Philippine Electricity Market Corporation

Rules Change Committee

2017 Semestral Report

(January to June 2017)

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

June 2017

[redacted]

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Philippine Electricity Market Corporation

RCC- REP-17-01

I. INTRODUCTION

In compliance with its mandate under the WESM Rules[1] and the WESM Manual on the Procedures for Changes to the WESM Rules (Rules Change Manual), the Rules Change Committee (RCC) submits this Report, covering the period January to June 2017. This report sets out the following:

i. All Market Rules and Manuals change proposals which have been submitted to and deliberated upon by the RCC for the covered period; and
ii. Status of RCC priorities outlined in the 2017 RCC Work Plan.

II. ACCOMPLISHMENTS AND WORK PROGRESS

The RCC met eight (8) times during the period January to June 2017, to discuss and deliberate upon several amendments to the WESM Rules and Manuals, which are aimed at enhancing market design, as well as refining processes and operations appropriate for the current market setting.

The RCC activities for the covered period are discussed in detail in the succeeding sections.

II.A. Approved Amendments

1. Proposed Amendments to the (a) Criteria and Guidelines for the Issuance of Pricing Error Notices and Conduct of Market Re-run and the (b) Methodology for Determining Pricing Errors and Price Substitution due to Congestion for Energy Transactions in the WESM

Received by the RCC on 28 October 2016 and presented before the RCC on 09 November 2016 during the body's 121st Meeting, the proposal sought to reflect the actual timeline of the Market Operator's publication in the market information website of the summary of pricing error notices from within two (2) *business* days to two (2) *working* days.

The proposal was published in the market information website on 14 November 2016, providing Market Participants and interested stakeholders thirty (30) working days or until 28 December 2016 to submit their comments.

The RCC, during its 123rd Regular Meeting on 13 January 2017, deliberated upon the proposal, giving due consideration to the comments received from the DOE. The body noted that while the DOE posed no disagreement with the proposal, it nevertheless recommended remanding the same to the proponent since both subject Manuals were

[1]WESM Rules, Clause 8.6.5

proposed to be abolished and incorporated in the Price Determination Methodology (PDM) Manual, which at that time was soon to be promulgated by the DOE, in relation to the implementation of market design enhancements via the new Market Management System[2].

Although the RCC acknowledged the practicality of the DOE's suggestion, it nevertheless approved the proposed amendments for endorsement to the PEM Board to recognize the merits of the proposal, and leave to the Board Review Committee (BRC) or the PEM Board the decision whether or not to endorse the proposal to the DOE. Hence, the proposal was approved as submitted during the same meeting on 13 January 2017 as embodied in RCC Resolution No. 2017-01.

The proposal was presented before the BRC on 18 January 2017, after which the BRC agreed to defer the endorsement of the proposal to the PEM Board, primarily echoing the DOE's prior recommendation to the RCC and adding that the concern being addressed in the proposed amendment is already included in the proposed changes to the Constraint Violation Coefficient Manual (to be re-named as Constraint Violation Coefficient and Pricing Re-run or CVC-PR Manual), which, together with the PDM Manual, was likewise due for approval by the DOE. Said decision by the BRC was documented in a letter to the RCC dated 20 January 2017.

The proposal was approved with the promulgation of the DOE Department Circular No. DC2017-03-0001 on 20 March 2017 adopting the proposed amendments to the PDM and CVC-PR Manuals. The proposal was specifically carried in Section 6.2 *(Issuance and Publication of Pricing Error Notices)* of the CVC-PR Manual and was rendered effective immediately beginning 14 May 2017, in contrast to the rest of the amendments to the CVC-PR Manual which will only be effective once the new Market Management System has commenced.

2. Proposed Amendments to the WESM Manuals on Registration, Suspension and De-registration Criteria and Procedures Issue 2.0 and Billing and Settlement Issue 4.0 regarding Bilateral Contract Quantity (BCQ) Declaration and Line Rental Calculation

The Rules Change Committee (RCC) received the proposal from the PEMC-MO on 03 November 2016. In general, said proposal intended to:

(a) address audit findings on BCQ declaration and line rental calculation from the 4th Market Operations Audit; and
(b) provide details on the procedures and conditions for declaring and adjusting bilateral contract data to be consistent with the PEM Board-approved amended

[2] RCC Resolution No. 2016-13 entitled *Proposed Amendments to the WESM Rules and WESM Manuals on Price Determination Methodology and Constraint Violation Coefficient relative to Enhancements to WESM Design*

WESM Rules[3], which reflects (a) enhancements to the submission process of bilateral contract data, and (b) revision in the calculation of trading amounts adjusted for bilateral contracts that removes the necessity for a separate calculation of *line rental* trading amounts.

