MINUTES OF THE RULES CHANGE COMMITTEE 139th REGULAR MEETING (No. 2018-03)	
Meeting Date & Time:	06 April 2018, 9:00 AM to 3:00 PM
Meeting Venue:	19/F Conference Room, Robinsons Equitable Tower, Ortigas Center, Pasig City

Attendance List	
In-Attendance	**Not In-Attendance**
Rules Change Committee **Principal Members:** Maila Lourdes G. de Castro, Chairperson – Independent Francisco Leodegario R. Castro, Jr. – Independent Concepcion I. Tanglao – Independent Allan C. Nerves–Independent Jose Ildebrando B. Ambrosio – Generation (Northwind) Ciprinilo C. Meneses – Distribution (MERALCO) Jose P. Santos –Distribution (INEC) Ludovico D. Lim – Distribution (ANTECO) Lorreto H. Rivera – Supply (TPEC) Ambrocio R. Rosales – System Operator (NGCP) Isidro E. Cacho – Market Operator (PEMC) **Alternate Members:** Ma. Erliza C. Casas	Abner B. Tolentino – Generation (PSALM) Juanito O. Tolentino, Jr. – Distribution (MECO)
Other attendees: **PEMC – Legal** Rachel Angela P. Anosan	
PEMC – Market Assessment Group (MAG) Carlito C. Claudio	

Geraldine A. Rodriguez Divine Gayle C. Cruz Aldjon Kenneth M. Yap Joseph V. Zabat
DOE Observers Ferdinand B. Binondo Christopher Jade Vita

There being a quorum, Ms. Concepcion I. Tanglao, as requested by Chairperson Maila Lourdes G. de Castro, called the meeting to order at around 9:00 AM.

1. Adoption of the Proposed Agenda

The Secretariat informed the RCC that per the e-mail sent to the committee, the action requested for agenda items *6.2 Proposed Transitory Provisions related to WESM Mindanao Pre-integration* and *6.3 Proposed Amendments to the WESM Rules in view of the IMO Transition Plan* was proposed to be revised from "For Approval" to "For Deliberation".

Following the discussion, the RCC adopted the proposed agenda, as revised.

2. Review of the Minutes of the Previous Meeting

The RCC reviewed the Minutes of the 138th RCC Meeting held on 02 March 2018. The discussion on the minutes was as follows:

- On lines 281-283 which discuss the result of the survey of Market Participants and which further stated that "the sectors are not really aware of the RCC's activities", Ms. Tanglao expressed her reservation on the use of the phrase "not really aware". Following the discussion on the more appropriate language to use, the statement was revised as follows:

  "*Ms. Tanglao also recalled the result of the survey of Market Participants which said that the sectors are not ~~really aware~~**fully informed** of the RCC's activities.*"

- On lines 169-174, which tackle the requirement for embedded generators to register in the WESM for them to participate in the market, Mr. Ambrocio R. Rosales commented that the statement of Mr. Jonathan dela Viña as captured, failed to include the qualifications for embedded generators to participate in the market. In this regard, Mr. Isidro E. Cacho,

Jr. recommended some rewording and revisions to the said portion of the minutes and which were subsequently adopted by the RCC as follows:

"Based on the proposed definition of WEMT, Mr. Ambrocio R. Rosales (NGCP-SO) sought to clarify whether embedded generators that are not currently registered in the WESM could register as WEMTs. Mr. dela Viña responded that embedded generators, ***that are 5 MW and above*** *must ~~still~~ register as a Generation Company ~~if they wish~~****for them*** *to participate in the WESM. Mr. Cacho ~~conceded~~****agreed*** *that the proposed definition of WEMT should indeed be revised for clarity and to avoid any misinterpretation."*

- On lines 209-213, which state that the National Grid Corporation of the Philippines (NGCP) is being audited by a third party auditor, under the supervision of the ERC, Mr. Rosales clarified that the said audit is still a proposal and not on-going. The statement was then revised as follows:

  *"Mr. Rosales stated that NGCP will await the official submission of the discussion paper and matrices of the proposed amendments as it would likely comment on the inclusion of the System Operator among those to be audited by the PEM Audit Committee, particularly since the NGCP ~~is also being~~****was proposed to be*** *audited by a third-party, ~~care of the~~****which is under the authority of the*** *ERC."*

- Minor and clerical revisions were likewise adopted by the RCC.

At this point, Mr. Rosales inquired regarding the proposed amendments on the audit of the System Operator (SO) which proposal, as previously explained to the RCC, was supposed to have been part of the proposed amendments for the IMO Transition. He noted that said SO audit proposal was not part of the submitted proposed amendments of PEMC. He expressed that NGCP would like to review the provisions on the proposed SO Audit as part of the mandate of the PEM Audit Committee. Ms. Geraldine A. Rodriguez explained that the proposed amendments in relation to the audit of the SO has yet to be submitted and will form part of another set of submissions to the RCC by PEMC.

There being no other matters left for discussion, the RCC approved the minutes of the 139th RCC Meeting held on 08 March, as revised.

Agreements/Action Plans
The RCC approved the minutes of the 139th RCC Meeting held on 08 March, as revised.

3. Business Arising from Previous Meetings

3.1. Draft RCC Internal Rules (version 3.0)

The RCC reviewed the draft Internal Rules based on its discussions in the previous meeting. The discussion and agreements during the said review were as follows:

- Notices for the next meeting must be sent to the RCC via e-mail no later than ten (10) calendar days from the date of that meeting, instead of the current three (3) calendar days. This is to provide flexibility for RCC members coming from distant provinces to arrange for their flights and accommodations. Furthermore, Ms. Tanglao commented that a provisional agenda should also be sent by the Secretariat together with the notice of meeting;

- Mr. Rosales suggested adding a guideline for cancelling RCC meetings, as was the case in January 2018 when the RCC meeting was cancelled. He explained that, specific to his case, NGCP requires a justification for the cancellation of meetings, and if the reason cited is not justified, the representatives will be held accountable for all the expenditures shouldered by the company. To avoid these instances, a provision regarding cancellation of meetings was recommended to be added in the internal rules as follows:

  "V.g Cancellation of Meetings. In the event that a meeting is cancelled, the Secretariat shall inform the RCC members via e-mail at the soonest possible opportunity, but no later than three (3) calendar days, including the reason for cancellation.";

Subsequent to the concern on meeting cancellations, Mr. Rosales inquired what happens in instances when a quorum is not attained during a meeting with the RCC members already present. Mr. Francisco L.R. Castro, Jr. opined that the meeting may proceed but matters requiring a decision from the RCC shall not be discussed. In view of this, the provision regarding the determination of quorum was revised as follows:

> *"**VI.b. Quorum**. The quorum for the transaction of business at a meeting shall consist of a majority of the total number of Committee members. **If there is no quorum, the meeting may proceed but matters for decision shall be deferred for succeeding meetings.**"*

On another note, it was clarified that the determination of quorum is always based on the total number of positions in the RCC even if there are positions that are currently not filled. Ms. Rodriguez also raised that in cases when the principal members of the RCC cannot attend the scheduled meeting, alternate members are counted in the determination of quorum and their opinions/votes are likewise considered in arriving at an RCC decision. Following this, the provision regarding the attendance of RCC members was revised as follows:

*"**Attendance.** The Committee members shall observe regular ~~presence in the conduct of~~ **attendance to scheduled RCC meetings** ~~and other activities of the Committee~~. The alternate member shall ~~participate during~~**attend** the meetings in the absence of the regular member."*

- The RCC was informed that a provision regarding the review of the completeness of the submitted proposed rules changes was added in the responsibilities of the Secretariat as follows:

  "VII.c.3 Review the completeness of the submitted proposed rules changes whether or not compliant with the prescribed format provided on Section VIII.a."

- For Urgent Amendments, it was discussed that it shall be the RCC who shall re-submit the same to the PEM Board. The Committee shall deliberate the proposal based on the proponent's update on the implementation and inputs of relevant resource persons. Atty. De Castro then inquired about cases when changes are needed to be made in the originally-submitted urgent proposals. Ms. Rodriguez explained that upon assessment of the RCC that further revisions need to be introduced in the proposal, the committee shall then be the one to revise the same following the process for general amendments. She further explained that if the Urgent Proposal is not re-submitted by the RCC, the provisions will be reverted back to its original form. Considering the discussion, the provision on the said re-submission was then revised as follows:

  *"**VIII.b.3. Upon due deliberation, t**~~T~~The Committee shall ~~review the update and require recommendation from the original proponents as to whether or not they would propose for the resubmission of~~**resubmit** the Urgent Amendments with **further changes, if any,** as General Amendments **to the PEM Board**, following the applicable process provided for in the Manual."*

- On the responsibility of the members to attend WESM-related activities, Ms. Tanglao inquired on which specific activities are being pertained to in the said provision. Ms. Rodriguez explained that the example of these activities are the Market Participants' Update and PEM Board Meetings which require the presence of RCC members;

- Minor and clerical revisions as submitted by the Secretariat were adopted by the RCC.

There being no other matters left for discussion, the RCC approved the amendments to the RCC Internal Rules.

Agreements/Action Plans
The RCC approved the amendments to the RCC Internal Rules.

3. New Business

3.1. Deliberation on the Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources and Pumped-Storage Units in the WESM

On behalf of the Technical Committee (TC), the Technical Committee Secretariat relayed to the RCC the TC's responses to the comments on the subject proposal received from the DOE, PEMC, Aboitiz Power, PSALM and Green Innovations for Tomorrow, Corp.

The proposal affected the following documents:

(1) WESM Rules,
(2) WESM Manual on Dispatch Protocol,
(3) WESM Manual on Market Network Model Development and Maintenance – Criteria and Procedures, and
(4) WESM Manual on Registration, Suspension and De-registration Criteria and Procedures

Please refer to Annex A of the Minutes for the line-by-line discussion of the proposed rules changes.

The RCC provisionally adopted the proposal as amended, pending further changes and additions requested from the proponent.

Agreements/Action Plans
The RCC provisionally adopted the proposal as amended, pending further changes and additions requested from the proponent.

3.2. Deliberation on the Proposed Transitory Provisions related to WESM Mindanao Pre-integration

The RCC deliberated on the subject proposal considering the comments received from the DOE and Green Innovations for Tomorrow, Inc. (GIFT). The RCC was reminded that as with the proposed amendments related to the implementation of the transition to PEMC and IMO, the commenting period for this proposal has not yet lapsed. If more comments are received

until the deadline (April 19), the RCC shall convene a special meeting to further deliberate on the proposal.

The proposal affected the following documents:

(1) WESM Rules,
(2) WESM Manual on Billing and Settlement Issue 5.0 (as amended under RCC Resolution No. 2017-05 and PEMB Resolution No. 2017-16), and
(3) Price Determination Methodology Issue 1.0

The RCC agreed to revise the proposed new Clause 10.5.3.2 of the WESM Rules which pertains to the procedures on the Payment to Trading Participants. The RCC agreed to add a phrase to clarify that insufficient payment to a Trading Participant who injected to the Grid may arise due to the default of another Trading Participant who withdrew from the Grid.

On the same clause, Atty. De Castro requested the Secretariat to include a reference to the appropriate provisions from the relevant Manual regarding the procedures for the collection of payments.

The RCC adopted all the comments, which suggested minor revisions for clarity, from the DOE and GIFT.

Please refer to Annex B of the Minutes for the line-by-line discussion of the proposed rules changes.

The RCC provisionally approved the proposal subject to finalization of the RCC-proposed changes an on the assumption that no other comments, needing RCC deliberation, are received on or before 19 April 2018.

Agreements/Action Plans
The RCC provisionally approved the proposal subject to finalization of the RCC-proposed changes an on the assumption that no other comments, needing RCC deliberation, are received on or before 19 April 2018.

3.3. Deliberation on the Proposed Amendments to the WESM Rules in view of the IMO Transition Plan

Atty. Rachel Angela P. Anosan, from the PEMC Legal Department, assisted the RCC in its deliberation of the subject proposal given the comments received from the DOE. Ms. Rodriguez reiterated that the amendments to be deliberated do not include yet the rules changes on the proposed SO audit and the measurement of its performance standards.

On another note, Ms. Rodriguez explained that the intent of the deliberation is to discuss already the received comments. Atty. Anosan reminded the RCC of the tight timeline for the PEM Board and DOE to approve the proposal in time for the implementation of the transition to IMO targeted for June 2018. Ms. Rodriguez stated that should comments still be received on or before the deadline for submission (23 April 2018), the Secretariat may request for a special meeting, should it be necessary.

Atty. Anosan stated that the proposal primarily sought to reflect in the WESM Rules the separation of the governance and market operations functions of the current PEMC, the revisions to clarify the composition of the PEM Board and qualifications of its directors, the additional provisions on the composition of the Market Operator Board and qualifications of its directors, and realignment of the functions of particular WESM Governance Committees.

Please refer to Annex C of the Minutes for the line-by-line discussion of the proposed rules changes.

Following the deliberation, PEMC was asked to further revise the proposal based on the agreements and comments of the RCC on certain proposed amendments. The RCC provisionally approved the proposal pending PEMC's finalization of the matrix of proposed amendments and on the assumption that no other comments, needing RCC deliberation, shall be received.

Agreements/Action Plans
The RCC provisionally approved the proposal pending PEMC's finalization of the matrix of proposed amendments and on the assumption that no other comments, needing RCC deliberation, are received on or before 23 April 2018.

4. Other Matters

4.1. Update on RCC 2018 Work Plan

The Secretariat updated the RCC on the status of the proposals included in the Work Plan.

Of the ten (10) proposals that were scheduled to be submitted by various proponents to the RCC within the 1st Quarter of 2018, only four (4) proposals were received by the RCC and are currently in different stages in the rules change process. The RCC requested the Secretariat to seek from the concerned proponents their new target timelines.

As requested by the System Operator, the RCC agreed to add the proposal related to the Protocol on HVDC Scheduling slated for submission by the System Operator in the 4th Quarter of 2018.

The RCC noted the update on the Work Plan.

4.2. PEM Board Schedules

The RCC was informed of the schedules of the next PEM Board Meetings on:

- **03 May 2018**
- **25 May 2018**

4.3. Market Participants' Update

Mr. Cacho informed the RCC that PEMC will be holding the Market Participants' Update on 16-17 April 2018 in Panglao, Bohol which intends to provide updates on the WESM Operation and information on the mechanics for voting of PEM Board Directors.

The RCC noted the information.

5. Next Meeting

The RCC agreed to hold subsequent meetings on the following schedules:

- May 04, 2018
- June 01, 2018
- July 06, 2018

6. Adjournment

There being no other matters for discussion, the meeting was adjourned at 12:17 PM.

Prepared By:	Reviewed By:	Noted By:
[redacted]	[redacted]	[redacted]
Aldjon Kenneth M. Yap	**Geraldine A. Rodriguez**	**Elaine D. Gonzales**
***Analyst** – Market Governance Administration Unit*	***Assistant Manager** – Market Governance Administration Unit*	***Manager** – Market Data and Analysis Division*
Market Assessment Group	***Market Assessment Group***	***Market Assessment Group***

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<tr><td colspan="2">Approved by:
RULES CHANGE COMMITTEE
[redacted]
Maila Lourdes G. de Castro
Chairperson
Independent</td></tr>
<tr><td colspan="2">Members:</td></tr>
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Concepcion I. Tanglao
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Isidro E. Cacho, Jr.
Market Operator
Philippine Electricity Market Corporation
(PEMC)</td></tr>
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Abner B. Tolentino
Generation Sector
Power Sector Assets and Liabilities Management
Corporation (PSALM)</td></tr>
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Ciprinilo C. Meneses
Distribution Sector (PDU)
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(MERALCO)</td></tr>
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Loreto H. Rivera
Supply Sector
TeaM (Philippines) Energy Corporation
(TPEC)</td></tr>
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Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

WESM Rules

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		General Comments			**AP:** We propose not to define batteries as "non-generator resource". It is recognized in PEMC's Study on the Framework of Participation of BES Systems in the WESM that BESS is a generation company but may not be able to comply with certain provisions required under the 2014 Certificate of Compliance Revised Rules (see page 6 of the Study). Considering this, the matter should be raised to ERC first and a revision of the COC guidelines may be necessary in order to reflect BESS' limitations. Non-generator resource is still considered to be under Generation Company, the proposed rules change merely adds classification of the facilities. Does this mean that non-generator resources require Certificate of Compliance (COC) similar to other types of generation facility when it registers in the WESM? Storage facilities can be classified as short term or long term storage depending on the function. An example of short term storage includes storage that can provide reactive support and regulating reserve while for long term storage can serve as a peaking facility and support RE facilities.	**On AP's comments:** We have referred the concern to the PEMC Registration Department and was informed that the ERC provided the AES' BESS facility with a certification which warranted the intending Trading Participant to be registered in the WESM under generation company.	The RCC noted the response of the TC.
WESM Rules	2.3.1.2	To register as a *WESM member*, a *Generation Company* shall: (a) Classify each of the *generating units* which form part	To register as a *WESM member*, a *Generation Company* shall: (a) Classify each of the *facilities* which form part of the *generating*	To include Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) to be registered by a Generation Company	**AP:** Retain original provision	**On AP's comments:**	On the comment received from PEMC, the Secretariat explained that per TC, it is amenable with the proposal to have both NGRs and PSUs under one categorization,

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		of the *generating system* it owns, operates or controls or from which it otherwise sources electricity as either a: (i) *scheduled generating unit*; or (ii) *non-scheduled generating unit*; or (iii) *must dispatch generating unit;* or (iv) *priority dispatch generating unit;*	*system* it owns, operates or controls or from which it otherwise sources electricity as either a: (i) *scheduled generating unit*; or (ii) *non-scheduled generating unit*; or (iii) *must dispatch generating unit;* (iv) *priority dispatch generating unit;* ***(v) non-generator resource*** ***(vi) pumped-storage unit***		*Instead of having batteries and pumped-storage as additional categories of generating units, we propose that these new types should be categories of schedule generating units as batteries and pumped-storage will still be scheduled by the MO and dispatch accordingly. Thus, it should be included as scheduled generating units.* *Moreover, this proposal will result in less amendments to the WESM Rules.* **PEMC:** To register as a *WESM member*, a *Generation Company* shall: (a) Classify each of the *facilities* which form part of the *generating system* it owns, operates or controls or from which it otherwise sources electricity as either a: (i) *scheduled generating unit*; or (ii) *non-scheduled generating unit*; or (iii) *must dispatch generating unit;* (iv) *priority dispatch generating unit;* ***(v) energy storage resource*** *It is proposed that the revisions also cover other generating energy resources (e.g., compressed air, flywheel) to make the revisions more adaptive.* *Since both non-generator resources (NGR) and pumped-storage units (PSU) are types of energy storage and to cover other generating energy resources, it is proposed that one additional classification instead be introduced (energy storage resource).*	We gave separate classifications as we expect these resources to participate other than being scheduled generating units. **On PEMC's comments:** We are okay with categorizing both NGR and PSU under Energy Storage Resource. However, this adoption will result to further revisions of the proposed rules changes.	but further noted that said proposal will result to further revisions to the proposal on NGRs and PSUs. Mr. Cacho opined that only the terminologies will be revised in the original proposal. Mr. Rosales opined that the dispatch of battery energy storage system (BESS) and PSUs may be scheduled in the WESM, enabling these facilities to be categorized under scheduled generating units. He explained that if these facilities are not within the set thresholds to be a non-scheduled generating units, then they will be categorized as scheduled generating units. Mr. Cacho commented that even if there no changes are made with the categorization, the operational functions of these types of facilities shall still be defined. Mr. Ciprinilo C. Meneses noted that the categorization introduced by the TC is based on technology and not based on how it is dispatched in the WESM. The Secretariat stated that separate classifications were introduced in anticipation that these resources will participate in the WESM other than as scheduled generating units due to their unique operational functions. It was further raised by the Secretariat that the proposed Clause 2.3.1.9 provides that NGRs may be dispatched at any operating level within their entire capacity range but may be constrained by a MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy. Considering the discussion, Mr. Rosales inquired if the proposal of PEMC will cover the participation of PSUs in the WESM. Mr. Cacho stated that PSUs will indeed be categorized under the proposed category. He also stated

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
							that this will be simpler for purposes of registration. Mr. Rosales then opined that PEMC's proposal would be a better option to adopt. He also recommended adding the term "scheduled" since these facilities will still be scheduled in the WESM. Mr. Binondo, on the other hand, commented that there is no difference in defining both NGRs and PSUs in the categorization since these categorizations will also be defined separately in the Clauses of the WESM Rules. He added that having separate categorizations will be a better choice in anticipation of the demand-side bidding in the WESM. Following the discussion above, the RCC agreed to adopt the proposal to have a new categorization which covers all energy storage facilities, including PSUs, under the categorization of "energy storage systems". This agreement thus sets aside the comment of Aboitiz Power to categorize NGRs and PSUs under scheduled generating units. Following the above agreement, all affected clauses and provisions were agreed to be revised to reflect "energy storage system", as applicable. Likewise, the definition for NGR was adopted for ESS. **RCC-approved provision:** 2.3.1.2. To register as a *WESM member*, a *Generation Company* shall: (a) Classify each of the *facilities* which form part of the *generating system* it owns, operates or controls or from which it otherwise sources electricity as either a: (i) *scheduled generating unit*; or (ii) *non-scheduled generating unit*; or

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
							(iii) *must dispatch generating unit;* (iv) *priority dispatch generating unit;* ***(v) energy storage systems***
New	2.3.1.9				**AP:** ***2.3.1.9 Scheduled generating unit* shall be classified as either:** ***(a) Conventional generating unit*** ***(b) Energy storage facilities*** ***(c) Pumped-storage unit*** *As stated in our comments above, batteries and pumped-storage should be categories under scheduled generating unit.* *A Conventional generating unit is as defined in the Philippine Grid Code.*	**On AP's comments:** Please see response to Clause 2.3.1.2 Provisionally rejected	Atty. De Castro inquired if the term "Conventional Generating Unit" is defined in the WESM Rules. Mr. Cacho stated that what is defined under the Philippine Grid Code is "Conventional Generating Facility" - any generating unit/plant, which is not a variable renewable energy generating facility.
WESM Rules		New	**2.3.1.9 A facility or a group of facilities connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy shall be classified as a *non-generator resource*.**	To include description for NGRs	**AP:** **2.3.1.10 A facility or a group of facilities connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy shall be classified as an *energy storage facility*.** *Changed the term "non-generator resource" to "energy storage facility". Also, we would like to highlight that this category should be under scheduled generating units.* **DOE:**	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:**	On the comment of the DOE, the RCC agreed that the enumeration of these types of facilities may not be necessary and may just be included in the glossary. Atty. De Castro then inquired about the TC's opinion on the categorization of flywheels. The Secretariat explained that the TC would need to further study the matter to appropriately categorize flywheels. Mr. Binondo then stated that according to the California Independent System Operator (CAISO), flywheels are categorized under NGRs. Likewise, the revisions to Clause 2.3.1.9 were introduced to consider the agreements regarding the categorization of such facilities. On another note, Mr. Meneses proposed to add that these facilities are also constrained

