Philippine Electricity Market Corporation

WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE

RESOLUTION NO. 2015-01

Proposal for Amendments to the WESM Rules and the WESM Manual of Procedure for Changes to the WESM Rules

WHEREAS, the Proposal for Amendments to the WESM Rules and the WESM Manual of Procedure for Changes to the WESM Rules, as submitted by the Philippine Electricity Market Corporation (PEMC), intends to:

A. clearly spell out the approval process for changes to the WESM Manual or new Market Manual by the PEM Board;
B. clarify the approval process for Rules or Manual change proposals relating to price determination, which require the ERC approval;
C. clearly establish accountabilities and timelines, and improve the Manual in terms of process according to what can reasonably be implemented;
D. improve process documentation by establishing the procedure framework, which specifies the standard documentation of market manuals, and incorporating forms for the submission of Rules or Manual change proposals and submission of comments to proposals for amendments; and
E. address concerns on the certification of urgent proposals.

WHEREAS, the Proposal for Amendments to the WESM Rules and the WESM Manual of Procedure for Changes to the WESM Rules was approved for publication to solicit comments, following the PEMC's presentation, during the 94th RCC Meeting held on 05 November 2014;

WHEREAS, following the RCC's approval, the Proposal was published in the WESM market information website on 14 November 2014, with notification email sent on 17 November 2014;

WHEREAS, no written comments were received by the RCC relative to the Proposal;

WHEREAS, the RCC deliberated on the Proposal during the 96th RCC Meeting held on 14 January 2015, with inputs from the Department of Energy (DOE);

WHEREAS, in the same meeting, the RCC approved the Proposal for Amendments to the WESM Rules and the WESM Manual of Procedures for Changes to the WESM Rules, including global changes relating to the use of terminologies;

WHEREAS, the RCC likewise agreed to endorse the Proposal for Amendments to the WESM Rules and the WESM Manual of Procedures for Changes to the WESM Rules for the PEM Board's approval, upon finalization of the Proposal based on the RCC's discussions;

NOW THEREFORE, we, the undersigned and in behalf of the sector we represent, hereby resolve as follows:

RESOLVED, that the Proposal for Amendments to the WESM Rules and the WESM Manual of Procedures for Changes to the WESM Rules (Annex A), as amended by the RCC, is hereby adopted and approved in full;

RESOLVED FURTHER, that the attached Proposal for Amendments to the WESM Rules and the WESM Manual of Procedures for Changes to the WESM Rules is hereby endorsed to the PEM Board for approval.

Done this 14 January 2015, Pasig City.

Approved by:
RULES CHANGE COMMITTEE

[redacted]

Rowena Cristina L. Guevara
Chairperson
Independent
University of the Philippines (UP)

Members:

Concepcion I. Tanglao Independent	[redacted] **Francisco L.R. Castro, Jr.** Independent Tensaiken Consulting
[redacted] **Maila Lourdes G. de Castro** Independent	[redacted] **Lorreto H. Rivera** Supply Sector TeaM (Philippines) Energy Corporation
[redacted] **Jose P. Santos** Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)	[redacted] **Ciprinilo C. Meneses** Distribution Sector (PDU) Manila Electric Company (MERALCO)
Sulpicio C. Lagarde Jr. Distribution Sector (EC) Central Negros Electric Cooperative, Inc. (CENECO)	[redacted] **Gilbert A. Pagobo** Distribution Sector Mactan Electric Company (MECO)
[redacted] **Jose Ferlino P. Raymundo** Generation Sector SMC Global	[redacted] **Joselyn D. Carabuena** Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)
[redacted] **Ambrocio R. Rosales** Transmission Sector National Grid Corporation of the Philippines (NGCP)	[redacted] **Theo C. Sunico** Generation Sector 1590 Energy Corporation
[redacted] **Isidro E. Cacho, Jr.** Market Operator Philippine Electricity Market Corporation (PEMC)	
	Certified True and Correct: [redacted] **Elaine D. Gonzales** RCC Secretary PEMC

ANNEX A

A. PROPOSED AMENDMENTS TO THE WESM RULES AND THE MANUAL OF PROCEDURES FOR CHANGES TO THE WESM RULES: WESM RULES PROVISIONS

Proposed Global Changes:

1. Replace "WESM Manual" with "Market Manual"
2. Uniformity in the use of "Market Information Web Site" when referring to the "WESM website"
3. Uniformity in the use of "WESM Rules clause XXX" when referring to or citing a WESM Rules provision
4. Change all "business days" to "working days" relative to this proposal only.

Clause	Provision	Proposed Amendment	Rationale
1.4.5.2	The following are the powers and duties of the *PEM Board*: xxxx *(f)* Approve and promulgate Market Manuals, including amendments and revisions thereto; and	The following are the powers and duties of the *PEM Board*: xxx **(f)** Approve and promulgate Market Manuals, including amendments and revisions thereto **pursuant to the classification system approved under WESM Rules clause 8.4.1.1**; and	Added for reference.
8.1 SCOPE OF CHAPTER 8	Upon the actual commercial operation of the *spot market*, changes, amendments, and modifications of the *WESM Rules* shall be undertaken in accordance with the provisions of this chapter. This chapter 8 sets out: (a) The composition and manner of appointment of the *Rule Change Committee*; (b) The procedure for effecting a change to the *WESM Rules*; and (c) The procedure for approval of a change to the *WESM Rules*.	~~Upon the actual commercial operation of the *spot market*,~~ **Proposals for** changes, amendments, and modifications of the *WESM Rules* **and *Market Manuals*, as well as the adoption of new *Market Manuals*** shall be undertaken in accordance with the provisions of this chapter. This chapter 8 sets out: (a) The composition and manner of appointment of the *Rule**s** Change Committee*;	Clerical correction and clarification that the Rules Change Process will have to be observed in any change not only to the WESM Rules but also to the *Market Manuals*. Likewise, to make explicit that the formulation of new Market Manuals will likewise have to go through the Rules Change Process. *Market Manuals* is defined in the WESM Rules as a manual of specific procedures, systems or protocols for the implementation of

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		(b) The procedure for effecting a change to the *WESM Rules* **and *Market Manuals*** ; and (c) The procedure for approval of a change to *the WESM Rules* **and *Market Manuals*, including proposals that will result in an amendment to the WESM Price Determination Methodology and, thus, require ERC review and approval; and adoption of new *Market Manuals*.**	the WESM Rules. consistent with an existing definition
8.2 RULE CHANGE COMMITTEE	**8.2 RULE CHANGE COMMITTEE** **8.2.1 Establishment of Rule Change Committee** The *PEM Board* shall establish a *Rule Change Committee* in consultation with industry participants.	**8.2 RULES CHANGE COMMITTEE** **8.2.1 Establishment of a Rules Change Committee** The *PEM Board* shall establish a *Rules Change Committee* in consultation with industry participants.	Clerical correction: in the Glossary the Rules Change Committee is the one defined
	8.2.2 Composition of Rule Change Committee **8.2.2.1** The *Rule Change Committee* shall be comprised in a manner that is consistent with the composition of the *PEM Board* except that the persons representing each of the sectors and other groups on the *Rule Change Committee* shall not	**8.2.2 Composition of Rule Change Committee** 8.2.2 1 The Rules Change Committee shall be comprised in a manner that is consistent with the composition of the PEM Board, ~~except~~ **provided** that the persons representing each of the	To clarify that an RCC member cannot be a member of the PEM Board at the same time.

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	be the same persons as those who are *Directors* on the *PEM Board*.	sectors and other **members of** ~~groups on~~ the Rule Change Committee shall not be the same persons as those who are Directors ~~on~~ **of** the PEM Board.	
	8.2.2.2 The principles applicable to the composition and operation of the *PEM Board* as set out in clause 1.4.2 apply also to the composition of the *Rule Change Committee*.	8.2.2.2 The principles applicable to the composition and operation of the *PEM Board* as set out in **WESM Rules** clause 1.4.2 apply also to the composition of the *Rules Change Committee*.	typographical
	8.2.3 Membership requirements - PEM Board Each member of the *Rule Change Committee* shall: (a) Be appointed by the *PEM Board* in consultation with industry participants; and (b) For the sectoral member or other groups, not be a member of the *PEM Board*.	**8.2.3 Membership requirements - ~~PEM Board~~ Rules Change Committee** Each member of the *Rules Change Committee* shall: (a) be appointed by the *PEM Board* in consultation with industry participants; and (b) ~~For the sectoral member or other groups,~~ not be a member of the *PEM Board*.	Clerical correction To clarify that not only sectoral members or other groups but all members of the Rules Change Committee shall not be a member of the PEM Board.
	8.2.4 Termination The *PEM Board* may terminate the appointment of any person appointed to	**8.2.4 Termination** The *PEM Board* may terminate the appointment of any ~~person appointed to~~ **member of** the	Clerical correction

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	the *Rule Change Committee* at any time if: xxx	*Rules Change Committee* at any time if: xxx	
	8.2.5 Appointment termination If the *PEM Board* decides to terminate a person's appointment in accordance with clause 8.2.4, the *PEM Board* shall appoint another representative from the same membership category to fill that person's place on the *Rule Change Committee* within 20 business days.	**8.2.5 Appointment for Vacated Positions** If the *PEM Board* decides to terminate ~~a person's~~ **the** appointment **of any member of the RCC** in accordance with **WESM Rules** clause 8.2.4, the *PEM Board* shall appoint another representative from the same membership category to fill ~~that person's place on~~ **the vacancy in** the *Rules Change Committee* ~~*within 20 business days*~~ **as soon as practicable**.	Clerical correction The replacement of a Rules Change Committee Member within 20 business days is deemed not possible considering the process that has to be undertaken when a position is vacated. This includes the call for nomination and screening of applicants by the Selection Committee and the evaluation of applicants before a recommendation is made to the PEM Board and a replacement finally appointed.
	8.2.6 Resignation A person may resign from the *Rule Change Committee* by giving notice in writing to the *PEM Board*.	**8.2.6 Resignation** A ~~person~~ **member of the** ~~may resign from the~~ *Rules Change Committee* **may resign** by giving **a** ~~notice in writing~~ **written notice** to the *PEM Board* **thirty (30) working days before the effectivity of resignation.**	Clerical correction made; To also indicate that any resignation from the Rules Change Committee should be with a thirty day notice before the effectivity of the resignation.
	8.2.7 Conduct of meetings	**8.2.7 Conduct of meetings**	Clerical correction

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	The *Rule Change Committee* shall meet and regulate its meetings and conduct its business in a manner, which does not conflict with the *WESM Rules*.	The *Rule**s** Change Committee* shall meet and regulate its meetings and conduct its business in a manner **that is consistent with the provisions of**~~, which does not conflict with~~ the *WESM Rules*.	
	8.2.8 Advice and assistance The *Rule Change Committee* may obtain such advice or other assistance as it thinks appropriate including, without limitation, advice or assistance from persons with experience relevant to any change to the *WESM Rules* which the *Rule Change Committee* is considering and from *WESM member*s who are likely to be affected by any change.	**8.2.8 Advice and assistance** The *Rule**s** Change Committee* may obtain such advice or **any** other assistance as it ~~thinks~~ **deems** appropriate, including, without limitation, advice or assistance from persons with experience relevant to any **proposal to** change ~~to~~ the *WESM Rules* **or *Market Manuals*, or to adopt a new *Market Manual*,** which the *Rule**s** Change Committee* is considering; and from *WESM member*s who are likely to be affected by any **proposal** ~~change~~**.**	Clerical correction Clarification on the inclusion of proposed changes to market manuals along with WESM Rules, as well as new Market Manuals, for which advice may be sought by the Rules Change Committee
8.3 REFERRAL OF MATTERS TO THE RULE CHANGE COMMITTEE	**8.3 REFERRAL OF MATTERS TO THE RULE CHANGE COMMITTEE**	**8.3 REFERRAL OF MATTERS TO THE RULE**S **CHANGE COMMITTEE**	Clerical correction.
	8.3.1 Rule change proposals The *Market Operator*, the Government or any *WESM member* and other interested	**8.3.1 Proposals for Changes to the WESM Rules** ~~change proposals~~ **or Market Manuals, or**	Change was made to reflect what is being done in practice. Proposals are not submitted to the PEM Board but directly to the Rules Change

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	parties may submit proposals for changes to the *WESM Rules* to the *PEM Board*.	**Adoption of New Market Manuals** The *Market Operator*, the Government, ~~or~~ any *WESM member* ~~and~~ or other interested parties may submit proposals for changes to the *WESM Rules* or ***Market Manuals***, or for the adoption of a new ***Market Manual*** to the ~~***PEM Board***~~ ***Rules Change Committee.***	Committee by parties proposing a Rules Change.
	8.3.2 Form of submission Proposals for a change or changes to the *WESM Rules* shall: (a) Be in writing and addressed to the *PEM Board*; (b) Include the name and address of the applicant; (c) Demonstrate that the change to the *WESM Rules* is: (1) Consistent with the *WESM* objectives; (2) Feasible; (3) Not unreasonably costly to implement; and (4) A more appropriate or better means of achieving the criteria set out in clauses 8.3.2 (c) (1) to (c) (3), where the effect of the change to the *WESM*	**8.3.2 Form of submission** Proposals for a change or changes to the *WESM Rules* or ***Market Manuals***, or the adoption of new ***Market Manuals*** shall: (a) Bbe in writing and addressed to the ~~***PEM Board***~~ ***Rules Change Committee***; (b) Iinclude the name and address of the applicant; (c) ~~D~~demonstrate that the change to the *WESM Rules* or ***Market Manual***, or the proposed new ***Market Manual*** is: (1) ~~C~~consistent with the *WESM* objectives; (2) ~~F~~feasible;	Change was made to reflect what is being done in practice. Proposals are not submitted to the PEM Board but directly to the Rules Change Committee by parties proposing a Rules Change. Clarification that proposal for new manuals are also covered under the Rules Change process.

