

## RULES CHANGE COMMITTEE

### Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures for General Enhancements to the Application Process of New WESM Members

Effective Date : 21 October 2021

Page : 1 of 23

**WHEREAS**, the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures (“WESM Registration Manual”) provides for the approval process of applications for WESM membership administered by the Market Operator (Independent Electricity Market Operator of the Philippines or IEMOP);

**WHEREAS**, during actual operations, the following have been observed<sup>1</sup>:

- 1) Since WESM membership is a requirement in order for generation companies to conduct test and commissioning for their respective generating units and obtain Certificate of Compliance (COC) from the ERC, the membership applications of such generation companies are approved and made effective prior to completion of all requirements in order to allow them to conduct the tests;
- 2) There are no provisions in the WESM Registration Manual prescribing the processes and obligations during conduct of test and commissioning, and during the transition of the generation company to commercial operations when it will be allowed to submit offers;
- 3) There were several variable renewable energy generating units that have been under test and commissioning status for an extended period of time (i.e., more than the two-month period prescribed by the ERC) and have not been submitting their hourly forecasted production to the Market Operator which, in turn, adversely affects the accuracy of scheduling and pricing in the WESM; and
- 4) There are no clear procedures that cover instances when a generation company needs to temporarily withdraw power from the transmission system for the construction of their generation facilities;

**WHEREAS**, in order to address the observations encountered during actual operations, the DOE recommended IEMOP to initiate amendments to the WESM Rules and relevant WESM Manuals to provide more details in the registration procedures including but not limited to the following:

- a) Clarification on what constitutes “Test and Commissioning” status in the WESM;
- b) Specification of definite timeline for completion of registration procedures;
- c) Inclusion of provisions on withdrawal of application, as applicable, if the registration is not completed within prescribed period; and
- d) Enjoining of WESM registrants for immediate information to IEMOP upon issuance of COC by the ERC;

**WHEREAS**, in compliance with the instruction of the DOE, IEMOP submitted to the RCC on 29 November 2019 the proposed amendments to the WESM Registration Manual to introduce general enhancements in the WESM registration process;

<sup>1</sup> Discussion Paper on the Proposal (ORCP-WM-19-20) submitted by the IEMOP to the RCC.



**WHEREAS**, the submitted proposal aims to:

- 1) Introduce phases for registration of generating units corresponding to the development progress of the generating unit, namely:
  - a. Backfeed Registration for its withdrawal of energy from the grid during construction,
  - b. Test and Commissioning Registration for the conduct of the activity in accordance with the Philippine Grid Code, and
  - c. Commercial Operation Registration for its full participation in the WESM including submission of offers or self-schedules;
- 2) Define the requirements, timelines, and guidelines for each registration phase;
- 3) Require the execution of the Market Participation Agreement prior to the issuance of the notice of WESM approval to obtain commitment of the applicant in following the rest of the registration procedures after the approval of its WESM membership;
- 4) Require the completion of payment of the registration fee, installation of digital certificate and submission of COC or Provisional Authority to Operate (PAO) prior to the issuance of the notice of WESM Membership approval for the complete preparation, authorization and establishment of the market interfaces necessary for the immediate participation of the WESM member upon the issuance of the notice of approval; and
- 5) Establish additional guidelines for the registration and conduct of test and commissioning activity, including clarification on the valid duration of test and commissioning status based on existing ERC rules and its impact on settlement (e.g., no payment for injections beyond test and commissioning period);

**WHEREAS**, the RCC took up the proposal during its 159<sup>th</sup> meeting on 06 December 2019 and approved to post the proposal in the PEMC website, as submitted, to solicit comments from WESM Members and stakeholders;

**WHEREAS**, following the 30-working day commenting period from 10 December 2019 to 28 January 2020, comments were received from PEMC, the Market Surveillance Committee, NGCP, SPC Island Power Corp. and AC Energy Corp., which, together with the IEMOP's responses to said comments, the RCC considered during the deliberations;