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					2.3.1.9 A facility or a group of facilities connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy, such as battery and flywheel shall be classified as a *non-generator resource unit*. *For clarity* **PEMC:** **2.3.1.9 A facility or a group of facilities connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy shall be classified as a *non-generator resource* but may at its option be classified as a *scheduled* or *non-scheduled generating unit* subject to Clause 2.3.1.4.** *Similar to other classifications, non-generator resources are proposed to be allowed to register under a different classification (i.e., scheduled or non-scheduled) if it chooses to participate in the market in those manner.* *Added option for non-generator resources to register instead as a scheduled generating unit or non-scheduled generating unit.*	The TC prefers not to list the resources, in consideration that other types of non-generator resources may be introduced in the market. Regarding flywheels, we have to study further because it operates together with a traditional generating units (rotating machines) **On PEMC's comments:** This option is not necessary at this stage.	by its MW limits in consideration of its intended injection to the grid. **RCC-approved provision:** **2.3.1.9 A facility or a group of facilities connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MW or MWh limit to generate Energy, curtail the consumption of Energy in the case of demand response, or consume Energy shall be classified as a Energy Storage Systems.**

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.		
WESM Rules		New	**2.3.1.10 A facility or a group of facilities connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power shall be classified as a *pumped-storage unit*.**	To include description for PSUs	**AP:** **2.3.1.11 A facility or a group of facilities connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power shall be classified as a *pumped-storage unit*.** *Agree to the proposed definition. However, we would like to highlight that this category should be under scheduled generating units.* **PEMC:** **2.3.1.10 A facility or a group of facilities connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power shall be classified as a *pumped-storage unit* but may at its option be classified as a *scheduled* or *non-scheduled generating unit* subject to Clause 2.3.1.4.**	**On AP's comments:** Please see response to Clause 2.3.1.2 **On PEMC's comments:** This option is not necessary at this stage.	The following revisions were agreed upon by the RCC to qualify that PSUs are categorized under ESS. **RCC-approved provision:** **2.3.1.10 A facility or a group of facilities connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power shall be ~~classifi~~defined as a *Pumped-storage unit and classified as Energy Storage System*.**
WESM Rules		New	**2.3.1.11 A *Generation Company* is required to operate *non-generator resources* and *pumped-storage unit* in accordance with the scheduling and dispatch procedures described in Chapter 3, within the *dispatch conformance standards* specified in accordance with Clause 3.8.5 only when it is**	Dispatch tolerances should be observed for these new resources when in Generation Mode	**AP:** Delete proposal *The new provision would not be needed consistent with the proposal that new categories be under scheduled generating units.* **PEMC:**	**On AP's comments:** We would rather keep the proposal **On PEMC's comments:**	The Secretariat raised that PEMC proposed to also have a conformance standard for the nomination of loading levels for BESS, since there may be cases where the facility is scheduled to charge but may opt not to, depending on the price in the market. Mr. Meneses commented that customers should be allowed to buy electricity in the market at its own preference. Mr. Cacho also raised that it is in consideration of the case of the Kalayaan

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			scheduled to operate as Generation.		**2.3.1.11 A *Generation Company* is required to operate *non-generator resources* and *pumped-storage unit* in accordance with the scheduling and dispatch procedures described in Chapter 3, within the *dispatch conformance standards* specified in accordance with Clause 3.8.5 only when it is scheduled based on its *non-generator offer* or *generation offer*.** *Since NGRs or PSUs may be scheduled in the market based on their bids, they should also be subject to standards when withdrawing from the grid.* *When the schedule of an NGR or PSU is due to its offer in the market, it should be required to comply with the resulting schedule with tolerances.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *PEMC also proposes that conformance standards for the nominated loading levels must be set.*	We keep the original proposal and if necessary, write a separate rule to address the concerns regarding the conformance of loads.	Pumped-Storage facilities which nomination of loading level may affect the forecast if the nomination is not followed. **RCC-approved provision:** **2.3.1.11 A *Generation Company* is required to operate *Energy Storage System* in accordance with the scheduling and dispatch procedures described in Chapter 3, within the *dispatch conformance standards* specified in accordance with Clause 3.8.5 only when it is scheduled to operate as Generation.**
	3.5.4	**3.5.4 Load Forecasting** All load forecasts at each Customer market trading node in the market network model shall be specified in units of megawatt (MW) and will apply to the end of the relevant dispatch interval unless otherwise stated. 3.5.4.1 Each Customer may submit a forecast in respect of			**PSALM:** **Load Forecasting** **Additional paragraph of Clause 3.5.4.1** **Each non-generation resources and pump-storage unit operating as load shall be included in the load forecast.**	**On PSALM's comments:** Demand from NGRs and PSUs, operating as load, are indeed included in the load forecast. Including a rule such as this would require further studies (i.e. how NGRs can prepare their load forecasts).	Atty. De Castro requested clarification on the response of TC. The Secretariat explained that the TC stated that the demand for the NGRs and PSUs operating as load is already included in the load forecast. On the other hand, requiring these facilities to submit load forecasts would require further studies depending on the facility. Mr. Cacho also informed the RCC that currently, if the customers do not submit its load forecasts, the

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		each dispatch interval for each of its registered load facilities for each trading day of week in accordance with the timetable. 3.5.4.2 Each net load forecast shall be prepared in such a way as to represent the net load to be met by generation from scheduled generating units, must dispatch generating units, priority dispatch generating units and non-scheduled generating units, including losses occurring outside the system represented by the market network model, but excluding any scheduled load. 3.5.4.3 The unrestrained net load forecast shall be prepared so as to represent the net load as it would be, or would have been, in the absence of load shedding. 3.5.4.4 If loss of *load* is expected to occur in any *dispatch interval*, a restrained *net load forecast* for that *dispatch interval* shall be prepared on the same basis, but accounting for *load shedding* to the extent that it is expected to occur. 3.5.4.5 The Market Operator shall annually review the performance of its nodal load forecasts used for week ahead projections, day-ahead projections, hour-ahead projections, and determining dispatch schedules.			*Load Forecasting should consider not only the Customers' load but also the loading from NGR and Pump-Storage Unit.* *To give importance of the need to consider in the Load Forecasting the loading from the NRE and Pump-Storage Unit during its storing of energy operations.*		Market Operator does the forecasting in their stead. The RCC found merit in the recommendation of PSALM and agreed to include the proposed provision regarding the inclusion of load forecasts for ESS and PSUs operating as load in Clause 3.5.4, subject to confirmation with PEMC on the proper wording and insertion of the provision.

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		3.5.4.6 The *Market Operator* shall periodically review the methodologies for performing nodal *load forecasts* used for *week ahead projections*, *day-ahead projections*, *hour-ahead projections*, and determining *dispatch schedules*.					
WESM Rules	3.5.4.2	Each *net load forecast* shall be prepared in such a way as to represent the *net load* to be met by *generation* from *scheduled generating units*, *must dispatch generating units*, *priority dispatch generating units*, and *non-scheduled generating units* including losses occurring outside the system represented by the *market network model*, but excluding any *scheduled load.*	Each *net load forecast* shall be prepared in such a way as to represent the *net load* to be met by *generation* from *scheduled generating units*, *must dispatch generating units*, *priority dispatch generating units*, *non-scheduled generating units,* ***non-generator resources*** **and** ***pumped-storage units*** including losses occurring outside the system represented by the *market network model*, but excluding any *scheduled load.*	To include NGRs and PSUs	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units.*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Each *net load forecast* shall be prepared in such a way as to represent the *net load* to be met by *generation* from *scheduled generating units*, *must dispatch generating units*, *priority dispatch generating units*, *non-scheduled generating units,* ***Energy Storage Systems*** including losses occurring outside the system represented by the *market network model*, but excluding any *scheduled load.*
WESM Rules	3.5.5.1	Each *Scheduled Generation Company* including *Generation Companies* with *bilateral contracts* shall submit a standing *generation offer* for each of its *scheduled generating units* for each *dispatch interval* in each *trading day* of the week in accordance with the *timetable*. The standing *generation offer* shall apply until revised or updated by the *Scheduled Generation Company*.	Each ~~*Scheduled*~~ *Generation Company* including *Generation Companies* with *bilateral contracts* shall submit a standing ~~*generation*~~***market*** *offer* for each of its *scheduled generating units,* ***non-generator resource,*** **and** ***pumped-storage units*** for each *dispatch interval* in each *trading day* of the week in accordance with the *timetable*. The standing ~~*generation*~~ ***market*** *offer* shall apply until revised or updated by the *Generation Company*.	To include NGRs and PSUs	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units.* **PEMC:** Each ~~*Scheduled*~~ *Generation Company* including *Generation Companies* with *bilateral contracts* shall submit a standing *generation offer* **or** ***non-generator offer*** for each of its *scheduled*	**On AP's comments:** Please see response to Clause 2.3.1.2 **On PEMC's comments:** The NGR offer is covered in the definition of market offer. Please see proposed amendments to the glossary.	**RCC-approved provision:** Each ~~*Scheduled*~~ *Generation Company* including *Generation Companies* with *bilateral contracts* shall submit a standing ~~*generation*~~***market*** *offer* for each of its *scheduled generating units,* ***Energy Storage Systems*** for each *dispatch interval* in each *trading day* of the week in accordance with the *timetable*. The standing ~~*generation*~~ ***market*** *offer* shall apply until revised or updated by the *Generation Company*.

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					generating units, ***non-generator resource,*** **and** ***pumped-storage units*** for each *dispatch interval* in each *trading day* of the week in accordance with the *timetable*. The standing *generation offer* **or** ***non-generator offer*** shall apply until revised or updated by the *Generation Company*. *"Market offer" is the collective term for all offers in the market including reserve offers. Clause 3.5.5 only refers to offers submitted for the energy market; hence, use of generation offer should be retained and non-generator offer should be added.* *Retain "generation offer" and add "non-generator offer" to cover NGRs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.*		
WESM Rules	3.5.5.2	Each *generation offer* shall include the information specified in Appendix A1.1.	Each **scheduled generating unit and pumped-storage unit operating on generation mode shall submit a** *Generation Offer* shall that includes the information specified in Appendix A1.1.	To provide that pumped-storage units should provide offers similar with that of the scheduled generating units	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units.* **DOE:** **Each scheduled generating unit and pumped-storage unit operating on generation mode shall submit a** *generation offer* **which** shall include the information specified in Appendix A1.1.	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** The TC believes that these are separate provisions.	**RCC-approved provision:** Each **scheduled generating unit and pumped-storage unit operating on generation mode shall submit a** *Generation Offer* ~~shall~~ that includes the information specified in Appendix A1.1.

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					Provided, however, that **each *Non-Generator Resource Offer* shall include the information specified in Appendix A1.4.** *Incorporate proposed 3.5.5.3 to avoid renumbering.* **PEMC:** Each **scheduled generating unit and pumped-storage unit operating on generation mode shall submit a** *Generation Offer* ~~**shall**~~ that includes the information specified in Appendix A1.1. *Clerical correction on "shall"* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *The proposed amendments to the WESM Rules do not clarify how pumped-storage units will participate as loads. Also, the amendments do not clarify how the MO will determine if a PSU will be on generation mode.*	**On PEMC's comments:** Accept	
WESM Rules		New	**3.5.5.3. Each *Non-Generator Resource Offer* shall include the information specified in Appendix A1.4.**	To provide offer requirements for NGRs	**AP:** Retain original provision *The new provision would not be needed consistent with the proposal that new categories be under scheduled generating units.* **DOE:** *Suggest to incorporate new provision in WESM Rules Clause 3.5.5.2.*	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** Please see response on Clause 3.5.5.2	**RCC-approved provision:** **3.5.5.3. Each *Energy Storage Systems Offer* shall include the information specified in Appendix A1.4.**

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WESM Rules	3.5.5.3	Each Generating Company shall, in consultation with the System operator, submit check data to be used by the Market Operator, in accordance with clause 3.5.12, to assist in determining the validity of any generation offer which may be submitted by the Scheduled Generator.	Each Generation Company shall, in consultation with the System operator, submit check data to be used by the Market Operator, in accordance with clause 3.5.12, to assist in determining the validity of any generation offer which may be submitted by the Scheduled Generator.	Re-numbering	**AP:** *Note that the original provision and the Proposed Amendment are identical.*	**On AP's comments:** Re-numbering	
	3.5.5.3 3.5.5.4 3.5.5.5 3.5.5.6 3.5.5.7 3.5.5.8 3.5.5.9 3.5.5.10 3.5.5.11	xxx	3.5.5.~~3~~**4** xxx 3.5.5.~~4~~**5** xxx 3.5.5.~~5~~**6** xxx 3.5.5.~~6~~**7** xxx 3.5.5.~~7~~**8** xxx 3.5.5.~~8~~**9** xxx 3.5.5.~~9~~**10** xxx 3.5.5.~~10~~**11** xxx 3.5.5.~~11~~**12** xxx	Re-numbering			
WESM Rules	3.5.7.2	When applicable, subject to Clause 3.3.4.2, each *scheduled generator* registered as an *Ancillary Services Provider* in respect of a *reserve facility* in a particular *reserve region* shall submit a standing *reserve offer* for each of its relevant *reserve facilities* in respect of that *reserve region* for each *dispatch interval* for each day of the week in accordance with the *timetable*. The standing *reserve offer* shall apply until revised or updated by the scheduled generator registered as an *Ancillary Services Provider*.	When applicable, subject to Clause 3.3.4.2, each *scheduled generat**ing unit, non-generator resource, and pumped-storage unit*** ~~*or*~~ registered as an *Ancillary Services Provider* in respect of a *reserve facility* in a particular *reserve region* shall submit a standing *reserve offer* for each of its relevant *reserve facilities* in respect of that *reserve region* for each *dispatch interval* for each day of the week in accordance with the *timetable*. The standing *reserve offer* shall apply until revised or updated by the *scheduled generator* registered as an *Ancillary Services Provider*.	To include NGRs and PSUs	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** When applicable, subject to Clause 3.3.4.2, each *scheduled generat**ing unit, Energy Storage Systems*** ~~*or*~~ registered as an *Ancillary Services Provider* in respect of a *reserve facility* in a particular *reserve region* shall submit a standing *reserve offer* for each of its relevant *reserve facilities* in respect of that *reserve region* for each *dispatch interval* for each day of the week in accordance with the *timetable*. The standing *reserve offer* shall apply until revised or updated by the *scheduled generator* registered as an *Ancillary Services Provider*.

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WESM Rules	3.5.9.1	A standing *generation offer*, a standing *reserve offer*, a standing nomination of *loading levels*, a standing *projected output,* or a standing *demand bid* for any *dispatch interval* in any day of the week may be revised by the relevant *Generation Company* or *Customer* in accordance with the *timetable*.	A standing ~~*generation*~~***market*** *offer*~~, a standing *reserve offer*~~, a standing nomination of *loading levels*, a standing *projected output,* or a standing *demand bid* for any *dispatch interval* in any day of the week may be revised by the relevant *Generation Company* or *Customer* in accordance with the *timetable*.	Remove generation in offers to encompass NGR offers as well	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** A standing ~~*generation*~~***market*** *offer*~~, a standing *reserve offer*~~, a standing nomination of *loading levels*, a standing *projected output,* or a standing *demand bid* for any *dispatch interval* in any day of the week may be revised by the relevant *Generation Company* or *Customer* in accordance with the *timetable*.
WESM Rules	3.5.9.2	A standing *generation offer*, a standing *reserve offer*, a standing nomination of *loading levels*, a standing *projected output*, or a standing *demand bid* which is revised under Clause 3.5.9.1: xxx	A standing ***market*** ~~*generation*~~ *offer*, ~~a standing *reserve* offer~~, a standing nomination of *loading levels*, a standing *projected output*, or a standing *demand bid* which is revised under Clause 3.5.9.1: xxx	Market offer encompasses generation, non-generator resources and reserve offers.	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** A standing ***market*** ~~*generation*~~ *offer*, ~~a standing *reserve offer*~~, a standing nomination of *loading levels*, a standing *projected output*, or a standing *demand bid* which is revised under Clause 3.5.9.1: xxx
WESM Rules	3.5.12.1	To be valid, *generation offers*, *reserve offers*, nomination of *loading levels*, *projected outputs* or *demand bids* shall be submitted by the relevant *Trading Participant*: xxx	To be valid, ~~*generation*~~ ***market*** *offers*, ~~*reserve offers,*~~ nomination of *loading levels*, *projected outputs* or *demand bids* shall be submitted by the relevant *Trading Participant*: xxx	Market offer encompasses generation, non-generator resources and reserve offers.	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** To be valid, ~~*generation*~~ ***market*** *offers*, ~~*reserve offers,*~~ nomination of *loading levels*, *projected outputs* or *demand bids* shall be submitted by the relevant *Trading Participant*: xxx
WESM Rules	3.5.12.2	The *Market Operator* shall send to each *Trading Participant* from whom it has received a valid *generation offer*, valid nomination of *loading level*, valid *reserve offer,* valid *demand bid* or valid *projected output*, an electronic confirmation of receipt and acceptance of that *generation offer,* nomination of *loading level,*	The *Market Operator* shall send to each *Trading Participant* from whom it has received a valid ~~*generation*~~ ***market*** *offer*, valid nomination of *loading level*, ~~valid *reserve offer,*~~ valid *demand bid* or valid *projected output*, an electronic confirmation of receipt and acceptance of that ~~*generation*~~ ***market*** *offer,* nomination of *loading level,* ~~*reserve*~~	Market offer encompasses generation, non-generator resources and reserve offers.	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** The *Market Operator* shall send to each *Trading Participant* from whom it has received a valid ~~*generation*~~ ***market*** *offer*, valid nomination of *loading level*, ~~valid *reserve offer,*~~ valid *demand bid* or valid *projected output*, an electronic confirmation of receipt and acceptance of that ~~*generation*~~ ***market*** *offer,* nomination of *loading level,* ~~*reserve offer,*~~

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		reserve offer, demand bid or *projected output* in accordance with the t*imetable* prescribed in the relevant *Market Manuals.*	~~*offer,*~~ *demand bid* or *projected output* in accordance with the t*imetable* prescribed in the relevant *Market Manuals.*				*demand bid* or *projected output* in accordance with the t*imetable* prescribed in the relevant *Market Manuals.*
WESM Rules	3.5.12.3	If a *Trading Participant* does not receive confirmation of receipt under Clause 3.5.12.2, from the *Market Operator*, the *Trading Participant* shall contact the *Market Operator* to determine whether or not the *generation offer,* nomination of *loading level*, *reserve offer, demand bid,* or *projected output* was received.	If a *Trading Participant* does not receive confirmation of receipt under Clause 3.5.12.2, from the *Market Operator*, the *Trading Participant* shall contact the *Market Operator* to determine whether or not the ~~*generation*~~ ***market*** *offer,* nomination of *loading level*, ~~*reserve offer,*~~ *demand bid,* or *projected output* was received.	Market offer encompasses generation, non-generator resources and reserve offers.	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** If a *Trading Participant* does not receive confirmation of receipt under Clause 3.5.12.2, from the *Market Operator*, the *Trading Participant* shall contact the *Market Operator* to determine whether or not the ~~*generation*~~ ***market*** *offer,* nomination of *loading level*, ~~*reserve offer,*~~ *demand bid,* or *projected output* was received.
WESM Rules	3.5.12.4	If the *generation offer, reserve offer, demand bid, or projected output* is invalid, the *Market Operator* shall promptly inform the *Trading Participant* to resubmit a corrected generation offer, *reserve offer, demand bid* or *projected output* in accordance with Clause 3.5.11.	If the ~~*generation*~~ ***market*** *offer,* ~~*reserve offer,*~~ *demand bid, or projected output* is invalid, the *Market Operator* shall promptly inform the *Trading Participant* to resubmit a corrected ~~generation~~ ***market*** *offer*, ~~*reserve offer,*~~ *demand bid* or *projected output* in accordance with Clause 3.5.11.	Market offer encompasses generation, non-generator resources and reserve offers.	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** If the ~~*generation*~~ ***market*** *offer,* ~~*reserve offer,*~~ *demand bid, or projected output* is invalid, the *Market Operator* shall promptly inform the *Trading Participant* to resubmit a corrected ~~generation~~ ***market*** *offer*, ~~*reserve offer,*~~ *demand bid* or *projected output* in accordance with Clause 3.5.11.
WESM Rules	3.5.11.1	Each scheduled *Trading Participant* which has submitted *standing offers* or *bids* may revise any of its *market offers* or *market bids* for any *dispatch interval* in any trading day of the current week ahead *market horizon* in accordance with the *timetable*, and subject to Clause 3.5.11.4 and each revised *market offer* or *market bid* submitted shall provide the information set out in Appendix A1.	Each ~~scheduled~~ *Trading Participant* which has submitted standing offers or bids **for each of its *scheduled generating units*, *non-generator resource*, and *pumped-storage unit*** may revise any of its *market offers* or *market bids* for any *dispatch interval* in any trading day of the current week-ahead *market horizon* in accordance with the *timetable*, and subject to Clause 3.5.11.4 and each revised *market offer* or m*arket bid* submitted shall	To include NGRs and PSUs	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Each ~~scheduled~~ *Trading Participant* which has submitted standing offers or bids **for each of its *scheduled generating units*, *Energy Storage Systems*** may revise any of its *market offers* or *market bids* for any *dispatch interval* in any trading day of the current week-ahead *market horizon* in accordance with the *timetable*, and subject to Clause 3.5.11.4 and each revised *market offer* or m*arket bid* submitted shall provide the information set out in Appendix A1.

