



# Rules Change Committee 2023 Semestral Report

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July to December 2023

**January 2024**

This Report is prepared by the  
Philippine Electricity Market Corporation –  
Market Assessment Group for the  
Rules Change Committee



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## **I. INTRODUCTION**

In compliance with its mandate under the WESM Rules<sup>1</sup> and the WESM Manual on the Procedures for Changes to the WESM Rules (“Rules Change Manual”), the Rules Change Committee (RCC) submits this Report, covering the period July to December 2023. This report sets out the following:

- i. All proposals to amend the Market Rules and Manuals which have been submitted or remanded to and deliberated upon by the RCC for the covered period; and
- ii. Status of RCC priorities outlined in the 2023 RCC Work Plan.

## **II. ACCOMPLISHMENTS AND WORK PROGRESS**

During the period covered, the RCC held nine meetings<sup>2</sup> to discuss and deliberate upon several proposed amendments to the Market Rules and Manuals, aimed at refining market processes, operations and governance.

For the second half of 2023, the RCC approved and completed the processing of three general proposals, one urgent proposal and one proposal remanded by the DOE, initiated by the following parties:

- Philippine Electricity Market Corporation (PEMC),
- Market Surveillance Committee (MSC),
- Dispute Resolution Administrator (DRA), and
- Independent Electricity Market Operator of the Philippines (IEMOP)

The RCC likewise processed the extension of the implementation of one urgent proposal<sup>3</sup> and the enhancements to its Internal Rules. The table below shows the tally of received and approved proposals by the RCC per proponent.<sup>4</sup>

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<sup>1</sup> WESM Rules, Clause 8.6.5.

<sup>2</sup> Six (6) regular meetings, one (1) special meeting and two (2) caucuses

<sup>3</sup> RCC Resolution No 2023-12 – Extension of Effectivity of Urgent Amendments on Monitoring of Forecast Accuracy Standards

<sup>4</sup> Proposals that are not yet approved are undergoing review as of this writing.

**Table 1: Proposals Received and Approved by RCC, per Proponent (July to December 2023)**

| Proponent                                | Proposals carried over from Previous Periods | New Proposals Received | Proposals Approved |
|--|--|------------------------|--------------------|
| Market Operator                          | 1  | 0                      | 1                  |
| System Operator                          | 0  | 0                      | 0                  |
| Market Participants / WESM Stakeholders  | 0  | 0                      | 0                  |
| PEMC / WESM Governance Committees (WGCs) | 2  | 2                      | 4                  |
| <b>TOTAL</b>                             | <b>3</b>                                     | <b>2</b>               | <b>5</b>           |

The details of the received and approved proposals are described in *II.B Summary of Processed Proposal by RCC (July to December 2023)* and *II.C. On-Going Proposals and Discussions (July to December 2023)* in this Report.

For the period covered, the RCC has completed the processing of twelve amendments to the Market Rules and Manuals including one new WESM Manual on Ancillary Service Monitoring.

**Table 2: Summary of Approved Amendments per Market Document Category (July to December 2023)**

| Documents              | No. of Amendments |
|------------------------|-------------------|
| WESM Rules             | 4                 |
| WESM Manuals           | 7                 |
| Retail Rules           | 0                 |
| Retail Manuals         | 0                 |
| New WESM/Retail Manual | 1                 |
| <b>TOTAL</b>           | <b>12</b>         |

Market Rules and Manuals are being updated, as necessary, to respond to changes to market design (e.g., 5-minute dispatch interval, Reserve Market), or to harmonize with the DOE and ERC policies (i.e., Interruptible Load Program). Details of Table 2 can be found in Annex A of this Report.

The RCC, as part of its consultation process, posted all proposals in the PEMC website to solicit comments from interested parties for a period of thirty working days. Representatives of the organizations who submitted comments as well as interested parties are invited to participate in RCC deliberations of the proposals, with the resulting agreements endorsed to the PEM Board for approval.

For the second half of 2023, the RCC issued a total of seven rules change-related resolutions<sup>5</sup> including one resolution extending the effectivity of implementation of urgent amendments. The RCC deliberated a wide range of topics, particularly on:

<sup>5</sup> Excludes Resolution approving changes to the RCC's Internal Rules.

- 1) Dispute Resolution;
- 2) Preferential Dispatch;
- 3) Interruptible Load Program;
- 4) Market Intervention/Market Suspension Procedures;
- 5) Enforcement and Compliance process related to Penalty;
- 6) Retail Switching Requirements (No Outstanding Balance); and
- 7) Ancillary Services Monitoring.

The submitted resolutions were for the PEM Board's endorsement to the DOE and ERC for approval (general amendments) or for information (urgent amendments).

A summary of the proposed amendments deliberated by the RCC during the period July to December 2023 is provided in the succeeding sections. All the proposals, minutes of the RCC's deliberations and resolutions are posted in the PEMC website<sup>6</sup> for public information.

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<sup>6</sup> [Rules Change | Philippine Electricity Market Corporation \(wesm.ph\)](https://wesm.ph)

## II.A. Summary of Proposals

The tables below present the status of rules change proposals submitted to the RCC. Brief discussions on the proposals, both completed and under RCC evaluation, are further provided in Sections II.B and II.C of this Report.

**Table 3: Status of Proposals Processed by RCC (July to December 2023)**

| Item | Proponent | Control No.       | Proposal   | Submitted to RCC | Date Approved for Posting | Date Published | Deadline of Commenting Period | Comments Received   | Action Taken by RCC | RCC Resolution           | Action Taken by PEM Board        | PEM Board Resolution        | Date Submitted to DOE |
|------|-----------|-------------------|--|------------------|---------------------------|----------------|-------------------------------|---------------------|---------------------|--------------------------|----------------------------------|-----------------------------|-----------------------|
| 1    | PEMC      | ORCP-WR-WM-21-02B | Revised Proposed Amendments to the WESM Manual on Dispute Resolution Administration  | 21-Jun-2023      | n/a                       | n/a            | n/a                           | n/a                 | Approved            | 2023-08<br>(21 Jul 2023) | Approved                         | 2023-62-04<br>(26 Jul 2023) | 31-Jul-2023           |
| 2    | IEMOP     | ORCP-WR-WM-23-01  | Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch) | n/a              | n/a                       | 03-Feb-2023    | 17-Mar-2023                   | MEI/PEI, NGCP       | Approved            | 2023-07<br>(29 Jun 2023) | Approved                         | 2023-62-03<br>(26 Jul 2023) | 31-Jul-2023           |
| 3    | MSC       | ORCP-WR-WM-23-04  | Proposed amendments to the WESM Rules and the Dispatch Protocol Manual regarding the Market Intervention/Suspension Procedures                                 | 17-Mar-2023      | 28-Apr-2023               | 03-May-2023    | 15-Jun-2023                   | MEI/PEI, NGCP       | Approved            | 2023-14<br>(22 Dec 2023) | For approval                     | --                          | --                    |
| 4    | IEMOP     | ORCP-WR-WM-23-05  | Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load   | n/a              | n/a                       | 31-Mar-2023    | 18-May-2023                   | Meralco, NGCP, PEMC | Approved            | 2023-09<br>(29 Aug 2023) | Remanded to RCC<br>(30 Aug 2023) | --                          | --                    |