**WHEREAS**, the RCC deliberated on the proposal during its 161<sup>st</sup> meeting on 21 February 2020, during which the body agreed to amend the proposal, as follows:

- 1) Added two new provisions to incorporate the previous proposal regarding registration of additional facilities, which was already submitted to the DOE for approval<sup>2</sup>;
- 2) Clarified that the facility under Backfeed Registration shall be included in the market network model as load resource during this phase;
- 3) Clarified that test and commissioning refers to activities related to the generating unit's connection or synchronization to the grid in order to exclude other required tests that do not disrupt the grid;
- 4) Provided a procedure in which applicants shall inform the Market Operator if it has secured an extended period for test and commissioning from the ERC;

<sup>2</sup> Promulgated by the DOE per Department Circular No. DC2020-10-0019 dated 06 October 2021.

- 5) Limited acceptable documents to only the COC or PAO, both from the ERC, for allowing an applicant to commence commercial operations;
- 6) Clarified that a facility under Test and Commissioning Registration phase who opted to subscribe to the Market Participant Interface shall only have a view-only access of its schedules;
- 7) Provided reference to the relevant provision in the WESM Rules for treating any net surplus resulting from injection of energy to the grid due to unauthorized test and commissioning activity;
- 8) Specified that the System Operator shall no longer impose over-riding constraints on a generating unit once its test and commissioning period ends; and
- 9) Provided that non-submission of the appropriate ERC certification on the last date of the approved test and commissioning period shall be treated as non-compliance subject to applicable sanctions;

**WHEREAS**, the RCC consequently recognized that the proposal has penalty implications and thus requested the Market Surveillance Committee and PEMC's Enforcement and Compliance Office (ECO), through a letter dated 04 March 2020, to review the proposal and see how it could affect the monitoring and penalty imposition processes;

**WHEREAS**, the RCC resumed the deliberation on 24 April 2020 during its 164<sup>th</sup> meeting and noted ECO's explanations regarding the grounds for non-compliance related to the proposed enhancements to the registration process and possible corresponding sanctions, and also that the processes for investigation and imposition of penalties applied in the 1-hr and 5-minute market design are sufficient should the proposed changes are implemented;

**WHEREAS**, during the same meeting, the RCC provisionally approved the proposal but deferred endorsing it to the PEM Board after being informed<sup>3</sup> that the DOE shall be promulgating a general framework governing the test and commissioning of generation facilities, which the RCC agreed that the proposal must be aligned with;

**WHEREAS**, on 02 July 2021, the DOE issued Department Circular No. DC2021-06-0013 dated 03 June 2021 entitled "Adopting General Framework Governing Test and Commissioning of Generation Facilities for Ensuring Readiness to Deliver Energy to the Grid or Distribution Network";

**WHEREAS**, the IEMOP was requested to review the working draft of the subject proposal in order to align it with the provisions of the general framework;

**WHEREAS**, IEMOP submitted to the RCC the revisions to the draft proposal on 19 August 2021 and presented the same during the RCC's 183<sup>rd</sup> meeting on 20 August 2021;

**WHEREAS**, during the same meeting, the RCC decided to no longer re-publish the proposal in the PEMC website to solicit comments since the changes made were only to harmonize the proposal with the DOE Department Circular, and to defer deliberation in the next meeting to allow RCC members to review the revisions;

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<sup>3</sup> RCC was informed that the DOE disseminated a draft Department Circular on the subject to solicit comments from interested parties, including PEMC, until 30 April 2020.