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			provide the information set out in Appendix A1.				
WESM Rules	3.6.1.4(a)	Constraints representing limits on *generation offers*, *demand bids*, nomination of *loading levels*, *projected outputs*, and, when applicable, *reserve offers* as specified by *Trading Participants* in accordance with Clause 3.5, except to the extent that as they may be relaxed in accordance with Clause 3.5.13;			**PEMC:** Constraints representing limits on *generation offers*, ***non-generator offers***, *demand bids*, nomination of *loading levels*, *projected outputs*, and, when applicable, *reserve offers* as specified by *Trading Participants* in accordance with Clause 3.5, except to the extent that as they may be relaxed in accordance with Clause 3.5.13; *Added non-generator offers.* *This should be revised to include non-generator offers.*	**On PEMC's comments:** See response on 3.5.5.1. Use "market offer", with the following revisions: *Constraints representing limits on **market** offers, demand bids, nomination of loading levels, projected outputs, ~~and, when applicable, reserve offers~~ as specified by Trading Participants in accordance with Clause 3.5, except to the extent that as they may be relaxed in accordance with Clause 3.5.13;*	**RCC-approved provision:** *Constraints representing limits on **market** offers, demand bids, nomination of loading levels, projected outputs, ~~and, when applicable, reserve offers~~ as specified by Trading Participants in accordance with Clause 3.5, except to the extent that as they may be relaxed in accordance with Clause 3.5.13;*
WESM Rules	3.6.1.5(a)	It will produce an optimal dispatch given the objective defined by Clause 3.6.1.4, and the constraint structure defined by Clause 3.6.1.4, and specifying *dispatch* targets for each *scheduled generating unit*, *non-scheduled generating unit*, *must dispatch generating unit*, *priority dispatch generating unit*, *scheduled load* and *reserve facility*;			**PEMC:** It will produce an optimal dispatch given the objective defined by Clause 3.6.1.4, and the constraint structure defined by Clause 3.6.1.4, and specifying *dispatch* targets for each *scheduled generating unit*, ***non-generating resource, pumped-storage unit***, *non-scheduled generating unit*, *must dispatch generating unit*, *priority dispatch generating unit*, *scheduled load* and *reserve facility*; *Added NGRs and PSUs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *This should be revised to include NGRs and PSUs.*	**On PEMC's comments:** Agree	**RCC-approved provision:** It will produce an optimal dispatch given the objective defined by Clause 3.6.1.4, and the constraint structure defined by Clause 3.6.1.4, and specifying *dispatch* targets for each *scheduled generating unit*, ***Energy Storage Systems***, *non-scheduled generating unit*, *must dispatch generating unit*, *priority dispatch generating unit*, *scheduled load* and *reserve facility*;
WESM Rules	3.8.1(e)	Use the *market dispatch optimization model* to determine			**PEMC:**	**On PEMC's comments:**	**RCC-approved provision:**

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		the *target loading level* in *MW* for each *scheduled generating unit*, *must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit*, *scheduled load* and *reserve facility* for the end of that *dispatch interval* using the latest data from the *System Operator* and *Trading Participants*;			Use the *market dispatch optimization model* to determine the *target loading level* in *MW* for each *scheduled generating unit*, ***non-generating resource, pumped-storage unit***, *must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit*, *scheduled load* and *reserve facility* for the end of that *dispatch interval* using the latest data from the *System Operator* and *Trading Participants*; *Added NGRs and PSUs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *This should be revised to include NGRs and PSUs.*	Agree	Use the *market dispatch optimization model* to determine the *target loading level* in *MW* for each *scheduled generating unit*, ***Energy Storage Systems***, *must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit*, *scheduled load* and *reserve facility* for the end of that *dispatch interval* using the latest data from the *System Operator* and *Trading Participants*;
WESM Rules	3.8.1(g)	Send to all *Trading Participants* a *dispatch schedule* that contains *target loading levels* in respect of their *scheduled generating unit*, *must dispatch generating unit, priority dispatch generating unit and non-scheduled generating units* calculated under Clause 3.8.1(e) for each *dispatch interval* prior to the commencement of that *dispatch interval* in accordance with the relevant *Market Manuals*; and			**PEMC:** Send to all *Trading Participants* a *dispatch schedule* that contains *target loading levels* in respect of their *scheduled generating unit*, ***non-generating resource, pumped-storage unit***, *must dispatch generating unit, priority dispatch generating unit and non-scheduled generating units* calculated under Clause 3.8.1(e) for each *dispatch interval* prior to the commencement of that *dispatch interval* in accordance with the relevant *Market Manuals*; and *Added NGRs and PSUs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.*	**On PEMC's comments:** Agree	**RCC-approved provision:** Send to all *Trading Participants* a *dispatch schedule* that contains *target loading levels* in respect of their *scheduled generating unit*, ***Energy Storage Systems***, *must dispatch generating unit, priority dispatch generating unit and non-scheduled generating units* calculated under Clause 3.8.1(e) for each *dispatch interval* prior to the commencement of that *dispatch interval* in accordance with the relevant *Market Manuals*; and
WESM Rules	3.6.1.8	When restricting *dispatch* targets under Clause 3.6.1.7, the *market*	When restricting *dispatch* targets under Clause 3.6.1.7, the *market*	To include NGRs and PSUs	**AP:**	**On AP's comments:**	**RCC-approved provision:**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		dispatch optimization model shall consider the following hierarchy when a combination of the groups are to be restricted: (a) *market offers* of *scheduled generating units* beyond its minimum (b) *non-scheduled generating units* (c) *priority dispatch generating units* (d) *must dispatch generating units*	*dispatch optimization model* shall consider the following hierarchy when a combination of the groups are to be restricted: (a) *market offers* of *scheduled generating units,* ***non-generator resources,*** **and** ***pumped-storage*** ~~***resources***~~***unit operating*** **on** ~~***Generation***~~***generation mode*** beyond its minimum (b) *non-scheduled generating units* (c) *priority dispatch generating units* (d) *must dispatch generating units*		Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	Please see response to Clause 2.3.1.2	When restricting *dispatch* targets under Clause 3.6.1.7, the *market dispatch optimization model* shall consider the following hierarchy when a combination of the groups is to be restricted: (a) *market offers* of *scheduled generating units,* ***Energy Storage Systems*** **operating on** ~~***Generation***~~***generation mode*** beyond its minimum (b) *non-scheduled generating units* (c) *priority dispatch generating units* (d) *must dispatch generating units*
WESM Rules	3.7.4.1	Each *market projection* shall take into consideration: xxxx (d) The *generation offer* information submitted by each relevant *Trading Participant* in accordance with clause 3.5.5;	Each *market projection* shall take into consideration: xxxx (d) The ~~*generation*~~ ***market*** *offer* information submitted by each relevant *Trading Participant* in accordance with clause 3.5.5;	Remove generation in offers to encompass NGR offers as well	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units* **GIFT:** Each market projection shall take into **account**: xxxx (d) The market offer information submitted by each relevant Trading Participant in accordance with clause 3.5.5; *The word consideration must be change.*	**On AP's comments :** Please see response to Clause 2.3.1.2 **On GIFT's comments:** Agree	**RCC-approved provision:** Each *market projection* shall take into ~~consideration~~**account**: xxxx (d) The ~~*generation*~~ ***market*** *offer* information submitted by each relevant *Trading Participant* in accordance with clause 3.5.5;
WESM Rules	3.8.3.3	All *scheduled generating units* and *priority dispatch generating units* shall follow all instructions from the *System Operator*, in accordance with the *Grid Code,*	None		**PEMC:** All *scheduled generating units****, non-generating resource, pumped-storage unit***, and *priority dispatch generating units* shall follow all	**On PEMC's comments:** Agree	**RCC-approved provision:** All *scheduled generating units****, Energy Storage Systems***, and *priority dispatch generating units* shall follow all instructions

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		the *WESM Rules* and pertinent *Market Manuals*.			instructions from the *System Operator*, in accordance with the *Grid Code*, the *WESM Rules* and pertinent *Market Manuals* *Added NGRs and PSUs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *This should be revised to include NGRs and PSUs.*		from the *System Operator*, in accordance with the *Grid Code,* the *WESM Rules* and pertinent *Market Manuals*
WESM Rules	3.11.1.3(a)	The *dispatch schedule* for each *scheduled generating unit, must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit* and *scheduled load* in each *dispatch interval* in the *settlement intervals* for the previous *trading day*; and	None		**PEMC:** The *dispatch schedule* for each *scheduled generating unit,* ***non-generating resource, pumped-storage unit****, must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit* and *scheduled load* in each *dispatch interval* in the *settlement intervals* for the previous *trading day*; and *Added NGRs and PSUs.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *This should be revised to include NGRs and PSUs.*	**On PEMC's comments:** Agree	**RCC-approved provision:** The *dispatch schedule* for each *scheduled generating unit,* ***Energy Storage Systems****, must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit* and *scheduled load* in each *dispatch interval* in the *settlement intervals* for the previous *trading day*; and
WESM Rules	Glossary	**Generating System**. A system comprising one or more *generating units.* **Generating Unit**. A single machine generating electricity and all the related equipment essential to its functioning as a single entity and having a	**Generating System**. A system comprising one or more **facility capable of** *generati**on**ing units*.	Revised definition to encompass NGR and PSU	**AP:** Retain original provision *It generally means the same.*	**On AP's comments:** We avoided the use of generating unit in the context of NGRs	Mr. Binondo opined that the proposed definition of the TC, may be vague. The Secretariat stated that the intention for the revision is to generalize the term so as to encompass ESSs and PSUs. Mr. Binondo then opined that the term "generating system" is defined for a specific use in the WESM Rules and Market Manuals. He then recommended to just revise the term

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		nameplate rating of 1 MW or more.					"generating unit" to accommodate ESS. Atty. De Castro noted that the revised definition shall be general enough to cover all anticipated resources that may participate in the WESM. Following the discussion, the RCC agreed to revise the definition of the term "generating system" and likewise sought for PEMC's assistance in revising the definition of the term "generating unit" to encompass ESS. **RCC-approved provision:** **Generating System**. A system comprising one or more **facility or generating units capable of** *generati**on**~~ing units~~*.
WESM Rules	Glossary	**Generation.** The production of electrical power by converting one form of *energy* to another in a *generating unit.*	**Generation.** The production of electrical power by converting one form of *energy* to another~~in a generating unit~~.	Revised definition to encompass NGR and PSU	**AP:** Retain original provision *It generally means the same.*	**On AP's comments:** We avoided that use of generating unit in the context of NGRs	Mr. Meneses opined that the definition for the term "generation" should provide that the final state of the energy conversion is electrical energy. **RCC-approved provision:** **Generation.** ~~The production of electrical power by converting one form of *energy* to another in a *generating unit.*~~***The process of converting one form of energy to electrical energy.***
WESM Rules	Glossary	**Generation Offer**. A *standing offer*, or *market offer* to supply electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.	**Generation Offer**. A ~~*standing offer,* or~~ *market offer* to supply electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.	To differentiate generation offer from NGR offer	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** **Generation Offer**. A ~~*standing offer,* or~~ *market offer* to supply electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
WESM Rules	Glossary	New	**Non-Generator Resource Offer. A *market offer* either to supply or purchase electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.**	To provide definition for NGR offer	**AP:** **Energy Storage Facility Offer. A *generation offer* either to supply or purchase electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.** *Refer to our general comment above, that the term "energy storage facility" is more appropriate than "non-generator resource"* **PSALM:** Non-Generator Resource Offer. A *market offer from a Non-Generator Resource or Pump Storage Unit* either to supply or purchase electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11 **which may consider to operate at de-rated capacity to meet run-time requirement to comply with the capacity and ancillary services that it may provide.** *This will ensure that the Energy Storage System is technically capable of providing by accommodating their physical and operational characteristics, while maintaining the quality and reliability of service it seek to provide.* *To justify storage constraint with the Must Offer Rule and to consider other jurisdiction (FERC Rule)[1] of the reason why the de-rated capacity value for electric storage resources might not be consistent with the quantity of energy that must be offered.*	**On AP's comments:** Please see response to Clause 2.3.1.2 **On PSALM's comments:** We believe that the second clause is not necessary as it is already implied in the original proposal.	On the comment received from PSALM, Ms. Erlinda C. Casas expounded that the intention for the addition provision is to provide that ESS may not be able to offer its entire capacity due to its intermittency. Mr. Cacho explained that scheduled generating units have market offers, these market offers should be equal to its maximum available capacity. The definition of the maximum available capacity is defined as the maximum power, less the generating unit's constraints. He then recommended to revise the definition of the "maximum available capacity" in the Dispatch Protocol Manual, to consider the cases for ESS. **RCC-approved provision:** **Energy Storage Systems Offer. A *market offer* either to supply or purchase electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.**

[1] https://www.cleanenergylawreport.com/energy-storage/ferc-approves-landmark-rule-on-electric-storage-resources/

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					PEMC: **Non-Generator Resource Offer. A *standing offer*, or *market offer* either to supply or purchase electricity, submitted or revised by a *Generation Company* in accordance with clauses 3.5.5, 3.5.9, 3.5.10 or 3.5.11.** *Added requirement of NGRs to submit standing offers.* *NGRs should also have standing offers.*	**On PEMC's comments:** We are being consistent with the revisions to the definition of "Market Offer"	
WESM Rules	Glossary	**Market Offer.** A *generation offer* for a particular *dispatch interval* corresponding to a *settlement interval* of a particular *trading day* in the current *market horizon*, whether formed from a *standing offer* in accordance with Clause 3.5.10 or revised by the relevant *Trading Participant*, in accordance with clause 3.5.11.	**Market Offer.** A *generation offer, **a non-generator offer or a reserve offer*** for a particular *dispatch interval* of a particular *trading day* in the current *market horizon*, whether formed from a *standing offer* in accordance with clause 3.5.10 or revised by the relevant *Trading Participant*, in accordance with clause 3.5.11.	Revised definition to encompass NGR offers	**AP:** Retain original provision *Retaining original provision is consistent with the proposal that new categories be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** **Market Offer.** A *generation offer, **an Energy Storage Systems offer or a reserve offer*** for a particular *dispatch interval* of a particular *trading day* in the current *market horizon*, whether formed from a *standing offer* in accordance with clause 3.5.10 or revised by the relevant *Trading Participant*, in accordance with clause 3.5.11.
WESM Rules	Glossary	New	**Non-Generator Resource. A facility or group of facilities classified in accordance with clause 2.3.1.7. Includes such as but not limited to Battery Energy Storage System (BESS)**	To adopt definition from California ISO	**AP:** **Energy Storage Facility. A facility or group of facilities classified in accordance with clause 2.3.1.7. Includes such as but not limited to Battery Energy Storage System (BESS)** *Refer to our general comment above, that the term "energy storage facility" is more appropriate than "non-generator resource"* **DOE:** ***Non-Generator Resource.* A facility or group of facilities that have the capability to serve as both generation and load and can be**	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** We agree but with revisions as follows:	The RCC agreed to revise the definition of the term ESS to encompass all types of resources categorized under the same. **RCC-approved provision:** ***Energy Storage Systems.* A facility or group of facilities that have the capability to serve as either generation or load and can be dispatched to any operating level within their entire capacity range such as but not limited to *battery energy storage system*, classified by the *Market Operator* under Clause 2.3.1.9.**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					dispatched to any operating level within their entire capacity range such as but not limited to *battery energy storage system,* classified by the *Market Operator* under Clause 2.3.1.~~7~~ 9. *A glossary should provide a brief definition of the terms.* *Also, for correction of reference.* **PEMC:** **Non-Generator Resource. A facility or a group of facilities connected at a common *connection point* that operate as either *Generation* or *Load* and that can be *dispatched* to any operating level within their entire capacity range but are also constrained by a MWh limit to generate *Energy*, curtail the consumption of *Energy* in the case of demand response, or consume *Energy* and registers with the *Market Operator* in that capacity under *WESM Rules* Clause 2.3.1.7.** *To be consistent with how other registration categories are defined.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *Definition is not consistent with how other registration categories are defined.*	***Non-Generator Resource.* A facility or group of facilities without a rotating electric machine that have the capability to serve as either generation or load and can be dispatched to any operating level within their entire capacity range such as but not limited to *battery energy storage system,* classified by the *Market Operator* under Clause 2.3.1.9.** **On PEMC's comments:** We prefer a more concise definition	
WESM Rules	Glossary	New	**Battery Energy Storage System. A system with all related equipment essential to its functioning as a single entity capable of storing electrical**	To provide a definition for "Battery Energy Storage System"	**AP:** *We are ok with the proposal* **GIFT:**	**On GIFT's comments:**	**RCC-approved provision:** **Battery Energy Storage System. A system with all related equipment essential to its functioning as a single entity which is**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
			energy in chemical form which is able to charge and discharge electrical energy to the power system.		Battery Energy Storage System. A system **on which consists of a battery device, power conversion system and associated battery monitoring and control equipment that** capable of storing electrical energy in chemical **reactions wherein it could** charge and discharge **stored** energy to the power system. *Need to change the entire meaning of a Battery Energy Storage System.*	"All related equipment" is sufficient to cover all the details. Okay with the "chemical reactions". We propose the following revisions: **Battery Energy Storage System. A system with all related equipment essential to its functioning as a single entity which is capable of storing electrical energy through chemical reactions from which it is able to charge or discharge electrical energy to the power system.**	**capable of storing electrical energy through chemical reactions from which it is able to charge or discharge electrical energy to the power system, classified under *Energy Storage Systems*.**
WESM Rules	Glossary	New	**Pumped-Storage Unit. A facility or group of facilities classified in accordance with clause 2.3.1.8.**	To provide a definition for "Pumped-Storage Unit"	**AP:** *We are ok with the proposal* **DOE:** ***Pump Storage* Unit. A facility or group of facilities that act as load while using energy to pump water to higher elevation reservoirs, and then act like generators by creating energy when releasing water back to lower reservoirs, and it classified by the Market Operator under Clause 2.3.1.810.** *A glossary should provide a brief definition of the terms.* *Also, for correction of reference.* **PEMC:** **Pumped-Storage Unit. A facility or a group of facilities connected at a common *connection point* that is capable of storing water from a lower elevation reservoir to a higher**	**On the DOE's comments:** Agree with DOE with minor revisions: ***Pumped-Storage* Unit. A facility or group of facilities that act as load while using energy to pump water to higher elevation reservoirs, and then act like generators by producing electric energy when water is released back to lower reservoir, and is classified by the Market Operator under Clause 2.3.1.10.** **On PEMC's comments:** We prefer a more concise definition	**RCC-approved provision:** ***Pumped-Storage* Unit. A facility or group of facilities that act as load while using energy to pump water to higher elevation reservoirs, and then act like generators by producing electric energy when water is released back to lower reservoir, and is classified by the Market Operator under Clause 2.3.1.10.**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					elevation reservoir for the purpose of production of electrical power and registers with the *Market Operator* in that capacity under *WESM Rules* Clause 2.3.1.8 *To be consistent with how other registration categories are defined.* *Note: This would be further revised if a more general classification for energy storage resources is adopted as proposed above.* *Definition is not consistent with how other registration categories are defined.*		
WESM Rules	Appendix A1.1	**A1.1 Generation Offer** Generation offers: (a) Shall include the location of the *connection point* and relevant *market network node*; xxxx (e) Shall have monotonically increasing prices, starting from *zero generation;*	**A1.1 Generation Offer** Generation offers: (a) Shall include the location of the *connection point* and relevant *market network node*; xxxx (e) Shall have monotonically increasing prices **and quantity,** starting from *zero generation;*	To clarify the monotonically increasing quantity of offers	**AP:** **A1.1 Generation Offer** Generation offers: (a) Shall include the location of the *connection point* and relevant *market network node*; (b) Shall include the *pricing zone* of the *connection point,* (c) May include up to ten (10) *energy offer* blocks per (aggregate) unit. The maximum combined capacity of *generation* and *reserve offers* must not be less than the maximum available capacity of the generator. (d) Shall be for a minimum block size of one (1) MW; (e) Shall have monotonically increasing prices, starting from *zero generation;* (f) May include negative prices; (g) Shall include maximum up/down *ramp rates;* ~~**and**~~ (h) Shall include an operating range (upper and lower limit);	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** **A1.1 Generation Offer** Generation offers: (a) Shall include the location of the *connection point* and relevant *market network node*; xxxx (e) Shall have monotonically increasing prices **and quantity,** starting from *zero generation;*