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	Rules will be to replace an existing provision of the *WESM Rules*; (d) Include a brief statement of the reasons why a change to the *WESM Rules* is necessary or desirable; and (e) Contain sufficient information to permit a proper consideration by the *Rule Change Committee* of those reasons, including the public benefit (if any) of making the change to the *WESM Rules.*	(3) ~~N~~not unreasonably costly to implement; and (4) **aimed at providing ~~A~~ a** more appropriate or better means of achieving the criteria set out in **WESM Rules** clauses 8.3.2 (c) (1) to (c) (3), **~~where the effect of the change to the WESM Rules will be~~ by** ~~te~~ replace**ing** an existing provision of the *WESM Rules* **or a *Market Manual*, or adopt a new *Market Manual*;** (d) ~~Include a brief statement of~~ **provide** the reasons why a change to the *WESM Rules* **or *Market Manual*,** or **the adoption of a proposed new *Market Manual*** is necessary or desirable; and (e) C**c**ontain sufficient information to permit **a** proper consideration by the *Rule**s** Change Committee* of those reasons, including the public benefit (if any) of making the change to the *WESM Rules* **or *Market***	

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		***Manual*, or adopting a new *Market Manual*.**	
	8.3.3 PEM Board obligations The *PEM Board* shall: (a) Keep a register of all proposals for a change in the *WESM Rules* submitted to it; and (b) Give due course to the proposal within 5 business days from receipt thereof.	**8.3.3 Rules Change Committee ~~PEM Board~~ obligations** The ***Rules Change Committee*** ~~***PEM Board***~~ shall: (a) ~~K~~keep a register of all proposals for a change in the *WESM Rules* **or Market Manuals as well as proposals for new Market Manuals** submitted to it; and (b) ~~G~~give due course to the proposal **in the RCC meeting immediately following the RCC Secretariat's receipt of a proposal or as soon as practicable**. ~~within 5 business days from receipt thereof.~~	In practice, submitted proposals are given due course the next RCC meeting immediately following receipt by the RCC secretariat of the proposal. It is not practical to have the same given due course within the next five (5) days after receipt since the RCC has set regular meetings, the first Wednesday of each month for such meetings.
8.4CONSIDERATION OF PROPOSED RULES CHANGE BY THE RULES CHANGE COMMITTEE	**8.4 CONSIDERATION OF PROPOSED RULES CHANGE BY THE RULES CHANGE COMMITTEE**	**8.4 CONSIDERATION OF PROPOSALS ~~ED~~ TO CHANGE THE WESM RULES OR MARKET MANUALS OR TO ADOPT NEW MARKET MANUALS ~~RULES CHANGE~~ BY THE RULES CHANGE COMMITTEE**	

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	8.2.9 Rules Change Classification and Procedures a) Subject to clause 8.6.4.2, the *Rule Change Committee* will recommend for approval of the *PEM Board* a system of classification of changes to the *WESM Rules*.	**~~8.2.9~~ 8.4.1 Rules Change Classification ~~Procedures~~** **8.~~2.9~~.4.1.1 ~~The~~ Rules change proposals shall be classified as follows:** **a) Urgent Proposals refer to proposals for amendments to the WESM Rules and Market Manuals or the adoption of new Market Manuals, which require immediate action to-** **i. Avoid, reduce the risk of or mitigate the adverse effects of certain conditions on the ability of the power system to function normally;** **ii. Avoid, reduce the risk of or mitigate the effects of the abuse of market power or anti-competitive behavior;** **iii. Avoid, reduce the risk of or mitigate the unintended adverse effect of a *WESM Rule* (or any of its**	Sections 8.4.1.1 (a-c) This classification was taken from the Rules Change Manual. These are proposed to be incorporated in the WESM Rules to provide a basis for the classification of proposals which will be detailed in the Rules Change Manual.

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		amendments) or a provision in a *Market Manual*; iv. Facilitate the implementation of any regulation, circular, order or issuance of the DOE or ERC pursuant to the EPIRA, or of any issuance of the PEM Board. b) Minor Proposals are proposals for amendments to the *WESM Rules* or *Market Manuals*, which are corrections as to form such as typographical or grammatical changes, or those which are of a non-material procedural or a non-substantive nature. A proposal will not qualify as a Minor Proposal if it entails any of the following- i. A WESM member or the Market Operator would incur material additional costs in order to effect the change or to be compliant with the change brought about by the amendment; ii. The determination of timetable (including bid and offer	

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		submission schedules, auction schedules, etc.) or prices in any of the physical or financial markets would be changed; iii. The means of procurement of, and prices paid for, an ancillary service would be changed; The level or timing of information released to the WESM would be changed; iv. The proposal would result in a change to the conditions for participation such that any currently authorized WESM member would no longer be authorized; v. The proposal would make it unreasonably difficult for a WESM member to comply with the law, or would render an otherwise compliant WESM member non-compliant with law, or would deprive a WESM member of any right under existing law; and vi. The change would introduce	

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		additional risks to the Market Operator of not being able to direct the operation of the spot market or to the System Operator of not being able to maintain system reliability in accordance with the applicable standards. c) **General Proposals refer to proposed amendments to the *WESM Rules* or *Market Manuals*, or new *Market Manuals*, which do not otherwise qualify as either Minor Proposals or Urgent Proposals.** ~~(a) Subject to clause 8.6.4.2, the *Rules Change Committee* will recommend for approval of the *PEM Board* and DOE changes to WESM Rules 8.2.9.1 to the system of classification of rules changes to the *WESM Rules*.~~	
new		**8.4.1.2 The DOE shall approve proposed amendments to the WESM Rules, while the PEM Board shall approve proposed amendments to the Market Manuals, and new Market Manuals, provided, however, that the approved Market Manuals with corresponding**	To provide basis for the approving authority of proposed amendments to WESM Rules and Manuals.

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		WESM Rules changes shall be subject to the DOE's approval of said WESM Rules changes. **All WESM Rules changes implemented prior to DOE's approval shall be processed and submitted to the DOE for approval; otherwise, the effectivity of such WESM Rules changes shall be no more than six (6) months.**	2nd paragraph was transferred from WESM Rules Clause 8.6.4.2 (which Section has been deleted)
	8.2.9 b) Subject to approval by the *PEM Board*, the *Rule Change Committee* will develop and *publish* detailed guidelines and procedures to be employed in the consideration, approval, publication and effectivity of any proposed change to the *WESM Rules*. These guidelines and procedures will, as far as practicable, be consistent with the provisions of this chapter 8, provided, however, that the Committee may establish procedures, time periods and manner of publication and effectivity other than as stated in this chapter 8 depending on the classification of the proposed change.	**8.2.9.4.1.3** ~~(b)~~ Subject to approval by the *PEM Board*, the *Rules Change Committee* will **shall** develop and *publish* detailed guidelines and procedures to be employed in the consideration, approval, publication and effectivity of any proposed change to the *WESM Rules* **and *Market Manuals*, as well as for the adoption of new *Market Manuals*.** These guidelines and procedures will, as far as practicable, be consistent with the provisions of this chapter 8, provided, however, that the Committee may establish procedures, time periods and manner of publication and effectivity other than as stated in this chapter 8 depending on the	

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		classification of the proposed change.	
	8.4.1 Assessment of proposed Rule change Within 10 *business days* from the referral from the *PEM Board*, the *Rules Change Committee* shall assess whether the proposed change to the *WESM Rules* is: (a) Consistent with the *WESM* objectives; (b) Feasible; (c) Not unreasonably costly to implement; and (d) A more appropriate or better means of achieving the criteria set out in clauses 8.4.1 (a) to (c), where the effect of the change to the *WESM Rules* will be to replace an existing rule.	**8.4.1.2 Assessment of proposalsed Rule change** **~~Within 10 *business days* from the receipt thereof referral from the *PEM Board*~~, Pursuant to WESM Rules clause 8.3.3 (b),** the *Rules Change Committee* shall assess whether the proposed change to the *WESM Rules* **or *Market Manual*, or the proposal for a new *Market Manual*** is: (a) **C**consistent with the *WESM* objectives (b) **F**feasible; (c) **N**not unreasonably costly to implement; and (d) **aimed at providing a** A more appropriate or better means of achieving the criteria set out in clauses 8.4.1 (a) to (c**~~), where the effect of the change to the *WESM Rules* will be to replace an existing rule.~~**	10 business days is not implementable given the scheduling of RCC meetings -as once a month
	8.4.2 Discretions when assessment proposed Rule change	**8.4.2.3 Discretions when assessing ~~ment~~ a proposal ~~ed Rule change~~**	

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	In considering whether a proposed rule change satisfies the criteria, which are set out in clause 8.4.1, the *Rules Change Committee* may: (a) Take into account any information and documents which the *Rules Change Committee* reasonably considers to be relevant to its consideration of the proposed change to the *WESM Rules*; (b) Consult with such persons as the *Rules Change Committee* reasonably considers will be likely to be affected by the proposed change to the *WESM Rules;* (c) Seek such information and views from any person in relation to the proposed change to the *WESM Rules* as may be practicable under the circumstances; and (d) Refer the proposed change to the *WESM Rules* to a working group comprising of persons having such expertise as the *Rules Change Committee* in its absolute discretion considers to be reasonable in all the circumstances for the purpose of delegating to that working group any obligation or task of the *Rules Change Committee* set out in clauses 8.4.2,8.4.4 and 8.4.6, other than this clause 8.4.2 (d).	In considering whether a proposaled for a ~~rule~~ change in the ***WESM Rules or a Market Manual,*** or for the adoption of a new ***Market Manual*** satisfies the criteria~~, which are~~ as set out in **WESM Rules** clause 8.4.1, the *Rules Change Committee* may: (a) Take into account any information and documents **that** the *Rules Change Committee* reasonably considers to be relevant to its consideration of the proposed change to the *WESM Rules* **or *Market Manual* or the proposed new *Market Manual*;** (b) Consult with such persons **whom** ~~as~~ the *Rules Change Committee* reasonably considers will **be** likely ~~to~~ be affected by the **proposaled** ~~change to the *WESM Rules*~~; (c) Seek such information and views from any person ~~in relation to the proposaled change to the *WESM Rules*~~ as may be practicable under the circumstances; and	

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		(d) Refer **and delegate** the proposa**led ~~change to the *WESM Rules*~~** to **any working group, comprised of persons having such expertise as the Committee, in the *Rules Change Committee's* absolute discretion, whenever it considers reasonable or necessary or as it may consider practicable in the circumstances** ~~working group comprising of persons having such expertise as the *Rules Change Committee* in its absolute discretion considers to be reasonable in all the circumstances for the purpose of~~ delegating to that working group any obligation or task of the *Rules Change Committee* **as** set out in **WESM Rules** clauses 8.4.2~~,~~ **and** 8.4.4 ~~**and 8.4.6,**~~ other than this **WESM Rules** clause 8.4.2 (d).	
	8.4.3 Notification following failure to satisfy criteria If the *Rules Change Committee* concludes that a proposed change to the *WESM Rules* does not satisfy the criteria	**8.4.~~3~~4 Notification following failure to satisfy criteria** If the *Rules Change Committee* concludes that a proposa**led ~~change to the *WESM Rules*~~** does	Change made such that the notification is reckoned ten working days from the decision of the RCC and not from receipt of proposal as decision can only be made after the RCC has met

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		set out in clause 8.4.1, the *Rules Change Committee* shall notify the proponent and the *PEM Board* within 10 business days after receipt of proposal of its non-adoption of the proposal including the reason for its decision.		not satisfy the criteria set out in **WESM Rules** clause 8.4.1, **it** ~~the~~ ~~*Rules Change Committee*~~ shall notify ~~the proponent and~~ the *PEM Board* within 10 ~~business~~ **working** days after **its decision on the** ~~receipt of proposal of its~~ non-adoption of the proposal, including the reason for its decision.	
	8.4.4	**Notification following satisfying criteria** If the *Rules Change Committee* concludes that a proposed change to the *WESM Rules* satisfies the criteria which are set out in clause 8.4.1, the *Rules Change Committee* shall: (a) Notify the *PEM Board*, all *WESM members* and all other interested parties of the proposed change to the *WESM Rules*; and (b) Invite such parties to make written submissions regarding the proposed change to the *WESM Rules* within the next 30 *business days* after receipt of proposed rule change.	**8.4.4.5**	**Notification following satisfying criteria** If the *Rules Change Committee* concludes that a proposaled ~~change to the *WESM Rule*~~ satisfies the criteria ~~which are~~ **as** set out in **WESM Rules** clause 8.4.2~~1~~, the *Rules Change Committee* shall: (a) Notify the *PEM Board*, all *WESM members* and all other interested parties of the proposa**led ~~change to the *WESM Rules*~~**; and (b) Invite such parties to make written submissions regarding the proposaled ~~change to the *WESM Rules*~~ within the next 30 ~~*business*~~ ***working*** *days* **after publication of the proposed change to the *WESM Rules* or *Market Manual*, or new *Market***	

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		Manual **in the market information web site.** ~~receipt of proposed rule change.~~	
	8.4.5 Submissions regarding proposed Rule change To be validly considered, a written submission made in response to a proposed change to the *WESM Rules* invited under clause 8.4.4 (b) must be received by the *Rules Change Committee* no later than 30 *business days* after the notice referred to in clause 8.4.4 (a) is given.	**8.4.5~~.5~~.6 Submissions regarding proposed Rule~~s~~ change** To be validly considered, a written submission made in response to a proposed change to the *WESM Rules*, ***Market Manual,*** **or a proposal for the adoption of a new *Market Manual,*** ~~invited~~ **as provided** under clause 8.4.**5** ~~.4~~(b), must be received by the *Rules Change Committee* no later than 30 ~~*business*~~ ***working*** *days* after the notice and invitation referred to in **WESM Rules** clause**s** 8.4.**5** ~~4~~ (a) **and (b)** ~~is~~ **are issued.** ~~given~~.	
	8.4.6 Consideration of submissions The *Rules Change Committee* shall consider all valid submissions which it receives within 60 *business days* from the date the notification is given under clause 8.4.4(a).	~~**8.4.6 Consideration of submissions**~~ ~~**The *Rules Change Committee* shall consider all valid submissions which it receives within 60 *business days* from the date the notification is given under clause 8.4.4(a).**~~	This is not consistent with prior provision which states that the submission must be received by the RCC no later than 30 working days after publication notice.

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	8.4.7 Approval of proposed Rule change If the *Rules Change Committee*, after having considered all valid submissions, concludes that it is necessary or desirable to give effect to the proposed change to the *WESM Rules*, the proposed change to the *WESM Rules* shall be submitted to the *PEM Board* for approval.	**8.4.7 Approval of proposalsed ~~Rule change~~** If the *Rules Change Committee*, ~~after~~ **upon deliberation of the proposal and** having considered all valid submissions, concludes that it is necessary or desirable to give effect to the proposed change to the *WESM Rules* **or *the Market Manual*, or adoption of a new Market Manual,** then **it shall submit said** proposa**led ~~change to the *WESM Rules*~~** shall ~~be submitted~~ to the *PEM Board* for approval.	
8.5 CONSIDERATION OF PROPOSED RULES CHANGES BY THE PEM BOARD	**8.5 CONSIDERATION OF PROPOSED RULES CHANGES BY THE PEM BOARD**	**8.5 CONSIDERATION OF PROPOSALS~~ED~~ TO CHANGE THE WESM RULES OR MARKET MANUALS OR ADOPT NEW MARKET MANUALS - ~~RULES CHANGES~~ BY THE PEM BOARD**	
	8.5.1 PEM Board assessment of proposed Rule change If the *Rules Change Committee* submits a proposed change to the *WESM Rules* to the *PEM Board* for approval in accordance with clause 8.4.7, the *PEM*	**8.5.1 PEM Board assessment of proposa~~lsed Rule change~~** If the *Rules Change Committee* submits a proposa~~led~~ **to the PEM Board for the PEM Board's approval of any** change to the	Change to indicate what is reasonable time to take up a proposal considering the regular conduct of PEM Board Meetings.