**WHEREAS**, during the RCC's 184<sup>th</sup> meeting on 17 September 2021, the RCC re-deliberated on the proposal to consider the changes made by the IEMOP to harmonize with the DOE's general framework, as follows:

- 1) Provided that instead of submitting an ERC certification allowing an applicant to conduct test and commissioning, the applicant shall instead furnish the Market Operator and System Operator a copy of the Provisional Certificate of Approval to Connect (PCATC) issued by the Transmission Network Provider or Distribution Utility certifying that the applicant may conduct test and commissioning;
- 2) Provided that, aside from PCATC, embedded generator applicants must also provide the Market Operator and System Operator a Clearance to energize from the Transmission Network Provider;
- 3) Specified that the test and commissioning period of the applicant shall be based on the PCATC;
- 4) Specified that the Market Operator shall grant full access to the Market Participant Interface no later than eight (8) calendar days from the approval of an applicant's commercial operations registration, instead of upon start of that applicant's commercial operations registration;
- 5) Specified that the Market Operator shall notify an applicant on the approval of its registration, whichever of the phase is applicable, within fifteen (15) calendar days from that applicant's complete submission of requirements;
- 6) Added provisions stating the processes related to extended and suspended validity of PCATC;
- 7) Added provision for updating changes in capacity and capabilities arising from the results of the test and commissioning;
- 8) Added provision related to the Network Service Provider's issuance of Final Certificate of Approval to Connect;
- 9) Shortened timeline, from five working days to three, within which a facility should file its application for Commercial Operations Registration reckoned from its receipt of COC or PAO; and
- 10) Deleted proposed transitory provisions as they are no longer applicable due to the promulgation of the DOE's general framework

**WHEREAS**, the RCC, during its 185<sup>th</sup> meeting on 15 October 2021, agreed to make further revisions on the proposal as follows:

- 1) Replace the terms "Transmission Network Provider" and "Distribution Utility" with "Network Service Provider" since "Transmission Network Provider" is not a term used in the WESM Rules and WESM Manuals, and provide a footnote to clarify that the term "Network Service Provider" includes Transmission Network Providers and Distribution Utilities per DOE Department Circular No. DC2021-06-0013; and
- 2) Adopt only the general definition of the term "Test and Commissioning" from the same DOE Circular for addition to the Glossary of the Manual, in consideration of the generation sector, the DOE and the System Operator having yet to agree on a clear and detailed scope of test and commissioning;

**WHEREAS**, on 21 October 2021, the RCC finalized the proposal and approved its endorsement to the PEM Board;

**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 as amended the Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures for General Enhancements to the Application Process of New WESM Members attached as Annex A;

**RESOLVED FURTHER**, that the said Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures for General Enhancements to the Application Process of New WESM Members, are hereby endorsed to the PEM Board for approval and subsequent transmittal to the DOE for promulgation;

Done this **21<sup>st</sup>** day of **October 2021**, *via* Microsoft Teams.



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**  
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(MEI/PEI)




**MARK D. HABANA**  
Vivant Corporation - Philippines  
(Vivant)

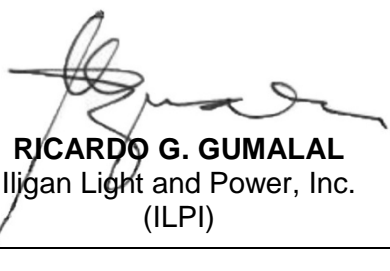
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**VIRGILIO C. FORTICH, JR.**  
Cebu III Electric Cooperative, Inc.  
(CEBECO III)



**RYAN S. MORALES**  
Manila Electric Company  
(MERALCO)



**RICARDO G. GUMALAL**  
Iligan Light and Power, Inc.  
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**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)



ANNEX A

Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures for General Enhancements to the Application Process of New WESM Members

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
REGISTRATION OF DIRECT WESM MEMBERS AND TRADING PARTICIPANTS	(New - inserted)	(New - inserted)	<b><u>2.5.5 Registration Phases</u></b>	Generation companies at different stages of the development of their generating facilities (i.e., construction, test and commissioning, commercial operations) participate in the WESM in different ways and, hence, will need to submit different requirements. This section is proposed to introduce stages of registration corresponding to those development stages.
(New - inserted)	(New - inserted)	(New - inserted)	<b><u>2.5.5.1 An Applicant wishing to register as a Generation Company or a generating system as an additional facility shall start its registration from one of the following phases:</u></b>  <b><u>a) If the Applicant needs to withdraw power from the transmission system for the construction and development of its generating system and for station use during such period, the Applicant shall undergo Backfeed Registration. The</u></b>	This proposed section provides the different phases and the criteria for each phase. In general, the difference of each phase are as follows: <ul style="list-style-type: none"> <li>• a GenCo under Backfeed Registration will be modelled as a load facility;</li> <li>• a GenCo under Test and Commissioning Registration will be modelled as a generation resource but</li> </ul>





ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>facility of the <i>Applicant</i> shall be included in the <i>market network model</i> as load resource at this phase.</u></p> <p><u>b) If the <i>Applicant</i> needs to conduct the necessary test and commissioning process as required by the <i>PGC</i>, the <i>Applicant</i> shall undergo Test and Commissioning Registration. For this purpose, Test and Commissioning shall refer to the generating unit's connection / synchronization to the grid.</u></p> <p><u>c) If the <i>Applicant</i> commences actual commercial operations, the <i>Applicant</i> shall undergo Commercial Operation Registration.</u></p>	<p>cannot submit offers to the market; and</p> <ul style="list-style-type: none"><li>• a GenCo under Commercial Operations Registration will be modelled as a generation resource and can submit offers to the market.</li></ul>
(New)	(New)	(New)	<p><u>2.5.5.2 An <i>Applicant</i> planning to register as a <i>Customer</i> or a load <i>facility</i> shall start its registration at the Commercial Operation Registration phase.</u></p>	<p>Unlike generating facilities, load facilities participate in the market in only one manner (i.e., non-dispatchable load); hence, it is proposed that Customers register only under Commercial Registration phase.</p>



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
Assessment of Applications	2.5.5 2.5.5.1	2.5.5 Assessment of Applications  2.5.5.1 Submission and Preliminary Assessment of Applications xxx	<del>2.5.5</del> 6 Assessment of Applications  <del>2.5.5</del> 6.1 Submission and Preliminary Assessment of Applications xxx	Re-numbered with the proposed introduction of the registration phases.
Assessment of Applications – Submission and Preliminary Assessment of Applications	2.5.5.1(a)	Applications for registration shall be submitted to the <i>Market Operator</i> together with documents and information required by the <i>Market Operator</i> to prove compliance with the membership criteria and requirements for registration.	<del>2.5.5.1</del> <b><u>2.5.6.1</u></b>  a) Applications for registration shall be submitted to the <i>Market Operator</i> together with documents and information required by the <i>Market Operator</i> to prove compliance with the membership criteria and requirements for registration. <b><u>An Applicant shall submit a separate application for registration in each applicable phase. Documents and information submitted during its registration for a prior phase may be used in succeeding applications, provided that the Applicant shall update the same as of the date of the filing of the separate application, if necessary.</u></b>	To clarify that separate application for each registration phase will be required; however, their submitted documents and information from the previous phase will already be honored in the next phases.
Assessment of Applications – Submission and Preliminary Assessment of Applications	2.5.5.1 (d)	If the facilities being registered are not yet represented in the prevailing WESM Market Network Model, the Market Operator shall, in consultation with the System Operator and the Applicant,	<del>2.5.5.1</del> <b><u>2.5.6.1</u></b>  d) If the facilities being registered are not yet represented in the prevailing <i>WESM Market Network Model</i> , the <i>Market Operator</i> shall,	Re-numbered with the proposed introduction of the registration phases.  To clarify that the applicant may be differently represented in the Market

## ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
		determine the appropriate representation for the said facility. It shall then update the WESM Market Network Model following the procedures set forth in relevant market manuals.	in consultation with the <i>System Operator</i> and the <i>Applicant</i> , determine the appropriate representation for the said facility <b><u>based on the registration phase of the Applicant</u></b> . It shall then update the <i>WESM Market Network Model</i> following the procedures set forth in relevant market manuals.	Network Model (MNM) depending on the registration phase of the applicant (i.e., as a load during backfeed, and as generator during test and commissioning and commercial operations).
Assessment of Applications – Submission and Preliminary Assessment of Applications	(New)	(New)	2.5.5.1 <b><u>2.5.6.1</u></b>  <b><u>e) The Applicant shall execute a market participation agreement in the form prescribed by the Market Operator and PEMC.</u></b>	To reflect current practice that signed Market Participation Agreement is being submitted by applicants before the Notice of WESM Approval to ensure compliance of the applicant with the WESM Rules and Manuals
Assessment of Applications – Submission and Preliminary Assessment of Applications	(New)	(New)	2.5.5.1 <b><u>2.5.6.1</u></b>  <b><u>f) An Applicant as a Generation Company shall comply with the authorization requirement under Section 2.5.3.1 based on its registration phase as follows:</u></b>  <b><u>1. Backfeed Registration. Applicant shall submit a receiving copy of its application with the ERC for a Certificate of Compliance, together</u></b>	This section provides the proposed unique documentary requirement for each phase, which are aligned with DOE DC 2021-06-0013:  a. a GenCo registering under Backfeed Registration will be required to submit proof that its registration as a load is towards operation of a generating facility;

ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>with Form 7 (General Plant Description) duly stamped “received” by the ERC.</u></p> <p>2. <u>Test and Commissioning Registration. Applicant shall submit the scheduled date of Test and Commissioning, as coordinated with the Network Service Provider* and System Operator, for the conduct of test and commissioning. Prior to the actual conduct of test and commissioning, the Generation Company shall furnish the Market Operator and System Operator a copy of its Provisional Certificate of Approval to Connect (PCATC), with additional Clearance to energize from the Network Service Provider for embedded generators. The test and commissioning period of the Applicant shall be as indicated in the Provisional Certificate of Approval to Connect. Applicant shall submit a receiving copy of its application with the ERC for a Certificate of Compliance, together</u></p>	<p>b. a GenCo registering under Test and Commissioning Registration will be required to submit proof that it is allowed by the TNP or DU (via the PCATC) to inject power to the grid for test and commissioning, as well as proof of its application with the ERC to secure COC; and</p> <p>c. a GenCo registering under Commercial Operations Registration will be required to submit proof that it is allowed to sell power by the ERC.</p>



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>with Form 7 (General Plant Description) duly stamped "received" by the ERC if this was not yet submitted. In case of extended period for Test and Commissioning, the <i>Applicant</i> shall submit to the <i>Market Operator</i> the corresponding extended PCATC three (3) working days from the original expiry date of PCATC indicating the approved period for the extended conduct of Test and Commissioning.</u></p> <p><i>Add footnote: <u>*Per DOE Department Circular No. 2021-06-0013, Network Service Providers include Transmission Network Providers and Distribution Utilities</u></i></p> <p>3. <u>Commercial Operations Registration. <i>Applicant</i> shall submit either a Certificate of Compliance or Provisional Authority to Operate (PAO).</u></p>	



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
Assessment of Applications – Submission and Preliminary Assessment of Applications	(New)	(New)	<p><del>2.5.5.1</del> <b><u>2.5.6.1</u></b></p> <p><b><u>g) Registration Fees. During its first registration phase,- the <i>Applicant</i> shall pay to the <i>Market Operator</i> a registration fee, as may be approved by the ERC, to cover the cost incurred for the assessment of the application, training of the participants and installation and maintenance of digital certificates.</u></b></p>	It is proposed that the registration fee be settled by the applicant on the first stage of its application for WESM Membership to cover the cost incurred in the whole duration of the application process including registration assessment, training of the participants, and installation and maintenance of the digital certificates.
Assessment of Applications – Submission and Preliminary Assessment of Applications	(New)	(New)	<p><del>2.5.5.1</del> <b><u>2.5.6.1</u></b></p> <p><b><u>h) Participant Interface Access. During the Test and Commissioning registration phase, the <i>Applicant</i> may subscribe to and allow the <i>Market Operator</i> to apply or install a method employing encryption in its computers to provide secure access to the <i>Market Management System</i>. The <i>Applicant</i> shall have read-only access to its facility during the Test and Commissioning phase to enable the <i>Trading Participant</i> to view its generating unit’s schedules. Meanwhile, full access to its facility will</u></b></p>	To clarify that the Participant Interface Access may be installed as early as the test and commissioning registration phase of the applicant, however, the system access will only be enabled on the start of the applicant’s commercial operations.

ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<u>only be enabled by the <i>Market Operator</i> no later than eight (8) calendar days from approval of the <i>Applicant's</i> Commercial Operations registration.</u>	
Approval of Applications – Basis	2.5.6.1(b)	Determines that the applicant is eligible to be registered in the category or categories in which it is applying for registration.	<p><del>2.5.6.1</del> <u>2.5.7.1</u></p> <p>xxx</p> <p>(b) Determines that the applicant is eligible to be registered in the category or categories <u>and phase</u> in which it is applying for registration.</p> <p>xxx</p>	To clarify that determination of eligibility of the applicant for the approval of application will be based on the category and phase that the applicant is applying for. This will guarantee that eligibility will be determined based on the requirements per registration phase and that the applicant will be assessed and approved per phase.
Approval of Applications - Notice of Approval	2.5.6.2	<p>2.5.6.2. Notice of Approval</p> <p>a) For approved applications, the Market Operator shall send a notice of approval to the Applicant within fifteen (15) days from completed submission by the applicant of the required application forms and supporting documents and information. The failure of the Market Operator to act on the application within this period</p>	<p><del>2.5.6.2</del> <u>2.5.7.2</u> Notice of Approval</p> <p>a) For approved applications, the <i>Market Operator</i> shall send a notice of approval <u>as a WESM Member at the applied registration phase</u> to the <i>Applicant</i> within fifteen (15) <u>calendar</u> days from completed submission by the applicant of the required application forms and supporting documents and information. The failure of the <i>Market Operator</i> to act on the</p>	The proposal was proposed to introduce the issuance of the notice of approval per registration phase with the corresponding timeline to be followed per phase. Since each registration phase has different requirements and impact in the WESM, the issuance of notice of approval is proposed to have different timelines per phase.



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
		<p>shall not be deemed an approval of the application.</p> <p>b) The registration of the Applicant shall take effect on the date specified in the notice of approval which shall be a date not more than seven (7) days after the Market Operator sends the notice of approval or on the date when the Applicant complies with all the requirements provided under Clause 5.6.3 of this Manual, whichever is later. Subject to concurrence by the Market Operator, the effective date may be set on another date requested by the Applicant.</p>	<p>application within this period shall not be deemed an approval of the application.</p> <p><b><u>b) The notice of approval of the Backfeed Registration shall indicate the effective date thereof, which date shall not be more than three (3) working days after the transmittal of the notice of approval by the <i>Market Operator</i>.</u></b></p> <p><b><u>c) The notice of approval of the Test and Commissioning Registration shall indicate the effective date thereof, which date shall not be more than three (3) working days after the transmittal of the notice of approval by the <i>Market Operator</i>.</u></b></p> <p><del>b) d) The registration of an Applicant notice of approval of the Commercial Operations Registration shall take effect on the date specified in the notice of approval which shall be a date not more than seven (7) days after the Market Operator sends the notice of approval or on the date when the Applicant complies with all the requirements provided under Clause</del></p>	<p>Re-numbered with the proposed introduction of the registration phases</p>

ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><del>5.6.3 of this Manual, whichever is later. Subject to concurrence by the Market Operator, the effective date may be set on another date requested by the Applicant.</del></p> <p><b><u>indicate the effective date thereof, which date shall not be more than eight (8) calendar days after the transmittal of the notice of approval by the Market Operator.</u></b></p>	
Other Requirements for Approved Applications	2.5.6.3	<p>2.5.6.3 Other Requirements for Approved Application</p> <p>The Applicant whose application has been approved shall also comply with the following as conditions to and before the effectivity of its membership in the WESM –</p> <p>a) Market Participation Agreement. The Applicant shall execute a market participation agreement in the form prescribed by the Market Operator.</p> <p>b) Participant Interface Access. The Applicant shall subscribe to and allow relevant digital certificates</p>	<p><del>2.5.6.3</del> <b><u>2.5.7.3</u></b> Other Requirements for Approved Application <b><u>Guidelines for Test and Commissioning Registration</u></b></p> <p><del>The Applicant whose application has been approved shall also comply with the following as conditions to and before the effectivity of its membership in the WESM –</del></p> <p><del>a.) Market Participation Agreement. The Applicant shall execute a market participation agreement in the form prescribed by the Market Operator.</del></p> <p><del>b) Participant Interface Access. The Applicant shall subscribe to and allow relevant digital certificates issued by the</del></p>	<p>The proposal seeks to set guidelines on the conduct of the test and commissioning aligned with DOE DC 2021-06-0013. The following guidelines will clarify the requirements, timelines and corresponding effects for non-compliance to the requirement. This aims to eliminate the existence of unauthorized prolonged test and commissioning activity of a generating unit.</p> <p>This also clarifies that any amount resulting from non-payment of unauthorized test and commissioning activity will be treated in accordance</p>

ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
		issued by the Market Operator to be installed in its computers in order for it to be permitted access to the WESM Market Management System.	<del>Market Operator to be installed in its computers in order for it to be permitted access to the WESM Market Management System.</del>	with the provisions of the WESM Rules.
		c) Registration Fees. Subject to approval by the ERC of the amount to be recovered, the Applicant shall pay to the Market Operator a registration fee to cover cost incurred for the assessment of the application, training of the participants and installation and maintenance of digital certificates. If the Market Operator incurs additional costs as a result of requesting and assessing additional information, it may require the applicant to pay the actual amount incurred to cover those additional costs.	<del>c) Registration Fees. Subject to approval by the ERC of the amount to be recovered, the Applicant shall pay to the Market Operator a registration fee to cover cost incurred for the assessment of the application, training of the participants and installation and maintenance of digital certificates. If the Market Operator incurs additional costs as a result of requesting and assessing additional information, it may require the applicant to pay the actual amount incurred to cover those additional costs.</del>  <u>a) The generating unit of the WESM Member shall be allowed to declare bilateral contract quantities and be entitled to WESM payments for its generated output only within the test and commissioning period indicated in the valid Provisional Certificate of</u>	Re-numbered with the proposed introduction of the registration phases



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>Approval to Connect issued by the Network Service Provider or upon completion of the conduct of test and commissioning, if completed earlier. Generation beyond the authorized test and commissioning period shall not be allowed to be declared as a bilateral contract quantity and shall not be entitled to WESM payments. Any net surplus as a result of injected energy from unauthorized test and commissioning activity will be treated in accordance with WESM Rules Clause 3.13.16. However, the WESM Member shall still be charged for all withdrawals from the grid for the conduct of its test and commissioning activities.</u></p> <p><u>b) The Market Operator shall notify the WESM Member, copy furnished the System Operator, of the expiration of its Provisional CATC fifteen (15) calendar days prior to the date of expiry. The System Operator shall no longer impose over-riding constraints on the generating unit once the test and commissioning period ends.</u></p>	



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p>c) <u>The <i>WESM Member</i> may submit an extended Provisional Certificate Approval to Connect to <i>Market Operator</i> and <i>System Operator</i> for the extension of its test and commissioning period within three (3) working days prior to original expiry date. Any unauthorized generation shall not be allowed to be declared as bilateral contract quantity and shall not be entitled to <i>WESM</i> payments in accordance with Section 2.5.7.3(a). In case of failure to submit the extended PCATC to the <i>Market Operator</i> within three (3) working days prior to the original expiry date, the PCATC shall be deemed without effect after the expiry date.</u></p> <p>d) <u>The <i>Network Service Provider</i> shall immediately inform <i>Market Operator</i> of any suspended validity of PCATC due to failure of the generating facility to satisfy the grid connectivity parameters required by the PGC. Suspended PCATC shall observe Section 2.5.7.3 (a). Notwithstanding the suspension of the</u></p>	