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					(i) May start with negative quantities in the case of energy storage facilities; and **(j) May offer as a load in the case of pumped-storage unit.** *Our proposal already included in A1.1 offers for energy storage facilities and pumped-storage.*		
WESM Rules	Appendix A1.4	New	**A1.4 Non-Generator Resource Offer** **Non-Generator Resource Offer:** **(a) Shall include the location of the *connection point* and relevant *market network node*;** **(b) Shall include the *pricing zone* of the *connection point,*** **(c) May include up to ten (10) *energy offer* blocks per (aggregate) unit. The maximum combined capacity of *generation* and *reserve offers* must not be less than the maximum available capacity of the generator.** **(d) Shall be for a minimum block size of one (1) MW;** **(e) Shall have monotonically increasing prices and quantity** **(f) May start from a negative quantity to represent its projected maximum consumption;** **(g) May include negative prices**	To provide requirements for Non-Generator Resource Offer	**AP:** Retain original *we already included energy storage and pumped-storage units in A1.1* **PSALM:** (d) Shall be for a minimum block size of zero **point** one **(0.1) MW;** *It is suggested that the NGR minimum offer to sell and minimum bid to buy be set at 100 kW to serve wide range of Energy Storage System technology.* *To cater to small capacity NGR.* **PEMC:** **(d) Shall be for a minimum block size of one-tenth (0.1) of a MW;** XXXI **(h) May include the projected state-of-charge at the start of the relevant dispatch interval**	**On AP's comments:** Please see response to Clause 2.3.1.2 **On PSALM's comments:** We agree with the proposal **On PEMC's comments:** We agree with the proposal State-of-charge is included in the monitoring but is not required to be included in the offer.	On the proposed new minimum block size for ESS, the RCC agreed to clarify with PEMC regarding the basis of its proposal. Mr. Meneses, on the other hand, inquired if other technologies may avail of this provision. The Secretariat noted the concerns of the committee for the PEMC's response. On the proposed inclusion of the projected state-of-charge in the ESS offer, Atty. De Castro inquired if there is a difference between a projected state-of-charge and a state-of-charge. Mr. Meneses opined that the state-of-charge actually does not matter. He further explained that the ramp-up or ramp-down capability is more important. On the other hand, Mr. Cacho commented that asking for the participant to submit its projected state-of-charge will not have an impact on them. He likewise noted that the submission of the projected state-of-charge is optional. In view of the foregoing, the RCC agreed to adopt the recommendation of PEMC for the ESS to submit its projected state-of-charge. **RCC-approved provision:** **A1.4 Energy Storage System Offer** **Energy Storage System Offer:**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
					Revised the minimum block size to 0.1 MW to increase possible participation of energy storage resources in the WESM. *Provided the option for operators to submit their state-of-charge.* *Since energy storage systems are generally smaller than conventional generating resources, it is proposed to reduce the minimum block size to 0.1 MW. This would allow the market to accommodate a wide range of energy storage resources.* *In addition, recent development in the treatment of energy storage systems in US markets indicates that it would be better for energy storage resource operators to manage the state-of-charge of their systems. This is to optimize the life of the energy storage resources, which usually have batteries that are susceptible to wear and tear from frequent charging and discharging*		**(a) Shall include the location of the *connection point* and relevant *market network node*;** **(b) Shall include the *pricing zone* of the *connection point*,** **(c) May include up to ten (10) *energy offer* blocks per (aggregate) unit. The maximum combined capacity of *generation* and *reserve offers* must not be less than the maximum available capacity of the generator.** **(d) Shall be for a minimum block size of one-tenth (0.1) MW;** **(e) Shall have monotonically increasing prices and quantity** **(f) May start from a negative quantity to represent its projected maximum consumption;** **(g) May include negative prices** **(h) May include the projected state-of-charge at the start of the relevant dispatch interval**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Format and Contents of	6.9.3	**NEW**	***Trading Participants* shall provide the following information when submitting *non-generator offers:***	To provide requirements for Non-Generator Resources (NGR) offers	**AP:** *Include separate provision for energy storage and pumped*	**On AP's comments:** The intention is to provide for NGRs only since PSU offers as covered under generation offers	The Secretariat noted that the minimum block size is subject for clarification with PEMC. **RCC-approved provision:**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Submissions			**a. May include up to ten (10) *energy offer* blocks per (aggregate) unit. The maximum combined capacity of *generation* and *reserve offers* must not be less than the *maximum available capacity* of the *generator*;** **b. Shall be for a minimum block size of one (1) MW;** **c. Shall have monotonically increasing prices and quantity;** **d. May start from a negative quantity to represent its projected maximum consumption** **e. May include negative prices; and** f. **Shall include up to three (3) segments of *ramp rate* profiles for different quantity break-points. The ramp up/down rates shall be within the minimum and maximum registered *ramp rates*.**				***Trading Participants* shall provide the following information when submitting *energy storage system* offers:** **a. May include up to ten (10) *energy offer* blocks per (aggregate) unit. The maximum combined capacity of *generation* and *reserve offers* must not be less than the *maximum available capacity* of the *generator;*** **b. Shall be for a minimum block size of one-tenth (0.1) MW;** **c. Shall have monotonically increasing prices and quantity;** **d. May start from a negative quantity to represent its projected maximum consumption** **e. May include negative prices; and** f. **Shall include up to three (3) segments of *ramp rate* profiles for different quantity break-points. The ramp up/down rates shall be within the minimum and maximum registered *ramp rates*.**
Preparation of WESM Merit Order Table - Background	10.1.2	The *WMOT* is generated by stacking in an unconstrained manner of scheduled and unscheduled capacities through the *market offers* submitted for the *real-time dispatch* runs. *Energy offer* blocks submitted by *generator Trading Participants* for a particular *dispatch interval*	The *WMOT* is generated by stacking in an unconstrained manner of scheduled and unscheduled capacities**, excluding negative quantities,** through the *market offers* submitted for the *real-time dispatch* runs. *Energy offer* blocks submitted by *generator Trading Participants* for a particular	For clarity	**AP:** *We agree*		**RCC-approved provision:** The *WMOT* is generated by stacking in an unconstrained manner of scheduled and unscheduled capacities**, excluding negative quantities,** through the *market offers* submitted for the *real-time dispatch* runs. *Energy offer* blocks submitted by *generator Trading Participants* for a particular *dispatch*

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		are arranged from lowest to the highest priced *offer* block, without considering any *constraints*. The *WMOT* stacks *energy offers* into two, namely, the *energy offers* that were scheduled (or "Offers Dispatched") and *energy offers* that were not scheduled (or "Offers Not Dispatched").	*dispatch interval* are arranged from lowest to the highest priced *offer* block, without considering any *constraints*. The *WMOT* stacks *energy offers* into two, namely, the *energy offers* that were scheduled (or "Offers Dispatched") and *energy offers* that were not scheduled (or "Offers Not Dispatched").				*interval* are arranged from lowest to the highest priced *offer* block, without considering any *constraints*. The *WMOT* stacks *energy offers* into two, namely, the *energy offers* that were scheduled (or "Offers Dispatched") and *energy offers* that were not scheduled (or "Offers Not Dispatched").
Preparation of WESM Merit Order Table – Preparation of WMOT	10.4.1	The *WMOT* shall be prepared using the *offers* and the *real-time dispatch schedule* of each *generating system* for which *offers* were submitted for the relevant *dispatch interval.* The specific information that will be used is as follows:	The *WMOT* shall be prepared using the *offers*, **excluding negative quantities,** and the *real-time dispatch schedule* of each *generating system* for which *offers* were submitted for the relevant *dispatch interval.* The specific information that will be used is as follows: xxx	For clarity	**AP:** *We agree*		**RCC-approved provision:** The *WMOT* shall be prepared using the *offers*, **excluding negative quantities,** and the *real-time dispatch schedule* of each *generating system* for which *offers* were submitted for the relevant *dispatch interval.* The specific information that will be used is as follows: xxx
Introduction – Overview of WESM Operations, Scope **Definitions, References and Interpretation** - Definitions	1 1.1.1, 1.1.3, 1.3.1.g, 2 2.1.2.d, 2.1.2.q, 2.1.2.t, 2.1.2.u, 2.1.2.z, 2.1.2.cc	xxx xxx	Global change from *"generating units"* to ***"generating systems"*** Global change from *"generating offers"* to ***"market offers"***	For consistency with the changes to the WESM Rules and Market Manuals.	**AP:** Retain original provisions *We propose. to include energy storage and pumped-storage as categories of scheduled generating units. With this, there will be no need to change the terms. Moreover, this proposal will result in less amendments to the Manual.* **DOE:** *Suggest to use "generating units **or** generating systems"* *To avoid unnecessary revisions*	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** We generalized the term as "generating systems"	**RCC-approved provision:** Accept global change from *"generating offers"* to ***"market offers"*** Retain *"generating units"*

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
	3	xxx					
Responsibilities – Trading Participants and other WESM Members	3.3.2						
	4	xxx					
WESM Table – Day-Ahead Projection	Table 2 6	xxx					
Bids, Offers and Data Submissions and Processing – Background, Categories of Self-scheduled Nominations, Bids, and Offers, Format and contents of submission, Revisions of Self-scheduled Nominations, Bids and Offers	6.1.1, 6.1.6, 6.1.7, 6.1.8, 6.4.1.a, 6.4.1.d, 6.9.6, 6.13.a, 6.14.4.g						

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Based on Reasonable Estimates, Report of Material Adverse Change in State of Trading Participant Facilities	7	xxx					
System Operator Input Data and Reports – Responsibilities, Outage Schedules, Over-riding Constraints, Contingency List Requirements	7.3.4, 7.5.1.a, 7.6.2.a, 7.6.2.b, 7.6.3, 7.7.1, 7.7.5.a, 8 8.6.4	xxx					
Market Projections – Publication and Dissemination of Market Projection Results	9 9.1.1, 9.1.2, 9.3.3.a., 9.3.3.b, 9.7.2	xxx					

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Real-time Dispatch Scheduling – Background, Responsibilities, Dissemination and Public of Market Run Results	10 10.1.1-3, 10.2, 10.3.2, 10.4.1, Table 7, 10.4.2-6, Table 8,	xxx					
Preparation of the WESM Merit Order Table – Background, Purpose and Scope, Responsibilities, Preparation of the WMOT, Output of the WMOT,	11 11.2.2,11.5, 11.5.1-3, 11.6.2, 11.6.3, 11.6.5, 11.7.1-3,	xxx					
Dispatch Implementation – Purpose and Scope, Dispatch of Must and	12	xxx					

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Priority Dispatch Generating Units, Conditions for Re-dispatch, Re-dispatch Procedures, **Dispatch Compliance** - Scope and Purpose, Responsibilities, Compliance with Dispatch Schedules and Instructions, Dispatch Conformance Standards, Reporting	12.2.1, 12.2.2, 12.3.2, 12.4.1, 12.4.1.a, 12.4.1.b, 12.4.1.c, 12.4.2, 12.4.2.a, 12.4.2.b, 12.4.2.c, 12.4.3, 12.4.3.a, 12.4.3.b, 12.4.4.a, 12.5.1.a, 12.5.1.b, 12.5.1.c, 12.5.1.d, 12.5.2.a, 12.5.2.b, 12.5.2.e, 12.5.2.f, 12.5.2.i, 12.6.2 13 13.1, 13.2.2.a, 13.2.2.b, 13.2.3.a, 13.2.3.d, 13.3.1, 13.3.2, 13.3.4,	xxx						

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Start-Up and Shutdown of Generating Units - Scope and Purpose, Responsibilities, General Procedures	13.4, 13.4.1, 13.4.2 13.4.5, 13.5, 13.5.1, 13.5.2, 13.5.4 14 14.4.2.c, 14.4.3.d, 14.4.5 16 16.6.2.a	xxx xxx					
Post-Dispatch Data and Operation Reports - Dispatch Deviation Report	17 17.1.1, 17.1.2, 17.1.3, 17.1.4,	xxx					

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Procedures During Market Intervention or Suspension - Dispatch Scheduling and Implementation	17.1.5, 17.3.1, Table 9. Criteria and Considerations for Selection of MRUs, 17.4.1						
	18	xxx					
Management of Must-Run Units – Overview, Considerations and Criteria for Selection of Must-Run Units, MRU Scheduling and Dispatch Procedures	18.2.2.c, 18.2.2.d, 18.2.3.a, 18.3.1, 18.3.3, 18.3.4.b, 18.3.5						
	19	xxx					
	19.2.3						
	Appendix B	xxx					
	Appendix E	xxx					
Excess Generation - Responsibilities, Managing							

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Excess Generation for the Next Day **Procedures for Load Shedding** – Responsibilities **Steps in Creating a Merit Order Table** **Content Structure of SO Inputs to the Market Projections and Real-time Dispatch**							

WESM Manual on Market Network Model Development and Maintenance – Criteria and Procedures

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
MNM Manual	4.1.3	The components of the MNM interacts with one another in accordance with *dispatch schedule* of the generation units,	The components of the MNM interacts with one another in accordance with **the** *dispatch schedule* of the	Include NGRs and PSU	**AP:** Retain original provision	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** The components of the MNM interact with one another in accordance with **the** *dispatch*

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		customer demand and the physical laws that govern the operation of the network components. These interactions are complex by nature but should be balanced to maintain the reliable and secure operation of the *power system* by the *System Operator*, as well as for the generation of fair and economic market *dispatch schedules* and *nodal energy price.*	~~*generation*~~**generating units**~~*units*~~**system, non-generator resource, pumped-storage unit,** customer demand and the physical laws that govern the operation of the network components. These interactions are complex by nature but should be balanced to maintain the reliable and secure operation of the *power system* by the *System Operator*, as well as for the generation of fair and economic market *dispatch schedules* and *nodal energy price.*		*The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units* **DOE:** *Suggest to use "generating units **or** generating systems"*	**On the DOE's comments:** Same response to the comments in the DPM proposal	*schedule* of the ~~*generation*~~**generating units, Energy Storage Systems,** customer demand and the physical laws that govern the operation of the network components. These interactions are complex by nature but should be balanced to maintain the reliable and secure operation of the *power system* by the *System Operator*, as well as for the generation of fair and economic market *dispatch schedules* and *nodal energy price.*
MNM Manual	4.4.1	Market Trading Nodes These are *node*s in the load flow model designated as the reckoning *node* for Trading Participant bids or offers and corresponding settlement of *energy* and reserves. MTN shall be modeled as the trading point of a Generator or a Load where the appropriate real-time monitoring facility can be associated. Where the MTN and the metering point are of different location, site-specific loss adjustment (SSLA) provided in the WESM Metering *Market Manual* shall apply. Further details on MTN can be observed in SECTION 6 of this *Market Manual*.	Market Trading Nodes These are *node*s in the load flow model designated as the reckoning *node* for Trading Participant bids or offers and corresponding settlement of *energy* and reserves. MTN shall be modeled as the trading point of a ~~*Generator*~~**Generating System, Non-Generator Resource, Pumped-Storage Unit,** or a Load where the appropriate real-time monitoring facility can be associated. Where the MTN and the metering point are of different location, site-specific loss adjustment (SSLA) provided in the WESM Metering *Market Manual* shall apply. Further details on MTN can be ~~observed~~ **viewed** in SECTION 6 of this *Market Manual*.	Include NGRs and PSU	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Market Trading Nodes These are *node*s in the load flow model designated as the reckoning *node* for Trading Participant bids or offers and corresponding settlement of *energy* and reserves. MTN shall be modeled as the trading point of a ~~*Generator*~~**Generating Unit, Energy Storage Systems,** or a Load where the appropriate real-time monitoring facility can be associated. Where the MTN and the metering point are of different location, site-specific loss adjustment (SSLA) provided in the WESM Metering *Market Manual* shall apply. Further details on MTN can be ~~observed~~ **viewed** in SECTION 6 of this *Market Manual*.
MNM Manual		New	**4.4.4 *Non-Generator Resource* representation**	For NGR	**AP:**	**On AP's comments:**	**RCC-approved provision:**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
			This is the mathematical model of a *non-generator resource* with its dual capability of injecting or withdrawing power through the network.		**4.4.4 *Energy Storage Facility* representation** **This is the mathematical model of a *non-generator resource* with its dual capability of injecting or withdrawing power through the network.** *Please note our general comment in the proposed amendments on the WESM Rules. We propose that instead of "Non-Generator Resource", we should instead use the term "Energy Storage Facility"*	Please see response to Clause 2.3.1.2	**4.4.4 *Energy Storage System* representation** **This is the mathematical model of a *Energy Storage Systems* with its dual capability of injecting or withdrawing power through the network.**
MNM Manual		New	**4.4.5 *Pumped-Storage Unit* representation** **This is the mathematical model of a *pumped-storage unit* with its dual capability of injecting or withdrawing power through the network.**	For PSU	**AP:** *We agree*		**RCC-approved provision:** **4.4.5 *Pumped-Storage Unit* representation** **This is the mathematical model of a *pumped-storage unit* with its dual capability of injecting or withdrawing power through the network.**
		4.4.4. xxx 4.4.5. xxx 4.4.6. xxx 4.4.7. xxx 4.4.8. xxx	4.4.**6**~~4~~. xxx 4.4.**7**~~5~~. xxx 4.4.**8**~~6~~. xxx 4.4.**9**~~7~~. xxx 4.4.**10**~~8~~. xxx	Re-numbering			*Re-numbering*
MNM Manual	6.3.1	MTN's can be classified as either *Generator Node* or *Customer Node.* a) *Generator nodes* are *nodes* that represent a registered generating unit or generating	MTN's can be classified as either *Generator Node* or *Customer Node.* a) *Generator nodes* are *nodes* that represent a registered generating unit or generating system directly connected to a network operated by	Include NGRs and PSU	**AP:** MTN's can be classified as either *Generator Node* or *Customer Node.* a) *Generator nodes* are *nodes* that represent a registered generating unit or generating	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** MTN's can be classified as either *Generator Node* or *Customer Node.* a) *Generator nodes* are *nodes* that represent a registered generating unit or generating system

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		system directly connected to a network operated by the *System Operator*. It is a *node* where power is injected into the *transmission network.* b) *Customer nodes* are *node*s that represent where power is withdrawn by *Trading Participants* from the grid.	the *System Operator*. It is a *node* where power is injected into the *transmission network.* b) *Customer nodes* are *node*s that represent where power is withdrawn by *Trading Participants* from the grid. **c) *Non-Generator Resource nodes* are *node*s that represent a registered *non-generator resource* directly connected to a network operated by the *System Operator*. It is a *node* where power is injected or withdrawn through the *transmission network.*** **d) *Pumped-Storage Unit nodes* are *node*s that represent a registered *pumped-storage unit* directly connected to a network operated by the *System Operator*. It is a *node* where power is injected or withdrawn through the *transmission network.*** 		system directly connected to a network operated by the *System Operator*. It is a *node* where power is injected into the *transmission network*. **In the case of Energy Storage Facility nodes and Pumped-Storage Unit nodes, these are nodes where power is injected or withdrawn from the grid.** b) *Customer nodes* are *node*s that represent where power is withdrawn by *Trading Participants* from the grid. *To be clear that energy storage and pumped-storage are still generator nodes, which, however, may have negative quantities.*		directly connected to a network operated by the *System Operator*. It is a *node* where power is injected into the *transmission network.* b) *Customer nodes* are *node*s that represent where power is withdrawn by *Trading Participants* from the grid. **c) *Energy Storage System nodes* are *node*s that represent a registered *non-generator resource* directly connected to a network operated by the *System Operator*. It is a *node* where power is injected or withdrawn through the *transmission network.*** **d) *Pumped-Storage Unit nodes* are *node*s that represent a registered *pumped-storage unit* directly connected to a network operated by the *System Operator*. It is a *node* where power is injected or withdrawn through the *transmission network.***
MNM Manual	6.3.2	There may be conditions wherein a *Trading Participant* has a generating facility whose remote telemetering facility is situated in a location where both its injection and withdrawal of power are monitored. In such cases, that *Trading Participant* shall have a generator and customer MTN registered in the WESM to dynamically reflect its injection	**Where available remote telemetering facilities are situated at a location net of the station service, the *Trading Participant* shall have a generator and a customer MTN registered in the WESM to accurately reflect the direction of power flow.** ~~There may be conditions wherein a *Trading Participant* has a generating facility whose remote~~	For clarity			**RCC-approved provision:** **Where available remote telemetering facilities are situated at a location net of the station service, the *Trading Participant* shall have a generator and a customer MTN registered in the WESM to accurately reflect the direction of power flow.** ~~There may be conditions wherein a *Trading Participant* has a generating facility whose remote telemetering facility is situated in a location where both its~~

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		and withdrawal, respectively. These cases are applicable for the following conditions a) Facility can act as a generator or load such as the Kalayaan hydro-electric facility, in which each of its facility can be run as a generator or a pump, or b) Available remote telemetering facilities are situated at a location net of the station service or house load.	~~telemetering facility is situated in a location where both its injection and withdrawal of power are monitored. In such cases, that *Trading Participant* shall have a generator and customer MTN registered in the WESM to dynamically reflect its injection and withdrawal, respectively. These cases are applicable for the following conditions~~ ~~a) Facility can act as a generator or load such as the Kalayaan hydro-electric~~ ~~facility, in which each of its facility can be run as a generator or a pump, or~~ ~~b) Available remote telemetering facilities are situated at a location net of the station service or house load.~~				~~injection and withdrawal of power are monitored. In such cases, that *Trading Participant* shall have a generator and customer MTN registered in the WESM to dynamically reflect its injection and withdrawal, respectively. These cases are applicable for the following conditions~~ ~~a) Facility can act as a generator or load such as the Kalayaan hydro-electric~~ ~~facility, in which each of its facility can be run as a generator or a pump, or~~ ~~b) Available remote telemetering facilities are situated at a location net of the station service or house load.~~
	6.3 6.4 6.5 6.6 6.7	6.3 xxx 6.4 xxx 6.5 xxx 6.6 xxx 6.7 xxx	~~6.3 xxx~~ ~~6.4 xxx~~ ~~6.5 xxx~~ ~~6.6 xxx~~ ~~6.7 xxx~~	For deletion due to reorganization of the whole manual			~~6.3 xxx~~ ~~6.4 xxx~~ ~~6.5 xxx~~ ~~6.6 xxx~~ ~~6.7 xxx~~
MNM Manual		New	**6.4 *Non-Generator Resource* MTN** **6.4.1 A MTN is considered a *non-generator resource* node if energy is injected or withdrawn through that node and the direction of the power flow is from the apparatus or equipment (i.e. battery energy storage)**	For NGR	**AP:** **6.4 *Energy Storage Facility* MTN** **6.4.1 A MTN is considered a *energy storage facility* node if energy is injected or withdrawn through that node and the direction of the power flow is from the apparatus or equipment (i.e. battery energy storage) operated by the Trading**	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** **6.4 *Energy Storage System* MTN** **6.4.1 A MTN is considered a *Energy Storage Systems* node if energy is injected or withdrawn through that node and the direction of the power flow is from the apparatus or equipment (i.e. battery energy**

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
			operated by the Trading Participant to the network operated by the Network Service Providers, including the System Operator. 6.4.2 During the submission of offers to supply or consume electricity, the participant *non-generator resource* shall specify the location of the connection point and the relevant market network node. 6.4.3 The information that should be submitted by the generators in their energy supply and reserve offers are enumerated in Appendix A1.4 of the WESM Rules.		Participant to the network operated by the Network Service Providers, including the System Operator. 6.4.2 During the submission of offers to supply or consume electricity, the participant *energy storage facility* shall specify the location of the connection point and the relevant market network node. 6.4.3 The information that should be submitted by the generators in their energy supply and reserve offers are enumerated in Appendix A1.1 of the WESM Rules. *Changed the term of non-generator resource to energy storage facility.*		storage) operated by the Trading Participant to the network operated by the Network Service Providers, including the System Operator. 6.4.2 During the submission of offers to supply or consume electricity, the participant *Energy Storage Systems* shall specify the location of the connection point and the relevant market network node. 6.4.3 The information that should be submitted by the generators in their energy supply and reserve offers are enumerated in Appendix A1.4 of the WESM Rules.
MNM Manual		New	6.5 *Pumped-Storage Unit* MTN 6.5.1 A MTN is considered a *pumped-storage unit* node if the facility is a pumped-storage plant where energy can either be injected or withdrawn through that node and the direction of the power flow is from the apparatus or equipment operated by the Trading Participant to the network operated by the Network Service Providers, including the System Operator. 6.5.2 During the submission of offers during generation mode,	For PSU	AP: *We agree*		RCC-approved provision: 6.5 *Pumped-Storage Unit* MTN 6.5.1 A MTN is considered a *pumped-storage unit* node if the facility is a pumped-storage plant where energy can either be injected or withdrawn through that node and the direction of the power flow is from the apparatus or equipment operated by the Trading Participant to the network operated by the Network Service Providers, including the System Operator. 6.5.2 During the submission of offers during generation mode, the participant *pumped-*