The proposed amendments to the WESM Manual on Registration, Suspension and De-registration Criteria and Procedures provide that upon registration in the WESM:

(a) Trading Participants may have an option to state whether or not bilateral contract quantities submitted by *buying* Trading Participant would require confirmation by *selling* Trading Participant, and

(b) Trading Participants may declare if their supply contract is metered quantity-based.

The proposed amendments to the WESM Manual on Billing and Settlement, on the other hand, aim to:

(a) Provide the procedures, timelines and responsibilities of Trading Participants regarding declaration, confirmation and nullification of bilateral contract quantities;
(b) Specify the required data for submitting bilateral contract declarations;
(c) Require that a supply contract be enrolled with the Market Operator during registration, for the BCQ declarations submitted to be valid;
(d) Require confirmation from counterparties before using bilateral contract quantities for settlements for supply contracts enrolled with the Market Operator which require confirmation;
(e) Specify the Market Operator's responsibilities regarding receipt of BCQ declarations and issuance of corresponding notifications to Trading Participants;
(f) Remove references to a separate calculation of *line rental* trading amounts (i.e., *line rental* will already be embedded in settlement calculation); and
(g) Re-number certain provisions due to insertion of new sections.

The proposal was presented before the RCC during its 121st Meeting on 09 November 2016, and was thereafter approved for posting in the market information website to solicit comments from Market Participants and stakeholders. It was then published on 14 November 2016, providing a 30-working day commenting period which lapsed on 28 December 2016.

The RCC, during its 123rd Regular Meeting held on 13 January 2017, deliberated on the proposed amendments to the subject WESM Manuals, giving due consideration to the comments received from the DOE and SN Aboitiz Power (SNAP).

[3] PEM Board Resolution Nos. 2016-43 and 44 dated 29 November 2016

The RCC noted the DOE's comment that while it poses no objection to the proposal, it recommends remanding the same to the proponent since the proposed procedures may not be implementable until the Central Registration and Settlement System (CRSS) and the new Market Management System (NMMS) are in place, and the subject Manuals are also due for further amendments to incorporate the enhancements to market design.

The RCC acknowledged the practicality of the DOE's suggestion but nevertheless approved the proposed amendments for endorsement to the PEM Board to recognize the merits of the proposal, and leave to the Board Review Committee (BRC) or the PEM Board the decision whether or not to endorse the proposal to the DOE. The body thus approved the proposal during the January 13 meeting per RCC Resolution No. 2017-02.

The proposal was presented before the BRC on 18 January 2017, after which the BRC agreed to defer the endorsement of the proposal to the PEM Board, primarily echoing the DOE's prior recommendation to the RCC and suggested to await for the promulgation of the DOE Circular that will include pertinent changes for the enhanced market design and the implementation of the CRSS and NMMS. Said decision by the BRC was documented in a letter to the RCC dated 20 January 2017.

3. Proposed Amendments for the Implementation of Enhancements to WESM Design and Operations

With the directive of the Department of Energy, promulgated through DOE Department Circular No. DC2015-10-0015 dated 23 October 2015, to provide policies for further enhancements to WESM design and operations, and the subsequent issuance of DC2016-10-0014 dated 14 October 2016 approving further amendments to the WESM Rules pursuant to said directive, the RCC deliberated and approved further revisions to the WESM Rules, Retail Rules and various Manuals to reflect market design enhancements.

The PEMC-MO presented an overview of the proposed amendments to various WESM Market Manuals during the 122nd RCC meeting held on 07 December 2016. During the same meeting, PEMC-MO requested for the consideration of the body to publish the proposed amendments to the market information website, pending the official submission on 16 December 2016. Considering the timeline for the Implementation of Enhancements to WESM Design and Operations, the RCC agreed to await the official submission and subsequently approved the same through e-mail.

On 21 December 2016, the proposal was published in the market information website giving Market Participants and WESM stakeholders 30-working days or until 06 February 2017 to submit their comments for the proposed amendments. The submission of comments was extended two (2) further days or until 08 February 2017.

The RCC's course of action on the proposals are described as follows:

(a) Proposed Amendments to the Retail Rules and Retail Manual on Metering Standards and Procedures

The RCC deliberated on the proposal during its 124th and 126th Meetings on 10 February and 03 March 2017, respectively, taking into consideration the comments received from the DOE, MERALCO and SN Aboitiz Power.

The proposal intended to:

- *For the Retail Rules:*

  (i) replace the term "trading interval" with "settlement interval";
  (ii) refer matters related to the recording and measurement of metering data to the relevant Market Manual;
  (iii) delete particular provisions related to the calculation of ex-ante and ex-post trading amounts and allocation of ex-ante and ex-post settlement quantities (re-defined as "gross energy settlement quantities"); and
  (iv) revise the determination of metered quantities (MQ) to reflect MQ for every dispatch interval.