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	Board shall, within 10 *business days* from receipt thereof, assess whether: (a) The proposed change to the *WESM Rules* satisfies the criteria which are set out in clause 8.4.1; and (b) The processes and procedures set out in clause 8.4 have been duly followed.	*WESM Rules* **or *Market Manual*, or a new *Market Manual*,** ~~to the *PEM Board* for approval~~ in accordance with **WESM Rules** clause 8.4.7, the *PEM Board* shall **deliberate on the same in the next PEM Board meeting immediately following its receipt thereof** ~~within 10 *business days* from receipt thereof~~, **to** assess whether: (a) The proposa~~led change to the *WESM Rules*~~ satisfies the criteria ~~which are~~ **as** set out in **WESM Rules** clause 8.4.~~1~~2; and (b) The processes and procedures set out in **WESM Rules** clause 8.4 have been duly followed.	
	8.5.2 PEM Board discretions when assessing proposed Rule change In considering whether a proposed change to the *WESM Rules* satisfies the criteria which are set out in clause 8.4.1, the *PEM Board* may:" (a) Take into account any information and documents which the *PEM Board* reasonably considers to be	**8.5.2 PEM Board discretions when assessing a proposa~~led~~ for a ~~Rule~~ change in the WESM Rules or Market Manuals, or for the Adoption of New Market Manuals** In considering whether a **proposal for a change in the *WESM Rules* or Market Manuals, or adoption of new**	

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	relevant to its consideration of the proposed change to the *WESM Rules*; (b) Consult with such persons as the *PEM Board* reasonably considers will be likely to be affected by the proposed change to the *WESM Rules*; and (c) Seek such information and views from any person in relation to the proposed change to the *WESM Rules* as may be practicable in the circumstances.	***Market Manuals*** ~~proposed change to the *WESM Rules*~~ satisfies the criteria which are set out in **WESM Rules** clause 8.4.2~~1~~, the *PEM Board* may: (a) Take into account any information and documents, which the *PEM Board* reasonably considers to be relevant to its consideration of the **proposal;**~~ed change to the *WESM Rules*;~~ (b) Consult with such persons as the *PEM Board* reasonably considers will ~~be~~ likely ~~to~~ be affected by the proposa**led** ~~change to the *WESM Rules*~~; and (c) Seek such information and views from any person **whom the *PEM Board considers relevant or*** ~~in relation to the proposed change to the *WESM Rules*~~ as may be practicable in the circumstances.	
	8.5.3 Notification following unsuccessful proposal 8.5.3.1 If the *PEM Board* concludes that a proposed change to the	**8.5.3 Notification following unsuccessful proposal** 8.5.3.1 If the *PEM Board* concludes that a proposed change to the *WESM*	

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	WESM Rules does not satisfy the criteria set out in clause 8.4.1, the *PEM Board* shall notify: (a) The *Rules Change Committee*; (b) Any parties who made written submissions to the *Rule Change Committee* under clause 8.4.4; and (c) The *DOE* and the *ERC*, within 10 *business days* of reaching that conclusion and shall provide reasons for its decision.	*Rules* ***or a Market Manual,*** **or proposal for a New** ***Market Manual*** does not satisfy the criteria set out in **WESM Rules** clause 8.4.**2**~~1~~, the *PEM Board* shall notify: (a) The *Rules Change Committee*; (b) Any party who made written submissions to the *Rule**s** Change Committee* under **WESM Rules** clause 8.4.**5** ~~4~~; and (c) The *DOE* and the *ERC*, within 10 ~~*business*~~ ***working*** *days* after reaching that conclusion, and shall provide reasons for its decision.	
	8.5.3.2 If the *PEM Board* determines that the processes and procedures set out in clause 8.4 have not been duly followed, the *PEM Board* shall: (a) Refer the proposed change to the WESM Rules back to the Rules Change Committee so that the procedural error can be rectified within the earliest possible time in	8.5.3.2 If the *PEM Board* determines that the processes and procedures set out in **WESM Rules** clause 8.4 have not been duly followed, the *PEM Board* shall: (a) Refer the proposa**l**ed ~~change to the WESM Rules~~ back to the Rules Change Committee so that the procedural error can be rectified within the earliest possible time in	

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	accordance with clause 8.4; and (b) Take such steps as it considers reasonably necessary and appropriate in all the circumstances to ensure that the Rules Change Committee adheres to the processes and procedures set out in clause 8.4 in the future.	accordance with **WESM Rules** clause 8.4; and (b) Take such steps as it considers reasonably necessary and appropriate in all the circumstances to ensure that the Rules Change Committee adheres to the processes and procedures set out in **WESM Rules** clause 8.4 in the future.	
	8.5.4 Approving and submitting proposed **Rule change for approval** If the *PEM Board* concludes that the propose**d change to the *WESM Rules*** satisfies the criteria which are set out in clause 8.4.1 and that the processes and procedures set out in clause 8.4 have been duly followed, the *PEM Board* a) shall submit the propose**d change to the *WESM Rules*** to the DOE for approval if the propose**d change** requires approval by the *DOE* under the classification system approved pursuant to clause 8.6.4.2; or b) shall cause publication of the approved **rule change**, if the propose**d rule change** requires	**8.5.4 Approving and submitting** a propos**aled** ~~Rule change~~ **for approval** If the *PEM Board* concludes that the propos**aled change to the *WESM Rules*** satisfies the criteria which are set out in **WESM Rules** clause 8.4.2~~1~~ and that the processes and procedures set out in **WESM Rules** clause 8.4 have been duly followed, the *PEM Board:* a) shall submit the propos**aled change to the *WESM Rules*** to the DOE, for approval, if the propos**aled** ~~change~~ requires approval by the *DOE* under the classification	

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	approval of the *PEM Board* only. The approved rule change will become effective after its publication on such date and for such period as the *PEM Board* determines.	system ~~approved pursuant to~~ **as stated under WESM Rules** clause ~~8.6.4.2~~ **8.4.1**. or b) shall cause publication of the approved **proposal** ~~**rule change**~~, if the propos**aled** ~~**rule change**~~ requires approval of the *PEM Board* only. The approved ~~**rule change**~~ **proposal** will become effective **fifteen (15) working days** after its publication **or** on such date and for such period as the *PEM Board* determines; **or upon such time that the amendment may be implemented taking into consideration the technical changes that need to be introduced to the Market Management System (MMS) or to such other systems.**	
8.6 APPROVAL OF PROPOSED RULE CHANGES BY THE DOE	**8.6 APPROVAL OF PROPOSED RULE CHANGES BY THE DOE**	**8.6 APPROVAL OF PROPOS~~AL~~ED ~~RULE~~ FOR CHANGES TO THE WESM RULES**	
	8.6.1 DOE assessment of proposed Rule change	**8.6.1** DOE assessment of proposed Rule change	

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	If the *PEM Board* submits a proposed change to the *WESM Rules* to the *DOE*, for approval in accordance with clause 8.4.4, the *DOE* shall assess whether the proposed change to the *WESM Rules* satisfies the criteria which are set out in clause 8.4.1.	If the *PEM Board* submits a proposed change to the *WESM Rules* to the *DOE*, for approval in accordance with clause 8.4.4, the *DOE* shall assess whether the proposed change to the *WESM Rules* satisfies the criteria which are set out in clause 8.4.21.	
	8.6.2 DOE discretions when assessing proposed Rule change In considering whether a proposed change to the *WESM Rules* satisfies, the criteria, which are set out in clause 8.4.1, the *DOE*, may: (a) Take into account any information and documents which the DOE reasonably considers to be relevant to its consideration of the proposed change to the *WESM Rules*; (b) Consult with such persons as the *DOE*, reasonably considers will be likely to be affected by the	8.6.2 **DOE discretions when assessing proposed Rule change** In considering whether a proposed change to the *WESM Rules* satisfies, the criteria, which are set out in clause 8.4.21, the *DOE*, may: (a) Take into account any information and documents which the DOE reasonably considers to be relevant to its consideration of the proposed change to the *WESM Rules*; (b) Consult with such persons as the *DOE*, reasonably considers will be likely to be affected by the	

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	proposed change to the *WESM Rules*; and (c) Seek such information and views from any person in relation to the proposed change to the *WESM Rules* as may be practicable in the circumstances	proposed change to the *WESM Rules*; and (c) Seek such information and views from any person in relation to the proposed change to the *WESM Rules* as may be practicable in the circumstances	
	8.6.3 Notification following failure to satisfy criteria If the *DOE* concludes that a proposed change to the *WESM Rules* does not satisfy the criteria, which are set out in clause 8.4.1, the *DOE*, shall notify: (a) The *PEM Board*; (b) The person who proposed the change to the *WESM Rules*; and (b) Any party who made written submissions to the *Rules Change Committee* under clause 8.4.4, within 10 *business days* of reaching that conclusion and shall provide reasons for its decision.	**8.6.3 Notification following failure to satisfy criteria** If the *DOE* concludes that a proposed change to the *WESM Rules* does not satisfy the criteria, which are set out in **WESM Rules** clause 8.4.2~~1~~, the *DOE*, shall notify: (a) The *PEM Board*; **(b) *The ERC*;** **(c) The *Rules Change Committee;*** (d) ~~(b)~~ The person who proposed the change to the *WESM Rules*; and (e) ~~(b)~~ Any party who made written submissions to the *Rules Change Committee* under **WESM Rules** clause 8.4.5 ~~4.~~ within 10 ~~***business***~~ ***working*** *days* of reaching that conclusion and	

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		shall provide reasons for its decision.	
8.6.4 Approval of proposed Rule Change	8.6.4 Approval of proposed Rule Change	8.6.4 Approval of a proposaled ~~Rule Change~~	
	8.6.4.1 If the DOE concludes that a proposed change to the *WESM Rules* is consistent with the Act and the public interest and satisfies the criteria, which are set out in clause 8.4.1, it shall approve the amendment and cause its publication. The change to the *WESM Rules* approved by the DOE will take effect within fifteen days from its publication or on such later date as the DOE, determines.	8.6.4.1 If the DOE concludes that a proposaled **for a change** to the *WESM Rules* is consistent with the Act and the public interest and satisfies the criteria, which are set out in **WESM Rules** clause 8.4.2~~1~~, it shall approve the **proposal** ~~amendment~~ and cause its publication. The **proposal** ~~change to the *WESM Rules*~~ approved by the DOE will take effect within fifteen **(15) working** days from its publication or on such later date as the DOE, determines **or upon such time that the amendment may be implemented.**	
	8.6.4.2 Upon recommendation of the Rules Change Committee, the PEM Board shall ratify the classification system of rule change proposals developed by the Committee pursuant to clause 8.2.9 that will delineate proposals that can be implemented upon PEM Board's approval and proposals that will require DOE's approval prior to implementation.	8.6.4.2 ~~Upon recommendation of the Rules Change Committee, the PEM Board shall ratify the classification system of proposals developed by the Committee specified under clause 8.2.9. 1 that will delineate proposals that can be implemented upon PEM Board's approval and~~	Deleted the last provision since this is already provided in the proposed clause 8.2.9. Second paragraph, however, was transferred under WESM Rules clause 8.4.1.2.

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	All WESM Rules changes implemented prior to DOE's approval shall be processed and submitted to the DOE for approval; otherwise, the effectivity of such WESM Rules changes shall be no more than six (6) months. Every year, such classifications shall be reviewed and amended, if necessary This classification shall be approved by the DOE.	~~proposals that will require DOE's approval prior to implementation.~~ ~~All WESM Rules changes implemented prior to DOE's approval shall be processed and submitted to the DOE for approval; otherwise, the effectivity of such WESM Rules changes shall be no more than six (6) months.~~ ~~Every year, such classifications shall be reviewed and amended, if necessary.~~ ~~This classification shall be approved by the DOE.~~	
	8.6.5 Report by the Rules Change Committee The *Rules Change Committee* and the *PEM Board* shall develop and make available to *WESM member*s a periodic report, which sets out: (a) All *WESM Rule* change proposals, which have been made in the previous six-month period; (b) The progress of those *WESM Rule* change proposals in accordance with the procedures prescribed in this chapter 8;	**8.6.5 Report by the Rules Change Committee** The *Rules Change Committee* and the *PEM Board* shall develop and make available to *WESM member*s a periodic report, which sets out: (a) All ~~*WESM Rule* change~~ proposals **to change the *WESM Rules* or *Market Manuals*, or adopt new *Market Manuals*, that** ~~which~~	Revised for clarity.

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	(c) The reason for any delays in relation to the progress of those *WESM Rule* change proposals and any action the *Rules Change Committee*, the *PEM Board* or the *DOE* has taken to overcome those delays; and (d) Any other matter which the *Rules Change Committee*, the *PEM Board* or the *DOE* reasonably considers to be relevant to the progress of *WESM Rule* change proposals, including but not limited to any policies developed by the *Rules Change Committee*, the *PEM Board* or the *DOE* in relation to: xxxx	have been made in the previous six-month period; (b) The progress of those ~~*WESM Rule* change~~ proposals in accordance with the procedures prescribed in this chapter 8; (c) The reason for any delays in relation to the progress of those ~~*WESM Rule* change~~ proposals and any action the *Rules Change Committee*, the *PEM Board* or the *DOE* has taken to overcome those delays; and (d) Any other matter which the *Rules Change Committee*, the *PEM Board* or the *DOE* reasonably considers to be relevant to the progress of the ~~*WESM Rule* change~~ proposals, including but not limited to any policies developed by the *Rules Change Committee*, the *PEM Board* or the *DOE* in relation to: xxx	

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Proposed Global Changes for consistency:

- Change all "Committee" to "RCC" in relevant provisions pertaining to the RCC
- Change all "business days" to "working days" in all relevant provisions in relation to the proposed amendments to the Rules Change process
- Change "reject" to "disapproved" in relevant provisions
- Follow the sequence "Minor and General" Amendments in relevant provisions

Section	Provision	Proposed Amendment	Rationale
Manual Title	Manual of Procedures for Changes to the WESM Rules	Manual of Procedures for Changes to the WESM Rules **and Market Manuals**	To clarify that this manual covers procedures for changes to both WESM Rules and Market Manuals.
1. Introduction		**Section 1 INTRODUCTION** ~~1. Introduction~~	Changes have been adopted in the formatting of the manual following the template approved by the PEMC Technical Working Group on Harmonization of Market Manuals
New	New provision	**1.1 BACKGROUND** **1.1.1 The Wholesale Electricity Spot Market Rules (the "WESM Rules" or the "Rules"), under WESM Rules clause 8.4.1.1 provides for the classification of rules change proposals into minor, general or urgent proposals.** **1.1.2 In accordance with *WESM Rules* clause 8.4.1.2, the DOE shall approve proposed amendments to the WESM**	This is to indicate the specific WESM Rule from which this manual derives its basis. Clarification on what WESM Rules are being interpreted and clarified in the manual. This is in line with the PA recommendation that when manuals are crafted a provision should be included which states the basis for the manual.

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		Rules while the PEM Board shall approve proposed amendments to the WESM Manuals. 1.1.3 As such, the *Rules Change Committee (RCC)*, under *WESM Rules* clause 8.4.1.3 is tasked to develop and publish detailed guidelines and procedures to be employed in the consideration, approval, publication and determination of the effectivity of any proposed change to the *WESM Rules*, and *Market Manuals* or the adoption of new *Market Manuals*.	

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Section	Provision	Proposed Amendment	Rationale
1.1.	1.1 Purpose - This Manual a.) Sets forth the procedures for the amendment, review and interpretation of the Wholesale Electricity Spot Market Rules (the "WESM Rules" or the "Rules"), and of the manuals of procedures, guidelines processes, issuances, and other rules and regulations promulgated by the Department of Energy (the "DOE"), or the Philippine Electricity Market Board (the "PEM Board") or its Committees to implement the WESM Rules and to govern the operations of the WESM. b.) Describes the responsibilities and undertakings required of the DOE, the PEM Board, the Rules Change Committee, the other PEM Board Committees, any WESM Member and of any interested parties in the initiation, evaluation, and approval or disapproval of any amendment, review or interpretation of the WESM Rules, manuals of procedures, guidelines and issuances governing the WESM. The procedures described in this Manual shall be read	**1.2 PURPOSE** 1.**2**.1 ~~**Purpose**~~ - This Manual**, pursuant to the provisions of WESM Rules clause 8.4.1,** a.) Sets forth the procedures for the amendment, review, **approval** and interpretation of the Wholesale Electricity Spot Market Rules (the "WESM Rules" or the "Rules"), and of the manuals of procedures, guidelines processes, issuances, and other rules and regulations promulgated by the Department of Energy (the "DOE"), or the Philippine Electricity Market Board (the "PEM Board") or its Committees to implement the WESM Rules and to govern the operations of the WESM. b.) Describes the responsibilities and undertakings required of the DOE, the PEM Board, the Rules Change Committee, the other PEM Board Committees **(i.e. Technical Committee, PEM Audit Committee, Market Surveillance Committee, and the Dispute Resolution Administrator),** any WESM Member and of any interested	This is to clarify that this Manual also provides for the guidelines in reviewing proposals for new Market Manuals aside from just amendments to the WESM Rules and already existing manuals.