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
			the participant *pumped-storage unit* shall specify the location of the connection point and the relevant market network node. **6.5.3 The information that should be submitted by the generators in their energy supply and reserve offers are enumerated in Appendix A1.1 of the WESM Rules.**				***storage unit* shall specify the location of the connection point and the relevant market network node.** **6.5.3 The information that should be submitted by the generators in their energy supply and reserve offers are enumerated in Appendix A1.1 of the WESM Rules.**

WESM Manual on Registration, Suspension and De-registration Criteria and Procedures

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Registration, Suspension and De-Registratio	1.4.1.	All generating companies, distribution utilities, suppliers, bulk consumers/end-users and other similar entities authorized by the *Energy Regulatory*	All ~~generating~~**generation** companies, distribution utilities, suppliers, bulk consumers/end-users and other similar entities	For consistency in use of term based on WESM Rules			**RCC-approved provision:** All ~~generating~~**generation** companies, distribution utilities, suppliers, bulk

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
n Criteria and Procedures		*Commission* (the *"ERC"*) are eligible to become members of the WESM subject to compliance with set membership criteria.1 Pursuant to Republic Act No. 9136, the *ERC* is the agency mandated to authorize other persons or entities that can be eligible to become members of the WESM.	authorized by the *Energy Regulatory Commission* (the *"ERC"*) are eligible to become members of the WESM subject to compliance with set membership criteria.1 Pursuant to Republic Act No. 9136, the *ERC* is the agency mandated to authorize other persons or entities that can be eligible to become members of the WESM.				consumers/end-users and other similar entities authorized by the *Energy Regulatory Commission* (the *"ERC"*) are eligible to become members of the WESM subject to compliance with set membership criteria.1 Pursuant to Republic Act No. 9136, the *ERC* is the agency mandated to authorize other persons or entities that can be eligible to become members of the WESM.
Registration, Suspension and De-Registration Criteria and Procedures	2.3.2.	A *Generation Company* may be registered as *Indirect WESM Member* if the generating units it owns, controls or operates or from which it otherwise sources electricity is or will be transacted in the *WESM* by a person or entity that is already registered in or is qualified to be registered in the WESM as *Generation Company* and as *Direct WESM Member.* If not yet registered, that *Generation Company must register and be approved to become a Direct WESM Member - Generation Company, as a pre-requisite to approval of the Applicant's indirect WESM membership.*	A *Generation Company* may be registered as *Indirect WESM Member* if the *generating* ~~*units*~~***system*** it owns, controls or operates or from which it otherwise sources electricity is or will be transacted in the *WESM* by a person or entity that is already registered in or is qualified to be registered in the WESM as *Generation Company* and as *Direct WESM Member.* If not yet registered, that *Generation Company must register and be approved to become a Direct WESM Member - Generation Company, as a pre-requisite to approval of the Applicant's indirect WESM membership.*	For consistency in use of term based on WESM Rules	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units* **DOE:** *Suggest to use "generating units **or** generating systems"* *To avoid unnecessary revisions*	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** Same response to the comments in the DPM proposal	**RCC-approved provision:** Retain original
Registration, Suspension and De-Registration Criteria and Procedures	2.5.1.1	Generation Company a) The persons or entities that may register as a *Generation Company* are those that own, control or operate or otherwise source electricity from generation unit/s connected to the *transmission system* or *distribution system*.	Generation Company a) The persons or entities that may register as a *Generation Company* are those that own, control or operate or otherwise source electricity from **a** ~~generation~~***generating*** ~~*unit/s*~~***system*** connected to the *transmission system* or *distribution system*.	For consistency in use of term based on WESM Rules	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Generation Company a) The persons or entities that may register as a *Generation Company* are those that own, control or operate or otherwise source electricity from **a *generating*** *unit/s* connected to the *transmission system* or *distribution system*.

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Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		b) Notwithstanding any definition to the contrary, the persons or entities that may qualify to register as Generation Company are those – □ *Generation companies* that own, operate or control generation facilities connected to the *transmission system* and which have been authorized by the *ERC* to operate such facilities. □ *Embedded generators* that own or operate generation units that are indirectly connected to the grid through the lines of *Distribution Utilities* or industrial generation facilities that are synchronized with the *Grid*, and which have been authorized by the ERC to operate such facilities. □ *IPP Administrators* appointed by the *Power Sector Assets and Liabilities Management Corporation* in respect to the transaction of the energy output of the generation facilities covered by their appointment as *IPPA*. The *IPPA* and/or the generation units whose energy output are being administered by such *IPPA* must have the requisite authorization by the *ERC*.	b) Notwithstanding any definition to the contrary, the persons or entities that may qualify to register as Generation Company are those – □ *Generation companies* that own, operate or control ~~generation facilities~~**a *generating system*** connected to the *transmission system* and which have been authorized by the *ERC* to operate such facilities. □ *Embedded generators* that own or operate **a *generating system*** ~~generation units~~ that are indirectly connected to the grid through the lines of *Distribution Utilities* or industrial generation facilities that are synchronized with the *Grid*, and which have been authorized by the ERC to operate such facilities. □ *IPP Administrators* appointed by the *Power Sector Assets and Liabilities Management Corporation* in respect to the transaction of the energy output of ~~the~~ a ***generating system*** ~~generation facilities~~ covered by their appointment as *IPPA*. The *IPPA* and/or the ~~generation~~**Generation** ~~units~~**Company** whose energy output are being administered by such *IPPA* must have the requisite authorization by the *ERC*.				b) Notwithstanding any definition to the contrary, the persons or entities that may qualify to register as Generation Company are those – □ *Generation companies* that own, operate or control ~~generation facilities~~**a *generating unit*** connected to the *transmission system* and which have been authorized by the *ERC* to operate such facilities. □ *Embedded generators* that own or operate **a *generating*** ~~generation~~ units that are indirectly connected to the grid through the lines of *Distribution Utilities* or industrial generation facilities that are synchronized with the *Grid*, and which have been authorized by the ERC to operate such facilities. □ *IPP Administrators* appointed by the *Power Sector Assets and Liabilities Management Corporation* in respect to the transaction of the energy output of ~~the~~ a ***generating unit*** ~~generation facilities~~ covered by their appointment as *IPPA*. The *IPPA* and/or the ~~generation~~**Generation** ~~units~~**Company** whose energy output are being administered by such *IPPA* must have the requisite authorization by the *ERC*.

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Registration, Suspension and De-Registration Criteria and Procedures	2.5.4.1	Generation Unit Classification a) An *Applicant* wishing to register as *Generation Company* shall, upon application, classify each of the *generating unit* or group of *generating units* which form part of the generation system it owns or operates or controls or from which it otherwise sources electricity as either – xxx b) For the foregoing purposes, the reserve regions in the *WESM* correspond to the major grids of	~~Generation~~**Generating** Unit Classification a) An *Applicant* wishing to register as **a** *Generation Company* shall, upon application, classify each of the ~~*generating unit* or group of *generating units*~~***facilities*** which form part of the ~~generation~~**generating** system it owns or operates or controls or from which it otherwise sources electricity as either – xxx ***Non-Generator Resource* for *facilities* that are connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to (1) generate Energy, (2) curtail the consumption of Energy in the case of demand response, or (3) consume Energy.** ***Pumped-storage unit* for *facilities* that are connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power.**	Included NGRs and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** ~~Generation~~**Generating** Unit Classification a) An *Applicant* wishing to register as **a** *Generation Company* shall, upon application, classify each of the ~~*generating unit* or group of *generating units*~~***facilities*** which form part of the ~~generation~~**generating** system it owns or operates or controls or from which it otherwise sources electricity as either – xxx ***Energy Storage Systems* for *facilities* that are connected at a common connection point that operate as either Generation or Load and that can be dispatched to any operating level within their entire capacity range but are also constrained by a MW or MWh limit to (1) generate Energy, (2) curtail the consumption of Energy in the case of demand response, or (3) consume Energy.** ***Pumped-storage unit* for *facilities* that are connected at a common connection point that is capable of storing water from a lower elevation reservoir to a higher elevation reservoir for the purpose of production of electrical power.** b) For the foregoing purposes, the reserve regions in the *WESM* correspond to the major grids of the *transmission system* and are Luzon, Visayas and Mindanao. c) The *Market Operator* shall approve the classification of a *generating unit/s* as either a

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
		the *transmission system* and are Luzon, Visayas and Mindanao. c) The *Market Operator* shall approve the classification of a *generating unit/s* as either a *non-scheduled generating unit* or a *must dispatch generating unit* or a *priority dispatch generating unit*, subject to prevailing relevant rules, regulations and issuances. An *Applicant* may appeal the decision of the *Market Operator* to the *PEM Board*.	b) For the foregoing purposes, the reserve regions in the *WESM* correspond to the major grids of the *transmission system* and are Luzon, Visayas and Mindanao. c) The *Market Operator* shall approve the classification of a ~~*generating unit/s*~~***generating system*** as either a *non-scheduled generating unit* or a *must dispatch generating unit* or a *priority dispatch generating unit*, subject to prevailing relevant rules, regulations and issuances. An *Applicant* may appeal the decision of the *Market Operator* to the *PEM Board*.				*non-scheduled generating unit* or a *must dispatch generating unit* or a *priority dispatch generating unit*, subject to prevailing relevant rules, regulations and issuances. An *Applicant* may appeal the decision of the *Market Operator* to the *PEM Board*.
Registration, Suspension and De-Registration Criteria and Procedures	2.5.4.3	**Dispatch Tolerances** Prior to application, a *Generation Company* may seek a ruling from the *System Operator* with respect to *dispatch tolerances* to be applied for the generating unit/s it intends to be classified as *scheduled generating unit/s* or *priority dispatch generating unit/s*. The *System Operator* may also make a ruling upon endorsement by the *Market Operator* of the application. The *System Operator* may, at any time, review any ruling it has made in the light of further information or experience. A *Generation Company* may appeal the ruling issued by the *System Operator* to the *PEM Board*.	**Dispatch Tolerances** Prior to application, a *Generation Company* may seek a ruling from the *System Operator* with respect to *dispatch tolerances* to be applied for the generating ~~units~~**system** it intends to be classified as *scheduled generating unit/s*~~,~~ ~~or~~ *priority dispatch generating unit/s*~~,~~ ***non-generator resource/s, or pump-storage unit/s***. The *System Operator* may also make a ruling upon endorsement by the *Market Operator* of the application. The *System Operator* may, at any time, review any ruling it has made in the light of further information or experience. A *Generation Company* may appeal the ruling issued by the *System Operator* to the *PEM Board*.	Included NGRs and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units* **DOE:** This provision is already deleted in the WESM Rules. However, the DOE suggests to include a provision stating as follows: **All generating system shall comply with the dispatch conformance standards**	**On AP's comments:** Please see response to Clause 2.3.1.2 **On the DOE's comments:** Accepted	**RCC-approved provision:** **All generating system shall comply with the dispatch conformance standards**

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Registration, Suspension and De-Registration Criteria and Procedures	2.5.4.4	**Generation Registered Capacities** A *Generation Company* shall include in its application the *maximum stable load (Pmax),* the *minimum stable load (Pmin)*, the *ramp up rate*, and the *ramp down rate* of each *generation unit* or aggregated *generation units* that are included in its application. The information provided to the *Market Operator* must be consistent with the information contained in the *Certificate of Compliance* issued by the *ERC* as well as submissions made to the *ERC* in relation to the issuance of its *Certificate of Compliance.*	**Generation Registered Capacities** A *Generation Company* shall include in its application the *maximum stable load (Pmax),* the *minimum stable load (Pmin)*, the *ramp up rate*, and the *ramp down rate* of each ~~*generation unit*~~***facility*** or aggregated ~~*generation units*~~***facilities*** that are included in its application. The information provided to the *Market Operator* must be consistent with the information contained in the *Certificate of Compliance* issued by the *ERC* as well as submissions made to the *ERC* in relation to the issuance of its *Certificate of Compliance.* **If the *facility* is a *Battery Energy Storage System*, the *Generation Company* shall include the *facility's* energy storage efficiency and maximum storage capacity in its Application. If the *facility* is a *pumped-storage unit*, the *Generation Company* shall include the *facility's* maximum pump load.**	Included provisions for NGRs and PSUs	**AP:** *agree*		**RCC-approved provision:** **Generation Registered Capacities** A *Generation Company* shall include in its application the *maximum stable load (Pmax),* the *minimum stable load (Pmin)*, the *ramp up rate*, and the *ramp down rate* of each *generation~~n~~**g** unit*_or aggregated *generation~~n~~**g** units*_that are included in its application. The information provided to the *Market Operator* must be consistent with the information contained in the *Certificate of Compliance* issued by the *ERC* as well as submissions made to the *ERC* in relation to the issuance of its *Certificate of Compliance.* **If the *generating unit* is a *Battery Energy Storage System*, the *Generation Company* shall include the *generating unit's* energy storage efficiency and maximum storage capacity in its Application. If the *generating unit* is a *pumped-storage unit*, the *Generation Company* shall include the *generating unit's* maximum pump load.**
Registration, Suspension and De-Registration Criteria	3.3.1	**Registered Capacities** Changes in the registered capacities (i.e., Pmin or Pmax) of a generating unit shall require confirmation by the *Market Operator* before such change can	**Registered Capacities** Changes in the registered capacities (i.e., Pmin or Pmax) of a ~~generating unit~~***facility*** shall require confirmation by the *Market Operator* before such change can be	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
and Procedures		be considered in the WESM scheduling and dispatch processes.	considered in the WESM scheduling and dispatch processes.		*energy storage and pumped-storage be under scheduled generating units*		
Registration, Suspension and De-Registration Criteria and Procedures	3.3.1.1	The *Trading Participant* wishing to change the registered capacities of its generating unit/s shall make a request in writing to the *Market Operator*. Such changes shall be in accordance with either the latest Certificate of Compliance (COC) issued by the ERC or a certification of generator capability test to be issued jointly by the DOE, ERC and SO. The conduct of testing shall be based on the internationally-accepted testing procedures as required in the COC, and the cost of testing shall be the responsibility of the applicant.	The *Trading Participant* wishing to change the registered capacities of its ~~generating unit/s~~**facility** shall make a request in writing to the *Market Operator*. Such changes shall be in accordance with either the latest Certificate of Compliance (COC) issued by the ERC or a certification of generator capability test to be issued jointly by the DOE, ERC and SO. The conduct of testing shall be based on the internationally-accepted testing procedures as required in the COC, and the cost of testing shall be the responsibility of the applicant.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**
Registration, Suspension and De-Registration Criteria and Procedures	3.3.2.1	The *Trading Participant* under whom a generating unit is registered in the *WESM* may request for the reclassification of such unit (i.e., *scheduled*, *non-scheduled, must dispatch* or *priority dispatch*) by submitting to the *Market Operator* a request in writing supported by documents and information as would enable the *Market Operator* to evaluate the request.	The *Trading Participant* under whom a ~~generating unit~~***facility*** is registered in the *WESM* may request for the reclassification of such ~~unit~~***facility*** (i.e., *scheduled*, *non-scheduled, must dispatch* or *priority dispatch*) by submitting to the *Market Operator* a request in writing supported by documents and information as would enable the *Market Operator* to evaluate the request.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**
Registration, Suspension and De-Registration Criteria	3.3.3.1	Changes in the manner of representation of any generating unit or customer facility in the *WESM Market Network Model* may be initiated by the *Trading Participant* transacting such facilities in *the WESM*.	Changes in the manner of representation of any ~~generating unit or customer~~ *facility* in the *WESM* ~~*Market*~~ *Network Model* may be initiated by the *Trading Participant* transacting such facilities in *the WESM*.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Changes in the manner of representation of any generating unit or customer in the ~~*WESM*~~ **Market Network Model** may be initiated by the Trading Participant transacting such facilities in the WESM.

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
and Procedures					*energy storage and pumped-storage be under scheduled generating units* **GIFT:** Changes in the manner of representation of any facility in the **Market Network Model** may be initiated by the Trading Participant transacting such facilities in the WESM. *Remove the word WESM; restore the previous one, Market Network Model.*	**On GIFT's comments :** Accept	
Registration, Suspension and De-Registration Criteria and Procedures	3.3.5.1	A generation facility or unit or a customer facility registered under one *WESM Member* may be transferred to another person or entity that meets the criteria and qualifications to be registered as a *WESM Member* and *Trading Participant.*	A ~~generating facility or unit or a customer~~ facility registered under one *WESM Member* may be transferred to another person or entity that meets the criteria and qualifications to be registered as a *WESM Member* and *Trading Participant.*	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**
Registration, Suspension and De-Registration Criteria and Procedures	5.2.1.3	If the *WESM member* wishes to cease to be registered as a *Trading Participant* as a result of the retirement or closure of its generation or customer facilities that are injecting or withdrawing power from the grid, it shall likewise cause the disconnection of such facilities from the transmission or distribution system to which these are connected. The notice to be submitted to the *Market Operator* shall be accompanied by proof of such disconnection.	If the *WESM member* wishes to cease to be registered as a *Trading Participant* as a result of the retirement or closure of its ~~generation or customer~~ *facilities* that are injecting or withdrawing power from the grid, it shall likewise cause the disconnection of such facilities from the transmission or distribution system to which these are connected. The notice to be submitted to the *Market Operator* shall be accompanied by proof of such disconnection.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Registration, Suspension and De-Registration Criteria and Procedures	5.6.2	Deregistration shall also result in the disconnection of the relevant generation or customer facilities from the transmission or distribution system under the following circumstances xxx	Deregistration shall also result in the disconnection of the relevant ~~generation or customer~~ *facilities* from the transmission or distribution system under the following circumstances xxx		**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**
Registration, Suspension and De-Registration Criteria and Procedures	Glossary	Maximum Stable Load or Pmax The maximum demand in MW that a generating unit or generating block or module in the case of a combined cycle power plant, can reliably sustain for an indefinite period of time, based on the generator capability tests. Also the registered maximum capacity.	Maximum Stable Load or Pmax The maximum demand in MW that a ~~generating unit~~***facility*** or *generating* ~~*block*~~***system*** or module in the case of a combined cycle power plant, can reliably sustain for an indefinite period of time, based on the generator capability tests. Also the registered maximum capacity.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Maximum Stable Load or Pmax The maximum demand in MW that a generating unit or *generating* ~~*block*~~***system*** or module in the case of a combined cycle power plant, can reliably sustain for an indefinite period of time, based on the generator capability tests. Also the registered maximum capacity.
Registration, Suspension and De-Registration Criteria and Procedures	Glossary	Minimum Stable Load or Pmin The minimum demand in MW that a generating unit, or a generating block or module in the case of combined cycle power plant, can reliably sustain for an indefinite period of time, based on generator capability tests. Also the registered minimum capacity.	Minimum Stable Load or Pmin The minimum demand in MW that a ~~generating unit~~***facility***, or a *generating* ~~*block*~~***system*** or module in the case of combined cycle power plant, can reliably sustain for an indefinite period of time, based on generator capability tests. Also the registered minimum capacity.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Minimum Stable Load or Pmin The minimum demand in MW that a generating unit, or a *generating* ~~*block*~~***system*** or module in the case of combined cycle power plant, can reliably sustain for an indefinite period of time, based on generator capability tests. Also the registered minimum capacity.
Registration, Suspension and De-Registration Criteria and Procedures	Glossary	Ramp Down Rate The normal rate that a generating unit reduces it power output, expressed in MW per minute	Ramp Down Rate The normal rate that a ~~generating unit~~***facility*** reduces it power output, expressed in MW per minute	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**

Proposed Amendments to the WESM Rules and Market Manuals on the Participation of Non-Generator Resources (NGR) and Pumped-Storage Units (PSU) in the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	Comments	TC Responses	RCC Deliberation and Agreements
Registration, Suspension and De-Registration Criteria and Procedures	Glossary	Ramp Up Rate The normal rate that a generating unit increases its power output, expressed in MW per minute	Ramp Up Rate The normal rate that a ~~generating unit~~***facility*** increases its power output, expressed in MW per minute	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**Retain Original Provision**
Registration, Suspension and De-Registration Criteria and Procedures	Glossary	Registered Capacity The prevailing Maximum Stable Load or Pmax and the Minimum Stable Load or Pmin of a generating unit or aggregate generating units as registered with the Market Operator or subsequent changes confirmed and implemented by the Market Operator. The Pmax shall be the registered maximum capacity while the Pmin shall be the minimum registered capacity.	Registered Capacity The prevailing Maximum Stable Load or Pmax and the Minimum Stable Load or Pmin of a ~~generating unit~~***facility*** or ~~aggregate~~generating ~~units~~**system** as registered with the Market Operator or subsequent changes confirmed and implemented by the Market Operator. The Pmax shall be the registered maximum capacity while the Pmin shall be the minimum registered capacity.	Use facility for generic use on generating units, NGRs, and PSUs	**AP:** Retain original provision *The amendment / change of terms would not be needed consistent with the proposal that energy storage and pumped-storage be under scheduled generating units*	**On AP's comments:** Please see response to Clause 2.3.1.2	**RCC-approved provision:** Registered Capacity The prevailing Maximum Stable Load or Pmax and the Minimum Stable Load or Pmin of a generating unit or ~~aggregate~~generating ~~units~~**system** as registered with the Market Operator or subsequent changes confirmed and implemented by the Market Operator. The Pmax shall be the registered maximum capacity while the Pmin shall be the minimum registered capacity.