| Item | Proponent | Control No.      | Proposal   | Submitted to RCC | Date Approved for Posting | Date Published | Deadline of Commenting Period | Comments Received                 | Action Taken by RCC | RCC Resolution        | Action Taken by PEM Board                       | PEM Board Resolution     | Date Submitted to DOE |
|------|-----------|------------------|--|------------------|---------------------------|----------------|-------------------------------|-----------------------------------|---------------------|-----------------------|---|--------------------------|-----------------------|
|      |           |                  | Program (ILP) Implementation   |                  |                           |                |                               |                                   |                     |                       |   |                          |                       |
| 5    | PEMC      | ORCP-WR-WM-23-07 | Proposed General Amendments to the WESM Rules and Enforcement and Compliance Manual in Alignment with the Penalty Manual Revisions   | 12-Sep-2023      | 15-Sep-2023               | 20-Sep-2023    | 06-Nov-2023                   | Aboitiz Power, SPC/SIPC, and ACEN | Approved            | 2023-15 (22 Dec 2023) | (submitted to the PEM Board on 09 January 2024) | --                       | --                    |
| 6    | PEMC      | ORCP-WR-WM-23-08 | Proposed Urgent Amendments to the WESM Rules and WESM Manual on Dispatch Protocol and Proposed New Manual on Ancillary Services Monitoring regarding Reserve Market Compliance and Related Enforcement Actions | 12-Oct-2023      | n/a                       | n/a            | n/a                           | n/a                               | Approved            | 2023-10 (23 Oct 2023) | Approved  | 2023-65-03 (25 Oct 2023) | 09-Nov-2023           |



**Table 4: Status of On-going Proposals with RCC (July to December 2023)**

| Item | Proponent | Control No.            | Proposal  | Submitted to RCC | Date Approved for Posting | Date Published | Deadline of Commenting Period | Comments Received                         | Action Taken by RCC  | RCC Resolution           | Action Taken by PEM Board                          |
|------|-----------|------------------------|---|------------------|---------------------------|----------------|-------------------------------|---|--|--------------------------|--|
| 1    | NPC       | ORCP-WM-22-04          | Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints  | 18-Feb-2022      | 18-Feb-2022               | 28-Feb-2022    | 07-Apr-2022                   | PEI/MEI, IEMOP, PEMC, TC, SNAP, APC, NGCP | Approved   | 2022-09<br>(17 Jun 2022) | <i>Deferred; remanded to RCC for further study</i> |
| 2    | IEMOP     | ORCP-WR-RR-WM-RM-22-11 | Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of Electric Retail Aggregation Program   | 11-Nov-2022      | n/a                       | 23-Nov-2022    | 09-Jan-2023                   | AC Energy, Meralco, NGCP, PEMC            | <i>As of 21 Jul 2023: Deferred awaiting Omnibus Retail Rules</i> | --                       | --   |
| 3    | IEMOP     | ORCP-RR-RM-23-06       | Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023) | n/a              | n/a                       | 30-Mar-2023    | 17-May-2023                   | Meralco, NGCP, PEMC                       | <i>As of 21 Jul 2023: Deferred awaiting Omnibus Retail Rules</i> | --                       | --   |

## **II.B. Summary of Processed Proposals by RCC (July to December 2023)**

### **1) Proposed Amendments to the WESM Rules, and WESM Manual on Dispute Resolution Administration (ORCP-WR-WM-21-02 and ORCP-WR-WM-21-02B)**

The WESM Dispute Resolution Administrator (DRA) submitted rules change proposal on 12 March 2021 to reflect the following in the WESM Manual on Dispute Resolution:

- provide dispute resolution framework in Retail Rules;
- provide guidelines for virtual hearings and conferences during arbitration;
- align the final statement of WESM disputes and its binding effect with Republic Act No. 9285 or Alternative Dispute Resolution (ADR) Act of 2004 and its Implementing Rules and Regulations, and Special Rules of Court on ADR; and
- remove PEM Board and WESM Governance Committees as impleadable entities

In accordance with the process for general amendments, the proposal was approved by the RCC (RCC Resolution 2021-07) and subsequently endorsed by the PEM Board to the DOE on 21 July 2021 (PEM Board Resolution No. 2021-37-05). The proposal was partially approved by the DOE on 27 August 2022 through DOE DC2022-06-0021. Relative to the partial approval, the DOE provided recommendations through a letter dated 31 March 2022, which the DRA addressed by submitting a new rules change proposal to the RCC on 21 June 2023.

The RCC deliberated on the proposal during the 217<sup>th</sup> and 218<sup>th</sup> regular meetings on 23 June and 21 July 2023, respectively. The DRA proposed to revise the amendments originally submitted to the DOE in July 2022 that essentially clarifies the scope of arbitrable disputes under the Retail Rules as those only considered as commercial in nature. The proposed new provision under Section 7.3.1 of the Dispute Resolution Manual is reworded to clarify that arbitrable disputes between Suppliers and Customers are only those that pertains to the commercial aspects of their Retail Supply Contracts but which does not include the ‘interest of the public’. Disputes involving the interest of the public are excluded from the coverage of the WESM Dispute Resolution Framework as they fall under the original and exclusive jurisdiction of the ERC.

The RCC approved the proposed amendments on 21 July 2023 per RCC Resolution No. 2023-08 for endorsement to the PEM Board. The PEM Board approved and endorsed the proposal to the DOE on 31 July 2023.<sup>7</sup> The DOE’s public consultations on the proposal were held on 23 August (Taguig City), 31 August (General Santos City) and 06 September 2023 (Cebu City). The proposal is currently for the DOE’s final approval and promulgation.

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<sup>7</sup> PEM Board Resolution No. 2023-32-04 dated 26 July 2023.

**2) Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch) (ORCP-WR-WM-23-01)**

The proposal was originally submitted as urgent amendment which was certified and approved by the RCC through RCC Resolution 2023-04 dated 09 January 2023. The same was subsequently approved by PEM Board on 25 January 2023 and immediately took effect for six months beginning 27 January 2023.

The proposal was readmitted as general amendment and was posted in the PEMC website on 03 February 2023 to solicit comments from WESM Members and interested parties, and, following the 30-working day commenting period, received comments from the National Grid Corporation of the Philippines and Millennium Energy, Inc./Panasia Energy, Inc.