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	and construed consistent with the WESM Rules.	party~~ies~~ in the initiation, evaluation, and approval or disapproval of : i. any amendment, review or interpretation of the *WESM Rules,* manuals of procedures, guidelines and issuances governing the WESM; **and** ii. **any proposal for a new *Market Manual* .** **1.2.2** The procedures described in this Manual shall be read and construed consistent with the WESM Rules.	
1.2.	1.2 Scope This Manual addresses the processes for: a) urgent, minor and general amendments to the WESM Rules, as these terms are defined in this Manual; b) interpretation and clarification of the provisions of the WESM Rules; and c) amendments to manuals, procedures, processes,	**1.3 SCOPE** 1.~~2~~**3.1** ~~Scope~~ This Manual addresses the processes for: **a)** urgent, minor and general **proposals for the** amendment~~s to~~ of **the** *WESM Rules*, **and *Market Manuals*, and the adoption of new *Market Manuals*** as these terms are defined **under** ~~in this Manual~~ ***WESM Rules* clause 8.4.1.1; and**	Clarification that this manual also covers processes in reviewing proposals for new Market Manuals Deleted c) since this is a duplication of the proposed 1.3.1 (a).

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Section	Provision	Proposed Amendment	Rationale
	guidelines, and other rules and regulations promulgated and implemented in relation to or in connection with the WESM Rules, collectively referred to in this Manual as "other amendments".	b) interpretation and clarification of the provisions of the *WESM Rules* **on the rules change process;** ~~,and~~ ~~**c) amendments to manuals, procedures, processes, guidelines, and other rules and regulations promulgated and implemented in relation to or in connection with the WESM Rules, collectively referred to in this anual as "other amendments".**~~	
2.	2. Definitions, Interpretation and Construction	**SECTION 2 DEFINITIONS, INTERPRETATION AND CONSTRUCTION** ~~2. Definitions, Interpretation and Construction~~	
	2.1 Definitions *DOE* refers to the Department of Energy *EPIRA* or the Electric Power Industry Reform Act of 2001 enacted as Republic Act No. 9136 *ERC* refers to the Energy Regulatory Commission *PEM Board* refers to the Board of Directors of the Philippine Electricity Market Corporation (the "PEMC"), and	2.1 **DEFINITIONS** ~~Definitions~~ ~~*DOE* refers to the Department of Energy~~ *Xxx* ~~*ERC* refers to the Energy Regulatory Commission~~ ~~*PEM Board* refers to the Board of Directors of the Philippine Electricity Market Corporation (the "PEMC"), and may interchangeably be referred to as the *PEMC Board*~~	Terms which have already been defined under the WESM Rules need no longer be defined in the Manual , thus have been deleted in the Manual.

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	may interchangeably be referred to as the *PEMC Board* *Market Operator* refers either to the Autonomous Group Market Operator or the Independent Market Operator, whichever is appropriate *Other amendments* refer to amendments to WESM Manuals, guidelines other rules and regulations promulgated and implemented by the PEM Board in relation to or in connection with the WESM Rules *PEM Board Committees* refers to the Committees created by the PEM Board pursuant to the WESM Rules, and may interchangeably be referred to as *PEMC Committees* *PEM Committee Secretariat* refers to the support group tasked to handle administrative matters of the PEM Board Committees	~~*Market Operator* refers either to the Autonomous Group Market Operator or the Independent Market Operator, whichever is appropriate~~ ~~*Other amendments* refer to amendments to WESM Manuals, guidelines other rules and regulations promulgated and implemented by the PEM Board in relation to or in connection with the WESM Rules~~ *xxx* **The *Rules Change Committee*** ~~*PEM Committee*~~ *Secretariat,* **also known as the** *Secretariat,* refers to the ~~support~~ group tasked to ~~handle~~ **provide** administrative **and technical support to** ~~matters of~~ the ***Rules Change Committee*** ~~PEM Board Committees~~ *Proposal* refers to any proposed amendment to the *WESM Rules*, or to any manual, guidelines,	Deletion of this definition as it has been clarified that amendments to WESM Manuals will be classified either as Urgent, Minor or General Proposals. Indicates the actual committee secretariat in charge of providing administrative support to the Rules Change Secretariat

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Section	Provision	Proposed Amendment	Rationale
	Proposal refers to any proposed amendment to the WESM Rules, or to any manual, guidelines, procedures, processes, rules or regulations, made pursuant to this Manual	procedures, processes, rules or regulations, **or proposed new *Market Manuals*** made pursuant to this Manual.	Clarification that a proposal may be an amendment to the WESM Rules or a WESM Manual or a new Market Manual
	Publish means to make information available through the market information or WESM website or, as may be deemed necessary by the PEM Board, publication in at least two (2) newspapers of general circulation	*Publish* **for the purpose of this manual** means to make information available through the market information ~~or WESM~~ website **unless otherwise stated**. ~~or, as may be deemed necessary by the PEM Board, publication in at least two (2) newspapers of general circulation~~	To indicate that publish as intended is publication, through the WESM Website only, unless otherwise stated.
	Rules Change Committee refers to the committee created by the PEM Board pursuant to the WESM Rules, and may also be referred to as *Committee* in this Manual;	~~*Rules Change Committee* refers to the committee created by the PEM Board pursuant to the WESM Rules, and may also be referred to as *Committee* in this Manual;~~	
	WESM refers to the Wholesale Electricity Spot Market established pursuant to Republic Act No. 9136 or the Electric Power Industry Reform Act	~~*WESM* refers to the Wholesale Electricity Spot Market established pursuant to Republic Act No. 9136 or the Electric Power Industry Reform Act~~	
	WESM Member refers to any duly registered member of the WESM	~~*WESM Member* refers to any duly registered member of the WESM~~	
	WESM Rules refers to the Wholesale Electricity Spot Market Rules	~~*WESM Rules* refers to the Wholesale Electricity Spot Market Rules promulgated by the Department of Energy, and any amendments to those Rules~~	

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Section	Provision	Proposed Amendment	Rationale
	promulgated by the Department of Energy, and any amendments to those Rules *WESM Consultation Guidelines* refers to the guidelines duly promulgated by the PEM Board	*WESM Consultation Guidelines* refers to the guidelines duly promulgated by the PEM Board, **which outlines the WESM Consultation Process in accordance with WESM Rules clause 1.9 to guide the PEM Board in the conduct of consultations with electric power participants.**	
New		**2.2 REFERENCES** **This Manual shall be read in association with the following:** **a. *WESM Rules*, as amended; and** **b. *Market Manual* on WESM Consultation Guidelines.**	This is to provide reference documents.
2.2	2.2 Interpretation and Construction a) xx b) xx	**2.3 INTERPRETATION** ~~2.2 Interpretation and Construction~~ **2.3.1 a)** xxx **2.3.2 ~~b)~~** xxx	Section re-numbering
new		**SECTION 3. RESPONSIBILITIES** **3.1 Rules Change Committee**	

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Section	Provision	Proposed Amendment	Rationale
		3.1.1 The *Rules Change Committee* shall review the Manual, as necessary, to ensure that the procedures in this Manual are able to address the evolving needs of the market. 3.1.2 The *Rules Change Committee* sectoral members, as representatives of each sector of the Philippine electric power industry, have the responsibility to consult with their sector regarding proposals for changes to the *WESM Rules*, amendments to *Market Manuals*, or adoption of new *Market Manuals*, and report on the activities of the *Rules Change Committee*. 3.1.3 The RCC shall comply with its mandates and tasks, as provided in this manual. 3.2 PEM Board The PEM Board shall review and act upon all proposals brought before it and comply with its mandates and tasks as provided in this manual.	

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Section	Provision	Proposed Amendment	Rationale
		3.3 DEPARTMENT OF ENERGY **The *Department of Energy* shall review and act upon all proposals brought before it and comply with its mandates and tasks as provided in this manual.** **3.4 WESM MEMBERS** ***WESM Members* may submit proposals, or comments to any proposal to the RCC, following the procedures and timelines set forth in this Manual.**	
	3. Types of amendments 3.1. Urgent amendments - Urgent Amendments are those xxx. 3.2 Minor amendments xxx 3.3 General amendments –xxxx	~~3. Types of amendments~~ Proposed to delete this section.	To ensure consistency of classifications, we suggest that these sections be deleted and transferred to proposed WESM Rules 8.2.9.1 As such any changes to the WESM Rules 8.2.9.1 shall be referenced to this Manual.
4.	4 Criteria for rules changes	**SECTION4 CRITERIA ~~RULES CHANGES~~ AND REQUIREMENTS FOR SUBMITTING RULES CHANGE PROPOSALS**	

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4.	In considering amendments to the WESM Rules, the DOE, the PEM Board and the Rules Change Committee shall be guided by the following criteria as to the proposal's: a) consistency with the objectives of the WESM as defined in WESM Rules Section 1.2.5 b) legal, technical and commercial feasibility; and c) reasonableness of the cost to implement	**4.1 CRITERIA** In considering amendments to the *WESM Rules* **or *Market Manuals*, or the adoption of new *Market Manuals*,** the **Proponent,** the *DOE*, the *PEM Board*, and the *Rules Change Committee* shall be guided by the following criteria as to the proposal's: a) consistency with the objectives of the WESM as defined in WESM Rules **clause** ~~Section~~ 1.2.5; b) legal, technical and commercial feasibility; and c) reasonableness of the cost to implement.	Section re-numbering Clarifies that the criteria set for considering changes to the WESM Rules also apply to any change to a provision of a Market Manual as well as on the adoption of a new Market Manual.
	5.2 FORM AND CONTENTS OF PROPOSAL The proposal shall- a) be in writing addressed to the PEM Board through the PEM Committee Secretariat, using the prescribed Rules Change Proposal Form; b) indicate whether the proposal requires a general, urgent or minor	~~5~~ **4.2 FORM AND CONTENTS OF PROPOSAL** **4.2.1** The proposal shall- a) be in writing addressed to the **RCC** ~~PEM Board~~ through the ~~PEM Committee~~ **RCC** Secretariat, using the prescribed Rules Change Proposal Form **herein attached as Annex "A";** b) ~~indicate whether the proposal requires a general, urgent or minor amendment as these terms are defined in this Manual i~~ **Include a dDiscussion Paper using the**	• Clerical corrections • to provide reference to the required forms

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	amendment as these terms are defined in this Manual. i) include a discussion: ii) demonstrating that the proposed amendment satisfies the criteria set forth in Section 3 of this Manual and in the WESM Rules; iii) giving the reasons that the proposed amendment is desirable or necessary; iv) containing sufficient information to permit proper consideration by the Committee of the reasons cited, including the public benefit, if any, of making the amendment; and v) demonstrating that the proposed amendment falls within the definition or an urgent or minor amendment, in appropriate cases.	**outline prescribed in Annex "B" of this Manual to justify-** i. ~~demonstrating~~ **that the proposal** ~~proposed amendment~~ satisfies the criteria set forth in Section **4.1** ~~3~~ of this manual and in the WESM Rules clause 1.2.5**;** ii. ~~giving reasons that the proposed amendment~~ **that the proposal** is desirable or necessary **by providing valid and acceptable reasons for such proposal;** iii. **that there is** ~~containing~~ sufficient information to permit proper consideration by the **RCC** ~~Committee~~ of the reasons cited, including the public benefit, if any, of making the amendment; **and** **iv. that the proposal qualifies as an urgent, minor, or general proposal as defined in the WESM Rules clause 8.4.1.1.** v. ~~demonstrating that the proposed amendment falls within the definition or~~	

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		~~an urgent or minor amendment, in appropriate cases.~~ c) specify the applicable provisions in the ***WESM Rules***, or in subject ***Market Manuals*** which will be related or may be affected by the proposal and correspondingly, submit proposals on affected provisions in other ***Market Manuals*** following the process as enumerated in Section 4.2.1 (a) and (b) above. d) The proposals shall also be submitted in electronic form to the RCC through the Secretariat. 4.2.2. For the structure of new market manuals, the proponent shall comply with the standards set forth in Annex D - Procedure Framework for the Documentation of Market Manuals of this document.	
5.	5. Proposals for rules change	SECTION 5. PROCESS FOR THE SUBMISSION OF PROPOSALS ~~for *rules* change~~	
5.3	5.1. By whom - Proposals for amendments may be submitted by any WESM member, the Market Operator, the	5.1 BY WHOM ~~By whom~~ **(PROPONENT)**	Same as previous paragraphs, changes have been made to indicate that proposals may come by way of

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	PEM Board or its Committees, any government agency, or any other interested party affected by the operations of the WESM.	5.1.1 Proposals for amendments to the **WESM Rules or Market Manuals, or new Market Manuals,** may be submitted by any WESM member, the Market Operator, the PEM Board or its Committees, any government agency, or any other interested party affected by the operations of the WESM.	amendments to the WESM Rules or existing Market Manuals or submission of a new Market Manual.
5.3.	5.3. To whom submitted a) The proposals shall be submitted to the PEM Committee Secretariat which shall check for the completeness of the proposal and its compliance with the formal requirements set forth in Section 5.2 of this Manual. Only proposals which are made in the prescribed form shall be accepted and considered as submitted. b) Complete proposals shall be given due course and shall be forwarded to the Rules Change Committee for consideration. Proposals for general and minor amendments shall be forwarded to the Committee within five (5) business days from receipt of complete proposal. Proposals for urgent amendments will be forwarded immediately upon	**5.2 TO WHOM SUBMITTED** ~~To whom submitted~~ **(RECIPIENT)** 5.2.1 **a)**The proposals shall be submitted **in writing**, to the ***Rules Change*** ~~***PEM***~~ *Committee Secretariat.* 5.2.2 **The RCC Secretariat** ~~which~~ shall check for the completeness of the proposal and its compliance with the formal requirements set forth in Section **4.2**- of this Manual. Only proposals which are made in the prescribed form shall be accepted **by the *RCC Secretariat*** and considered as submitted. 5.2.3 **b)**Complete proposals shall be ~~given due course and shall be~~ forwarded **by the *RCC Secretariat*** to the ~~the Rules Change Committee~~ ***RCC*** for	To indicate that the RCC Secretariat, rather than a generalized reference to a PEM Committee Secretariat, is the one which checks for completeness of proposals submitted and its compliance to requirements.

