</i> at least two <i>Working Days</i> before the deadline of the issuance of the final statements. If the	If the <i>Market Operator</i> considers that a preliminary statement contains an error or discrepancy after reviewing the preliminary statement as notified by a <i>WESM member</i> pursuant to clause 3.14.4.3 or as independently identified by the <i>Market Operator</i> , the <i>Market Operator</i> shall ensure that correction of any error or discrepancy is reflected in the relevant final statements, provided that corrections requiring the input of an external party are received by the <i>Market Operator</i> at least <u>four (4) business</u> two <i>Working Days</i> before the	To harmonize the WESM Rules and Manuals on the submission of final and corrected inputs required for the final statement.

Title	Clause	Provision	Proposed Amendment	Rationale
		<i>Market Operator</i> receives notice of an error, discrepancy or correction of an earlier identified error after their relevant deadlines, clause 3.14.9.2 shall apply.	deadline of the issuance of the final statements. If the <i>Market Operator</i> receives notice of an error, discrepancy or correction of an earlier identified error after their relevant deadlines, clause 3.14.9.2 shall apply.	

B. WESM Manual on Billing and Settlement Issue 6.1

Title	Clause	Provision	Proposed Amendment	Rationale
Procedures	4.2.1	<p>4.2.1 Issuance of Preliminary Statements</p> <p>Within seven (7) days after the end of each billing period, the Market Operator shall give each WESM member who has engaged in market transactions in that billing period a preliminary statement which sets out the market transactions of that WESM member in that billing period and the settlement amount payable by or to that WESM member. If the seventh day falls on a Non-Working Day, the issuance of the preliminary statements shall be made during the next immediate working day.</p>	<p>4.2.1 Issuance of Preliminary Statements</p> <p>Within seven (7) <i>business</i> days after the end of each billing period, the Market Operator shall give each WESM member who has engaged in market transactions in that billing period a preliminary statement which sets out the market transactions of that WESM member in that billing period and the settlement amount payable by or to that WESM member. If the seventh day falls on a Non-Working Day, the issuance of the preliminary statements shall be made during the next immediate working day.</p>	<p>To maintain the effective and efficient processing of market settlement. This was concurred by the DOE concurred in its letter to the IEMOP (See Annex B).</p>

C. WESM Manual on Metering Standards and Procedures Issue 12.0

Title	Clause	Provision ²	Proposed Amendment	Rationale
Collection and Submission Procedure	5.3.3	<p>5.3.3 Monthly Process</p> <p>(a) Not later than three (3) business days after the end of the billing period, the <i>Metering Services Provider</i> shall submit, via File Transfer Protocol (FTP) or any secure file storage device, monthly preliminary metering data of all metering points of its associated <i>Trading Participants</i>. In addition, the <i>Metering Services Provider</i> shall submit a transmittal letter that includes a tabulation of all associated metering points and their corresponding total metered quantity for the billing period.</p>	<p>5.3.3 Monthly Process</p> <p>(a) Not later than three (3) business days after the end of the billing period, the <i>Metering Services Provider</i> shall submit, via File Transfer Protocol (FTP) or any secure file storage device, monthly preliminary metering data of all metering points of its associated <i>Trading Participants</i>. In addition, the <i>Metering Services Provider</i> shall submit a transmittal letter that includes a tabulation of all associated metering points and their corresponding total metered quantity for the billing period.</p> <p><u>Non-compliances with the above requirement shall be reported by the Market Operator to the Governance Arm or the Enforcement and Compliance Office, as may be authorized by the relevant Market Manuals, subject to the established rules on</u></p>	<p>Added provision for non-compliances to the timeline set forth in the rules and manuals and to strictly implement the timeline of submission of monthly metering data.</p>

² Updated to reflect DOE-approved revisions under DOE DC2021-07-0021 dated 25 June 2021

Title	Clause	Provision ²	Proposed Amendment	Rationale
		<p>(b) The <i>Market Operator</i> shall validate the monthly metering data relative to its format, the given SEILs, metering data and per <i>dispatch interval</i>. The <i>Market Operator</i> shall compare the monthly metering data to the values of the daily metering data for each <i>metering point</i> submitted by the <i>Metering Services Provider</i>. If there are discrepancies between the values, the <i>Market Operator</i> shall issue a Meter Trouble Report (MTR) to the <i>Metering Services Provider</i>.</p> <p>(c) Not later than seven (7) business days after the issuance of the Meter Trouble Report, the <i>Metering Services Provider</i> shall correct the metering data in accordance with the procedures set forth in Section 6.4.3 of this <i>Market Manual</i>.</p> <p>(d) xxx</p>	<p><u>enforcement proceedings and sanctions.</u></p> <p>(b) The <i>Market Operator</i> shall validate the monthly metering data relative to its format, the given SEILs, metering data and per <i>dispatch interval</i>. The <i>Market Operator</i> shall compare the monthly metering data to the values of the daily metering data for each <i>metering point</i> submitted by the <i>Metering Services Provider</i>. If there are discrepancies between the values, the <i>Market Operator</i> shall issue a Meter Trouble Report (MTR) to the <i>Metering Services Provider</i>.</p> <p>(c) Not later than seven (7) business days after the issuance of the Meter Trouble Report, the <i>Metering Services Provider</i> shall correct the metering data in accordance with the procedures set forth in Section 6.4.3 of this <i>Market Manual</i>.</p> <p>(d) xxx</p>	