The RCC deliberated on the proposal during its 216<sup>th</sup> and 217<sup>th</sup> (Regular) meetings on 19 May and 23 June 2023, respectively and approved the proposal per RCC Resolution No. 2023-07 dated 29 June 2023. The PEM Board approved the proposal on 26 July 2023 per PEM Board Resolution No. 2023-62-03 and endorsed it to the DOE on 31 July 2023. The DOE's public consultations on the proposal were held on 23 August (Taguig City), 31 August (General Santos City) and 06 September 2023 (Cebu City). The proposal is currently for the DOE's final approval and promulgation.

The implementation of the corresponding urgent amendments as approved by the PEM Board on 25 January 2023 lapsed on 26 July 2023 but was extended for another six (6) months until 26 January 2024, or until the general proposal version is promulgated by the DOE, whichever comes first.

**3) Proposed Urgent and General Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load Program (ILP) Implementation (ORCP-WR-WM-23-02 and ORCP-WR-WM-23-05)**

The proposal was initially submitted by IEMOP on 17 February 2023 as an urgent amendment in compliance with the DOE's directive in preparation for the upcoming summer months. The urgent amendments intend to:

- assist in accurate and timely declaration of alerts by the System Operator which is the basis for ILP activation;
- enable the Market Operator to consider ILP de-loading capacity in forecasted demand during real-time scheduling;
- institutionalize the ILP Interim Protocol, which is currently not officially part of the WESM Manuals; and

- accommodate cases of Trading Participants requesting for bilateral contract quantity redeclaration during force majeure events (e.g., CRSS unavailability).

The RCC deliberated on the urgent proposal over two meetings, on 03 and 17 March 2023 during its 210<sup>th</sup> and 212<sup>th</sup> meetings, respectively. Based on the compliance concerns raised and the request of some sector representatives to publish the proposal for them to have an opportunity to provide comments, the RCC by way of voting did not certify the proposal as urgent and admitted it as a general amendment.<sup>8</sup> The PEM Board concurred with the RCC's decision and duly informed the DOE.<sup>9</sup>

Following a 30-working day commenting period from 31 March to 18 May 2023, comments were received from Meralco, NGCP and PEMC. Deliberations resumed and were conducted on 23 June, 21 July and 18 August 2023 during which the RCC discussed at length the timeline for re-declaring bilateral contract quantities to the Market Operator arising from ILP implementation, the possibility of allowing corrections to erroneous re-declarations and their impact on the Market Operator's processing of preliminary and final settlement statements. Separate consultations between the proponent and Meralco were also conducted on 02 and 16 August 2023 to resolve matters that arose during the said RCC meetings. Through voting, the RCC approved the proposal, as amended, and endorsed the same to the PEM Board per RCC Resolution No. 2023-09 dated 29 August 2023.

The PEM Board discussed the proposal during its 63<sup>rd</sup> meeting on 30 August 2023 and decided to remand the proposal to the RCC recognizing the concerns raised by the Market Operator on: (1) the need to review the definition of "force majeure" causing inaccessibility of the Central Registration and Settlement System (CRSS), and (2) the absence of criteria for admissible error and difficulty in implementing the proposed timeline for admitting corrections to BCQ re-declarations to be processed for issuance of settlement statements. The RCC re-deliberated over several meetings,<sup>10</sup> particularly reconciling opposing positions regarding the timeline and acceptable criteria for allowing corrections to BCQ re-declarations triggered by ILP events.

The RCC finalized and approved the revised proposal per RCC Resolution No. 2023-13 dated 22 December 2023. The proposal was endorsed to the PEM Board on 09 January 2024.

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<sup>8</sup> RCC Resolution No. 2023-02 dated 23 March 2023.

<sup>9</sup> PEM Board Resolution No. 2023-58-13 dated 29 March 2023.

<sup>10</sup> Revisions to the proposal were discussed during the 220<sup>th</sup>, 221<sup>st</sup>, 223<sup>rd</sup>, 224<sup>th</sup>, 225<sup>th</sup>, and 226<sup>th</sup> RCC Meetings held on 15 and 26 September, 20 October, 13 and 17 November, and 14 December 2023, respectively.

#### **4) Proposed Amendments to the WESM Rules and the Dispatch Protocol Manual regarding the Market Intervention/Suspension Procedures (ORCP-WR-WM-23-04)**

The Market Surveillance Committee (MSC) submitted the subject proposed amendments to the RCC on 17 March 2023. The proposal aims to (i) improve the procedures for declaring Market Intervention/Suspension, as well as the processes that follow, to streamline the assessment undertaken by the System and Market Operator and (ii) clarify the classification of events between Grid System-related or Market System-related.

Following the 30 working-day commenting period from 03 May 2023 to 15 June 2023, comments were received from NGCP, PEI/MEI and DOE.

The RCC deliberated on the proposal over five meetings.<sup>11</sup> Extensive discussions were made regarding the criteria of market intervention categories that the System Operator and Market Operator may declare and the MSC's requirement for either the System Operator and Market Operator to provide an estimate of cost impact to WESM Members as a consequence of grid security-related or market system-related intervention, as applicable. The RCC approved the proposal, as amended, per RCC Resolution No. 2023-14 dated 22 December 2023 and endorsed it to the PEM Board on 09 January 2024.

#### **5) Proposed General Amendments to the WESM Rules and Enforcement and Compliance Manual in Alignment with the Penalty Manual Revisions (ORCP-WR-WM-23-07)**

On 12 September 2023, PEMC submitted proposed amendments on penalty, and enforcement and compliance which aim to transfer the responsibility to collect penalties from the Market Operator to the WESM Governance Arm, authorize PEMC to utilize the financial penalties collected, enhance the timeline and procedures regarding compliance monitoring and investigation, and transfer all provisions relating to enforcement remedies from the Penalty Manual to the Enforcement and Compliance Manual, among others. Following the 30-working day commenting period from 20 September 2023 to 06 November 2023, comments were received from Aboitiz Power Corporation, SPC Power Corporation/SPC Island Power Corporation, and ACEN Corporation.

Deliberations were conducted during the RCC's 225<sup>th</sup> and 226<sup>th</sup> meetings on 17 November and 14 December 2023, respectively. The RCC likewise noted the corresponding proposed changes to the WESM Penalty Manual approved by the MSC. The proposal was approved on 22 December 2023 per RCC Resolution No. 2023-15 and was submitted to the PEM Board on 09 January 2024.

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<sup>11</sup> 218<sup>th</sup> (Regular) Meeting on 21 July, 219<sup>th</sup> (Regular) Meeting on 18 August, 220<sup>th</sup> (Regular) Meeting on 15 September, 225<sup>th</sup> (Regular) Meeting on 17 November and 226<sup>th</sup> (Regular) Meeting on 14 December 2023.