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	receipt as provide for in Section 7.2(a). c) Incomplete proposals or those which do not comply with the formal requirements shall be denied due course, and the PEM Committee Secretariat shall notify the proponent of the denial citing the grounds therefor. The proponent may re-submit the proposal and comply with the formal requirements.	consideration. ~~Proposals for~~ ~~**G**general and~~ **M**minor **and General** Proposals for amendments shall be forwarded to the **RCC** ~~Committee~~ within five (5) ~~business~~ **working** days from receipt of **a** complete proposal. **Urgent** Proposals ~~for urgent amendments~~ will be forwarded ~~immediately~~ **within one (1) working day** upon receipt as provided for in Section **7.**.2.1. 5.2.4 ~~c)~~Incomplete proposals or those which do not comply with the formal requirements **as provided for under Section 4.2 of this Manual** shall be denied due course~~and the~~. ***The RCC*** ~~**PEM** *Committee*~~ *Secretariat* shall notify the **P**proponent of the denial citing the grounds thereof. **5.2.5** The **P**proponent may re-submit the proposal and comply with the formal requirements.	
6.	6 General and Minor Amendments	**SECTION 6 PROCESS FOR REVIEW AND APPROVAL OF MINOR AND GENERAL PROPOSALS TO WESM RULES AND MARKET MANUALS** ~~6. General and Minor Amendments~~	

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Section	Provision	Proposed Amendment	Rationale
6.1.	6.1. Rules Change Committee	**6.1 General Provision** ~~Rules Change Committee~~ **Subject to the provisions on Section 1.1.2 on the approving authorities for proposals relative to WESM Rules and Market Manuals, the review and approval of minor and general proposals to the WESM Rules and Market Manual shall be guided by Section 6.2 of this Manual.** 6.2 **Rules Change Committee Process**	
6.1.1.	6.1.1. Initial determination – a) Within ten (10) business days from endorsement by the PEM Committee Secretariat of proposals for general or minor amendments, the Committee shall convene to evaluate whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules, and whether or not it involves a general, urgent or minor amendment.	6.2 ~~1~~.1 Initial determination **(Minor and General Proposals)** a) **Minor and General Proposals to the WESM Rules and Market Manuals shall be taken up by the *RCC* in its next Committee meeting immediately** ~~**Within ten (10) business days from**~~ **following the** endorsement by the ~~**PEM Committee**~~ ***RCC*** *Secretariat* of **the said** proposals ~~**for general or minor amendments,**~~ **to the RCC.** ~~t~~The **RCC** ~~Committee~~ shall ~~convene to~~ **then** evaluate whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the *WESM Rules*,	The change is being made in consideration of the actual practice and having noted that the ten day business day time frame within which to call committee meetings is impractical as the committee members meet only once a month to tackle RCC matters.

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	b) In determining whether or not the proposal satisfies the criteria, the Committee may: i. take into account any information and documents which it reasonably considers to be relevant for its consideration of the proposal; ii. consult with persons who are likely to be affected by the proposal; and iii. seek information and views from any person as may be practicable under the circumstances; and iv. refer and delegate the proposal to a working group any or all of the tasks stated in paragraphs (i), (ii) and (iii) hereof. The working group shall comprise of persons having such expertise as the Committee in its absolute discretion considers reasonable considering the subject matter of the proposal.	~~and whether or not it is involves a general, urgent or minor amendment. proposal.~~ b) In determining whether or not the proposal satisfies the criteria **for minor and general proposal,** the **RCC** ~~Committee~~ may: i. xxx; ii. consult with persons**, entities or sectors, which** ~~who~~ are likely to be affected by the proposal; and iii. seek information and views from any person**, entities or sectors** as may be practicable under the circumstances; and iv. refer and delegate the proposal to a working group, any or all of the tasks stated in paragraphs (i), (ii) and (iii) hereof. The working group shall comprise of persons having such expertise as the ~~Committee~~ **RCC** in its absolute discretion considers reasonable ~~considering the subject matter of the proposal.~~ c) If the ~~Committee~~ **RCC** finds that the proposal does not satisfy the criteria, it shall notify the proponent within ten (10)	

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	c) If the Committee finds that the proposal does not satisfy the criteria, it shall notify the proponent within ten (10) days of its decision and the reasons therefor. d) If the Committee determines that the proposal satisfies the criteria, it shall proceed to evaluate the proposal in the manner set forth in this Manual.	**working** days of its decision and the reasons thereof. d) If the ~~Committee~~ **RCC** determines that the proposal satisfies the criteria, it shall ~~proceed to~~ evaluate the proposal in the manner set forth in this Manual.	
	6.1.2. Consultation and referral to other committees and persons - a) If the proposal is given due course pursuant to Section 6.1.1(d), the Committee shall notify all the WESM participants, as well as other interested parties of the proposal through publication, inviting them to give written submissions regarding the proposal. b) The following committees or persons shall likewise be notified of the proposal and invited to make their written submissions within the period stated in Section 6.1.3(a) of this Manual: i. xxx; ii. xxx;	6.2.~~1~~ 2 Consultation and referral to other **PEM Co**committees and ~~persons~~ **Concerned Parties** **a) After giving** ~~If the proposal is given~~ due course pursuant to Section 6.2.1 (~~d~~) the ~~Committee~~ **RCC** ~~shall notify all the WESM participants, as well as other interested parties of the proposal through publication~~ **in the WESM Website** ~~, inviting them to submit their comments in writing give written submissions regarding the proposal.~~ **shall publish the proposal for thirty (30) working days in the market information website.** **b) Within one (1) working day upon publication of the proposal or as soon as**	

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	iii. xxx; iv. xxx v. xxx vi. xxx c) In matters where the WESM Rules require the holding of public consultations, the Committee shall conduct public consultations in accordance with the WESM Consultation Guidelines. The consultations shall be conducted and completed within thirty (30) business days from the date of first publication of notice as provided for in Section 6.2 (a) hereof. Where the WESM Consultation Guidelines require longer periods, the Committee shall adjust the prescribed periods in order to complete the consultations within the thirty-day period provided herein. d) Where the proposal involves a minor amendment, the Committee may, at its discretion, no longer hold public consultations, refer to	**practicable, the RCC shall notify and invite the following to submit their comments within** the period stated in Section 6.2.3 (a) of this Manual: ~~The following committees or persons shall likewise be notified of the proposal and invited to submit their comments in writing make their written submissions within the period stated in Section 67.1.3(a) of this Manual:~~ i. xxx; ii. xxx; iii. xxx; iv. xxx v. xxx vi. xxx **vii. WESM participants, as well as other interested parties of the proposal through publication in the market information website** c) In matters where the **proposal** ~~*WESM Rules*~~ requires the holding of public consultations, the Committee shall conduct public consultations in accordance with the *WESM Rules* and WESM Consultation Guidelines. The consultations shall be conducted and completed within thirty (30) ~~business~~ **working** days from the date of first publication of notice as provided for in	The change is being made in consideration of the actual practice of

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	various committees or persons, or require written submissions.	Section **6.2.2 (a)** hereof. Where the WESM Consultation Guidelines require longer periods, the **RCC** ~~Committee~~ **may adjust** ~~the shall adjust~~ the prescribed ~~in order to complete the consultations within the thirty-day period provided herein prescribed~~ periods **to a reasonable amount of time in order to complete the consultations.** d) **In cases where additional information or data is required and/ or the conduct of simulations is deemed necessary to test the proposals submitted to the RCC** ~~*Committee*~~**, the RCC** ~~*Committee*~~ **in the course of its deliberation, may request such from the Market Operator, System Operator or other concerned parties. The request by the *RCC* shall be made in writing addressed to the concerned party, detailing the nature and justification for the said request.** ~~d~~ **e)**Where the proposal is ~~involves~~ a ~~m~~**M**inor Proposal only, ~~amendment~~, the **RCC** ~~Committee~~ may, at its discretion, no longer hold public consultations, **and may** refer the same to various committees or persons, or require written submissions.	requesting the concerned party to do simulations and to make such request formal request to the any other concerned party.

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	6.1.3. Written submissions – a) The written submissions requested pursuant to Sections 6.1.2 (a) and (b) shall be given within thirty (30) business days from the date of publication of the notice made pursuant to Section 6.1.2 (a) of this Manual. b) Only written submissions submitted and actually received by the PEM Committee Secretariat within the prescribed period shall be validly considered by the Committee. c) All written submissions shall contain the name and address of the person making the submission, and shall be made using the Rules Change Submission form. Documents and other materials supporting the comments made may also be attached to the written submission. d) The written submissions may be provided through printed document, by electronic means or by facsimile, and directed to the Committee through the PEM Committee Secretariat.	**6.2.3 Submission of** Written **comments** ~~submissions –~~ a) ~~The~~ **All** written **comments** ~~submissions~~ requested pursuant to Sections ~~6.1.~~**2.2** (a) and (b) shall be **submitted to the RCC through the Secretariat** ~~given~~ within thirty (30) ~~business~~ **working** days from the date of publication of the notice made pursuant to Section ~~6.1~~ **2.2** (a) of this Manual.. b) All written **comments** ~~submissions~~ shall contain the name and address of the person making the ~~submission~~ **comment**, and shall be made using the Rules Change **Comment** Submission **F**form **(Annex "C")**. Documents and other materials supporting the comments made may also be attached to the written submission. c) The written submissions ~~may~~ **shall** be provided through printed document~~, by~~ **and** electronic **format** ~~means or by facsimile~~, and directed to the ~~Committee~~ **RCC** through the **RCC** ~~PEM Committee~~ Secretariat. d) Only written **comments** ~~submissions~~ submitted and actually received by the ~~PEM~~ **RCC through the RCC** Secretariat **pursuant to Section 6.2.3 (a), (b), and (c) of this Manual** ~~within the prescribed~~	The change is being made such that comments submitted shall use a prescribed form for easier review of the RCC. To document the current practice, since the submissions are not submitted to the PEM Board but to the RCC directly. The PEM Board only gets to see the proposal once it is reviewed by the RCC.

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		~~period~~ shall be ~~validly considered~~ **accepted** by the Committee.	
	6.1.4. Delegation to a working group - a)	Delete entire Section 6.1.4	This has been moved to proposed Section 7.1.2 above.
	New	**6.2.4 Deliberation of Received Comments** **a) All comments received, which complied with Section 6.2.3 of this Manual, shall be given due course by the RCC.** **b) The *RCC*, upon deliberation of received comments to proposed amendments, may take into consideration the comments received and revise the proposal accordingly.** **c) Upon the discretion of the *RCC*, the revised proposal may be published again in the WESM Website for comments of all WESM members and other interested parties pursuant to the procedures set forth in Section 6.2.2**	This is to document the current practice of the RCC.
	6.1.5. Decision/Recommendations of the Committee –	6.1 **2**.5 Decision/Recommendations of the ~~Committee~~ ***Rules Change Committee*** ~~–~~	The revision is made in consideration of the actual experience in the RCC where it was noted that the 60 day

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	a) The Committee shall make its decision and shall submit its report and recommendation to the PEM Board not later than sixty (60) business days from the date of publication of the notice made pursuant to Section 6.1.2 (a). b) Majority vote of all the members present and constituting a quorum shall be sufficient for its decisions or recommendations. c) The decision of the Committee shall be in writing and shall state clearly the reasons therefor.	a) The ~~Committee~~ ***RCC*** shall make ~~its~~ **a** decision **whether to approve or disapprove a proposal** ~~and shall submit its report and recommendation to the PEM Board~~ not later than sixty (60) ~~business~~ **working** days from the date of **its latest publication in the WESM Website** ~~of the notice made pursuant to Section 67.1.2 (a).~~ **Exceptions to this case may be made for proposals requiring further simulations and consultations as deemed necessary by the *Rules Change Committee* and for proposals requiring another publication as stated in Section 6.2.4 (c) of this Manual.** ~~b) Majority vote of all the members present and constituting a quorum shall be sufficient for its decisions or recommendations.~~ ~~c)~~ b) **Constituting a quorum and obtaining majority vote of all the members present shall be sufficient for the *RCC's* decisions or recommendations.** ~~d)~~ **c) The *RCC* shall notify in writing the proponent and the PEM Board, when the proposal has been disapproved stating the reasons thereof.**	prescribed period is oftentimes not observed in cases where further simulations and consultations are still done to ensure the practicality and implementability of a given proposal.

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		~~e) The decision of the Committee shall be in writing and shall state clearly the reasons therefor.~~	
	6.1.6. Submission to the PEM Board a) The Committee shall immediately submit its report to the PEM Board within the period stated in Section 6.1.5 of this Manual. The PEM Board may, at its discretion, require that it be furnished with copies of the written submissions received by the Committee. b) The report shall be in writing and shall contain i. the recommendation(s) whether or not to adopt the proposal and the reasons therefor; ii. the proposed amendment, where the recommendation(s) include a proposal to modify the WESM Rules; iii. record of the votes and summary of objections if any, of each member of the Rules Change Committee, in respect of	6.~~1~~ **2**.6 Submission of the **RCC-approved proposals** to the PEM Board a) ~~The Committee shall immediately submit its report to the PEM Board within the period stated in Section 6.1.5 of this Manual. The PEM Board may, at its discretion, require that it be furnished with copies of the written submissions received by the Committee.~~ **a) The RCC shall endorse the approved proposals, through a resolution signed by the members present when such resolution was passed, to the PEM Board, for its approval. The *RCC's* resolution shall reflect the following** ~~The report shall be in writing and shall contain~~ ~~i. the recommendation(s) whether or not to adopt the proposal and the reasons therefor;~~ i. the **proposal** ~~proposed amendment,~~ where the recommendation(s) includes a proposal to modify the WESM Rules,	

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	each of the recommendations made; iv. summary of any objections to the proposal brought to the attention of the Committee by any interested party; v. procedures implemented by the Committee in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written submissions.	**a WESM Manual or adopt a new Market Manual;** ii. record of the votes, **if the decision is not unanimous** and summary of objections if any, of each member of the *Rules Change Committee*, in respect of each of the recommendations made; iii. summary of any objections to the proposal brought to the attention of the Committee by any interested party; iv. procedures implemented by the ~~Committee~~ ***RCC*** in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written **comments and the RCC's own deliberations at arriving at the final version of the proposed amendments, including the *RCC*'s own recommendation on the proposed amendment** ~~submissions~~.	
6.2.	6.2. PEM Board	**6.~~2~~ 3 PEM Board**	
6.2.1.	6.2.1. Within ten (10) business days from receipt of the Committee report, the PEM Board shall convene to evaluate the report and render its decision.	6.2.1. ~~Within ten (10) business days from receipt of the Committee report, the PEM Board shall convene to evaluate the report and render its decision.~~	Revision made in consideration of the experience that the Meeting of the Board is held on a regular basis and may not necessarily be called within 10 days from receipt of a RCC Rules Proposal Submission. The amendment is made in

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	a)	a)	order to ensure that when the PEM Board reviews the proposal, the proposed amendment will not in anyway contravene an existing provision in the WESM Rules.
	6.2.2.The PEM Board shall render its decision: whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules and it may, as may be practicable under the circumstances- b) take into account any information and document which it reasonably considers to be relevant for its i. consideration of the proposal; ii. consult with persons who are likely to be affected by the proposal; and iii. seek such information and views from any person with expertise on the subject matter of the proposal. whether or not the procedures set forth in this Manual and in the WESM Rules have been complied with by the Committee	6.3.1. ~~6.2.2~~ Upon receipt of the approved proposal from the RCC, the PEM Board shall render its decision: b) whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the *WESM Rules* and it may, as may be practicable under the circumstances: i. take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal; ii. consult with persons who are likely to be affected by the proposal; and iii. seek such information and views from any person with expertise on the subject matter of the proposal. b) whether or not the procedures set forth in this Manual and in the *WESM Rules* have been complied with by the Committee; and	

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		c) **whether or not the proposal in the case of an amendment to a *Market Manual* or proposal for the adoption of a new *Market Manual* is consistent with existing provisions of the WESM Rules .**	
6.2.3.	6.2.3. Adoption and approval of the proposal - a) If the PEM Board concludes that the proposal satisfies the prescribed criteria and that the procedures set forth in this Manual have been duly complied with, it shall approve the amendment and if - i. the proposal involves a general amendment of the WESM Rules, it shall submit the proposed amendment to the DOE for approval. ii. the proposal involves a minor amendment, it shall promulgate the approved amendment and forward the same to the DOE for the issuance of the pertinent circular amending the WESM Rules in accordance with Sections 9 and 10 of this Manual. iii. the proposal involves an amendment of any manual,	6.2 **3**.2 **PEM Board Approval of the Proposal** ~~a)~~ If the PEM Board concludes that the proposal satisfies the prescribed criteria and that the procedures set forth in this Manual have been duly complied with, it shall **accordingly-** ~~approve the amendment and if -~~ i. **approve the proposals to the *Market Manuals* classified as minor or general, or the adoption of a new *Market Manual;*** ii. ~~the proposal involves a general amendment of the WESM Rules, it shall~~ **approve the minor or general amendment to the *WESM Rules* and forward it to the DOE for approval and issuance of the pertinent circular amending the *WESM Rules* in**	The revision is made considering the present practice.