- *For the Retail Manual on Metering Standards and Procedures:*

  (i) revise capability of the mass memory of meters from recording 15-minute demand interval to 5-minute demand interval;
  (ii) require load profiles to be submitted by the Trading Participant upon registration of metering installation to include 5-minute data;
  (iii) revise the resolution of meter data submitted by Retail Metering Services Providers (MSP) to the Central Registraton Body (CRB) from fifteen (15) minutes to five (5) minutes; and
  (iv) revise the resolution of meter data used by the CRB for data validation, estimation and editing from fifteen (15) minutes to five (5) minutes.

In response to MERALCO's general comment that the target implementation of WESM design enhancements in June 2017 might not be feasible considering the technical, operational and regulatory requirements, the RCC recommended that transitory arrangements be included in the Department Circular to be promulgated by the DOE.

Its suggestion regarding the inclusion of transitory provisions notwithstanding, the RCC adopted the proposal in its entirety, as submitted. During its March 3rd meeting, the body approved the proposed amendments to the Retail Rules and Retail Manual on Metering Standards and Procedures for endorsement to the PEM Board per RCC Resolution No. 2017-04.

The RCC-approved proposal was submitted to the PEM Board on 18 April 2017.

(b) Proposed Amendments to the WESM Manual on Load Forecasting Methodology

The RCC proceeded with the deliberation of the proposal during its 126th and 127th meeting held on 03 and 17 March 2017 respectively, taking into account the comments received from the DOE, SN Aboitiz Power and MERALCO, and PEMC-MO's responses to said comments. The highlights of the agreed amendments are as follows:

(i) deleted defined terms that are no longer applicable using the new Market Management System (MMS);
(ii) provided amendments to Section 4 on *Demand Forecast for Market Projections,* renamed to *Short-term Load Forecast (STLF),* in relation to forecasting for week-ahead projection (WAP) and day-ahead projection (DAP) using the new MMS;
(iii) reflected the provision of load scenarios for DAP using varying sensitivities (i.e., ±5% and ±3%);
(iv) provided amendments to Section 5 on *Demand Forecast for Real-Time Dispatch Runes,* renamed to *Very Short-term Load Forecast (VSLF),* in relation to the addition of hour-ahead projection (HAP) as new market projection and forecasting for HAP and Real-Time Dispatch using the new MMS;
(v) updated provisions on unrestrained and restrained net load forecasts based on the new MMS functionalities;
(vi) added provision requiring the submission of load forecasts by customers with market trading notes having definite MW loading that can materially affect pricing and scheduling in the WESM;
(vii) delete provisions on customer forecast validation as customer forecast shall be deemed final forecast considering that the customer has the best information about its demand level;
(viii) reflected new MMS load forecasting parameters for consistency with the new MMS functionalities;
(ix) updated Section 10 and 11 to reflect the DOE's approval of amendments to the WESM Rules and Manuals; and
(x) provided details in the Appendix on weather adaptive, similar day, and pattern matching algorithms for STLF to provide more information on the new MMS functionalities

The RCC approved the proposed amendments to the Load Forecasting Methodology Manual on 11 April 2017 through RCC Resolution No. 2017-05.

The proposal was submitted to the PEM Board on 04 May 2017.

(c) Proposed Amendments to the Billing and Settlement Manual

The RCC deliberated on the proposal during its 126th and 127th Meetings held on 03 and 17 March 2017 respectively. The proposal received comments from the DOE, SN Aboitiz Power, SPC Power, MERALCO and MERALCO PowerGen. The highlights of the agreed-upon amendments are as follows:

(i) deleted references to ex-post trading amounts with the implementation of ex-ante only pricing;
(ii) updated references on settlement calculations for consistency with the PEM Board-approved Price Determination Methodology Manual;
(iii) under the section on *Definition, Reference and Interpretation,* deleted terms and definitions that are already provided under the WESM Rules to ensure consistency with the WESM Rules and other WESM Manuals;
(iv) deleted line rental trading amounts as a component in the calculation of aggregate trading amounts since line rental is already embedded in the calculation of energy trading amounts;
(v) added provisions on the calculation of line rental trading amounts for energy transactions to be provided by the Market Operator for informational purposes;
(vi) added procedures for the submission, confirmation and nullification of bilateral contracts for energy;
(vii) added procedures for the submission and confirmation of bilateral contracts for reserves;
(viii) added provisions on the criteria and procedures for filing of additional compensation;
(ix) reflected changes to the section on *Amendments, Publication and Effectivity* of Manual for consistency with the DOE's approval of amendments to the WESM Rules and Manuals;
(x) updated the billing and settlement timetable to provide timelines for the declaration of bilateral contract quantities and filing of additional compensation; and
(xi) deemed the WESM Manual on the Segregation of Line Rental Trading Amounts obsolete due to the foregoing amendments

The RCC approved the proposed amendments to the Billing and Settlement Manual on 11 April 2017 through RCC Resolution No. 2017-05.