RCC Deliberation on the Proposed Amendments to WESM Rules and Market Manuals for Pre-integration Provisions for Mindanao

I. WESM Rules

Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
PRIOR TO INTERCONNECTION OF MINDANAO	**10.5** (new)	N/A	**PRIOR TO INTERCONNECTION OF MINDANAO** **The following provisions shall be applicable until the Mindanao *grid* has been interconnected with the Luzon and Visayas *grids* as declared by the *Department of Energy*.** **For this chapter, the Luzon and Visayas *grids* shall be considered as one settlement region and the Mindanao *grid* as another settlement region.**	It is proposed that provisions be added to the WESM Rules to clarify the pricing and settlement calculations prior to the interconnection of Mindanao to Luzon/Visayas. The clause also introduces terms referring to the combined Luzon-Visayas grids and the Mindanao grid for reference in the whole chapter only.		**RCC-approved provision:** **PRIOR TO INTERCONNECTION OF MINDANAO** **The following provisions shall be applicable until the Mindanao *grid* has been interconnected with the Luzon and Visayas *grids* as declared by the *Department of Energy*.** **For this chapter, the Luzon and Visayas *grids* shall be considered as one settlement region and the Mindanao *grid* as another settlement region.**

RCC Deliberation on the Proposed Amendments to WESM Rules and Market Manuals for Pre-integration Provisions for Mindanao

Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
Submission of Bilateral Contract Data for Energy	**10.5.1** (new)	N/A	**When submitting *bilateral contract* data in accordance with WESM Rules Clause 3.13.1, a selling *Trading Participant* may only submit data for buying *Trading Participants* with *market trading nodes* in the same settlement region.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, it is proposed that participants only be allowed to declare bilateral contract quantities within the same settlement region.		**RCC-approved provision:** **When submitting *bilateral contract* data in accordance with WESM Rules Clause 3.13.1, a selling *Trading Participant* may only submit data for buying *Trading Participants* with *market trading nodes* in the same settlement region.**
Treatment of Remaining Settlement Surplus	**10.5.2** (new)	N/A	**Treatment of Remaining Settlement Surplus**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, NSS of settlement amounts from Mindanao would only result from transactions within Mindanao. The same case is presented with Luzon/Visayas.		**RCC-approved provision:** **Treatment of Remaining Settlement Surplus**

RCC Deliberation on the Proposed Amendments to WESM Rules and Market Manuals for Pre-integration Provisions for Mindanao

Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
Treatment of Remaining Settlement Surplus	**10.5.2.1** (new)	N/A	**The *Market Operator* shall calculate the *net settlement surplus* provided under *WESM Rules* Clause 3.13.12.1 separately for each settlement region.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, it is proposed that NSS from each settlement region (Luzon/Visayas, Mindanao) be separately accounted for and flowed back to each settlement region.		**RCC-approved provision:** **The *Market Operator* shall calculate the *net settlement surplus* provided under *WESM Rules* Clause 3.13.12.1 separately for each settlement region.**
Treatment of Remaining Settlement Surplus	**10.5.2.2** (new)	N/A	**The *net settlement surplus* of each settlement region shall be utilized for or flowed back to the *Trading Participants* from each settlement region in accordance with the approved procedures by the *PEM Board*.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, it is proposed that NSS from each settlement region (Luzon/Visayas, Mindanao) be separately accounted for and flowed back to each settlement region.	Suggest to revise as follows: **The *net settlement surplus* of each settlement region shall be utilized for or flowed back to the *Trading Participants* from each settlement region in accordance with the approved ~~procedures by the *PEM Board*.~~ relevant Market Manuals and regulatory issuances.** *To clarify that the treatment of net settlement surplus shall be in accordance with the*	**RCC-approved provision:** **The *net settlement surplus* of each settlement region shall be utilized for or flowed back to the *Trading Participants* from each settlement region in accordance with the approved ~~procedures by the *PEM Board*.~~ relevant Market Manuals and regulatory issuances.**

RCC Deliberation on the Proposed Amendments to WESM Rules and Market Manuals for Pre-integration Provisions for Mindanao

Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
					relevant Market Manual and regulatory issuances.	
Payment to Trading Participants	**10.5.3** (new)	N/A	**Payment to Trading Participants**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, payments from withdrawals will correspond to the payments to injections; hence, it is proposed that payment allocation be performed per settlement region.		**RCC-approved provision:** **Payment to Trading Participants**
Payment to Trading Participants	**10.5.3.1** (new)	N/A	**The *Market Operator* shall calculate the maximum total payment provided under *WESM Rules* Clause 3.14.7 separately for each settlement region.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, payments from withdrawals will correspond to the payments to injections; hence, it is proposed that payment allocation be performed per settlement region.	**The *Market Operator* shall calculate the maximum total payment provided under ~~*WESM Rules*~~ Clause 3.14.7 separately for each settlement region.**	**RCC-approved provision:** **The *Market Operator* shall calculate the maximum total payment provided under ~~*WESM Rules*~~ Clause 3.14.7 separately for each settlement region.**

RCC Deliberation on the Proposed Amendments to WESM Rules and Market Manuals for Pre-integration Provisions for Mindanao

Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
Payment to Trading Participants	**10.5.3.2** (new)	N/A	**If the maximum total payment by the *Market Operator* for a particular *billing period* for a settlement region is insufficient to pay for the total amounts payable to the *Trading Participants* in the same settlement region the total payments received and drawn shall be distributed and paid to the *Trading Participants* from the same settlement region in proportion to the amount payable to them for that *billing period*. The shortfall shall be paid upon collection from the defaulting *Trading Participant* but not later than the date specified in the billing and settlement time table.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, payments from withdrawals will correspond to the payments to injections; hence, it is proposed that payment allocation be performed per settlement region. MDC: Check the procedures on the collection of payments		Atty. De Castro inquired whether there were written procedures for the collection of shortfall payments in the WESM. She further recommended for the Clause to be referred to in the relevant provision of the relevant manual, for clarity. For clarity, Mr. Binondo requested to clarify in the clause that the cause of insufficiency of total funds is due to the default of a certain Trading Participant. The RCC then agreed to revise the Clause, as follows: **If the maximum total payment by the *Market Operator* for a particular *billing period* for a settlement region is insufficient to pay for the total amounts payable to the *Trading Participants* in the same settlement region, due to Trading Participant default, the total payments received and drawn shall be distributed and paid to the *Trading Participants* from the same settlement region *in* proportion to the**

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Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
						amount payable to them for that *billing period*. The shortfall shall be paid upon collection from the defaulting *Trading Participant* but not later than the date specified in the billing and settlement time table.

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Title	Clause	Provision	Proposed Amendment	Rationale	DOE	RCC Agreements
Administered Price	**10.5.4** (new)	N/A	**During instances when *market suspension* or *market intervention* is declared for the whole system, the *Market Operator* shall calculate *administered prices* provided under *WESM Rules* Clause 6.2.3 for each settlement region separately in accordance with the *ERC*-approved methodology.**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, administered prices in Mindanao should not be affected by prices in Luzon and Visayas and vice versa.		**RCC-approved provision:** **During instances when *market suspension* or *market intervention* is declared for the whole system, the *Market Operator* shall calculate *administered prices* provided under *WESM Rules* Clause 6.2.3 for each settlement region separately in accordance with the *ERC*-approved methodology.**

II. WESM Manuals

A. Billing and Settlement Manual Issue 5.0 (As amended under RCC Resolution No. 2017-05 and PEMB Resolution No. 2017-16)

Title	Section	Provision	Proposed Amendment	Rationale	GIFT	RCC Agreements
Payment of Settlement Amount	5.2.4	If the total payments actually received or drawn from the prudential security by the *Market Operator* for a particular *billing period* is insufficient to pay for the total amounts payable to the *WESM Members*, the total payments received and drawn shall be distributed and paid to	If the total payments actually received or drawn from the prudential security by the *Market Operator* for a particular *billing period* is insufficient to pay for the total amounts payable to the *WESM Members*, the total payments received and drawn shall be distributed and paid to	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, payments from withdrawals will correspond to the payments to injections; hence, it is proposed that payment allocation be	xxx. Prior to the interconnection of the Mindanao grid with the Luzon and **Visayas grids**, total payments actually received or drawn from the prudential security shall be determined and distributed separately for each	**RCC-approved provision:** If the total payments actually received or drawn from the prudential security by the *Market Operator* for a particular *billing period* is insufficient to pay for the total amounts payable to the *WESM Members*, the total

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Title	Section	Provision	Proposed Amendment	Rationale	GIFT	RCC Agreements
		the relevant *WESM Members* in proportion to the amount payable to them for that *billing period*.	the relevant *WESM Members* in proportion to the amount payable to them for that *billing period*. **Prior to the interconnection of the Mindanao *grid* with the Luzon and Visayas *grids*, total payments actually received or drawn from the prudential security shall be determined and distributed separately for each settlement region. For this purpose, the Luzon and Visayas *grids* shall be considered as one settlement region and the Mindanao *grid* as another settlement region.**	performed per settlement region.	settlement region. For this purpose, the Luzon and **Visayas grids** shall be considered as **one settlement** region and the Mindanao grid as another settlement region. *Check the spacing of every word.* *Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, payments from withdrawals will correspond to the payments to injections; hence, it is proposed that payment allocation be performed per settlement region.*	payments received and drawn shall be distributed and paid to the relevant *WESM Members* in proportion to the amount payable to them for that *billing period*. **Prior to the interconnection of the Mindanao *grid* with the Luzon and Visayas *grids*, total payments actually received or drawn from the prudential security shall be determined and distributed separately for each settlement region. For this purpose, the Luzon and Visayas *grids* shall be considered as one settlement region and the Mindanao *grid* as another settlement region**
BILATERAL CONTRACT DECLARATION – Declaration for Energy Transactions	**9.1.9** (new)	N / A	**Prior to the interconnection of the Mindanao *grid* with the Luzon and Visayas *grid*, a selling *Trading Participant* may only declare *bilateral contract* data for buying *Trading Participants* from the**	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, it is proposed that participants only be allowed to declare	Prior to the interconnection of the Mindanao grid with the Luzon and **Visayas grid**, a selling Trading Participant may only declare bilateral contract data for buying Trading	**RCC-approved provision:** **Prior to the interconnection of the Mindanao *grid* with the Luzon and Visayas *grid*, a selling *Trading Participant* may only declare *bilateral***

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Title	Section	Provision	Proposed Amendment	Rationale	GIFT	RCC Agreements
			same settlement region. A selling *Trading Participant* and a buying *Trading Participant* shall be deemed to be from the same settlement region if both *Trading Participants* have *market trading nodes* from the same settlement region. In addition, the *market trading nodes* specified under Section 9.1.2(a) and 9.1.2(c) should be in the same settlement region as the selling and buying *Trading Participants*. For this purpose, the Luzon and Visayas *grids* shall be considered as one single settlement region and the Mindanao *grid* as another settlement region.	bilateral contract quantities within the same settlement region.	Participants from the same settlement region. A selling Trading Participant and a buying Trading Participant shall be deemed to be from the same settlement **region if** both Trading Participants have market trading nodes from the same settlement region. In addition, the market trading nodes specified under Section 9.1.2(a) and 9.1.2(c) should be in the same settlement **region as** the selling and buying Trading Participants. For this purpose, the Luzon and **Visayas grids** shall be considered as one single settlement region and the Mindanao grid as another settlement region. *Check the spacing of every word.* *Since there is no physical flow of electricity between Luzon/Visayas and*	***contract* data for buying *Trading Participants* from the same settlement region. A selling *Trading Participant* and a buying *Trading Participant* shall be deemed to be from the same settlement region if both *Trading Participants* have *market trading nodes* from the same settlement region. In addition, the *market trading nodes* specified under Section 9.1.2(a) and 9.1.2(c) should be in the same settlement region as the selling and buying *Trading Participants*. For this purpose, the Luzon and Visayas *grids* shall be considered as one single settlement region and the Mindanao *grid* as another settlement region.**

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Title	Section	Provision	Proposed Amendment	Rationale	GIFT	RCC Agreements
					Mindanao until interconnection, it is proposed that participants only be allowed to declare bilateral contract quantities within the same settlement region.	

B. Price Determination Methodology Issue 1.0

Title	Section	Provision	Proposed Amendment	Rationale	GIFT	
AMENDMENT, PUBLICATION AND EFFECTIVITY – Publication and Effectivity	**10.3** (new)	N / A	**10.3 PROVISIONS PRIOR TO INTERCONNECTION OF MINDANAO** **For *WESM settlements* to reflect the actual physical transactions in Luzon, Visayas, and Mindanao, calculations and procedures on administered price determination methodology and *net settlement surplus* as identified in Appendix D shall be performed per settlement region until the interconnection of Luzon/Visayas and Mindanao.**	Provide reference to the Appendix specifying the calculations that would be applied per settlement region prior to the interconnection of the Mindanao grid to the Luzon/Visayas grids	**10.3 PROVISIONS PRIOR TO INTERCONNECTION OF MINDANAO** For **WESM settlements** to reflect the actual physical transactions in Luzon, Visayas, and Mindanao, calculations and procedures on administered price determination methodology and net settlement surplus as identified in Appendix D shall be performed per settlement region until the	**RCC-approved provision:** **10.3 PROVISIONS PRIOR TO INTERCONNECTION OF MINDANAO** **For *WESM settlements* to reflect the actual physical transactions in Luzon, Visayas, and Mindanao, calculations and procedures on administered price determination methodology and *net settlement surplus* as identified in Appendix D shall be performed per settlement region until the**

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Title	Section	Provision	Proposed Amendment	Rationale	GIFT	
					interconnection of Luzon/Visayas and Mindanao. *Check the spacing of every word.* *Provide reference to the Appendix specifying the calculations that would be applied per settlement region prior to the interconnection of the Mindanao grid to the Luzon/Visayas grids.*	**interconnection of Luzon/Visayas and Mindanao.**
APPENDICES	**APPENDIX D - PROVISIONS PRIOR TO INTERCONNECTION OF MINDANAO** (new)	N / A	*(See appendix)*	Since there is no physical flow of electricity between Luzon/Visayas and Mindanao until interconnection, it is proposed that: • Administered prices in Mindanao should not be affected by prices in Luzon and Visayas and vice versa; and • NSS from each settlement region (Luzon/Visayas, Mindanao) be separately accounted for and flowed back to each settlement region.		

RCC Deliberation on the Proposed Amendments to the WESM Rules to Implement the Approved Plan for Transition to the Independent Market Operator of the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
FOREWORD		The Wholesale Electricity Spot Market (WESM) Rules establishes the basic rules, requirements and procedures that govern the operation of the Philippine electricity market. The WESM Rules identifies and recognizes and sets the responsibilities of the Market Operator, System Operator, WESM Participants, and the PEM Board. These groups shall comply with and are bound by all the provisions of the WESM Rules. The WESM Rules are intended to be complimentary with the Grid Code and Distribution Code, all of which are meant to ensure the development of an appropriate, equitable and transparent electricity market, along with a safe, reliable, and efficient operation of the power system. xxx	The Wholesale Electricity Spot Market (WESM) Rules establishes the basic rules, requirements and procedures that govern the operation of the Philippine electricity market. The WESM Rules identifies and recognizes and sets the responsibilities of the Market Operator, System Operator, WESM Participants, and the **Philippine Electricity Market Corporation**. These groups shall comply with and are bound by all the provisions of the WESM Rules. The WESM Rules are intended to be complimentary with the Grid Code and Distribution Code, all of which are meant to ensure the development of an appropriate, equitable and transparent electricity market, along with a safe, reliable, and efficient operation of the power system. xxx	Introduces the name of the Philippine Market Electricity Corporation, being the WESM governing body, in the Foreword.	Agree to include the PEMC, but suggest to retain the PEM Board taking into consideration its specific functions under the WESM Rules. Revise as follows: The Wholesale Electricity Spot Market (WESM) Rules establishes the basic rules, requirements and procedures that govern the operation of the Philippine electricity market. The WESM Rules identifies and recognizes and sets the responsibilities of the Market Operator, System Operator, WESM Participants, **Philippine Electricity Market Corporation** and the ~~**Philippine Electricity Market Corporation**~~ **PEM Board**.	Atty. Anosan explained that in the entire document, the term "PEM Board" was replaced with "PEMC" if the subject of a certain provision refers to the governing entity of the WESM. This is to reflect PEMC's transition into a pure governing entity of the market, which includes the PEM Board. If a provision refers to the Board of Directors of PEMC as a collegial body, the term "PEM Board" was retained. Considering the comment from the DOE, Atty. De Castro suggested to continue with the discussion and assess along the entire document if a certain Clause should include both the PEMC and the PEM Board.
Scope of Chapter 1	1.1	**SCOPE OF CHAPTER 1** (a) Purpose of the *WESM Rules*; (b) Parties bound by the *WESM Rules*; (c) Responsibilities of the *Market Operator*, (d) Responsibilities of the *System Operator*,	**SCOPE OF CHAPTER 1** (a) Purpose of the *WESM Rules*; (b) Parties bound by the *WESM Rules*; (c) Responsibilities of the *Market Operator*, **and the qualifications of its Board of Directors,** (d) Responsibilities of the *System Operator*,	To include the qualifications of the Board of Directors of the Market Operator. This is to reflect the provisions of DOE Circular No. 2018-01-0002 which provide for such qualifications.		Atty. Anosan explained that in the perception of the *Market Operator* being an independent entity, the WESM Rules shall provide for the qualifications of the *Market Operator's* Board of Directors since it is required for the

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		(e) Composition and functions of the *PEM Board*; (f) Responsibilities of the *PEM Auditor*, (g) Responsibilities of the *Market Surveillance Committee*; (h) Responsibilities of the Technical Committee; and (i) Public consultation procedures.	(e) **Responsibilities of *PEMC* as governing body of the WESM, and the** composition and functions of **its Board of Directors**, the *PEM Board*; (f) Responsibilities of the *PEM* ***Audit Committee***, (g) Responsibilities of the *Market Surveillance Committee*; (h) Responsibilities of the Technical Committee; ~~**and**~~ (i) **Responsibilities of the *Compliance Committee, and*** (**j**) Public consultation procedures.	To make reference to the PEMC (which is a defined term), being the WESM governing body To rename the PEM Auditor to PEMC Audit Committee. This is to reflect actual implementation where a committee had been created and functioning instead of a single person.		directors to be purely independent and the criteria for being independent is provided in the DOE Department Circular No. 2018-01-0002. Atty. De Castro inquired if the term of reference for the Independent Market Operator (IMO) in the WESM Rules is just "Market Operator" and not IMO. Atty. Anosan explained that in order to avoid global changes, it would be more prudent to refer to the IMO as the *Market Operator* in so far as the rules are concerned. Atty. Anosan also raised minor revisions to the Clause for clarity. She likewise informed the RCC of the addition of a new committee – *Compliance Committee*. She explained that currently, the responsibility to be undertaken by the *Compliance Committee* is discharged by the Market Surveillance Committee (MSC). Upon constituting the new committee, the MSC shall purely do surveillance in the WESM. The *Compliance*

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
						Committee shall also supervise the Enforcement and Compliance Office, which shall still be an organic unit of PEMC. On another matter, it was noted that the responsibilities of the RCC were not included in the scope of the WESM Rules. Atty. Anosan noted the concern for further revision, as applicable.
Purpose of the WESM Rules	1.2.2	Purpose of the WESM Rules The *WESM Rules* are promulgated to implement the provisions of the *Act*, its Implementing Rules and Regulations and other related laws as well as to: (a) Promote competition; (b) Provide an efficient, competitive, transparent and reliable *spot market,* (c) Ensure efficient operation of the *WESM* by the *Market Operator* in coordination with the *System Operators* a way which: (1) Minimizes adverse impacts on *system security*; (2) Encourages market participation; and (3) Enables access to the *spot market*.	Purpose of the WESM Rules The *WESM Rules* are promulgated to implement the provisions of the *Act*, its Implementing Rules and Regulations and other related laws as well as to: (a) Promote competition; (b) Provide an efficient, competitive, transparent and reliable *spot market,* (c) Ensure efficient operation of the *WESM* by the *Market Operator* in coordination with the *System Operators* a way which: (1) Minimizes adverse impacts on *system security*; (2) Encourages market participation; and (3) Enables access to the *spot market*.	To include PEMC among the parties which are covered by the WESM dispute resolution processes. To make reference to PEMC as WESM governing body.		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		(d) Provide a cost-effective framework for resolution of disputes among *WESM Participants*, and between *WESM Participants* and the *Market Operator*, (e) Provide for adequate sanctions in cases of breaches of the *WESM Rules;* (f) Provide efficient, transparent and fair processes for amending the *WESM Rules;* (g) Provide for the terms and conditions to which entities may be authorized to participate in the *WESM*; (h) Provide the authority and governance framework of the *PEM Board*; and (i) Encourage the use of environment-friendly renewable sources of energy in accordance with the *Act*.	(d) Provide a cost-effective framework for resolution of disputes among *WESM Participants*, and between *WESM Participants* and the *Market Operator*, **and between the *WESM Participants* and *PEMC,*** (e) Provide for adequate sanctions in cases of breaches of the *WESM Rules;* (f) Provide efficient, transparent and fair processes for amending the *WESM Rules;* (g) Provide for the terms and conditions to which entities may be authorized to participate in the *WESM*; (h) Provide the authority and governance framework of ***PEMC* and** the *PEM Board*; and (i) Encourage the use of environment-friendly renewable sources of energy in accordance with the *Act*.			
	1.2.3.2	To ensure a greater supply and rational pricing of electricity, the *Act* provides the Energy Regulatory Commission *(ERC)* the authority to enforce the rules and regulations governing the operations of the electricity *spot market* and the activities of the *spot Market Operator* and other participants in the *spot market*.	To ensure a greater supply and rational pricing of electricity, the *Act* provides the Energy Regulatory Commission *(ERC)* the authority to enforce the rules and regulations governing the operation~~s~~ of the electricity *spot market* and the activities of the ~~*spot*~~ *Market Operator, the* ***System Operator*** *and* other participants in the *spot market*.	To provide emphasis on the significant role of the System Operator in the operation of the spot market.		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
	1.2.4	Scope of Application Pursuant to Section 30 of the Act, all *WESM Participants* shall comply with the *WESM Rules* and applicable laws or regulations of the Philippines.	Scope of Application Pursuant to Section 30 of the Act, all *WESM Participants*, **the *System Operator,* the *Market Operator* and *PEMC*** shall comply with the *WESM Rules* and applicable laws or regulations of the Philippines.	To give emphasis that the that the Market Operator and PEMC in addition to all WESM Participants are also covered by the mandate to comply with the *WESM Rules* and applicable laws or regulations of the Philippines.		
Responsibilities of the Market Operator	1.3.1.2	In performing clause 1.3.1.1 (d), *the Market Operator* shall: (a) Determine whether or not such trading is performed in accordance with the *WESM Rules*; (b) Identify any significant variations in accordance with the guidelines to be developed in Clause 1.3.1.3; and (c) Identify any apparent or suspected incidents of *anti- competitive* behavior by any *WESM Member*.	In performing clause 1.3.1.1 (d), *the Market Operator* shall: (a) Determine whether or not such trading is performed in accordance with the *WESM Rules*; (b) Identify any significant variations in accordance with the guidelines to be developed in Clause 1.3.1.3; and (c) Identify **and report to PEMC** any apparent or ~~suspected~~ **possible** incidents of ~~*anti-competitive* behavior~~ **non-compliance with the *WESM Rules* and *Market Manuals*** by any *WESM member.*	To indicate to whom the report of possible non-compliance is to be submitted. It should be submitted to PEMC as the governing body of the WESM. To clearly state the obligation of the Market Operator to also monitor compliances of the WESM Rules by the WESM members. To remove from the Market Operator, the responsibility to report possible incidence of anti-competitive behavior since these matters are beyond its jurisdiction. However, it should report any possible non-compliance with the WESM	Revise as follows: In performing clause 1.3.1.1 (d), *the Market Operator* shall: Determine whether or not such trading is performed in accordance with the *WESM Rules*; Identify any significant variations in accordance with the guidelines to be developed in Clause 1.3.1.3; and Identify **and report to PEMC and the DOE** any apparent or ~~suspected~~ **possible** ~~*anti-competitive* behavior~~ **non-compliance with the *WESM Rules* and *Market Manuals*** by any *WESM member.*	On the comment of the DOE, Atty. Anosan stated that there are no objections with the same but she pointed out that these reports are initial reports which shall be submitted by the Market Operator to PEMC. Per procedures of ECO, upon initialization of an investigation, this is the time when the DOE is informed of the same. If the DOE wishes to be informed on the initial identification of the Market Operator, then the report shall also be submitted to the DOE.