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	procedures, guidelines, rules and regulations which were originally promulgated by the PEM Board, it shall promulgate the amendment and cause its publication as provided for in the succeeding sections. b) In any case, the PEM Board may approve the proposal as recommended by the Committee or with such modifications it deems proper.	**accordance with** ~~Sections 9 and 10~~ **Section 6.5 of this Manual.** ~~iii. the proposal involves a minor amendment, it shall promulgate the approved amendment and forward the same to the DOE for the issuance of the pertinent circular amending the WESM Rules in accordance with Sections 9 and 10 of this Manual~~ ~~iv. the proposal involves an amendment of any manual, procedures, guidelines, rules and regulations which were originally promulgated by the PEM Board, it shall promulgate the amendment and cause its publication as provided for in the succeeding sections.~~ b) In any case, the PEM Board may approve the proposal as recommended by the ***Rules Change*** *Committee* or with such modifications it deems proper. **If the *PEM Board* adopts the proposal with suggested modifications but for which no exact language was provided, the PEM Board, as necessary may**	

Section	Provision	Proposed Amendment	Rationale
		consult with the *Rules Change Committee*, any appropriate Committee, or any technical expert from PEMC. Such modifications, as worded, shall be ratified in the next PEM Board meeting. **c) In cases where a proposal for change to the WESM Rules and Market Manuals are submitted by the *RCC* simultaneously for approval, it shall be understood that any approval by the PEM Board on the Market Manual shall be subject to the approval by the DOE on the corresponding WESM Rules affecting proposed revisions in said Manual to ensure that the approved Manual is consistent with approved WESM Rules.**	
6.2.4.	6.2.4. Rejection of rules change proposal - If the PEM Board concludes that the proposal does not satisfy the prescribed criteria, it shall notify the Committee, the proponent, the parties who made written submissions, the DOE and the	**6.3.3** ~~6.2.4 Rejection~~ **Disapproval** of ~~rules change~~ proposal **by the PEM Board** If the PEM Board concludes that the proposal does not satisfy the prescribed criteria, it shall notify the Committee, the proponent, the parties who made written submissions, the DOE and the Energy Regulatory Commission (the "ERC") of its	Section Re-numbering For consistency

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	Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) business days from the date of the decision. If however, the proposal involves amendments to WESM Manuals, rules and regulations originally approved and promulgated by the PEM Board, notice to the ERC and the DOE is necessary.	decision and the reasons for **disapproval** ~~rejection~~, within ten (10) **working** ~~business~~ days from the date of the decision. If, however, the proposal involves amendments to **the** WESM Manuals, rules and regulations originally approved and promulgated by the PEM Board, notice to the ERC and the DOE is necessary.	
6.2.5.	6.2.5. Return of proposal to the Committee - xxx	**6.3.4.** ~~6.2.5~~ Return of proposal to the Committee **by the PEM Board** xxx	Section Re-numbering
6.3. Department of Energy	6.3. Department of Energy	**6.4** ~~6.3~~ Department of Energy	Section Re-numbering
6.3.1.	6.3.1 Within ten (10) business days from receipt of the proposal for a general amendment approved by the PEM Board, the DOE shall assess whether or not the proposal satisfies the prescribed criteria set forth in Section 4 of this Manual and in the WESM Rules and is consistent with the EPIRA.	6.4. ~~3~~ 1 Within ~~ten (10)~~ **thirty (30)** ~~business~~ **working** days from receipt of ~~the proposal for a general~~ amendments to the ***WESM Rules*** approved by the *PEM Board*, the *DOE* shall assess whether or not the proposal satisfies the prescribed criteria set forth in Section 4 of this Manual and in the *WESM Rules* and is consistent with the EPIRA.	Thirty days seems a more reasonable timeframe. From experience, 10 days does not seem achievable and reasonable.

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6.3.2. -	6.3.2. Approval of proposal If the DOE concludes that the proposal satisfies the conditions set forth in Section 6.3.1 of this Manual, it shall approve the proposal and promulgate the pertinent circular publishing the amendment of the WESM Rules, in accordance with Sections 9 and 10 hereof.	6.4.3 ~~2~~ ~~Approval of proposal~~ If the DOE concludes that the proposal to **the WESM Rules** satisfies the conditions set forth in Section **6.4.1** of this Manual, it shall approve the proposal and promulgate the pertinent circular publishing the amendment of the WESM Rules, in accordance with Sections **6.5** ~~9 and 10~~ hereof. **6.4.3 The DOE shall notify the PEM Board, the RCC, and the ERC of the approval of the proposal and furnish the said agencies with copies of the Circular as published in the newspapers.** **6.4.4 Proposals to the price determination methodology requiring approval by the ERC shall be endorsed by the DOE to the ERC with the DOE authorizing the PEMC to represent the DOE in the hearing for the request for approval of the same. Only when a proposal affecting pricing in the WESM has been approved by ERC will the same be published in the market information website for information of the Trading Participants. The *DOE* may likewise authorize the *PEMC* to represent the**	The amendment is made to ensure that the RCC is immediately informed of the approval of any proposed amendment. This amendment is added to include what is being practiced, (the submission to the ERC) but to ensure that all manuals, even those that have to be approved by the ERC (those with pricing formulations or impact on pricing) have to udergo the Rules change Process beginning with the RCC submission to the DOE approval of the same.

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		DOE **in the hearing for the request for approval of the amendment. All proposals approved by *ERC* shall be published in the market information website.**	
	6.3.3. Disapproval of proposal - If the DOE concludes that the proposal does not satisfy the conditions set forth in Section 6.3.1 of this Manual, it shall give notice of its decision and the reasons therefor to the following, within ten (10) business days from the date of its decision: a) the PEM Board; b) the proponent/s; and c) the persons who made written submissions to the Committee.	~~Disapproval of proposal –~~ **6.4.5** ~~**6.3.3**~~ If the DOE concludes that the proposal does not satisfy the conditions set forth in Section **6.4.1** of this Manual, it shall give notice of its decision and the reasons thereof to the following, within ten (10) ~~business~~ **working** days from the date of its decision: i. ~~a)~~ the PEM Board; **ii. the ERC;** **iii. the Rules Change Committee;** iv. ~~b)~~ the proponent/s; and v. c) the persons who made written comments to the Committee	

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	New	**6.5 PUBLICATION OF MINOR AND GENERAL AMENDMENT** **6.5.1 Approved Minor and General Proposals to Market Manuals** a) Following the PEM Board's approval pursuant to Section 6.3, approved Minor and General Proposals to Market Manual shall be published in the market information website within five (5) working days upon the RCC Secretariat's receipt of the Secretary Certificate on the approval of the Minor and General Proposals. b) The PEM Board- approved Minor and General Proposals to Market Manuals with corresponding Rules Change Proposals shall be published subject to the DOE's promulgation of the affected WESM Rules through its issuance of a DOE Circular approving the said Rules Change. c) In the case of Proposals requiring the approval of the ERC, the same shall be published in the market information website within five (5) working days	

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		from the RCC's receipt of the ERC's approval. 6.5.2 Approved Proposals to WESM Rules General and Minor Proposals to the WESM Rules approved by the DOE, together with the Circular promulgating the approved proposals shall be published by the RCC Secretariat in the market information website within three (5) working days from receipt of the approved proposal and corresponding DOE Circular. 6.6 Effectivity of Minor and General Proposals 6.6.1 Approved Minor and General Proposals to Market Manuals General amendments shall take effect fifteen (15) working days from their publication in the market information website or on such later date as determined by the PEM Board, or upon such time that the amendment may be implemented taking into consideration the technical changes that may be	

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		introduced to the Market Management System (MMS) or to such other systems. 6.6.2. Approved Minor and General Amendments to the WESM Rules General amendments shall take effect fifteen (15) working days from their publication in two (2) newspapers of general publication or on such later date as determined by the DOE, or upon such time that the amendment may be implemented taking into consideration the technical changes that may be introduced to the Market Management System (MMS) or such other systems 6.6.3 The PEMC shall issue an advisory to the participants on the date of effectivity of the approved amendment.	
7.	7. Urgent Amendments	SECTION 7 Process for Review and Approval of Urgent ~~Amendments~~ Proposals to WESM Rules and Market Manuals	
7.1.	7.1. Submission of proposals - Proposals for urgent amendments shall	7.1. SUBMISSION OF URGENT PROPOSALS ~~Submission of proposals~~ -	

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	be submitted in the manner stated in Section 5 hereof.	7.1.1 **Urgent** Proposals shall be submitted in the manner stated in Section 5 hereof.	
7.2.	7.2. Evaluation by the Rules Change Committee a) Upon receipt of a proposal for an urgent amendment, the Committee Secretariat shall immediately transmit the proposal to the President and if upon determination that the same constitutes an urgent amendment, the President shall certify as such and immediately direct the Committee Secretariat to convene the Committee. b) The Committee shall within forty eight (48) hours from receipt of the proposal convene and render its decision to determine whether the proposal - i. falls within the definition of an urgent amendment set forth in Section 3 hereof; ii. satisfies the criteria set forth in Section 4 hereof; and iii. has an impact on prices, and/or on the reliability and quality of electricity service, and the nature of the impact.	**7.2.** Evaluation by the *Rules Change Committee* **7.2.1 a)** Upon receipt of a proposal for an urgent amendment, the ~~Committee~~ ***RCC*** Secretariat shall immediately transmit the proposal to the ~~President~~ **independent members of the RCC** and if upon determination **by two (2) independent members of the RCC** that the same constitutes an urgent amendment, ~~President~~ **the RCC Chairperson** shall certify **the proposal** as such. ~~and immediately direct the Committee Secretariat to convene the Committee~~ **7.2.2 ~~b~~)** The ~~Committee~~ ***RCC*** shall, **within seven (7) working days ~~forty eight (48) hours~~** from receipt of the proposal, convene and render its decision to determine whether the proposal a) ~~i.~~ falls within the definition of an urgent amendment set forth in Section **4** hereof; b) ~~ii.~~ satisfies the criteria set forth in Section **4** hereof; and c) **iii** has an impact on prices, and/or on the reliability and quality of	The amendment is made in consideration of the fact that when an urgent proposal already emanated from the PEMC, the same is already certified by the PEMC President as Urgent even before it is submitted to the RCC . Only in instances when the urgent proposal did not emanate from the PEMC, will the same be elevated to the RCC for certification that the same is really urgent. Within 48 hours is not really achievable considering the short notice, thus the suggestion to make it longer.

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	c) In its evaluation, the Committee may - i. take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal; ii. consult with persons who are likely to be affected by the proposal; and iii. seek such information and views from any person with expertise on the subject matter of the proposal. d) A majority of those present in the Committee meeting called for such purpose shall be sufficient to render a decision. Thereafter, the Committee shall submit its written report to the PEM Board which shall contain - i. in the event of approval of the urgent rules change, the reason for its adoption; ii. in the event of rejection of proposal for urgent rules change, the reasons for its rejection; iii. in either case, the report shall include an assessment of the impact of the urgent amendment on prices and reliability and quality	electricity service, and the nature of the impact. **7.2.3 c)** In its evaluation, the ~~Committee~~ **RCC** may - a) ~~i~~ take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal; b) ~~ii~~ consult with persons who are likely to be affected by the proposal; and c) ~~iii~~ seek such information and views from any person with expertise on the subject matter of the proposal. **7.2.4 d)** xxx-- **a)** ~~i.~~ in the event of approval of the urgent **proposal** ~~**rules change**~~, the reason for its adoption; **b)** ~~ii.~~ in the event of ~~rejection~~ **disapproval** of the urgent proposal ~~**for urgent rules change**~~, the reasons for its ~~rejection~~ **disapproval**; **c)** ~~iii.~~ in either case, the ***RCC's*** ~~report~~ **resolution** shall include an assessment of the impact of the urgent **proposal** ~~**amendment**~~ on prices and reliability and quality of electricity service, and the nature of the impact; and	

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	of electricity service, and the nature of the impact; and iv. record of votes and summary of objections, if any, of each member of the Committee, in respect of each recommendation made.	**d)** ~~iv~~. record of votes and summary of objections, if any, of each member of the ~~Committee~~ ***RCC***, in respect of each recommendation made.	
7.3.	7.3. Action by the PEM Board a) Upon receipt of the report from the Committee, the PEM Board shall immediately convene in one or more occasions as may be necessary to evaluate the approval by the Rules Change Committee of the proposal. The Board shall render its decision not more than five (5) calendar days from transmittal to it of the Committee report. b) If the PEM Board determines that the approval of the Rules Change Committee is warranted, it shall: I. ratify the action of the Rules Change Committee or with such modifications as it deems proper; and, II. render a report of the amendment to the DOE.	**7.3 ACTION BY THE PEM BOARD** ~~Action by the PEM Board~~ **7.3.1 a)** Upon receipt of the ~~report~~ **resolution** from the **RCC** ~~Committee~~, the PEM Board shall immediately convene **within seven (7) working days** in one or more occasions as may be necessary to evaluate the approval by the Rules Change Committee of the **urgent** proposal. The Board shall render its decision **in the PEM Board meeting immediately following its receipt** ~~not more than five (5) calendar days from transmittal to it~~ **of the Committee resolution.** **7.3.2** ~~**b)**~~ If the PEM Board determines that the approval of the Rules Change Committee is warranted, it shall:	To retain the flexibility with the PEM Board to approve urgent proposals. Considering the urgency it is deemed crucial that the proposal be approved immediately and no longer be passed on the DOE for approval. Five days is not really implementable. In practice the Board meeting is held regularly and RCC submissions are timed so that when a Board meeting is held, the five days prescribed period is met.

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	c) If the PEM Board determines that the approval of the urgent amendment is not warranted, it shall notify the Committee, the proponent, the parties who made written submissions, the DOE and the Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) business days from the date of the decision in which case, the approval of the Committee shall be deemed vacated within twenty four (24) hours from publication in the WESM website of such reversal. In its discretion, the PEM Board may return the proposal to the Committee for consideration as a general amendment and in accordance with the procedure for such amendments. d) If the PEM Board determines that, notwithstanding, the rejection of the Rules Change Committee of the proposal for urgent amendment it is of the opinion that rules change is warranted, the PEM board shall thereupon approve the proposal or make	**a)** ~~i.~~ ratify the action of the Rules Change Committee or with such modifications as it deems proper; and **b)** ~~ii.~~ render a report of the amendment to the DOE. **7.3.3** ~~c)~~ If the PEM Board determines that the approval of the urgent **~~amendment~~ proposal** is not warranted, it shall notify the ~~Committee~~ **RCC**, the proponent, the parties who made written ~~submissions~~ **comments**, the DOE and the ~~Energy Regulatory Commission (the "ERC")~~ of its decision and the reasons for **disapproval** ~~rejection~~, within ten (10) ~~business~~ **working** days from the date of the decision in which case, the approval of the ~~Committee~~ **RCC** shall be deemed vacated within twenty four (24) hours from publication in the ~~WESM~~ **market information** website of such reversal. **7.3.4** In its discretion, the PEM Board may return ~~the~~ an **urgent** proposal to the ~~Committee~~ **RCC** for consideration as a general amendment and in accordance with the procedure for such amendments.	