The proposal was submitted to the PEM Board on 04 May 2017.

(d) Proposed Further Amendments to the WESM Manuals on Price Determination Methodology and Constraint Violation Coefficient and Pricing Re-run

The subject proposal was twice submitted to and deliberated by the RCC, first as an urgent amendment and second, as a general amendment.

The PEMC-MO submitted the proposal to the RCC as an urgent amendment on 20 February 2017, classified as such in consideration of the following: (i) target commencement of the enhanced market design and operations on 26 June 2017; (ii) the necessary approval by the Energy Regulatory Commission (ERC) of the PDM prior the said target commencement date; and (iii) the submission of the CVC-PR Manual to the ERC as supporting document to the PDM filing of PEMC.

The proposed urgent amendments to the PDM Manual aim to revise the proposed calculation of price adjustment for customers in the non-administered region to ensure there is no cross-subsidy when the administered region under market intervention or suspension is exporting power to the non-administered region.

The proposed urgent amendments to the CVC-PR Manual, on the other hand, intend to: (i) add constraints to provide the details of the categories and distinguish the priority among transmission equipment, (ii) revise the order of CVCs, and (iii) reflect changes to ensure consistency with the revision to the order of CVCs.

The RCC discussed the proposal on the same date it received the proposal, February 20, during its 125th Meeting. Pursuant to Section 7.2 (b) of the WESM Manual of Procedures for Changes to the WESM Rules ("Rules Change Manual")[4], the RCC proceeded to deliberate on the proposed urgent amendments, and agreed to make the following revisions to the proposal:

- *for the PDM Manual,:*

  (i) clarified that Must-Run Units, which are constrained-on generating units under out-of merit, may apply for additional compensation; and
  (ii) deleted the provision stating that administered price will only be applied to an isolated portion of the grid under market suspension or intervention since (a) there have been no declaration by the System Operator of local market intervention and suspension that only affects a certain portion of the grid, and (b) the new Market Management System is capable of determining prices for an isolated system in the grid, thereby having no need to declare local market intervention;

- *for the CVC-PR Manual:*

  (i) revised the nomenclature of certain CVCs to be consistent with those used in the 2016 Philippine Grid Code;

[4] *"...the Committee shall, within forty-eight (48) hours from receipt of a proposed urgent amendments, convene and render decision to determine whether the proposal: (i) falls within the definition of an urgent amendment, (ii) satisfies the criteria for rules changes; and (iii) has an impact on prices, and/or on the reliability and quality of electricity service, and the nature of the impact."*

(ii) clarified the actions undertaken by the System Operator during instances when certain CVCs are violated; and
(iii) effected minor clerical edits.

The RCC adopted the additional revisions to the proposed urgent amendments on 03 March 2017 during its 126th Meeting, specifically to Section 8.3.1 of the PDM Manual for further clarity to specify that Must-Run Units or constrain-on generators are price takers;

Per Section 7.2 (d) of the Rules Change Manual which states that a majority of those present in the meeting called for the purpose of evaluating a proposed urgent amendment shall be sufficient to render a decision, the RCC approved the proposal, as revised, for endorsement to the PEM Board per RCC Resolution No. 2017-03 dated 03 March 2017.

The proposed urgent amendment was submitted to the PEM Board on 06 March 2017.

Pursuant to the recommendation of the DOE through a letter sent to PEMC dated 10 March 2017, the PEMC-MO re-submitted the proposal to the RCC as a general amendment on 11 April 2017. The re-submitted proposal was already the revised and approved version by the RCC.

During its 128th Meeting on 11 April 2017, the RCC approved the publication of the proposal in the market information website giving interested Market Participants and stakeholders 30-working days to submit their respective comments from its official publication on 30 May 2017.

Noting that no comments were received, the RCC proceeded with the final deliberation and approval of the amendments, as submitted, during its 130th Meeting held on 09 June 2017, through RCC Resolution No. 2017-07.

The same was endorsed to the PEM Board on 22 June 2017, in effect withdrawing the previously-submitted urgent amendments.

4. Proposed Amendments to the Retail Manual on Metering Standards and Procedures

The proposed amendments to the Retail Manual on Metering Standards and Procedures is a consolidation of three (3) proposals received by RCC from different proponents.