**6) Proposed Urgent Amendments to the WESM Rules and WESM Manual on Dispatch Protocol and Proposed New Manual on Ancillary Services Monitoring regarding Reserve Market Compliance and Related Enforcement Actions (ORCP-WR-WM-23-08)**

The proposal was submitted by PEMC on 12 October 2023 to comply with the DOE Department Circular No. DC2023-09-0026 mandating the WESM Governance Arm, through the Enforcement and Compliance Office, to finalize the guidelines for compliance by Ancillary Service Providers (ASP) with the reserve offer capacity compliance (ROCC) and reserve conformance standards (RCS) in the Reserve Market for submission to the DOE not later than 15 November 2023. This is in consideration of the target date for the full commercial operations of the Reserve Market on 26 December 2023.

The urgent proposed amendments covered the following matters:

- 1) Roles and responsibilities of the ASP, Market Operator, the WESM Governance Arm, and the System Operator;
- 2) Rules governing the reserve offer submission by the ASPs or the ROCC;
- 3) Development of the RCS which incorporates as integral part of the standards the relevant provisions in Section 21 of the Dispatch Protocol Manual regarding the “Monitoring the Effective Provision of Ancillary Services”;
- 4) Compliance monitoring procedures for both ROCC and RCS; and
- 5) Enforcement actions relating to the findings of breach of ROCC and RCS.

Recognizing the DOE’s deadline of submission, the RCC certified the proposal as urgent and conducted deliberations during its 222<sup>nd</sup> (Special) and 223<sup>rd</sup> (Regular) Meetings held on 13 and 20 October, respectively.

The RCC approved the proposal, as amended, per RCC Resolution No. 2023-10 dated 23 October 2023 and endorsed it to the PEM Board on the same day for approval. The PEM Board approved the proposal on 25 October 2023 (PEM Board Resolution 2023-65-03), as revised, to provide a transitory provision stating that the imposition and amount of sanctions and/or penalties as a consequence of breach shall be subject to a six-month relaxation period with the end in view of encouraging participation and compliance of Ancillary Service Providers. This notwithstanding, the provisions on non-payment of reserve trading amounts shall be binding upon the commercial operation of the WESM Reserve Market.

The proposal was submitted to the DOE on 09 November 2023 and was subjected to public consultation on 05 December 2023. It is currently for the DOE’s final approval and promulgation.

## **II.C. On-Going Proposals and Discussions (July to December 2023)**

During the period covered, the RCC likewise discussed the following proposals:

### **1) Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints (ORCP-WM-22-04)**

The subject proposal was originally submitted as an urgent amendment by the National Power Corporation-Dams Management Department (NPC-DMD) on 28 January 2022 to reinstate local calamities as must-run unit (MRU) criteria to ensure public safety. The RCC remanded the proposal to the proponent to revise it based on the body's recommendations. The PEM Board concurred with the RCC's decision during its 45<sup>th</sup> meeting on 23 February 2022.

The proponent re-submitted a revised proposal to prioritize dispatch of hydroelectric plants during local calamities and dam infrastructure emergencies under a proposed new category of non-security over-riding constraints, which the RCC approved as amended through its RCC Resolution No. 2022-09. The proposal was endorsed to the PEM Board for approval on 22 June 2022 and was deliberated twice on 29 June and 31 August 2022. The PEM Board remanded the proposal to the RCC to further study the proposal's impact to generators. The RCC re-deliberated the proposal during its 202<sup>nd</sup> (Regular) and 206<sup>th</sup> (Regular) meetings (21 October and 16 December 2022 respectively) in compliance with the PEM Board's directive, and in consideration of the promulgation of DOE DC No. 2022-10-0031 (Declaring All RE Resources as Preferential Dispatch) which may possibly address the issues that NPC-DMD raised through their proposal.

The RCC conducted further discussions on the proposal with NPC-DMD during its 211<sup>th</sup> (Regular) and 212<sup>th</sup> (Regular) meetings (17 February and 17 March 2023, respectively). Based on the discussions, it was understood that the DOE DC No. 2022-10-0031 may not necessarily address NPC-DMD's concerns, thus, they maintained that they would pursue the proposal. Angat Hydropower Plant, one of NPC-DMD's counterparty hydropower plant operators, likewise raised their issues regarding compensation when there is negative pricing during extreme weather conditions.

During the 220<sup>th</sup> (Regular) meeting (15 September 2023), the NPC-DMD presented their revised proposal which, among others, specified the events on when to prioritize the dispatch of hydropower plants through imposition of non-security over-riding constraints. The RCC continued its deliberation during its 223<sup>rd</sup> meeting (20 October 2023) with NPC-DMD and its trading partners: SN Aboitiz (WESM trader for Magat, Ambuklao and Binga HEPP) and San Miguel/San Roque Hydropower (for San Roque HEPP). PSALM (trader for Caliraya, Botocan and Kalayaan HEPP) was unable to attend. It was concluded that the problem the proposal is trying to address may only be isolated to Caliraya Dam given its technical features, for which PSALM's inputs, as the trader, would be valuable.



The RCC recommended that NPC-DMD discuss the operational implications of the proposal with PSALM and agreed to defer deliberations, subject to the availability of the parties concerned.

**2) Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of Electric Retail Aggregation Program (ORCP-WR-RR-WM-RM-22-11)**

The subject proposal was initially submitted as an urgent amendment by IEMOP on 11 November 2022 to harmonize the existing procedures on retail transactions with the policies for implementing the Electric Retail Aggregation Program. The urgent amendment was submitted giving consideration to the target implementation of Electric Retail Aggregation Program on 26 December 2022, as prescribed in Article 2, Section 1 of the Retail Aggregation Rules (ERC Resolution No. 04, Series of 2022).

The RCC discussed the proposal during its 203<sup>rd</sup> (Special), 204<sup>th</sup> (Caucus) and 205<sup>th</sup> (Regular) meetings held on 14, 17 and 18 November 2022, respectively, and determined, through a vote, not to certify the proposal as an urgent amendment and rather admit the same as general amendment. Some of the issues considered by RCC were (i) difficulties on the pilot implementation of the program and (ii) sectoral representatives' recommendation to solicit comments from the stakeholders first.

The RCC submitted its decision through RCC Resolution 2022-14 dated 21 November 2022, which was also approved by PEM Board.<sup>12</sup> Following the procedures for admitting the proposal as general amendment, it was published on the PEMC website to solicit comments from WESM Members and stakeholders for a period of 30-working days or until 09 January 2023. Comments were received from AC Energy, Meralco, NGCP and PEMC.