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	such modifications therein as may be necessary.	7.3.5 ~~d)~~ If the PEM Board determines that, notwithstanding, the ~~rejection~~ **disapproval** of the *Rules Change Committee* of the **urgent** proposal ~~for urgent amendment~~, it is of the opinion that **the** ~~rules change~~ **proposal** is warranted, the *PEM* ***B****~~b~~oard* shall thereupon approve the proposal or make such modifications therein as may be necessary. **7.3.6 Proposals involving the price determination methodology and requiring the ERC approval shall be filed by the DOE to the ERC.**	
	New	**7.4 Publication of urgent proposals** **Following the PEM Board's approval of urgent proposals pursuant to Section 7.3, the RCC Secretariat shall publish the approved urgent proposals in the market information website within twenty four (24) hours from its approval. In the case of Urgent Proposals which still require the approval of the ERC, the same shall be published in the market information website by the RCC within twenty four (24) hours from the RCC's receipt of the ERC approval.**	For consistency with the current practice.

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7.4.	7.4. Effectivity of Urgent Amendment a) The approved urgent amendment shall become effective within twenty four (24) hours upon its publication in the WESM website or upon such time that the urgent amendment may be implemented taking into consideration the technical changes that may be introduced to the Market Management System (MMS) or such other systems, in which case, PEMC shall issue an advisory to the participants of the date of its effectivity. PEMC shall publish the amendments within twenty four (24) hours from its approval and advisories shall be made thru the MMS website informing participants of such amendment. b) The amendment shall be effective for a period of not more than six (6) months from publication provided for under subsection (a) hereof or until such time that a general amendment on the same matter has been approved and become effective, whichever comes first.	7.5 ~~4~~ Effectivity of Urgent **Proposal** ~~**Amendment**~~ **7.5 1 ~~a)~~** The approved urgent **proposal** ~~**amendment**~~ shall become effective within twenty four (24) hours upon its publication in the ~~WESM~~ **market information** website or upon such time that the urgent **proposal** ~~**amendment**~~ may be implemented taking into consideration the technical changes that may be introduced to the Market Management System (MMS) or **to** such other systems, in which case, PEMC shall issue an advisory to the participants of the date of its effectivity. PEMC shall publish the **approved proposal** ~~**amendments**~~ within twenty four (24) hours from its approval and advisories shall be made thru the ~~MMS~~ ~~WESM~~ **market information** website informing participants of such amendment. **7.5.2 ~~b)~~** The proposal ~~amendment~~ shall be effective for a period of not more than six (6) months from publication **or when the same has been deemed effective as** provided for under ~~**subs**~~ **Section** 7.5.1 hereof or until such time that a general **proposal** ~~amendment~~ on the same matter	

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	c) Actions taken pursuant to or in reliance of an urgent amendment, provided the action is taken within the effectivity period, shall be valid and shall have force and effect notwithstanding that the amendment is subsequently revised or overturned by the PEM Board or by a general amendment. d) The PEM Board, Rules Change Committee or any working group shall not be liable to any participant for any urgent amendments made under this section which subsequently has been reversed under Section 7.5 of this Manual or by any appropriate body. e) Any participant who acted in reliance with any rules change under this Section shall not be held liable to other participants, provided, however, that such participant relying on such rules change shall be held responsible for ascertaining the rules' continued effectivity as provided under Section 7.4 (b) of this Manual.	has been approved and become effective, whichever comes first. 7.5.3 **c)** Actions taken pursuant to or in reliance of an **approved urgent proposal ~~amendment,~~** provided the action is taken within the effectivity period, shall be valid and shall have force and effect notwithstanding that the amendment is subsequently revised or overturned by the PEM Board or by a general **proposal** ~~amendment.~~ 7.5.4 ~~**d)**~~ The PEM Board, Rules Change Committee or any working group shall not be liable to any participant for any urgent **proposal** ~~**amendments**~~ made under this section which subsequently has been reversed under Section ~~7.5~~ 7.5.3 of this Manual or by any appropriate body. 7.5.5 **e)** Any participant who acted in reliance with any ~~rules~~ **approved urgent proposal** ~~**change**~~ under this Section shall not be held liable to other participants, provided, however, that such participant relying on such rules change shall be held responsible for ascertaining the rules' continued effectivity as provided under Section ~~7.4 (b)~~ 7.5.2 of this Manual.	

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	7.5 Within ten (10) days from ratification by the *PEM Board* of the urgent amendment or upon approval by the PEM board, the *Rules Change Committee* shall notify and invite all *WESM Members* and all other interested parties of the amendment to make written submissions and shall thereafter proceed to consider the amendment as a general amendment in accordance with Section 6 hereof.	7.~~5~~ **6 Review of PEM Board-approved Urgent Proposals** **7.6.1** ~~**7.5**~~ Within ten (10) **working** days from ratification by the PEM Board of the urgent ~~amendment~~ **proposal** or upon approval by the PEM **~~b~~Board**, the Rules Change Committee shall notify and invite all WESM Members and all other interested parties of the amendment to make written submissions and shall thereafter proceed to consider the amendment as a general amendment in accordance with Section **6** hereof. **7.6.2 The RCC shall automatically review and evaluate the approved urgent proposals, three (3) months after the PEM Board's approval to determine the proposal's effectiveness and resulting impact on the market. The RCC shall likewise request the proponent and other resource persons to provide an update of the status of the implementation of the amendments.** **7.6.3 The RCC shall render its decision on the PEM Board-approved urgent**	Added to ensure that urgent amendments are automatically reviewed and to prevent situations when urgent amendments lapse.

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		proposal during the 5th month of its implementation or a month prior to the expiration of the urgent proposal's effectivity.	
8.	8. Amendments to WESM Manuals and Guidelines Proposals for amendments to WESM Manuals and guidelines, regardless of the type of amendment, shall be submitted and evaluated in the same manner as amendments to the WESM Rules, except that such amendments shall be considered up to and approved by the PEM Board only.	~~8. Amendments to WESM Manuals and Guidelines~~ ~~Proposals for amendments to WESM Manuals and guidelines, regardless of the type of amendment, shall be submitted and evaluated in the same manner as amendments to the WESM Rules, except that such amendments shall be considered up to and approved by the PEM Board only.~~	Deleted since the same has been considered in the previous amendments- as to how various types of proposals shall be handled.
9.	9. Effectivity General amendments shall take effect fifteen (15) days from their publication in accordance with the succeeding Section, or on such later date as determined by the DOE. Urgent amendments to the WESM Rules shall take effect in accordance with Section 7.4 of this Manual. Minor amendments to the WESM Rules and other amendments (i.e., amendments to manuals, procedures, guidelines and rules and regulations) shall take effect fifteen (15) days from their publication in accordance	For Deletion	Deleted since the same has been considered in the previous amendments- as to how various types of proposals shall be handled.

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	with the succeeding Section or on such later date as the PEM Board determines.		
10.	10. Publication Subject to Section 7.4, consolidated amendments shall be published on a monthly basis in the WESM website.	For deletion	Deleted since the same has been considered in the previous amendments- as to how various types of proposals shall be handled.
11.	11. Reports and Records	**SECTION ~~11.~~ 8 REPORTS AND RECORDS** ~~Reports and Records~~	
11.1. Semestral report -	11.1. Semestral report Every end of June and December of each year, the Committee shall make available to the PEM Board and the WESM Members a report, which sets out: xxxx	~~11.1.~~ **8.1 SEMESTRAL REPORT** ~~11.1.~~ Every end of ~~June~~ **July of the current year** and ~~December~~ **January of ~~each~~ the following** year, the ~~Committee~~ **RCC** shall ~~make available~~ **submit** to the PEM Board, and make available to the WESM Members **through publication in the market information website,** a report, which sets out: xxx	Change to make the reporting clearer: July report coverage will be Jan- to June; and for January report - for July to December
11.2. -	11.2. Custodian of records - The Head of the PEM Committee Secretariat shall have official custody and charge of the records prepared for or in connection with the rules change process, including but not limited to the journal and minutes of deliberations of the Committee or the PEM Board. The Chairperson shall keep and maintain the	8.2 **CUSTODIAN OF RECORDS** ~~11.2.1~~ The ~~**Head of the**~~ **Rules Change** ~~**PEM**~~ Committee Secretariat shall have official custody and **be in** charge of the records prepared for or in connection with the rules change process, **during the Rules Change Committee meetings** including but not limited to the journal and minutes of deliberations of the ~~Committee~~ **RCC**.	To reflect the current practice.

[redacted]

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	official version of all the amendments made pursuant to these Manual.	The **Rules Change** ~~PEM~~ Committee Secretariat ~~Chairperson~~ **shall keep and maintain the official version of all the amendments made pursuant to this Manual.**	
12.	12. Review of rules change procedures and of Committee proceedings xxx	**SECTION** 9 **REVIEW OF RULES CHANGE PROCEDURES AND OF COMMITTEE PROCEEDINGS** ~~12.1~~ 9.1 **PEM BOARD REVIEW OF RULES CHANGE PROCEEDINGS** xxx	Section Re-numbering
13.	13. Amendment of Manual xx	**SECTION 10. AMENDMENT OF THE MANUAL OF PROCEDURES FOR CHANGES TO THE WESM RULES** ~~13. Amendment of Manual~~ **10.1 REVIEW AND REVISION OF THE MANUAL OF PROCEDURES FOR CHANGES TO THE WESM RULES** xxx	Section Re-numbering
14. Effectivity and	14. Effectivity and Publication of Manual	~~**14. Effectivity and Publication of Manual**~~	No need to indicate effectiviy as this varies depending on when amendments have been made and since effectivity is indicated in the face of the manual.

ANNEX A

B. PROPOSED AMENDMENTS TO THE WESM RULES AND THE MANUAL OF PROCEDURES FOR CHANGES TO THE WESM RULES: RULES CHANGE MANUAL PROVISIONS

Section	Provision	Proposed Amendment	Rationale
Publication of Manual	This Manual shall take effect upon approval by the PEM Board. Thereafter, it shall be published in the WESM website.	~~This Manual shall take effect upon approval by the PEM Board. Thereafter, it shall be published in the WESM website.~~	

ANNEX A: REQUEST FOR AMENDMENTS TO THE WESM RULES OR WESM MANUALS FORM

Proposals made only under this prescribed form shall be accepted and considered as submitted.

This request for amendments to the WESM Rules/WESM Manuals can be submitted to:

Rules Change Committee
Attention: **RCC Secretariat**
Philippine Electricity Market Corporation
18/F Robinsons Equitable Tower
ADB Avenue, Ortigas Center
Pasig City, 1605 Philippines
Email addresses: rcc@wesm.ph
Fax Number: (+632) 395-2704

I. Proposer's Information

Name and Signature	
Designation	
Company	
Company Address	
Telephone No.	
Fax. No.	
Email Address	

Rules Change Proposal Number: YYYY-XXX

II. Amendment Information *(please indicate with x)*

Subject	
Type of Proposal	☐ Urgent ☐ Minor ☐ General
Nature of Proposal	☐ Amendment to WESM Rules ☐ Amendments to Market Manuals ☐ New Market Manual/s
Chapter or Clause of Rules being amended	
Title and Section/s of Manual/s being amended:	
If applicable, title of proposed new Market Manual:	
Nature of Request	☐ Addition ☐ Alteration ☐ Deletion ☐ Clerical Correction
General Reason for Change	☐ Consistency of Rules and Market Manuals ☐ Resolution to the incident or problem encountered ☐ Process improvement ☐ Compliance ☐ PEM Board ☐ DOE ☐ ERC ☐ Audit findings/recommendations ☐ Others, identify

[redacted]

ANNEX A:
Request for Amendments Form (Annex A of RCM)

Rules Change Proposal Number: YYYY-XXX

III. Proposed Amendment

Item No.	Rule/Manual	Section & Title	Provision	Proposed Amendment	Rationale
1					
2					
n					

Note: For convenience, please **underline** and **put in bold letters** the proposed changes to the Rules and/or Manuals. The provisions (i.e WESM Rules Clause XXX or Manual Section XXX) being amended, if there are several, should be separated by row, with a corresponding item no. for each. Please also note that each amendment item/provision should have a corresponding "Rationale" clearly justifying the need for such amendment.

IV. Relevant WESM Rules/ Manual Provision

	Section/Title	Provision
Rules Provision to Support Proposed Amendments		
Other Related Manual Provisions		

[redacted]

Rules Change Proposal Number: YYYY-XXX

V. Referral

Date Received by MAG : _____

A. For Urgent Amendment

Date Referred to RCC (Independent) Members	
Certified as urgent by RCC Chairperson	☐ Yes ☐ No
Convene the RCC within 7 working days.:	☐ Yes ☐ No
Remarks:	

B. For Minor and General Amendment (For the use of RCC only)

Date Referred to RCC:	
Remarks:	

Rules Change Proposal Number: YYYY-XXX

Action taken:	
Request for comments:	☐ Yes ☐ No
	Request written comments from: ☐ DRA ☐ MSC ☐ PA ☐ TC ☐ MO ☐ ECO ☐ MAG ☐ Other PEM Board Committees ☐ Other Interested Parties
For further review of the Technical Sub-Committee/s:	☐ Yes Name of Sub-committee: _____
	☐ No
For public consultation:	☐ Yes ☐ No
RCC Resolution:	☐ Approved ☐ Disapproved
RCC Resolution Number:	
Date of Resolution:	
RCC Meeting No.:	
Date of endorsement to the PEM Board:	

Wholesale Electricity Spot Market

Rules Change Proposal Number:
Discussion Paper

TITLE OF THE PROPOSAL

Name of the Proponent

Date

Public

Wholesale Electricity Spot Market

Rules Change Proposal Number:
Discussion Paper

I. BACKGROUND

Contains the following:

- ✓ description of the subject matter
- ✓ issues arising from the implementation of the existing Rules or Manual
- ✓ objective of the proposal that will satisfy the criteria set forth in Section 4.1 of the Rules Change Manual.
- ✓ Implications if the current rule is not changed, the problem or shortcoming of the existing rule and;
- ✓ the sectors that will be positively and adversely affected by existing rule, as well as the sectors or stakeholders that will be positively and adversely affected by the proposed rule change.