The proposed amendments to the subject Manual related to the implementation of market design enhancements are already described above, under Section II.A, no. 3 (a) of this Report. The two other proposals are herein presented as follows:

a) *MERALCO's Proposed Amendments to the Retail Manual on Metering Standards and Procedures*[5]

MERALCO presented the proposal during the RCC's 93rd Meeting on 01 October 2014. The proposal sought to:

(i) revise the Retail Manual on Metering Standards and Procedures to make it consistent with existing rules of the ERC;
(ii) ensure the smooth implementation of Retail Competition and Open Access (RCOA); and
(iii) ensure that end-users' metering information are kept secure and confidential.

Following initial discussions, the RCC approved the publication of the proposal in the market information website to solicit comments from Market Participants, stakeholders and interested parties. Within the 30-working day commenting period from the date of publication on 13 October 2014, comments were received from the DOE, the Technical Committee, Team (Philippines) Energy Corporation (TPEC), SMC Global and the Philippine Electricity Market Corporation-Market Operator (PEMC-MO).

The RCC deliberated on the proposal during its 95th Meeting on 03 December 2014 taking into consideration the comments received, after which the following agreements were made:

(i) reflect that the Contestable Customer requesting the back-up meter shall bear the cost incurred in the installation and maintenance of the backup revenue meter;
(ii) reflect that back-up meters may have a different make and model from the main revenue meter; and
(iii) require both current and voltage transformers to have either one (1) or two (2) metering cores.

The RCC approved the proposal as revised during the same meeting. However, the submission of the proposal was eventually put on hold following the decision of the RCC to await the results or recommendations of the 2nd Metering Audit Review, which was on-going at that time, regarding back-up meters at the wholesale and retail level[6].

The RCC resumed the deliberation of the proposal during its 126th and 127th Meetings held on 03 and 17 March 2017, respectively, and noted that the findings of the Metering Review Report did not have a material impact on the proposal. The body hence agreed to endorse the proposal to the PEM Board during its 128th Meeting on 11 April 2017.

[5] ORCP-RM-14-16
[6] Minutes of the 106th RCC Meeting held on 04 November 2015

b) *PEMC-MO's Proposed Amendments to the Retail Manual on Metering Standards and Procedures to Address Audit Findings*[7]

The PEMC-MO submitted the proposal to the RCC on 05 December 2016 and presented the same during the RCC's 122nd Meeting held on 07 December 2016. The proposal aims to address the findings from the 5th Market Operator Audit, which recommended harmonizing the Retail Manual on Metering Standards and Procedures with the provisions of the Retail Rules. The proposed amendments particularly intend to:

(i) layout the procedure in identifying the Market Trading Node of the Contestable Customer;
(ii) update the registration requirements that must be submitted by RMSPs in registering their metering facilities;
(iii) provide a general guideline for the RMSP's conduct of maintenance tests for instrument transformers;
(iv) require RMSPs to submit to the CRB recent Meter Test Results and also notify any change in the metering facilities; and
(v) require the RMSP to notify the CRB when the connectivity of a Contestable Customer metering facility is changed to a different grid off-take meter.

Following initial discussions, the RCC approved during the same meeting the publication of the proposal in the market information website to solicit comments from Market Participants, stakeholders and interested parties. Within the 30-working day commenting period from the date of publication on 12 December 2016, comments were received from the DOE, SN Aboitiz Power and MERALCO.

The RCC deliberated on the proposal during its 126th, 127th and 128th Meetings held on 03 and 17 March and 11 April 2017, respectively, considering the comments received and the proponent's responses to the same. The body adopted the proposal and agreed with the following revisions to the same:

(i) specify that a RMSP or a Contestable Customer may have its instrument transformer re-tested for accuracy prior to its registration to the CRB;
(ii) include a diagram in the Manual depicting the general process of the data exchange protocol used for the transmission of meter data from the RMSP's metering facilities to the CRB;
(iii) specify that a defective meter must be replaced within one (1) week, and a defective instrument transformer within three (3) months, from occurrence of the defect or malfunction; and
(iv) provide that an RMSP is required to submit a report to the CRB for any change to its metering facilities and the new Meter and Instrument Transformer Test results.

[7] ORCP-RM-16-25

During its 128th Meeting on 11 April 2017, the RCC approved the proposal, as revised, for endorsement to the PEM Board.

5. Proposed Amendments to the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures

On 13 January 2017, the RCC received the proposal to amend the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures from PEMC which aims for the following:

(a) streamline the procedures for assessment of applications for WESM Membership and post-registration transactions; and
(b) harmonize the provisions with the issuances by the DOE and ERC (i.e., changes in technical specifications, registration of ancillary services providers and retail market participants)

The RCC approved the publication of the proposal in the market information website to solicit comments from the Market Participants and stakeholders, giving them 30-working days from publication of said proposal on 18 January 2017 to submit their comments.