D. Retail Manual on Metering Standards and Procedures Issue 3.0

Title	Clause	Provision	Proposed Amendment	Rationale
Metering Data Collection	5.3.3	<p>5.3.3 Monthly Process</p> <p>Not later than three (3) business days after the end of the billing period, the Retail Metering Services Provider shall submit monthly preliminary metering data of all metering points of its associated Contestable Customers. In addition, Retail Metering Services Provider shall submit a transmittal letter that includes a tabulation of all associated metering points and their corresponding total metered quantity for the billing period. The Retail Metering Services Provider shall also report to the Central Registration Body all discrepancies between the monthly metering data and the daily metering data values with justifications for the discrepancies. In the event that metering data errors are detected by the Central Registration Body in accordance with Section 6 of this Manual, the Retail Metering Services Provider shall be required to submit final metering data addressing the errors.</p>	<p>5.3.3 Monthly Process</p> <p>Not later than three (3) business days after the end of the billing period, the Retail Metering Services Provider shall submit monthly preliminary metering data of all metering points of its associated Contestable Customers. In addition, Retail Metering Services Provider shall submit a transmittal letter that includes a tabulation of all associated metering points and their corresponding total metered quantity for the billing period. The Retail Metering Services Provider shall also report to the Central Registration Body all discrepancies between the monthly metering data and the daily metering data values with justifications for the discrepancies. In the event that metering data errors are detected by the Central Registration Body in accordance with Section 6 of this Manual, the Retail Metering Services Provider shall be required to submit final metering data addressing the errors.</p> <p><u>Non-compliances with the above requirement shall be reported by the Market Operator to the Governance Arm or the Enforcement and Compliance Office, as may be authorized by the relevant Market Manuals, subject to the</u></p>	<p>Add provision for non-compliances to the timeline set forth in the rules and manuals and to strictly implement the timeline of submission of monthly metering data.</p>

Title	Clause	Provision	Proposed Amendment	Rationale
			<u>established rules on enforcement proceedings and sanctions.</u>	
Monthly Validation	6.3.2	<p>In addition to the daily validation, the <i>Central Registration Body</i> shall also validate the monthly <i>metering data</i> sent to the <i>Central Registration Body</i> by the <i>Retail Metering Services Providers</i>. The procedure for the monthly validation is as follows:</p> <ul style="list-style-type: none"> a) xxx b) xxx c) If issued a <i>Meter Trouble Report</i>, a <i>Retail Metering Services Provider</i> shall correct the <i>metering data</i> and submit final <i>metering data</i> not later than five (5) business days prior to the issuance of the final settlement statement; and <p>xxx</p>	<p>In addition to the daily validation, the <i>Central Registration Body</i> shall also validate the monthly <i>metering data</i> sent to the <i>Central Registration Body</i> by the <i>Retail Metering Services Providers</i>. The procedure for the monthly validation is as follows:</p> <ul style="list-style-type: none"> a) xxx b) xxx c) If issued a <i>Meter Trouble Report</i>, a <i>Retail Metering Services Provider</i> shall correct the <i>metering data</i> and submit final <i>metering data</i> not later than five (5) four (4) business days prior to the issuance of the final settlement statement; and <p>xxx</p>	To align the timeline for monthly validation with the wholesale MSPs.



07 October 2021
CSC-OUT-2021-031

THE RULES CHANGE COMMITTEE
Philippine Electricity Market Corporation
18/F Robinsons Equitable Tower, ADB Avenue, Ortigas Center
Pasig City

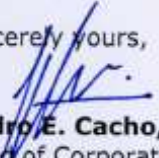
THRU: RCC-SECRETARIAT, PEMC

Dear **Rules Change Committee**,

This is to formally endorse DOE's response to IEMOP's request to retain the term "business days" for the timeline and submission of metering data by the Metering Services Provider as referred in the WESM Metering Manual. As noted in the said response letter, the DOE has recognized the objective and justification of the proposal¹ and has concurred to IEMOP's proposal to retain the term "business days" in order to maintain the effective and efficient processing of market settlement in the WESM.

Thank you.

Sincerely yours,


Isidro E. Cacho, Jr.
Head of Corporate Strategy and Communications
Market Operator Representative to the RCC



¹ ORCP-WR-MW-RM-21-01 "Proposed Amendments to the WESM Rules, WESM Manuals and Retail Manual regarding Validation Timeline Adjustment in Metering and Billing"



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

JUN 25 2021

ATTY. RICHARD J. NETHERCOTT

President and CEO

Independent Electricity Market Operator of the Philippines (IEMOP)

9/F Robinsons Equitable Tower

ADB Avenue, Ortigas Center, Pasig City

Subject: **Draft Department Circular (DC) Adopting Further Amendments
to the WESM Rules and Market Manual on Metering**

Dear *President Nethercott*:


This refers to your letter, dated 17 March 2021, requesting the Department of Energy (DOE) to consider the IEMOP's further comments on the draft DC adopting further amendments to the Wholesale Electricity Spot Market (WESM) Rules and Market Manual on metering.

In this regard, the DOE-Electric Power Industry Management Bureau coordinated with IEMOP and provided clarifications on the said additional comments. The DOE has recognized the objective and justification of the proposal, particularly to retain the term "business days" for the timeline and submission of metering data by the Metering Services Provider under Sections 5.3.3, 7.3.1, 9.4.1.3, and 9.4.1.4 of the abovementioned Market Manual. We agree to the said proposal and to retain the term "business days" in order to maintain the effective and efficient processing of the market settlement in the WESM.

Accordingly, the DOE will finalize the said draft DC and promulgate this policy for the timely and effective implementation of the commercial operation of the enhanced WESM design and operations.

Thank you for your usual support and cooperation to the DOE.

Very truly yours,


ALFONSO G. CUSI
Secretary



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