II. SUMMARY OF THE PROPOSED AMENDMENTS

III. CONCLUSION AND RECOMMENDATIONS

IV. REFERENCES

Sources, title, date of publication, place of publication, or date the source was accessed on the internet, and name of author/s

V. BACKGROUND AND DESCRIPTION OF THE PROPONENT

Contains name of firm or organization and/or top officers, nature of business, location of business, form of corporate organization, and structure of ownership, share of locals and share of foreign owners, gross sales of business, number of employees, and length of business operation, and year established

[redacted]

Wholesale Electricity Spot Market

WESM-RCM-002

ANNEX C: COMMENTS ON AMENDMENTS TO WESM RULES OR WESM MANUALS FORM

I. Proposer's Information

Name and Signature	
Designation	
Company	
Company Address	
Telephone No.	
Fax. No.	
Email Address	

ANNEX A:
Request for Amendments Form (Annex A of RCM)

Rules Change Proposal Number: YYYY-XXX

III. Proposed Amendment

Item No.	Rule/Manual	Section & Title	Provision	Proposed Amendment	Rationale
1					
2					
n					

Note: For convenience, please **underline** and **put in bold letters** the proposed changes to the Rules and/or Manuals. For proposed deletion, kindly strikethrough (~~XXX~~) the words/phrases/paragraphs being proposed to be deleted. The provisions (i.e WESM Rules Clause XXX or Manual Section XXX) being amended, if there are several, should be separated by row, with a corresponding item no. for each. Please also note that each amendment item/provision should have a corresponding "Rationale" clearly justifying the need for such amendment.

IV. Relevant WESM Rules/ Manual Provision

	Section/Title	Provision
Rules Provision to Support Proposed Amendments		
Other Related Manual Provisions		

[redacted]

Appendix A Procedure Framework for the Documentation of *Market Manuals*

DOCUMENT FORMAT AND REQUIRED CONTENT

All *Market Manuals* shall be drafted in accordance with the following guidelines:

FORMATTING

All *Market Manuals* shall have a standard and uniform format as follows:

1.1.1 There shall be at least three (3) heading levels in a *Market Manual*. Levels 1 and 2 shall be topic and subtopic titles. Sentences and paragraphs shall start at level 3.

1.1.2 *Market Manuals* shall be single-spaced. Level 1 headings shall be two (2) spaces away from the last paragraph of the previous section, while levels 2 and 3 headings shall be separated by one (1) space away from one another.

1.1.3 Every page of a *Market Manual* shall have the following margins: left = 1", right = 1 top = 0.75 ", bottom = 0.5".

1.1.4 All pages of a *Market Manual*, including the Title Page, shall bear page numbers, which shall be shown on the footer of each page.

1.1.5 An illustration of the format for a *Market Manual* is shown as Appendix A.1 of this Manual.

LANGUAGE AND WRITING STYLE

Every *Market Manual* shall be written in simple, concise, and step-by-step format that can be easily read, understood, and followed.

COMPLIANCE WITH MARKET OPERATOR IDENTITY SYSTEM

For uniformity, logos, fonts (e.g. Helvetica 11), and other formats prescribed in the prevailing Identity System of the *Market Operator* shall be used.

REQUIRED CONTENT

All *Market Manuals* shall contain the following:

1.1.6 Title Page–The front page of a *Market Manual* shall indicate the phrase "WESM Manual", its full Title and Issue Number, e.g. WESM Manual <Manual Title><Issue Number>. An Issue Number shall be a whole number, which shall be assigned consecutively and chronologically to a *Market Manual* for every duly approved revision or amendment thereto. The full name of the *Market Manual* shall also be stated on every page as header. The Title page shall likewise contain, under the Title, the following information:

a) Abstract – This portion shall contain a brief description of the contents of a *Market Manual.*

b) Document ID – this shall establish the document identity of a particular *Market Manual* issue. This shall also be indicated on the header of every page.

c) Issue Number – This shall establish the version of a particular *Market Manual.* An Issue Number shall be a whole number and assigned consecutively. This shall also be indicated on the header of every page.

d) Date of Approval- This shall indicate the date of PEM Board approval of the manual and any changes thereto.

e) Date of Publication – This shall indicate the date of publication of a *Market Manual* on the Market Information Website.

f) Date of Effectivity – This shall indicate the date a *Market Manual* took effect. This shall also be indicated on the header of every page.

1.1.7 All Market Manuals are classified as public documents. In this regard, the word "PUBLIC" shall be indicated on the footer of every page.

1.1.8 Document History and Tracking – The *Market Manual* shall contain document control tables, which shall be updated at all times to track all changes to a particular *Market Manual.* The document control tables are as follows:

a) Document Change History – This table shall indicate the *Market Manual* Issue Number, the *Proponent* of a particular revision or amendment, the date it took effect, and the reason for said amendment. A sample format of this table is shown as Table 1 below:

Table 1: Document Change History Table

[redacted]

Issue No.	Proponent	Date of Effectivity	Reason for Amendment
1	PEMC		Original document
2	PEMC		Revised Sections 4 and 5 for consistency with issuances of ERC

b) Document Approval Information – This table shall contain the *Market Manual* Issue Number, the date such amendment was approved by the relevant *WESM* Technical Working Group or the *RCC*, and the date such amendment was approved by the *PEM Board*. A sample format of this is shown in Table 2 below:

Table 2: Document Approval Table

Issue No.	RCC Approval	RCC Resolution No.	PEM Board Approval	PEM Board Resolution No.
1	April 10, 2010		April 28, 2010	
2	October 13, 2012		October 27, 2012	

c) Reference Documents – This table shall contain all reference *documents and* other issuances relevant to, or affecting, a particular *Market Manual*. A sample format of this table *is shown* as Table 3 below:

Table 3: Reference Document Table

Document ID	Document Title
WESM-DP	Dispatch Protocol Manual

1.1.9 Table of Contents – There shall be table of contents after *the Title Page* and before the first section of a *Market Manual*. Such ta*ble shall be up* to the second outline level or *Level* 2 heading, and shall indicate the first page number for each heading. Appendices shall likewise be included in the table

of contents, and shall be numbered alphabetically, e.g. Appendix A, B.1, B.2, C.

1.1.10 Introduction – this section shall contain the following sub-headings:

a) Background – This portion shall provide a brief description and background of the *Market Manual*, including the specific provisions of the *WESM Rules* and other issuances, if any, which the *Market Manual* seeks to implement.

b) Purpose – This portion shall identify and enumerate the desired outcome/s of the *Procedures, Processes* and *Systems* contained in the *Market Manual.*

c) Scope – This portion shall state the subject matter covered by the *Market Manual.*

1.1.11 Definitions, References and Interpretation – This section shall contain the following sub-headings:

a) Definitions – This part shall contain the terms and abbreviations used in a particular *Market Manual.* Terms which are already defined in the *WESM Rules* shall no longer be defined in the Manual for consistency. For terms used in more than one *Market Manual*, steps should be taken to ensure that the definitions of such terms are consistent with one another.

b) References – This part shall contain the issuances and other documents that serve as basis and reference for a particular *Market Manual.*

c) Interpretation – This part shall contain the manner by which a particular *Market Manual* shall be interpreted and construed.

1.1.12 Responsibilities – This portion shall identify and indicate all entities responsible for the implementation of the *Procedures, Processes* and *Systems* set forth in a particular *Market Manual.* Alternatively, and instead of being a separate section, this can also be incorporated into the content proper of the *Market Manual.*

1.1.13 Content Proper – This section shall contain a detailed description and explanation of each *Procedure*, *Process*or *System* in a *Market Manual.* In providing such description, the *Market Manual* shall, at the minimum, contain the following:

[redacted]

a) Relevant timelines and the entity, i.e. *WESM Member, Market Operator, System Operator*, responsible for each step or action, relevant inputs and expected output, tools or systems being used, and external services or interfaces.

b) Flow charts, tables, screen shots, and other illustrations that are useful to describe the procedures and processes in greater detail. Sample formats of these tools are given in Appendix A.2 of this Manual.

c) If check lists and forms are used, the procedure description shall identify at which step said check lists and forms are to be used, and how they are going to be accomplished. Such check lists and forms are meant to supplement the step-by-step process description, and should not replace the same.

d) References to specific provisions of the *WESM Rules*, other *Market Manuals*, other relevant issuances, system documents, or other documents may also be incorporated in this section. This may be done through the use of footnotes or endnotes, or incorporated within the body of the description.

e) Systems or tools being used, third party devices, and interfaces with external parties, shall also be specified when relevant.

1.1.14 Review, Revision, and Amendment – This section shall set out when and how the procedures contained in a *Market Manual* are to be reviewed, as well as the events that would trigger their change or amendment. These triggers shall be consistent with the WESM Manual of Procedures for Changes to the WESM Rules.

1.1.15 Appendices – This section shall contain all forms, tables, templates, and other information referred to, but not contained, in the body of a *Market Manual*.

[redacted]

Appendix A.1

A. Standard Format of the *Market Manuals' Title Page*

Wholesale Electricity Spot Market

<Manual Title> <WESM-Manual ID>-Issue No>

PUBLIC

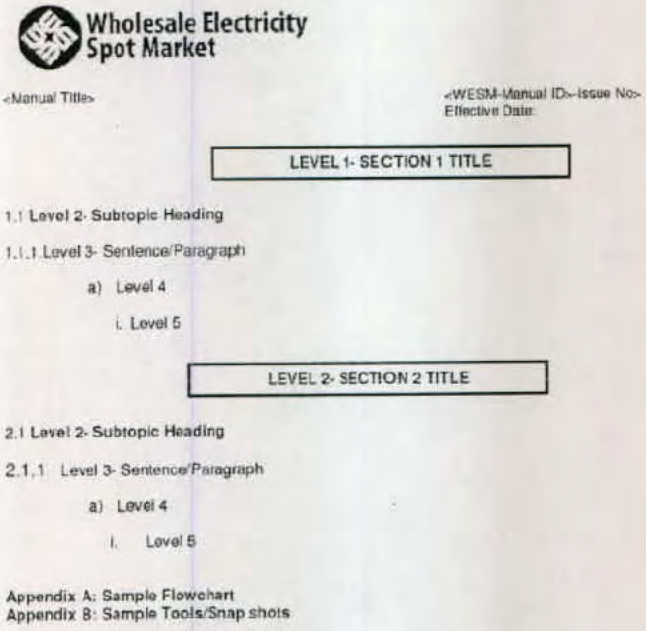
WESM Manual

Manual Title
Issue

Abstract	<This portion shall contain a brief description of the contents of the subject Market Manual>

Document Identity:
Issue No:
Reason for Issue:
Approval Date:
Publication Date:
Effective Date:

B. Standard Format of *Market Manuals*


Wholesale Electricity Spot Market

<Manual Title>

<WESM-Manual ID>-Issue No>
Effective Date

LEVEL 1- SECTION 1 TITLE

1.1 Level 2- Subtopic Heading

1.1.1 Level 3- Sentence/Paragraph

a) Level 4

i. Level 5

LEVEL 2- SECTION 2 TITLE

2.1 Level 2- Subtopic Heading

2.1.1 Level 3- Sentence/Paragraph

a) Level 4

i. Level 5

Appendix A: Sample Flowchart
Appendix B: Sample Tools/Snap shots

Public Page x of x

Appendix A.2 Tools to Describe Procedures and Processes
<sample flow charts, screen shots, other illustrations>

Figure 1: Sample Flowchart

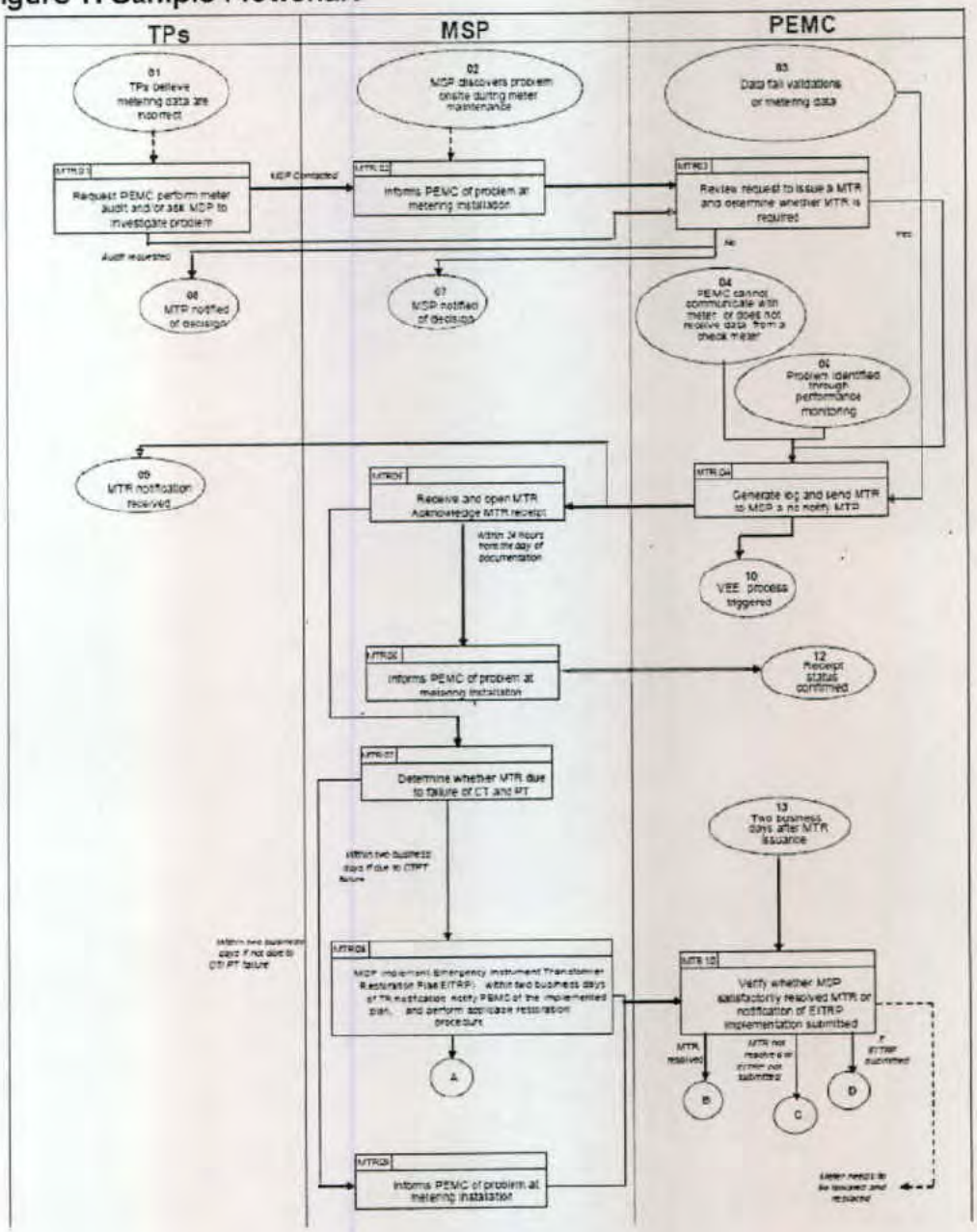


Figure 2: Sample Screen Shot

DAILY CAPACITY NOMINATION



Figure 3: Sample Pictures/Illustrations

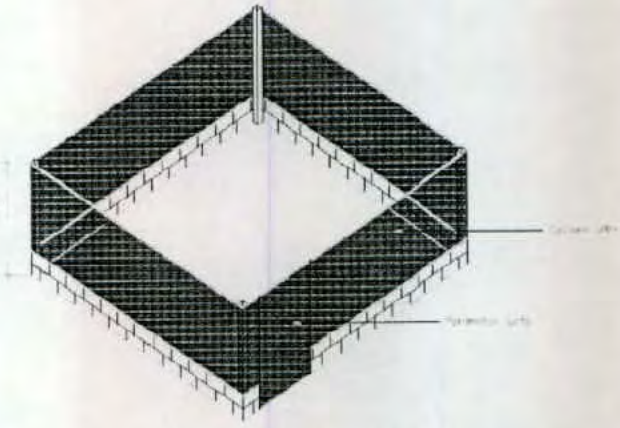


Figure 7 – Perimeter Fence