The deliberation of the proposal was held on 17 March and 11 April 2017 during the RCC's 127th and 128th Meetings, respectively. The body took into consideration the comments received from the DOE and SN Aboitiz Power.

Upon finalization of the proposed amendments, the following agreements were incorporated in the manual:

(a) inclusion of reference to applicable WESM Rules Clauses for identified provisions of the manual;
(b) inclusion of provision defining when the registration requirement for installation of a remote terminal unit (RTU) may be waived for a given period;
(c) inclusion of a provision defining the validity period for waivers granted with respect to the requirement for an RTU; and
(d) clerical edits for clarity.

The RCC thereafter approved the proposed amendments to the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures through RCC Resolution No. 2017-06[8] for endorsement to the PEM Board.

The proposal was submitted to the PEM Board on 25 May 2017.

[8] RCC Resolution No. 2017-06 *Approving the Proposed Amendments to the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures*

II.B. On-Going Proposals / Discussions

During the period covered in this Report, the RCC likewise discussed the following amendments to the WESM Rules and Manuals and other relevant matters.

1. Proposed Amendments to the various WESM Manuals for the Implementation of Enhancements to the WESM Design and Operations

In accordance with the issuance of DOE DC2016-10-0014 dated 14 October 2016 approving further amendments to the WESM Rules, the following Manuals were proposed to be amended and are currently being deliberated on and/or finalized by the RCC:

(a) Dispatch Protocol Manual (DPM)

The proposed amendments to the subject Manual intend to reflect operational changes to implement the following market design enhancements: shortened dispatch interval from one (1) hour to five (5) minutes, conduct of hourly day-ahead projection, conduct of hour-ahead projection, removal of ex-post market run, automatic pricing corrections, and the establishment of dispatch conformance standards. Proposed changes also include the consolidation of all provisions related to dispatch scheduling and implementation under the DPM and, consequently, the abolition of the following WESM Manuals:

1. Management of Excess Generation, Issue 2; and
2. Management of Must-run and Must-stop Units (MRU Manual), Issue 6
3. Management Procedures for Load Shedding, Issue 2

The proposal was initially discussed by the RCC on 07 December 2016 during its 122nd Meeting and was published in the market information website on 21 December 2016 to request comments from Market Participants and stakeholders. Following the 30-working day commenting period, comments were received from the DOE, NGCP-System Operator, SN Aboitiz Power, Aboitiz Power, FirstGen, the Technical Committee, MERALCO PowerGen and MERALCO.

The RCC began its deliberation on the proposal during its 124th Meeting on 10 February 2017.

(b) WESM Manual on Metering Standards and Procedures

The proposed amendments to the subject Manual aim to reflect the following changes for the implementation of market design enhancements:

(i) revise capability of the mass memory of meters from recording 15-minute demand interval to 5-minute demand interval;
(ii) require load profiles to be submitted by the Trading Participant upon registration of metering installation to include 5-minute data;
(iii) revise the resolution of meter data submitted by MSPs to the CRB from fifteen (15) minutes to five (5) minutes;
(iv) revise the resolution of meter data used by the CRB for data validation, estimation and editing from fifteen (15) minutes to five (5) minutes; and
(v) revise the calculation of site-specific loss adjustment to consider 5-minute meter data.

The proposal was initially discussed by the RCC on 07 December 2016 during its 122nd Meeting and was published in the market information website on 21 December 2016 to request comments from Market Participants and stakeholders. Following the 30-working day commenting period, comments were received from the DOE, Aboitiz Power and MERALCO.

Deliberations on the proposal began on 03 March 2017 during the RCC's 126th Meeting.

(c) Market Operator Information Disclosure and Confidentiality (IDC) Manual

The proposed amendments to the subject Manual aim to facilitate the Market Operator's protection and disclosure of market information in terms of the publication of market information classification, categories and requirements for consistency with the implementation market design enhancements. The proposal also intends to further amend the DOE-approved IDC Manual on 20 March 2017 (DOE DC2017-03-0002), which incorporated provisions related to the participation of Must Dispatch and Priority Dispatch Generating Units in the WESM.

The RCC received the proposal from PEMC-MO on 05 April 2017 and initially discussed the proposal during its 128th Meeting on 11 April 2017. The body approved the publication of the proposal in the market information website to request for comments from Market Participants and stakeholders. The same was published on 12 April 2017, providing a 30-working day commenting period from the date of publication or until 30 May 2017.