On 31 January 2023, the DOE promulgated its DOE DC2023-01-0004 regarding the Implementation of Green Energy Option Program (GEOP). The subject proposal was harmonized with the said DOE DC and was deliberated together with the comments received and the proponent's responses during the 213<sup>th</sup> (Caucus) meeting on 14 April 2023, 215<sup>th</sup> (Caucus) meeting on 12 May 2023, and 216<sup>th</sup> (Regular) meeting on 19 May 2023.

On 11 July 2023 during the PEMC-ERC Coordination Meeting, PEMC sought ERC's guidance w on whether to (i) continue the deliberations on the proposals, or (ii) defer the discussions and wait for the unifying policy on retail (i.e., Omnibus Retail Rules). In response, the ERC suggested to defer deliberations on the proposal citing the following reasons:

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<sup>12</sup> PEM Board Resolution No. 2022-54-05 dated 23 November 2022.



- Ongoing review of the Retail Competition and Open Access – Technical Working Group;
- Additional opt-out policy on retail aggregation; and
- Pending implementation of the retail aggregation pilot program by the MERALCO and the University of the Philippines – Diliman due to concerns regarding their supply contract.

The RCC deferred the deliberations on the proposal as recommended by the ERC on 21 July 2023 during its 218<sup>th</sup> (Regular) Meeting.

**3) Proposed Urgent and General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023) (ORCP-RR-RM-23-03 and ORCP-RR-RM-23-06)**

On 10 March 2023, IEMOP submitted the subject proposal as an urgent amendment which seeks to (i) comply with Section 1a and 1b of ERC Resolution No. 01, Series of 2023 that only Eligible End-Users undergoing initial switch shall be required to submit certification of No Outstanding Balance to the Central Registration Body, and (ii) adopt definition introduced in Section 1a of ERC Resolution No. 01, Series of 2023 to include definition for Eligible End-Users, and revise definition of Contestable Customers.

During its 212<sup>th</sup> (Regular) meeting on 17 March 2023, the RCC certified the proposal as not urgent and reclassified the same to be a general proposal.<sup>13</sup> The PEM Board concurred with the RCC's decision on the said proposal during its 58<sup>th</sup> meeting.<sup>14</sup>

Following the process for general amendments, the proposal was posted in the PEMC website to request for comments within 30-working days from 30 March 2023 until 17 May 2023. Comments were received from Meralco, NGCP and PEMC.

The RCC initiated deliberations on the proposal during its 217<sup>th</sup> (Regular) meeting on 21 June 2023, but since the proposal is linked with the proposed amendments for the implementation of Electric Retail Aggregation Program, especially on various definition of terms related to retail, the ERC recommended to defer RCC deliberations on this proposal (see item II.C(2)). The RCC noted the ERC's suggestion during its 218<sup>th</sup> meeting on 21 July 2023 and deferred the deliberation.

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<sup>13</sup> RCC Resolution No. 2023-02 dated 23 March 2023

<sup>14</sup> PEM Board Resolution No. 2023-58-14 dated 29 March 2023.

## II.D. Status of Proposals Submitted to the DOE

This section provides updates on the status of DOE approval on the proposals submitted by PEMC during the covered period, that are still ongoing and have been recently approved. All of the six (6) proposals submitted were subjected to either in-person or virtual public consultations. Further, two (2) proposals submitted from the previous period were approved and promulgated.

**Table 5: Status of Proposals Submitted to the DOE**

|   | <b>RCC<br/>Resolution<br/>No.</b> | <b>Proposals</b>   | <b>DOE Approval</b>  |
|---|-----------------------------------|--|--|
| 1 | 2021-07                           | Proposed Amendments to the WESM Manual on Dispute Resolution   | Ongoing<br><i>(In-person public consultations<br/>– Luz: 23 Aug 2023, Vis: 06<br/>Sep 2023, Min: 31 Aug 2023)</i>  |
| 2 | 2022-11                           | Proposed Amendments to the WESM Manual on Billing and Settlement regarding Additional Compensation   | DOE DC2023-08-0024<br>(29 August 2023)   |
| 3 | 2022-12                           | Proposed Amendments to the WESM Rules and Manuals regarding Penalty Framework on Test and Commissioning  | DC2023-07-0023<br>(15 August 2023)   |
| 4 | 2023-04                           | Proposed Amendments to the WESM Rules and the Dispatch Protocol Manual regarding the Maximum Available Capacity  | Ongoing<br><i>(In-person public consultations<br/>– Luz: 23 Aug 2023, Vis: 06<br/>Sep 2023, Min: 31 Aug 2023)</i>  |
| 5 | 2023-05                           | Proposed General Amendments to the WESM Rules and FAS Manual on Matters Relating to Enforcement Proceedings and Actions  | Ongoing<br><i>(In-person public consultations<br/>– Luz: 23 Aug 2023, Vis: 06<br/>Sep 2023, Min: 31 Aug 2023)</i><br><br><i>Effectivity of Urgent<br/>Amendments extended until 22<br/>May 2024)</i> |
| 6 | 2023-06                           | Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Enhancements and Updating of the System Operator's Re-Dispatching, Reporting and Market Intervention/Market Suspension Procedures | Ongoing<br><i>(In-person public consultations<br/>– Luz: 23 Aug 2023, Vis: 06<br/>Sep 2023, Min: 31 Aug 2023)</i>  |

|   | <b><i>RCC<br/>Resolution<br/>No.</i></b> | <b><i>Proposals</i></b>  | <b><i>DOE Approval</i></b>  |
|---|--|--|---|
| 7 | 2023-07                                  | Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch)   | Ongoing<br><br><i>(In-person public consultations<br/>– Luz: 23 Aug 2023, Vis: 06<br/>Sep 2023, Min: 31 Aug 2023)</i> |
| 8 | 2023-10                                  | Proposed Urgent Amendments to the WESM Rules and WESM Manual on Dispatch Protocol and Proposed New Manual on Ancillary Services Monitoring regarding Reserve Market Compliance and Related Enforcement Actions | Ongoing<br><br><i>(Virtual public consultation on<br/>05 Dec 2023)</i>  |

### III. STATUS OF 2023 WORK PLAN

The 2023 RCC Work Plan (Annex D) was developed to align with PEMC's corporate vision, mission, and desired outcomes towards 2024-2025.

For the second half of year 2023, the RCC has convened nine times<sup>15</sup> which brings the total number of meetings conducted in 2023 to nineteen (19). During the same period, the RCC approved eight rules change-related resolutions,<sup>16</sup> amounting to a total of 15 resolutions the Committee issued in 2023. Notably, the Committee conscientiously discussed such significant policy changes as the monitoring and compliance of Ancillary Service Providers for the forthcoming full commercial launch of the Reserve Market, the guidelines for the imposition of penalty and related procedures on enforcement and compliance, the conditions for the Market Operator and the System Operator's declaration of Market Intervention and Suspension, and the timeline for the re-declaration of bilateral contract quantity arising from the implementation of Interruptible Loading Program.