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>PCATC, an Extended PCATC shall be submitted within three (3) working days prior to original expiry of PCATC. Should the PCATC expire while the <i>WESM Member</i> is in the process of satisfying the grid connectivity parameters required by PGC or PDC, the process for the conduct of Test and Commissioning shall be reset.</u></p> <p><u>e) In case of changes in capacity and capabilities of the generating unit arising from the results of test and commissioning, the <i>WESM Member</i> shall immediately inform the <i>Market Operator</i> for the purpose of updating its registration details.</u></p> <p><u>f) The <i>Network Service Provider</i> of a generating unit shall furnish the ERC and <i>Market Operator</i> a copy of the Final Certificate of Approval to Connect within three (3) calendar days from issuance thereof to the relevant <i>WESM Member</i>.</u></p> <p><u>g) The <i>WESM Member</i> of a <i>generating unit</i> shall submit to the <i>Market Operator</i> an</u></p>	



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
			<u>application for Commercial Operations Registration within three (3) working days from receipt of its Certificate of Compliance or Provisional Authority to Operate (PAO).</u>	
Non-Approval of Applications/ Remedies	2.5.7	2.5.7 Non-Approval of Applications/Remedies	<del>2.5.7</del> <b>2.5.8</b> Non-Approval of Applications/Remedies	Re-numbered with the proposed introduction of the registration phases
CONTINUING COMPLIANCE	2.9	2.9.1 As condition to continuing membership in the WESM, all registered WESM members shall ensure their continuing compliance with the membership criteria and technical and commercial requirements set forth in the WESM Rules and this Manual.	2.9.1 As condition to continuing membership in the WESM, all registered WESM members shall ensure their continuing compliance with the membership criteria, and technical and commercial requirements set forth in the WESM Rules and this Manual <u>without the need for reminder from the Market Operator.</u>	The proposal was proposed to require the trading participants to submit registration documents as part of continuing compliance without the need for Market Operator to remind them.
New Generating Facility	3.3.6.2	The registered <i>Generation Company</i> shall comply with the technical and commercial requirements under Section 2.5.3 and the procedures under Section 2.5.4 for the registration of its new facility.	The registered <i>Generation Company</i> shall comply with the technical and commercial requirements under Section 2.5.3 and the procedures under Sections <del>2.5.4</del> , <b>2.5.5, 2.5.6 and 2.5.7</b> for the registration of its new facility.	To guide Trading Participants on the relevant provisions for registering new facilities.



ANNEX A

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures				
Title	Section	Provision	Proposed Amendment	Rationale
New Generating Facility	3.3.6.3	The <i>Market Operator</i> shall assess and approve the request for the registration of new <i>facility</i> in accordance with the procedures under Sections 2.5.5, 2.5.6, and 2.5.7.	The <i>Market Operator</i> shall assess and approve the request for the registration, <b><u>on applicable phases,</u></b> of new <i>facility</i> in accordance with the procedures under Sections 2.5.5, 2.5.6, and 2.5.7.	To emphasize the registration phases, each with corresponding requirements and timelines, where the Market Operator shall assess the registration applications.
Appendix A - Glossary		(New)	<b><u>Test and Commissioning</u></b>  <b><u>Refers to the conduct of procedures to determine and certify that a generating unit was connected to the grid in accordance with the Philippine Grid Code (PGC), Philippine Distribution Code (PDC) and other relevant guidelines and specifications and to determine readiness to deliver energy to Grid or distribution network for the purpose of securing a COC from the ERC.</u></b>	To provide a general definition for the term ‘test and commissioning’ adopted from DOE Department Circular No. 2021-06-0016, for purposes of WESM registration.

Note: For convenience, please underline and put in bold letters the proposed changes to the WESM Manual.