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
				Rules/Manuals in the course of its daily monitoring of the trading activities.		
Market Operator Performance	1.3.2.3	The PEM Board shall develop performance standards which monitor and provide an indication of, the *Market Operator's* performance with respect to:**(As amended by DOE DC No. 2010-03-0004 dated 21 March 2010)** (a) The *Market Operator's* responsibilities under the Act, its Implementing Rules and Regulations (IRR), the *WESM Rules*, the Philippine Grid Code (the Grid Code) and all other applicable laws, rules and regulations;**(As amended by DOE DC No. 2010-03-0004 dated 21 March 2010)** (b) The achievement of the objectives of the Act and the WESM; and **(As amended by DOE DC No. 2010-03-0004 dated 21 March 2010)** (c) The standards by which the *Market Operator* has been selected in accordance with terms of reference and/or the contract, of its selection as an Independent Market Operator. **(Added as per DOE DC. No. 2010-03-0004 dated 21 March 2010)** Every year, the PEM Board shall publish a Market Operator Performance Report in accordance with herein clause. **(Added as per DOE DC. No. 2010-03-0004 dated 21 March 2010)**	**In consultation with the System Operator, the Market Operator, and Rules Change Committee,** the PEM Board shall develop performance standards which monitor and provide an indication of the *Market Operator's* performance with respect to: (a) The Market Operator's responsibilities under the Act, its Implementing Rules and Regulations (IRR), the WESM Rules, **applicable provisions of** the Philippine Grid Code (the Grid Code) and all other applicable laws, rules and regulations**;** (b) The achievement of the objectives of the Act and the WESM; and (c) The **performance** standards, **service level agreements, and other conditions set out in the operating agreement between the *Market Operator* and *PEMC***. ~~by which the *Market Operator* has been selected in accordance with terms of reference and/or the contract, of its selection as an Independent Market Operator.~~ **1.3.2.4.** The *Market Operator*~~'s~~ performance standards shall be reviewed and approved by the *DOE*.	To reflect the provisions of Section 7.6 of DOE DC No. DC2018-01-002 as well as with the IMO Transition Plan, both of which require establishment of performance standards for the Independent Market Operator. To include a requirement for the PEM Board to consult with the Market Operator, the System Operator and the Rules Change Committee in formulating the performance standards for the Market Operator. The consultation process gives an opportunity for named parties to have an input on the matter as the performance of the Market Operator would affect them. The Rules Change Committee is included as it is composed of representatives from the WESM Participants and has		For the performance standards of the Market Operator, Atty. Anosan explained that currently, the PEM Board is the only entity involved in the development of such standards. She then stated that upon drafting of proposed rules changes, it is decided that the entities which are affected in the performance of the market operator shall have the opportunity to provide inputs for the measures of the performance standards. The inclusion of the RCC in the consultation procedures is in consideration that the committee is represented by the sectors of the power industry. Atty. De Castro inquired on which entity shall do the assessment of the Market Operator based on the performance standards. Atty. Anosan explained that a unit

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		The Market Operator's performance standards shall be reviewed and approved by the DOE. **(Added as per DOE DC. No. 2010-03-0004 dated 21 March 2010).**	**1.3.2.5.** Every year, the PEM Board shall publish a ~~*Market Operator*~~ performance report **setting out the results of its monitoring of the performance of the *Market Operator*** in accordance with herein clause.	a mechanism in place for consultations. To also reflect the provision in the IMO Transition Plan that the governing document between PEMC and IMO is an operating agreement. The agreement shall, among other things, set out the performance standards, and service level agreements required of the IMO. To include more clarity on the content of the report that the PEM Board is required to publish. Last two clauses are numbered as 1.3.2.4. and 1.3.2.5.		from PEMC shall do the assessment and the report shall be submitted to the PEM Board.
Composition of the Market Operator Board	1.3.3	NEW (to be inserted)	**Composition of the Market Operator Board**	To provide for the qualifications of who can become members of the board of directors of the Market Operator. This is to institutionalize in the WESM Rules the requirement that the Market Operator board shall be composed on independent members.		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
Composition of the Market Operator Board	1.3.3.1 NEW	NEW	**The *Market Operator Board* shall be composed of seven (7) members who are independent from the electric power industry participants and from government.**	Number of directors/trustees is based on IMO Transition Plan. *Note that the number as stated in the Plan is at least five. As actually approved by the PEM Board, the actual number is seven.*	Specify provisions for the tenure and appointment of the IMO Board under Clause 1.3.	Atty. De Castro inquired about the change in the composition of the IMO Board – previously five (5) board of directors. Atty. Anosan explained that the change is reflected as approved by the PEM Board and to align with the articles of incorporation of the IMO. Mr. Binondo stated that the comment of the DOE is in consideration that the PEM Board has certain Clauses pertaining to the tenure and appointment of its Board of Directors. Atty. Anosan noted the comment and shall submit the specific provisions for the tenure and appointment of the IMO Board, for the RCC's review and approval.
	1.3.3.2	NEW	**A member of the *Market Operator Board* is deemed independent if that person:** **a) is not a director, officer, employee, contractor, consultant, agent, adviser, legal counsel, manager, or shareholder of a *WESM member* or *System Operator*;**	Qualifications are taken from DOE DC 2018-01-002, *verbatim.*		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
			b) is not a spouse or relative of a person within the fourth civil degree of consanguinity or affinity, of a director, officer, manager, or shareholder of a *WESM member* or *System Operator*; **c) is not an officer, manager, director, shareholder, agent, employee, consultant, adviser, legal counsel, or contractor of, or is not a person directly or indirectly through one or more intermediaries controls, is controlled by a company, affiliate, or any other entity related to or associated with a *WESM member* or *System Operator* where:** **i. a related company or body is a parent, holding company, subsidiary or affiliate of the *WESM member* or *System Operator*; and** **ii. an associate is a person who is a director, officer, manager or shareholder of that related company or entity or a relative of such a person within the fourth civil degree of affinity or consanguinity; and** **iii. an affiliate is any person that, alone or together with any other person,**			

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
			directly or indirectly through one or more intermediaries controls or is controlled by, or is under the common control with another person; The term shareholder shall exclude a member of an electric cooperative who is not involved in its operation and management and an end-user required to subscribe to or purchase a share in a distribution utility as an incident to the provision of service by the same distribution utility, and provided the interest of the end-user is not more than the minimum required to avail of the distribution utility's service; d) is not an official or employee of the Philippine government, or its agencies or instrumentalities, but this not will apply to members of the academe in public schools and universities; e) has not been employed as an officer, or in a supervisory or managerial capacity, by any electric power industry participant, or a company within one (1) year prior to the nomination date; and f) agrees not to be employed and does not accept any employment with a			

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
			company, affiliate, or any other entity related to or associated with a *WESM member* or the *System Operator* within one (1) year after the person ceases to be a member of the Market Operator Board.			
Responsibilities of the System Operator	1.3.4 (formerly 1.3.3)	*Clause 1.3.3 and subparagraphs will be renumbered to 1.3.4, etc.*		Re-numbering due to insertion of a new clause 1.3.3.		**RCC adopted the proposed amendment**
GOVERNANCE OF THE MARKET	1.4	**GOVERNANCE OF THE MARKET** The *WESM* governance is the process by which decisions are made and implemented within the market to ensure attainment of the WESM objectives under clause 1.2.5.	**GOVERNANCE OF THE MARKET** The *WESM* governance is the process by which decisions are made and implemented within the market to ensure attainment of the WESM objectives under clause 1.2.5. ***PEMC* shall serve as the governing body of the WESM.**	The role of PEMC as the governing body of the WESM is indicated. PEMC will be a defined term and will refer to the Philippine Electricity Market Corporation. Under the IMO Transition Plan, PEMC shall remain to be the WESM governing body.		**RCC adopted the proposed amendment**
Philippine Electricity Market Corporation	1.4.1	Philippine Electricity Market (PEM) Board	**Philippine Electricity Market Corporation** ~~(PEM) Board~~	Editorial revisions for clarity - The functions as described are more appropriately attributed to PEMC, the corporation, rather than the PEM Board (as a body). Unless a provision is intended to refer to PEM Board (as a board) only, PEMC shall be used instead of PEM Board. Such change is also consistent with the		**RCC adopted the proposed amendment**

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				original intent of the provision which clearly refer to a juridical entity, more particularly a corporation organized under the Corporation Code. (*Refer, for instance, to clauses 1.4.1.2 and 1.4.1.5).* Also, as actually implemented, the governance functions have been performed by PEMC as a whole, not only through the PEM Board, but also through the WESM committees and organic units.		
	1.4.1.1	The *WESM* shall be governed and its power and functions exercised by the *PEM Board.*	The *WESM* shall be governed and its power and functions exercised by ~~the *PEM Board*~~ ***PEMC***.	Same as above (clause 1.4.1)		**RCC adopted the proposed amendment**
	1.4.1.2	In addition to the powers of a corporation of a corporation under the Corporation Code and those stated therein, the *PEM Board* shall have all powers necessary, convenient and incidental to the performance of its functions and responsibilities in accordance with the *WESM Rules.*	In addition to the powers of a corporation of under the Corporation Code and those stated therein, ~~the *PEM Board*~~ ***PEMC*** shall have all powers necessary, convenient and incidental to the performance of its functions and responsibilities in accordance with the *WESM Rules.*	Same as above (clause 1.4.1)		**RCC adopted the proposed amendment**
	1.4.1.3	In performing its functions, the *PEM Board* shall act in a reasonable, ethical and prudent manner, which facilitates an efficient, competitive, transparent and	In performing its functions, ~~the PEM *Board*~~ **PEMC** shall act in a reasonable, ethical and prudent manner, **consistent with the *WESM* objectives**, ~~which~~ to facilitate~~s~~ an efficient, competitive,	Same as above (clause 1.4.1). Other correction is clerical.		**RCC adopted the proposed amendment**

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		reliable *spot market* and is consistent with the *WESM* objectives.	transparent and reliable *spot market* ~~and is consistent with the *WESM* objectives~~.			
	1.4.1.4	The *PEM Board* may delegate any of its functions, obligations and powers to a committee or other entity in circumstances when it is reasonable, at its judgment, to do so.	**The board of directors of *PEMC***, the *PEM Board,* may delegate any of its functions, obligations and powers to a committee or other entity in circumstances when it is reasonable, at its judgment, to do so.	This provision clearly refers to the PEM Board. The introductory clause is added for clarity only, i.e., to state, avoidance of doubt, that the PEM Board referred in various provisions of WESM Rules refer to the board of directors of PEMC.		**RCC adopted the proposed amendment**
	1.4.1.5	The *PEM Board* shall conduct its business activity in accordance with its Articles and By-Laws and other applicable laws, rules and regulations.	~~The *PEM Board*~~ ***PEMC*** shall conduct its business activity in accordance with its Articles **of Incorporation** and By-Laws and other applicable laws, rules and regulations.	Same as above (clause 1.4.1). Other correction is clerical.		**RCC adopted the proposed amendment**
Composition of the PEM Board	1.4.2.4 (a) to (f)	The *PEM Board* shall consist of: (a) One (1) Director representing the *Market Operator*, (b) One (1) Director representing the National Transmission Company *(TRANSCO);* (c) Four (4) *Directors* who are nominated by *WESM member*s registered under clause 2.3.4 as *Distribution Utilities*, provided that: (1) Two (2) of those *Directors* are representatives of and nominated by *Electric Cooperatives*; and (2) Two (2) of those *Directors* are representatives of and nominated by *Distribution Utilities* which are not *Electric*	The *PEM Board* shall consist of: (a) One (1) Director representing the *Market Operator*, (b) One (1) Director representing the ~~National Transmission Company *(TRANSCO)*~~ ***System Operator****;* (c) Four (4) *Directors* who are nominated by *WESM member*s registered under clause 2.3.4 as *Distribution Utilities*, provided that: (1) Two (2) of those *Directors* are representatives of and nominated by *Electric Cooperatives*; and (2) Two (2) of those *Directors* are representatives of and nominated by *Distribution Utilities* which are not *Electric Cooperatives*;	On item (b): After grant of concession to the National Grid Corporation of the Philippines (NGCP), the National Transmission Corporation (Transco) has withdrawn its membership from the WESM. All functions associated with it (as System Operator and Grid Operator) are performed by the National Grid Corporation of the Philippines (NGCP). Pursuant to the approved Plan for Transition, the seat for Transco shall instead be		**RCC adopted the proposed amendment**

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		Cooperatives; (d) One (1) *Director* who is representative of and nominated by *Customers*, including but not limited to Suppliers; (e) Four (4) Directors who are representatives of and nominated by Generation Companies registered under clause 2.3.1; (f) Four (4) *Directors* who are: (1) Independent of the Philippines electric power industry and the Government; (2) Not eligible to be appointed as a representative under clauses1.4.2.3 (a), (b), (c), or (d); and (3) Nominated by *WESM members*;	(d) One (1) *Director* who is representative of and nominated by *Customers*, including but not limited to *Suppliers*; (e) Four (4) Directors who are representatives of and nominated by Generation Companies registered under clause 2.3.1; (f) Four (4) *Directors* who are: (1) Independent of the Philippine electric power industry and the Government; (2) Not eligible to be appointed as a representative under clauses 1.4.2.3 (a), (b), (c), or (d); and (3) Nominated by *WESM members*;	for the System Operator. Naming the System Operator instead of a specific corporation will ensure that the seat is for the System Operator, whichever entity it resides.		
Philippine Electricity Market Board	1.4.2.4 (g) 1.4.2.4 (h) – NEW PROVISION	(g) A Chairperson who is one of the four independent Directors of the *PEM Board* and who is elected by a majority of all members of the *PEM Board*. The first Chairperson of the *PEM Board*, however, shall be the *DOE* Secretary in accordance with the Implementing Rules and Regulations of the *Act.* All of the above representatives shall formally be appointed in accordance with clause 1.4.3.	(g) A Chairperson who is one of the ~~four independent~~ Directors of the *PEM Board* and who is elected by a majority of all members of the *PEM Board*. The first Chairperson of the *PEM Board*, however, shall be the *DOE* Secretary in accordance with the Implementing Rules and Regulations of the *Act.* **(h) The PEMC President who is one of the four independent Directors and who is elected by a majority of all members of the *PEM Board.* The Chairperson and the PEMC President shall not be the same person.**	The proposed amendment to change the qualification of the Chairperson is related to the proposed amendment to create the position of the President, who is proposed to be elected from the independent Directors. While the WESM Rules do not currently provide for a President position, this is provided for in the PEMC By-Laws, in compliance with Corporation Code requirement on corporate officers.		**RCC adopted the proposed amendment**

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			All of the above representatives shall formally be ~~Appointed~~ **elected** in accordance with clause 1.4.3.	Prior to its amendment, the By-Laws require the Chairperson to be an independent director but the President can be any (i.e., sectoral or independent) director. The proposal is to reverse the qualification. Since the President is a full time executive of PEMC and is responsible for managing its affairs, then it is more important that he or she be an independent director. This is to avoid potential conflict of interest that can arise if the President were a sectoral director. The Chairperson, meanwhile, is primarily responsible for presiding over Board and membership meetings, for which independence is not a crucial qualification. Notably, in clause 1.4.4.1, the Chairman only has a casting vote if voting is equal.		
Composition of the PEM Board	1.4.2.7	For the purposes of this clause 1.4.2, a person is deemed to be independent of the	For the purposes of this clause 1.4.2, a person is deemed to be independent of	To align the definition of who is deemed to be		Atty. Anosan explained that for the definition of independency

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		Philippine electric power industry if that person: (a) Is not a director, officer, employee, contractor, agent, manager, or shareholder of a *WESM member;* (b) Is not a relative of a person, within the fourth civil degree of consanguinity or affinity, of a director, officer, manager, shareholder of a *WESM member;* (c) Is not an officer, manager, director or shareholder, agent, employee or contractor of, or is not a person directly or indirectly, through one or more intermediaries controls, is controlled by a company, affiliate or any other entity related to or associated with a WESM member, where: (1) A related company or body, is a parent, holding company subsidiary or affiliate of the WESM member; and (2) An associate is a person who is director, officer, manager or shareholder of that related company or entity or a relative of such a person within the fourth civil degree of affinity or consanguinity; (d) Has not been employed as an officer, or any supervisory or managerial capacity, by any electric power industry participant, or a company or body related to or associated with a WESM	the Philippine electric power industry if that person: (a) Is not a director, officer, employee, contractor, agent, **adviser, consultant, legal counsel**, manager, or shareholder of a *WESM member;* (b) Is not a **spouse or** relative of a person, within the fourth civil degree of consanguinity or affinity, of a director, officer, manager, shareholder of a *WESM member;* (c) Is not an officer, manager, director ~~or~~ shareholder, agent, employee **consultant**, **adviser, legal counsel** or contractor of, or is not a person directly or indirectly, through one or more intermediaries controls, is controlled by a company, affiliate or any other entity related to or associated with a WESM *member* where: (1) A related company or body, is a parent, holding company subsidiary or affiliate of the WESM *member*; (2) An associate is a person who is director, officer, manager or shareholder of that related company or entity or a relative of such a person within the fourth	independent in DOE Circular No. 2018-01-0002 (in respect to the Independent Market Operator board of directors).		for PEM Board of Directors' Independent Members, PEMC decided to adopt the definition provided by the DOE in its department circular as it is more stringent.

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		member within one year prior to the nomination date; and (e) Agrees not to be employed by and does not accept employment with any electric power industry participant, or a company or body related to or associated with a *WESM member* (as defined in clause 1.4.2.7 (c)) within one year after the person ceases to be a Director. The term shareholder as used in this Clause 1.4.2.7 (a), (b) and (c) shall be understood to exclude (a) A member of an Electric Cooperative who is not involved in the operation and management of the same Electric Cooperative; and (b) an End-user who is required to subscribe to, or to purchase, a share in a Distribution Utility as an incident to the provision of service by the same Distribution Utility; provided that the interest of the End- user be not more than the minimum required to avail of the Distribution Utility's services.	civil degree of affinity or consanguinity; and (3) A**n affiliate is any person that, alone or together with any other person, directly or indirectly through one or more intermediaries controls or is controlled by, or is under the common control with another person;** **(d) is not an official or employee of the Philippine government, or its agencies or instrumentalities, but this will not apply to members of the academe in public schools and universities;** **(e)** ~~(d)~~ Has not been employed as an officer, or any supervisory or managerial capacity, by any electric power industry participant, or a company within one year prior to the nomination date; and (f) ~~(e)~~ Agrees not to be employed by and does not accept employment with any electric power industry participant, or a company or body related to or associated with a *WESM member* (as defined in clause 1.4.2.7 (c)) within one year after the person ceases to be a Director.			

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			The term shareholder as used in this Clause 1.4.2.7 (a), (b) and (c) shall be understood to exclude: (a) A member of an Electric Cooperative who is not involved in the operation and management of the same Electric Cooperative; and (b) an End-user who is required to subscribe to, or to purchase, a share in a Distribution Utility as an incident to the provision of service by the same Distribution Utility; provided that the interest of the End- user be not more than the minimum required to avail of the Distribution Utility's services.			
Appointment to the PEM Board	1.4.3	**1.4.3 Appointment to the PEM Board** 1.4.3.1 The *directors* of the *PEM Board* shall be appointed by the *DOE* in accordance with the required composition of the *PEM Board* as set out in clause 1.4.2, having regard to the expertise necessary for the *PEM Board* to carry out its functions and any relevant provisions of the Corporation Code of the Philippines in relation to the appointment of directors.	**1.4.3 ~~Appointment~~ Nomination and Election to the PEM Board** 1.4.3.1 The *directors* of the *PEM Board* shall be ~~appointed~~ **nominated and elected** in accordance with the **PEMC By-Laws**, **provided that** the required composition of the *PEM Board* as set out in clause 1.4.2 **is observed**, having regard to the expertise necessary for the *PEM Board* to carry out its functions and any relevant provisions of the Corporation Code of the Philippines in relation to the appointment of directors. **Except only for the representative of the *Market Operator*, no person can become a member of the *PEM Board* and the**	Pursuant to the approved Plan for Transition and Section 7.2 of DOE DC No. DC2018-01-002, the DOE shall no longer appoint the members of the PEM Board. Instead, the procedure for their election shall be in accordance with the PEMC By-Laws. The Plan likewise provides that the no person can sit in the PEM Board and the Market Operator board at the same time, except only		On the added provision regarding the exception for the representative of the Market Operator in the Board, Atty. Anosan explained that the DOE Department Circular regarding the transition to IMO provides that the President of the IMO shall also be its representative to the PEM Board.