As the RCC strives to attain a timely and responsive resolution of proposed amendments, it has approved refinements to its internal procedures in its rules review process. The Committee consistently direct its efforts and resources to realize PEMC's priority activities as reflected in pertinent DOE and ERC directives and PEMC's Corporate Plan, which necessitates continuing review of the Market Rules and Manuals and crafting of new market document, if necessary.

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<sup>15</sup> Six (6) regular meetings, one (1) special meeting and two (2) caucuses

<sup>16</sup> Six (6) approved proposals, one (1) extending the implementation of an urgent amendment, and one (1) approving changes to RCC Internal Rules

| <p>Approved by:</p> <p><b>THE RULES CHANGE COMMITTEE</b></p>   |  |
|--|--|
| Independent Members:   |  |
| <p>(signed)</p> <p><b>Jesusito G. Morillos</b></p>   | <p>(signed)</p> <p><b>Jose Roderick F. Fernando</b></p>  |
| <p>(signed)</p> <p><b>Rachel Angela P. Anosan</b></p>  | <p>(signed)</p> <p><b>Jordan Rel C. Orillaza</b></p>   |
| Generation Sector Members:   |  |
| <p>(signed)</p> <p><b>Dixie Anthony R. Banzon</b><br/>Masinloc Power Partners Co. Ltd.<br/>(MPPCL)</p>                         | <p>(signed)</p> <p><b>Cherry A. Javier</b><br/>Aboitiz Power Corp.<br/>(APC)</p>               |
| <p>(signed)</p> <p><b>Carlito C. Claudio</b><br/>Millennium Energy, Inc./ Panasia Energy, Inc.<br/>(MEI/PEI)</p>               | <p>(signed)</p> <p><b>Mark D. Habana</b><br/>Vivant Corporation - Philippines<br/>(Vivant)</p> |
| Distribution Sector Members:   |  |
| <p>(signed)</p> <p><b>Virgilio C. Fortich, Jr.</b><br/>Cebu III Electric Cooperative, Inc.<br/>(CEBECO III)</p>                | <p>(signed)</p> <p><b>Ryan S. Morales</b><br/>Manila Electric Company<br/>(MERALCO)</p>        |
| <p>(signed)</p> <p><b>Nelson M. Dela Cruz</b><br/>Nueva Ecija II Area 1 Electric Cooperative, Inc.<br/>(NEECO II – Area 1)</p> | <p>(signed)</p> <p><b>Russel S. Alabado</b><br/>Angeles Electric Corporation<br/>(AEC)</p>     |

**Supply Sector Member:**

(signed)  
**Gian Karla C. Gutierrez**  
First Gen Corporation/First Gen Energy Solutions, Inc.  
(FGEN)

**Market Operator Member:**

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

**System Operator Member:**

(signed)  
**Darryl Lon A. Ortiz**  
National Grid Corporation of the Philippines  
(NGCP)

**ANNEX A: Number of Proposed Amendments (July to December 2023)**
**Table 6: Number of Approved/Disapproved Amendments per Market Document**

| Market Documents      |  | Number of<br>Times Amended<br>(Jul – Dec 2023) |
|-----------------------|--|--|
| <b>WESM Rules</b>     |  | 4  |
| <b>WESM Manuals</b>   |  |  |
| 1. WM – BS            | Billing and Settlement   | 1  |
| 2. WM – CVC-PR        | Constraint Violation Coefficients and Pricing Re-runs  |  |
| 3. WM – DP            | Dispatch Protocol  | 3  |
| 4. WM – DR            | Dispute Resolution   | 1  |
| 5. WM – ECM           | Enforcement and Compliance Manual  | 1  |
| 6. WM – FASMD         | Procedures for the Monitoring of Forecast Accuracy<br>Standards for Must Dispatch Generating |  |
| 7. WM – GSV           | Guidelines on Significant Variations In and Between<br>Trading Intervals                     |  |
| 8. WM – IDC           | Market Operator Information Disclosure and<br>Confidentiality                                |  |
| 9. WM – LFM           | Load Forecasting Methodology   |  |
| 10. WM – MNMCP        | Market Network Model Development and<br>Maintenance-Criteria and Procedures                  |  |
| 11. WM – MSM          | Market Surveillance Manual   | 1  |
| 12. WM – MSP          | Metering Standards and Procedures  |  |
| 13. WM – PCSD         | Protocol for Central Scheduling and Dispatch of<br>Energy and Contracted Reserves            |  |
| 14. WM – PDM          | Price Determination Methodology  |  |
| 15. WM – PEMAUD       | PEM Audit Market Manual  |  |
| 16. WM – PM           | Penalty Manual   | 1  |
| 17. WM – RCM          | Procedures for Changes to the WESM Rules, Retail<br>Rules and Market Manuals                 |  |
| 18. WM – RSDCP        | Registration, Suspension and De-Registration Criteria<br>and Procedures                      |  |
| 19. WM – SSRG         | System Security and Reliability Guidelines   |  |
| 20. WM – TCMM         | Technical Committee Market Manual  |  |
| 21. WM – WCR          | WCO Certification and Registration   |  |
| 22. WM – WGC          | Guidelines Governing the Constitution of the WESM<br>Governance Committees                   |  |
| 23. WM – ASM          | Ancillary Service Monitoring   | 1 (New)  |
| <b>Retail Rules</b>   |  |  |
| <b>Retail Manuals</b> |  |  |
| 1. RCOA – DCRCI       | Disclosure and Confidentiality of Retail Customer<br>Information                             |  |
| 2. RCOA – GEOPP       | Green Energy Option Program Procedures   |  |
| 3. RCOA – MSP         | Metering Standards and Procedures  |  |
| 4. RCOA – MTP         | Market Transactions Procedures   |  |
| 5. RCOA – RCP         | Registration Criteria and Procedures   |  |