The RCC deliberated on the proposal on 09 June 2017 during its 130th Meeting, giving due consideration to the comments received from the DOE, SN Aboitiz Power, MERALCO, the Technical Committee and the Market Surveillance Committee.

The body adopted the proposal on the same day and is currently for finalization for endorsement to the PEM Board.

2. **Proposed Amendments to the WESM Rules and WESM Market Surveillance, Compliance and Enforcement Market Manual**

On 13 January 2017, during the 123rd RCC Meeting, the Market Surveillance Committee submitted its proposal to amend the WESM Rules and WESM Market Surveillance, Compliance and Enforcement Market Manual (MSCEMM), which intends to enhance the Market Surveillance processes pertaining to: (a) market monitoring, assessment and surveillance; and (b) enforcement and compliance, as well as to harmonize the same with the ERC-PEMC Protocol pertaining to investigation of anti-competitive behaviour.

After the RCC's initial review, the body approved the publication of the proposal in the market information website giving the WESM stakeholders 30-working days to submit its comments from its date of publication on 18 January 2017.

The RCC proceeded to deliberate on the proposal during its 127th, 129th and 130th Meetings held on 17 March, 19 May and 09 June 2017, respectively, taking into consideration the comments received from the DOE and the MSC's subsequent inputs to these comments.

The RCC agreed to adopt the proposal, as revised based on the deliberations. The proposal is due for endorsement to the PEM Board pending its finalization.

3. **Proposed Amendments to the WESM Rules regarding Enforcement and Compliance and Proposed New Market Manual on Enforcement and Compliance**

In line with the proposed amendments to the WESM Market Surveillance, Compliance and Enforcement Market Manual (MSCEMM), the PEMC–Enforcement and Compliance Office (ECO) submitted its proposed new market manual on Enforcement and Compliance which aims to adopt a separate manual that will contain the details of the guidelines and procedures for enforcement and compliance in the WESM. This entails amending applicable provisions in Chapters 1 and 7 of the WESM Rules and, concurrently, excising the sections and clauses pertaining to enforcement and compliance from the current MSCEMM.

The proposal was received by the RCC on 06 December 2016, and was presented before the same on 13 January 2017 during the RCC's 123rd Meeting. The proposal was thereafter published in the market information website to allow Market Participants and stakeholders to submit their comments within 30-working days from the date of publication, 18 January 2017.

During the 127th RCC meeting held on 17 March 2017, the body deliberated on the proposed amendments, giving due consideration to the comments received from the DOE

and SN Aboitiz Power and the responses of PEMC to these comments. Deliberations were continued during the RCC's 128th Meeting on 11 April 2017.

The RCC adopted the revised proposed amendments during its April 11 meeting. The proposal is currently for finalization for endorsement to the PEM Board.

4. Proposed Amendments to the WESM Manual on Metering Standards and Procedures[9]

The RCC has deliberated various proposed amendments to the WESM Manual on Metering Standards and Procedures related to (a) back-up meters, and (b) Metering Service Provider Performance Rating, described as follows:

(a) Proposed Amendments related to Back-up Meters

The proposal was deliberated upon by the RCC and subsequently submitted to the PEM Board in 2014. To address the issues raised by the PEM Board regarding the applicability of the mandatory installation of back-up meters and the cost impact of the same, the RCC re-deliberated the proposal in 2015 but eventually agreed to await the findings of the 2nd Metering Audit, which was on-going at that time, to consider further inputs.

With the conclusion of the 2nd Metering Audit in March 2016, and considering that its findings have no relevant impact to the subject proposal, the RCC discussed the proposal anew during its 113th Meeting on 27 April 2016. The body agreed to have the proposal, as revised, posted in the market information website to seek further comments from WESM Members and interested parties.

The RCC re-deliberated on the proposal during its 117th Meeting on 03 August 2016 considering the inputs received from the Technical Committee, NGCP and MERALCO. The body agreed to retain its original proposal to make the installation of back-up meters mandatory for WESM metering points, including those serving Feed-In-Tariff generators. The RCC also agreed to propose having the costs for the installation shouldered by the Metering Services Provider (i.e., NGCP) since there is already a cost recovery mechanism in place such that seeking the approval of the ERC for additional capital expenditure will not be necessary.

The proposed changes to the WESM Manual on Metering Standards and Procedures relative to back-up meters were adopted on 07 December 2016 during the RCC's 122nd Meeting. It was agreed that the same shall be submitted to the PEM Board together with other proposals to amend the same Manual.

[9] A more detailed discussion regarding the amendments to the WESM Manual on Metering Standards and Procedures regarding: (a)Meter Service Provider Performance Rating; and (b) Back-up Meters is provided in the RCC 2016 Semestral Report (July to December 2016).