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			***Market Operator* Board of Directors at the same time.**	the Market Operator representative.		
Appointment to the PEM Board	1.4.3.2	1.4.3.2 With effect from the date on which the Independent *Market Operator* assumes the duties, functions and responsibilities of the *AGMO*, all new appointments or re-appointments of *Directors* and the *Chairperson* of the PEM *Board* are to be made in accordance with the required composition of the *PEM Board* as set out in clause 1.4.2.	1.4.3.2 With effect from the date on which the Independent *Market Operator* assumes the duties, functions and responsibilities of the *AGMO*, all ~~new appointments or re-appointments of~~ *Directors,* **the PEMC President**, and the *Chairperson* of the PEM *Board* are to be ~~made~~ **elected** in accordance with the required composition of the *PEM Board* **and qualifications** as set out in clause 1.4.2.	To state that the Directors, President and Chairperson are to be elected and not appointed.		**RCC adopted the proposed amendment**
Voting Rights	1.4.4.1	1.4.4.1 Unless, expressly stated herein, provisions of the Corporation Code shall apply, provided that: (a) A majority of the total number of *Directors,* each having one vote, shall constitute a quorum for the transaction of business of the *PEM Board.* (b) Every decision of at least a majority of votes of *Directors* present shall be valid as a *PEM Board* act. If voting is equal, the *Chairperson* has a casting vote. (c) *Directors* cannot attend or vote by proxy at board meetings.	1.4.4.1 Unless, expressly stated herein, provisions of the Corporation Code shall apply, provided that: (a) A majority of the total number of *Directors,* each having one vote, shall constitute a quorum for the transaction of business of the *PEM Board.* (b) Every decision of at least a majority of votes of *Directors* present shall be valid as a *PEM Board* act, **except the election of the Chairperson and the President which requires vote of the majority of all the *Directors***. If voting is equal, the *Chairperson* has a casting vote. (c) *Directors* cannot attend or vote by proxy at board meetings.	To adopt the provisions in the PEMC By-Laws which require that majority of all members is required to elect the Chairperson and the President.		

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Obligations of the PEM Board	1.4.5.1	**1.4.5 Obligations of the PEM Board** 1.4.5.1 The PEM Board shall at all times: (a) Fulfil its obligations under the *WESM Rules*; (b) Act in a manner that is consistent with the *WESM Rules*; (c) Perform all things reasonably necessary to contribute toward the achievement of the *WESM* and the *Act's* objectives; (d) Duly consider and take into account the provisions of the *WESM Rules,* when deciding whether or not to approve any matter for which the *PEM Board*'s approval or agreement is required under the *WESM Rules*; (e) Promptly notify the *ERC* of all relevant information relating to potential breach with a recommendation on action to be taken; and (f) Perform all other things that the *PEM Board* considers reasonably necessary to promote the *WESM* objectives and improve the operation of the *WESM* as well as the *WESM Rules*.	**1.4.5 Obligations of the PEM Board** 1.4.5.1 The PEM Board shall at all times: (a) **Protect the public interest and ensure the transparency and efficiency of the *WESM;*** (~~a~~b) Fulfil its obligations under the *WESM Rules*; (~~b~~c) Act in a manner that is consistent with the *WESM Rules*; (~~c~~d) Perform all things reasonably necessary to contribute toward the achievement of the *WESM* and the *Act's* objectives; (~~d~~e) Duly consider and take into account the provisions of the *WESM Rules,* when deciding whether or not to approve any matter for which the *PEM Board*'s approval or agreement is required under the *WESM Rules*; (~~e~~f) ~~Promptly notify~~ **Cause notification to** the *ERC* of all relevant information relating to ~~potential breach with a recommendation on~~ **any** action **it has** ~~to be~~ taken **in accordance with Clause 7.2 in relation to a *breach* by any *WESM member*, the *Market Operator* or the *System Operator***; and (~~f~~g) Perform all other things that the *PEM Board* considers reasonably necessary to promote the *WESM* objectives and improve the operation of the *WESM* as well as the *WESM Rules*.	On item (a) – To reflect PEM Board's primary obligation as stated in Section 7.4 of DOE DC No. DC2018-01-002. Other provisions are re-numbered. To specify that the notice to the ERC be made of the decision or action that the PEM Board has taken in respect to a breach rather than simply inform ERC of a potential breach.		
Obligations of the PEM Board	1.4.5.2	The following are the powers and duties of the *PEM Board*:	The following are the powers and duties of the *PEM Board:*	Compliance Committee will take the place of MSC to the		**RCC adopted the proposed amendment**

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		x x x (d) Oversee and monitor the activities of *WESM members* to ascertain and determine compliance or non-compliance with the *WESM Rules*; and x x x	x x x (d) ~~Oversee and monitor the activities of *WESM members* to ascertain and determine compliance or non-compliance with the *WESM Rules;* and~~ **In conjunction with the *Compliance Committee* ~~*Market Surveillance Committee*~~ and the *Enforcement and Compliance Office*, enforce the *WESM Rules* and *Market Manuals* in accordance with Clause 7.2**; x x x	extent that the former will be in charge of the review of the reports of investigation of breaches of the WESM Rules and market manuals carried out by the Enforcement and Compliance Office. On item (d) - to more explicitly state the authority of the PEM Board to enforce the WESM Rules and assure compliance by WESM Members; thus the function is not limited to overseeing the compliance process. This is also to make the statement consistent with the broader description of functions in Chapter 7.		
Formation of Committees	1.4.6	The *PEM Board* shall form working groups and appoint qualified personnel who shall act as the following: (a) The *PEM Auditor* to conduct audits of the operation of the *spot market* and of the *Market Operator* in accordance with clause 1.5; (b) A *Market Surveillance Committee* to monitor and report on activities in the *spot market* in accordance with clause 1.6;	The *PEM Board* shall form **committees**~~working groups~~ and appoint qualified personnel who shall act as the following: (a) Xxx; (b) xxx; (c) xxx; (d) A *Rules Change Committee* to assist the *PEM Board* and the *DOE*	The reference in the introductory clause is changed from working group to committees for consistency. On item (f) • To include Compliance Committee as one of the WESM Governance Committees. Related provisions found in		**RCC adopted the proposed amendment**

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		(c) A *Technical Committee* to monitor and review technical matters under and in relation to the *WESM Rules*, the *Grid Code* and *Distribution Code* in accordance with clause 1.7; (d) A *Rules Change Committee* to assist the *PEM Board* and the *DOE* in relation to the revision and amendment of the *WESM Rules* in accordance with chapter 8, and the formulation, revision and amendment of market manuals, procedures and guidelines; and (e) A *Dispute Resolution Administrator* to facilitate the resolution of the dispute between and among the parties within a specified period of time in accordance with the dispute resolution process under clause 7.3**.**	in relation to the revision and amendment of the *WESM Rules* in accordance with chapter 8, and the formulation, revision and amendment of market manuals, procedures and guidelines; ~~and~~ (e) xxx; and (f) **A Compliance Committee to monitor compliance to and oversee the investigation of breach of the WESM Rules and market manuals by WESM Members, the System Operator and the Market Operator, and to perform the functions set out in clause 1.8.**	Clause 1.8 including the transitory provisions.		
	1.4.7.1	The *PEM Board* shall establish a Market Assessment Group which shall have the following powers and functions: (a) Serve as the primary support unit of the PEM Committees; (b) Assist the *PEM Board* or the *Market Surveillance Committee* to establish the procedures for monitoring and assessing the performance of the WESM and the activities conducted by the *WESM member*s with the end view of ensuring the effective	The *PEM Board* shall establish ~~a Market Assessment Group~~ **such unit or units within PEMC** which shall have the following powers and functions: (a) **a market assessment unit that will:** ~~(b)~~ **i. Serve as the primary support unit of the *Market Surveillance Committee;*** ~~Assist the *PEM Board* or the *Market Surveillance Committee* to establish the procedures for monitoring and assessing the performance of the WESM and the activities conducted~~	Revisions are in anticipation of a reorganization of PEMC to align the organization to its primary function of being the WESM governing body. **This is also to reflect that the functions of the units of PEMC are not limited to providing secretariat functions to the PEM Committees.**		Atty. Anosan explained that in view of the reorganization of PEMC, the terms in the Clauses currently referring to the Market Assessment Group is proposed to be revised in a general form, to avoid further revisions to the WESM Rules. She further explained that the plan was for each WESM Governance Committees to have its own supporting unit so

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		functioning or overall efficiency of the *WESM;* (c) Regularly collect and process market monitoring data and indices; (d) Prepare periodic assessment reports on overall market performance and competitiveness; (e) Provide support and assistance to the different PEM Committees formed in accordance with clause 1.4.6 when requested and in a manner as deemed necessary by the respective Committee Chairmen; and (f) Perform such other tasks as assigned by the *PEM Board*, the PEM Committees or the President of the *Philippine Electricity Market Corporation.*	~~by the *WESM members* with the end view of ensuring the effective functioning or overall efficiency of the *WESM;*~~ ~~(c)~~ **ii. Carry out market monitoring functions, including but not limited to,** regularly collect and process market monitoring data and indices; ~~(d)~~ **iii. Carry out market assessment functions, and** prepare periodic assessment reports on overall market performance and competitiveness; **(b) support units that will:** ~~(a), (e) Serve as the primary support unit of~~ **i. Provide technical and secretariat support to** the **other** PEM Committees formed in accordance with clause 1.4.6; **and, accordingly** provide **such** support and assistance ~~when requested~~ **as may be required** and in a manner as deemed necessary by the respective Committee Chairmen; and (e) ~~(f)~~ **ii.** Perform such other tasks as assigned by the *PEM Board*, the PEM Committees or the *PEMC* President ~~of the *Philippine Electricity Market Corporation.*~~	Not naming the unit/s will allow PEMC flexibility in naming the various units within the organization. This is also so as not to preclude PEMC from creating several units to handle specific functions, if it finds that it is more efficient to do so. Functions are also re-stated to group related functions together. Provisions are re-numbered as a result of the re-grouping.		the names of the units may vary.

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	1.4.7.2	The Market Assessment Group shall be composed of an adequate number of personnel with the appropriate knowledge, experience and qualifications necessary to provide timely and effective support and assistance to the PEM Committees.	The ~~Market Assessment Group~~ **units that shall be established by the PEM Board pursuant to clause 1.4.7.1** shall be composed of an adequate number of personnel with the appropriate knowledge, experience and qualifications necessary to **carry out the functions stated in clause 1.4.7.1.** ~~provide timely and effective support and assistance to the PEM Committees~~.	The IMO Transition Plan provides that PEMC shall have the manpower complement necessary to carry out its functions as the WESM governing body. To also align this section with the functions as stated in clause 1.4.7.2 which is not limited to merely providing support to the PEM Committees.		**RCC adopted the proposed amendment**
	1.4.7.3	The Market Assessment Group shall be a unit under the Office of the President of the *PEMC.*	~~1.4.7.3 The Market Assessment Group shall be a unit under the Office of the President of the *PEMC.*~~	This provision is no longer relevant, as PEMC will become primarily a governing body, and no longer also the Market Operator. *Note that this provision was previously added, to reflect that the MAG is not part of the Market Operator (which was then under PEMC).*		**RCC adopted the proposed amendment**
Enforcement and Compliance Office	1.4.8	The *PEM Board* shall create an *Enforcement and Compliance Offic*er to investigate alleged breaches of and enforce sanctions against the *System operator*, *Market Operator*, and other *WESM member*s. To assist the *Enforcement and Compliance Officer*, an Enforcement and	The *PEM Board* shall create **an *Enforcement and Compliance Office* which shall be headed by** an *Enforcement and Compliance Officer* **appointed in accordance with clause 7.2.8.1.** ~~to investigate alleged breaches of and enforce sanctions against the *System operator*, *Market Operator*, and other *WESM members*.~~	To clarify that the PEM Board creates the office, and appoints the officer, and that the functions pertain to an office rather than to a person or an officer. To provide that the ECO, as the office, shall have the		**RCC adopted the proposed amendment**

RCC Deliberation on the Proposed Amendments to the WESM Rules to Implement the Approved Plan for Transition to the Independent Market Operator of the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		Compliance Office shall be created to perform the following functions: (a) Serve as a technical and investigative support unit of the *Enforcement and Compliance Officer;* (b) Establish a mechanism to promote consultation and voluntary compliance of industry participants; and, (c) Continuously develop systems and procedures to deter breaches of the *WESM Rules* and further evolve enforcement of penalties consistent with the objectives of the WESM.	~~To assist the *Enforcement and Compliance Officer*, an~~ The ***Enforcement and Compliance Office*** shall ~~be created to~~ perform the following functions: (a) ~~Serve as a technical and investigative support unit of the *Enforcement and Compliance Officer;*~~ **Administer the enforcement and compliance processes in the WESM in accordance with clause 7.2 and serve as a technical support unit of the *PEM Board* on matters concerning enforcement and compliance*;*** (b) Establish a mechanism to promote consultation and voluntary compliance of industry participants; and (c) Continuously develop systems and procedures to deter breaches of the *WESM Rules* and further evolve enforcement of penalties consistent with the objectives of the WESM. (d) **Serve as the primary support unit of the Compliance Committee**.	primary function of administering the enforcement and compliance processes described in Clause 7.2 of the WESM Rules. On item (d) – added clause (d) to include the secretariat support to Compliance Committee as among the functions to be performed by ECO.		
COMPLIANCE COMMITTEE	1.8.	NEW (inserted; the succeeding provisions will move/ renumbered)	**COMPLIANCE COMMITTEE**	This new section is inserted to provide for the creation of a Compliance Committee, its composition,		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
				manner of appointment and functions.		
Appointment to the *Compliance Committee*	1.8.1	NEW	**Appointment to the *Compliance Committee***			**RCC adopted the proposed amendment**
Appointment to the *Compliance Committee*	1.8.1.1	NEW	**The PEM Board shall appoint persons to form a *Compliance Committee* in such number and with such skills and expertise, and on such terms and conditions, as the PEM Board reasonably deems to be appropriate, taking into consideration the nature of the obligations and functions of the Compliance Committee, as set out in clause 1.8.2.**	To specify the manner of appointment of the members of Compliance Committee. Proposed rule is patterned after provision pertaining to the MSC.		**RCC adopted the proposed amendment**
Appointment to the *Compliance Committee*	1.8.1.2.	NEW	**The members of the Compliance Committee shall be independent of the Philippine electric power industry and the Government.**	To provide for the qualifications of the committee members; adopting qualification similar to that of the MSC members.		**RCC adopted the proposed amendment**
Responsibilities of the Compliance Committee	1.8.2.	NEW	**Responsibilities of the Compliance Committee** **The Compliance Committee shall from time to time as necessary and appropriate, or whenever the PEM Board directs:** **(a) Review reports of investigation of breaches of the *WESM Rules* and *Market Manuals* carried out by the**	To enumerate the responsibilities of CC, as follows: ❑ Review of investigation reports of ECO ❑ Monitoring of ECO's reportorial requirements ❑ Monitoring the MO-SO coordination protocol\		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
			Enforcement and Compliance Office **and, based on the results of such investigation, decide on the outcomes of the investigation and recommend imposition of sanctions or penalties if warranted;** **(b) Review and monitor the compliance of ECO with the reportorial requirements pursuant to the WESM Rules, Market Manuals, and other applicable laws, rules, regulations, or issuances;** **(c) Review and monitor the compliance by the Market Operator and the System Operator with their obligations under pursuant to the WESM Rules and Market Manuals, or any coordinating or operating agreements, or protocols which may be established governing the performance of their functions and obligations under the WESM Rules and Market Manuals.** **(d) Propose amendments to the WESM Rules or Market Manuals in accordance with chapter 8 with a view to:**	❑ Items (d) and (e) – similar to MSC and TC		

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
			(1) Improving the efficiency and the effectiveness of the operation of the *WESM*; and **(2) Improving or enhancing the prospects for the achievement of the *WESM* objectives;** **(e) Assist the Rules Change Committee in relation to its assessment of proposals to amend the WESM Rules or Market Manuals under Chapter 8.**			
Transitory Provisions	1.8.3	**Transitory Provisions**	**Pending the creation of the Compliance Committee and the appointment of its members by the PEM Board pursuant to clause 1.8.1, the responsibilities set forth in clause 1.8.2 shall be discharged by the Market Surveillance Committee.**	To provide for the transitory provision while the Compliance Committee is not yet established; MSC to assume responsibilities until CC Members are appointed.		**RCC adopted the proposed amendment**
ENFORCEABILITY AND AMENDMENT OF THESE RULES	1.9	ENFORCEABILITY AND AMENDMENT OF THESE RULES	*Re-numbered (previously clause 1.8)*	Re-numbered (previously Clause 1.8) due to the inserted provision on "Compliance Committee"		**RCC adopted the proposed amendment**

RCC Deliberation on the Proposed Amendments to the WESM Rules to Implement the Approved Plan for Transition to the Independent Market Operator of the WESM

Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
Enforceability	1.9.1	These Rules are enforceable in accordance with Chapter 7.	*Re-numbered (previously Clause 1.8.1) with proposed changes:* **Unless otherwise provided in its other provisions**, ~~T~~these Rules are enforceable in accordance with Chapter 7.	Re-numbered (previously Clause 1.8.1) due to the inserted provision on "Compliance Committee"		
	1.9.2.	Changes to the WESM Rules Amendments to the WESM Rules shall be made in accordance with chapter 8.	x x x	Re-numbered (previously Clause 1.8.2) due to the inserted provision on "Compliance Committee"		**RCC adopted the proposed amendment**
PUBLIC CONSULTATION PROCEDURES	1.10	**1.9 PUBLIC CONSULTATION PROCEDURES** Where the *WESM Rules* identify matters that are subject to review or consultation in accordance with the public consultation procedures, the *PEM Board* shall ensure that, as a minimum, the following procedures are followed: (a) The *PEM Board* shall publish in the market information website particulars of the matter to *WESM Participants* and other interested persons, inviting written submissions concerning the matter to be made by a specified date; (b) Where, in the reasonable opinion of the *PEM Board*, there is a diversity of views expressed in	**1.10 PUBLIC CONSULTATION PROCEDURES** Where the *WESM Rules* identify matters that are subject to review or consultation in accordance with the public consultation procedures, the *PEM Board* shall ensure that, as a minimum, the following procedures are followed: (a) The *PEM Board* shall publish in the market information website **the** particulars of the matter **for the information of** ~~to~~ **the *Market Operator*,** *WESM Participants* and other interested persons, inviting written submissions concerning the matter to be made by a specified date; (b) Where, in the reasonable opinion of the *PEM Board*, there is a diversity of views expressed in the written	Re-numbered (previously Clause 1.9) due to the inserted provision on "Compliance Committee" Added Market Operator as additional party to whom information shall be given in regard public consultation matters		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		the written submissions received under clause 1.9(a),the *PEM Board* shall invite WESM Participants and other interested persons to a meeting or meetings at which those views may be presented and discussed. Non-members, who may be deemed interested persons may be invited to attend subject to the discretion of the *PEM Board*; (c) Following its consideration of the matter under consultation, the *PEM Board* shall prepare a report setting out: (1) The matter under consultation; (2) The *PEM Board*'s decision in relation to the matter; (3) The reasons for the *PEM Board*'s decision; (4) The findings on material questions of fact, referring to evidence or other material on which those findings were based; and (5) The procedures followed in considering the matter. (d) The *PEM Board* shall provide a copy of the report referred to in clause 1.9 (c) to: (1) The *DOE* and the *ERC* on completion of the report; and	submissions received under clause 1.9(a),the *PEM Board* shall invite ***the Market Operator,*** WESM Participants and other interested persons to a meeting or meetings at which those views may be presented and discussed. Non-members, who may be deemed interested persons may be invited to attend subject to the discretion of the *PEM Board*; (c) xxx (d) The *PEM Board* shall provide a copy of the report referred to in clause 1.9 (c) to: (1) The *DOE* and the *ERC* on completion of the report; and (2) ***Market Operator,*** *WESM Participants* and interested persons on request.			

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
		(2) *WESM Participants* and interested persons on request.				
Glossary	Chapter 11	NEW	**Compliance Committee. The committee formed under clause 1.4.6 to undertake the functions as set out in clause 1.8.2 and clause 7.2.**	To provide definition for Compliance Committee.		**RCC adopted the proposed amendment**
Glossary	Chapter 11	Director. A member of the *PEM Board* appointed by the *DOE* under clause 1.4.3 having a duty to, among other matters, perform the duties of management of the *PEM Board*, in accordance with clause 1.4.5.	Director. A member of the *PEM Board* ~~appointed by the *DOE*~~ **duly elected** under clause 1.4.3 having a duty to, among other matters, perform the duties of management of the *PEM Board*, in accordance with clause 1.4.5.	This is to align the definition with the other proposed amendments providing for election of directors by PEMC members rather than by DOE appointment.		**RCC adopted the proposed amendment**
Glossary	Chapter 11	**Philippine Electricity Market Corporation or PEMC.** The corporation incorporated upon the initiative of the *DOE* composed of all *WESM member*s and whose Board of Directors will be the *PEM Board*.	Philippine Electricity Market Corporation or PEMC. The corporation incorporated upon the initiative of the *DOE* composed of all ***Direct*** *WESM member*s and whose Board of Directors will be the *PEM Board*.	It is proposed that only Direct WESM Members be eligible to become PEMC Members as these are the entities that would have a direct stake and interest in the operations of PEMC. Especially with the integration of the retail market in the WESM, the indirect members significantly outnumber Direct WESM members. Allowing indirect members		**RCC adopted the proposed amendment**

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Title	Section	Original Provision	Proposed Amendment	Rationale	DOE	RCC Deliberation
				to become PEMC members may result in a situation where they can become dominant over the direct members, although they don't directly participate in the WESM.		
Glossary	Chapter 11	PEM Board. The group of *Directors* serving from time to time on the board that is responsible for governing the *WESM.*	PEM Board. The Board of Directors of PEMC ~~group of *Directors* serving from time to time on the board~~ that is responsible for governing the *WESM.*	Proposed amendment for clarity, and for consistency with definition of PEMC.		**RCC adopted the proposed amendment**