**ANNEX B: Members of the RCC as of December 2023**

| Sector            | Representative Organization   | Name   | Membership |
|-------------------|---|--|------------|
| Independent       | -   | Jesusito G. Morillos<br><i>(Chairperson, 01 Nov 2022 to present)</i> | -          |
|                   | -   | Jose Roderick F. Fernando  | -          |
|                   | -   | Rachel Angela P. Anosan  | -          |
|                   | -   | Jordan Rel C. Orillaza   | -          |
| Market Operations | Independent Market Operator of the Philippines (IEMOP)                                      | Isidro E. Cacho, Jr. <sup>17</sup>                                   | Principal  |
|                   |   | Kristoffer Monico S. Ng  | Alternate  |
| System Operations | National Grid Corporation of the Philippines (NGCP)   | Darryl Lon A. Ortiz  | Principal  |
|                   |   | Clark N. Agustin   | Alternate  |
| Generation        | Aboitiz Power Corporation (APC)   | Cherry A. Javier   | Principal  |
|                   |   | Angeli A. Parcia   | Alternate  |
|                   | Masinloc Power Partners Co. Ltd. (MPPCL)  | Dixie Anthony R. Banzon  | Principal  |
|                   |   | Rose Ann O. Alfaro   | Alternate  |
|                   | Millennium Energy, Inc./ Panasia Energy, Inc. (MEI/PEI)                                     | Carlito C. Claudio   | Principal  |
|                   |   | Jessie B. Victorio   | Alternate  |
|                   | Vivant Corporation – Philippines (Vivant)   | Mark D. Habana   | Principal  |
|                   |   | Michelle S. Tuazon   | Alternate  |
| Distribution      | Manila Electric Company (MERALCO) – Private Distribution Utility                            | Ryan S. Morales  | Principal  |
|                   |   | Manuel Luis N. Zagala  | Alternate  |
|                   | Angeles Electric Corporation (AEC) – Private Distribution Utility                           | Rocky D. Bayas   | Principal  |
|                   | Cagayan Electric Power and Light Co., Inc. (CEPALCO) – Private Distribution Utility         | Alfredo C. Sanaga, Jr.   | Alternate  |
|                   | Cebu III Electric Cooperative, Inc. (CEBECO III) – Electric Cooperative                     | Virgilio C. Fortich, Jr.   | Principal  |
|                   | Cebu I Electric Cooperative, Inc. (CEBECO I) – Electric Cooperative                         | Getulio Z. Crodua  | Alternate  |
|                   | Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1) – Electric Cooperative | Nelson M. Dela Cruz  | Principal  |
|                   |   | Darwin T. Daymiel <sup>18</sup>                                      | Alternate  |
| Supply            | First Gen Corporation/First Gen Energy Solutions, Inc. (FGEN)                               | Gian Karla C. Gutierrez  | Principal  |
|                   | TeaM (Philippines) Energy Corporation (TPEC)  | Dennis R. Paragas  | Alternate  |

<sup>17</sup> Replaced Mr. John Paul S. Grayda as Market Operator representative effective 26 July 2023.

<sup>18</sup> Replaced Mr. Jeffrey Cudapas as alternate member effective 27 September 2023.



**ANNEX C: DOE and ERC Observers as of December 2023**

| Organization             | Observers  |
|--------------------------|--|
| <b>DOE</b> <sup>19</sup> | 1) Luningning G. Baltazar<br>2) Antonio S. Barcelona<br>3) Noriel Christopher R. Reyes<br>4) Melanie C. Papa<br>5) Jhannelyn D. Marasigan<br>6) John Paulo O. Castro |
| <b>ERC</b> <sup>20</sup> | 1) Sharon O. Montañer<br>2) Antoinette M. Badillo  |

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<sup>19</sup> Designation of DOE observers per DOE letter to PEMC dated 16 October 2023.

<sup>20</sup> Designation of ERC observers per ERC letter to PEMC dated 06 December 2022.

## ANNEX D: Status of the Rules Change Committee Work Plan for 2023

The Rules Change Committee (RCC) strives to attain a timely resolution of all rules change proposals it receives and shall continuously direct its efforts to work on priority activities for further enhancements to the Market Rules and Manuals. The activities in the Work Plan are aligned with the 2023-2025 Corporate Strategic Plan of the Philippine Electricity Market Corporation (PEMC) and shall be updated as necessary as more contributions are received from industry sectors and stakeholders or as directed by the Department of Energy (DOE) or Energy Regulatory Commission (ERC).

**Legend:**

- Submission/Completion of Report/Inputs/Comments
- Regular Activity

| ACTIVITIES   |  | OUTPUTS             | 2023 |    |    |    | REMARKS/STATUS   |
|--|--|---------------------|------|----|----|----|--|
|  |  |                     | Q1   | Q2 | Q3 | Q4 |  |
| GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance |  |                     |      |    |    |    |  |
| Objective 4: Availability of Adequate Support to the PEM Board and its Committees                  |  |                     |      |    |    |    |  |
| 1  | Conduct of monthly and urgent meetings | Minutes of meetings |      |    |    |    | Conducted 19 meetings in 2023:<br><br>a. Regular Meetings (12) <ul style="list-style-type: none"><li>• 208<sup>th</sup> (2023-01)</li><li>• 209<sup>th</sup> (2023-02)</li><li>• 212<sup>th</sup> (2023-05)</li><li>• 214<sup>th</sup> (2023-07)</li><li>• 216<sup>th</sup> (2023-09)</li><li>• 217<sup>th</sup> (2023-10)</li><li>• 218<sup>th</sup> (2023-11)</li><li>• 219<sup>th</sup> (2023-12)</li><li>• 220<sup>th</sup> (2023-13)</li><li>• 223<sup>rd</sup> (2023-16)</li><li>• 225<sup>th</sup> (2023-18)</li><li>• 226<sup>th</sup> (2023-19)</li></ul> |

| ACTIVITIES   |   | OUTPUTS   | 2023 |    |    |    | REMARKS/STATUS  |
|--|---|---|------|----|----|----|---|
|  |   |   | Q1   | Q2 | Q3 | Q4 |   |
|  |   |   |      |    |    |    | b. Special Meetings (2) <ul style="list-style-type: none"> <li>• 210<sup>th</sup> (2023-03)</li> <li>• 222<sup>nd</sup> (2023-15)</li> </ul> c. Caucuses (5) <ul style="list-style-type: none"> <li>• 211<sup>th</sup> (2023-04)</li> <li>• 213<sup>th</sup> (2023-06)</li> <li>• 215<sup>th</sup> (2023-08)</li> <li>• 221<sup>st</sup> (2023-14)</li> <li>• 224<sup>th</sup> (2023-17)</li> </ul> |
| Objective 5: Availability of Accurate and Updated Market Reports, Rules, Manuals, and Other Relevant Public Information About the WESM and REM |   |   |      |    |    |    |   |
| 2  | Approve Annual Committee Work Plan aligned with PEMC Corporate Strategic Plan | 2023 RCC Work Plan submitted to the PEM Board by March 2023               |      |    |    |    | <i>Completed</i><br><br>2023 RCC Work Plan was transmitted to PEM Board on 28 March 2023 (COR-INT-RCC-23-08)  |
| 3  | Approve Semestral Reports   | RCC Semestral Reports submitted to the PEM Board in January and July 2023 |      |    |    |    | <i>Completed</i> <ul style="list-style-type: none"> <li>• RCC Semestral Report for Jul-Dec 2022 submitted to the PEM Board on 30 January 2023 (COR-INT-RCC-23-02)</li> <li>• RCC Semestral Report for Jan-Jun 2023 submitted to the PEM</li> </ul>  |

| ACTIVITIES  |  | OUTPUTS  | 2023 |    |    |    | REMARKS/STATUS   |
|---|--|--|------|----|----|----|--|
|   |  |  | Q1   | Q2 | Q3 | Q4 |  |
|   |  |  |      |    |    |    | Board on 31 July 2023 (COR-INT-RCC-23-20)  |
| 4   | Facilitate submission of Sectoral Certifications                     | Sectoral Certifications submitted to the RCC/PEM Board               |      |    |    |    | <i>Completed</i><br><br>Certifications were reported to the PEM Board on 29 March 2023   |
| Objective 6: Provision of Continuing Stakeholder Support and Engagement and Enhanced Market Awareness |  |  |      |    |    |    |  |
| 5   | Participate in WESM events, as requested or scheduled                | Attendance to the WESM events  |      |    |    |    | Participated in the following WESM Events: <ul style="list-style-type: none"> <li>• Market Participants Townhall (31 May 2023, CDO)</li> <li>• Electricity Market Exchanges (21 Jun 2023, Pasig City)</li> <li>• Annual General Membership Meeting (21 Jun 2023, Pasig City)</li> <li>• WCO Conferment and Annual Compliance Awards 2023 (14 November 2023)</li> </ul> |
| Objective 8: Responsive market rules and manuals  |  |  |      |    |    |    |  |
| 6   | Assess market rules and manuals and propose amendments <sup>21</sup> | RCC Resolutions on rules change proposals submitted to the PEM Board |      |    |    |    | RCC submitted 15 resolutions in 2023: <ul style="list-style-type: none"> <li>• RCC Reso 2023-01 (09 Jan 2023)</li> </ul>   |

<sup>21</sup> See Lists A and B for the lists of possible rules change proposals

| ACTIVITIES |  | OUTPUTS | 2023 |    |    |    | REMARKS/STATUS   |
|------------|--|---------|------|----|----|----|--|
|            |  |         | Q1   | Q2 | Q3 | Q4 |  |
|            |  |         |      |    |    |    | <ul style="list-style-type: none"> <li>• RCC Reso 2023-02 (27 Mar 2023)</li> <li>• RCC Reso 2023-03 (27 Mar 2023)</li> <li>• RCC Reso 2023-04 (26 May 2023)</li> <li>• RCC Reso 2023-05 (26 May 2023)</li> <li>• RCC Reso 2023-06 (07 Jun 2023)</li> <li>• RCC Reso 2023-07 (29 Jun 2023)</li> <li>• RCC Reso 2023-08 (21 Jul 2023)</li> <li>• RCC Reso 2023-09 (29 Aug 2023)</li> <li>• RCC Reso 2023-10 (23 Oct 2023)</li> <li>• RCC Reso 2023-11 (15 Nov 2023)</li> <li>• RCC Reso 2023-12 (21 Nov 2023)</li> <li>• RCC Reso 2023-13 (22 Dec 2023)</li> <li>• RCC Reso 2023-14 (22 Dec 2023)</li> <li>• RCC Reso 2023-15 (22 Dec 2023)</li> </ul> |

| ACTIVITIES |  | OUTPUTS   | 2023 |    |    |    | REMARKS/STATUS   |
|------------|--|---|------|----|----|----|--|
|            |  |   | Q1   | Q2 | Q3 | Q4 |  |
| 7          |  | Presentation during the Board Review Committee (BRC) and PEM Board meetings   |      |    |    |    | Presented rules change proposals during the following meetings: <ul style="list-style-type: none"> <li>a. PEM Board Meeting <ul style="list-style-type: none"> <li>25 Jan 2023 (56<sup>th</sup>)</li> <li>29 Mar 2023 (58<sup>th</sup>)</li> <li>31 May 2023 (60<sup>th</sup>)</li> <li>27 Jun 2023 (61<sup>st</sup>)</li> <li>26 Jul 2023 (62<sup>nd</sup>)</li> <li>30 Aug 2023 (63<sup>rd</sup>)</li> <li>25 Oct 2023 (65<sup>th</sup>)</li> <li>22 Nov 2023 (66<sup>th</sup>)</li> </ul> </li> <li>b. BRC Meeting <ul style="list-style-type: none"> <li>20 Jun 2023</li> <li>15 Nov 2023</li> </ul> </li> </ul> |
| 8          | Participate in DOE/ERC public consultations on market rules and manuals and propose amendments | Attendance to the DOE/ERC public consultations                                |      |    |    |    | Participated in DOE Public Consultation held in Visayas on 16 February 2023.   |
| 9          | Enhance rules change process   | Updated RCC Internal Rules and proposed amendments to the Rules Change Manual |      |    |    |    | <i>Completed</i><br><br>Changes to Internal Rules – RCC Resolution No. 2023-11 (dated 15 Nov 2023)   |
| 10         | Provide comments on PEMC rules change effectiveness study                                      | Comments on rules change effectiveness study                                  |      |    |    |    | <i>Ongoing</i><br><br>Provided preliminary comments to the draft Terms of Reference on the   |

| ACTIVITIES  |   | OUTPUTS  | 2023 |    |    |    | REMARKS/STATUS   |
|---|---|--|------|----|----|----|--|
|   |   |  | Q1   | Q2 | Q3 | Q4 |  |
|   |   |  |      |    |    |    | Market Design and Operations Review on 18 Aug 2023 (219 <sup>th</sup> RCC Meeting)   |
| <b>GOAL 3: Achieve Organizational Excellence and Operational Efficiency</b>                     |   |  |      |    |    |    |  |
| Objective 5: Clear Corporate Targets and Performance Measures                                   |   |  |      |    |    |    |  |
| 11  | Timely approval of Corporate and Departmental Strategic Plan by the PEM Board and PEMC Management, respectively | Inputs to Corporate and Departmental Strategic Plan                          |      |    |    |    | <i>Deferred to January 2024 in accordance with PEMC's timeline</i>   |
| Objective 6: Continuing Improvement in the Delivery of Service to Internal and External Clients |   |  |      |    |    |    |  |
| 12  | Respond to survey on the provision of technical and administrative support to the RCC                           | Response to survey on WESM Governance Committee (WGC) Support by PEMC        |      |    |    |    | <i>Deferred to January 2024 in accordance with PEMC's timeline</i>   |
| 13  | Participate in activities related to ISO 37000:2021 - Governance of Organizations Training / Certification      | Attendance to trainings/discussions and provide inputs, as requested by PEMC |      |    |    |    | <i>Deferred</i><br><br>(Dependent on availability of training providers and PEMC's timeline for commencing preparatory activities for the certification) |