(b) Proposed Amendments relative to Metering Service Provider Performance Rating

During the 112th RCC meeting on 30 March 2016, PEMC presented its proposed amendments to Section 10 of the WESM Manual on Metering Standards and Procedures, which aim to add new categories for the new MSP rating computation. This proposal emanated from discussions between PEMC and the NGCP-MSP which resulted to the recommendation to adjust the percentage weights of the different performance factors in order to follow the requirements of the Philippine Grid Code on the accuracy of monthly meter data and testing of metering installation.

The proposal was then approved by the RCC for publication in the Market Information Website to seek comments from Market Participants.

Following a 30-working day commenting period from 01 April to 16 May 2016, comments received from the Technical Committee and MERALCO were considered in the initial deliberation of the proposal during the 115th RCC meeting on 01 June 2016. Upon its request, the NGCP-MSP was granted a two-week extension to submit its comments to the proposal.

During the RCC's 117th Meeting on 03 August 2016 when the body resumed the deliberation of the proposal, an RCC Sub-committee was created composed of an independent member and three sector representatives from the RCC, as well as the representatives from the NGCP-MSP and PEMC-MO to work out the details of the changes to percentage weights and performance factors. The results of said RCC Sub-committee meeting was considered by the RCC during the continuation of the deliberations during its 118th and 119th regular meetings held on 07 September and 05 October 2016, respectively, as regards the appropriate formula and criteria to be used to assess the performance of the MSP.

The RCC approved the proposal, as revised, for endorsement to the PEM Board. The proposal's submission to the PEM Board was deferred pending the finalization of the proposed amendments to the same Manual relative to WESM design enhancements.

III. WAY FORWARD

Mindful of the remaining deliverables in the updated 2017 Work Plan (Annex B), the RCC agreed to devote the succeeding months in completing and resolving the remaining items in the 2017 RCC Work Plan.

Approved by: RULES CHANGE COMMITTEE [redacted] **Maila Lourdes G. de Castro** Chairperson Independent	
Members:	
Concepcion I. Tanglao Independent	[redacted] **Francisco L.R. Castro, Jr.** Independent
Allan C. Nerves Independent	[redacted] **Isidro E. Cacho, Jr.** Market Operator Philippine Electricity Market Corporation (PEMC)
Ambrocio R. Rosales Transmission Sector National Grid Corporation of the Philippines (NGCP)	[redacted] **Abner B. Tolentino** Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)
[redacted] **Atty. Jose Ildebrando B. Ambrosio** Generation Sector North Wind	[redacted] **Theo C. Sunico** Generation Sector Vivant Corporation
Ciprinilo C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)	[redacted] **José P. Santos** Distribution Sector (EC) IlocosNorte Electric Cooperative, Inc. (INEC)
[redacted] **Juanito O. Tolentino, Jr.** Distribution Sector (PDU) Mactan Electric Company (MECO)	[redacted] **Ludovico D. Lim** Distribution Sector Antique Electric Cooperative, Inc. (ANTECO)
[redacted] **Lorreto H. Rivera** Supply Sector TeaM (Philippines) Energy Corporation (TPEC)	

[redacted]

RCC- REP-17-01

ANNEX A: Members of the RCC for the Period January to June 2017

Sector	Representative Organization	Members	
		Regular	Alternate
Independent		Maila Lourdes G. de Castro *(Chairperson)*	-
		Francisco L.R. Castro, Jr.	-
		Concepcion I. Tanglao	-
		Dr. Allan C. Nerves	-
Market Operations	Philippine Electricity Market Corporation (PEMC)	Isidro E. Cacho, Jr.	Edwin N. Mosa
System Operations	National Grid Corporation of the Philippines (NGCP)	Ambrocio R. Rosales	Henry V. Dela Cruz
Generation	NorthWind	Jose Ildebrando B. Ambrosio	-
	Power Assets & Liabilities Management (PSALM) Corporation	Abner B. Tolentino	Ma. Erliza C. Casas
	1590 Energy Corporation	Theo C. Sunico	Aris V. Policarpio
Distribution	PDU – Manila Electric Company (MERALCO)	Ciprinilo C. Meneses	Ryan S. Morales
	PDU – Mactan Electric Company (MECO)	Juanito O. Tolentino, Jr.	-
	EC – Ilocos Norte Electric Cooperative (INEC)	Jose P. Santos	Roy Rosario F. Alimbuyuguen
	EC – Antique Electric Cooperative (ANTECO)	Ludovico D. Lim	-
Supply	TeaM (Philippines) Energy Corporation	Lorreto H. Rivera	-
Observers	Department of Energy (DOE)	Dir. Mylene C. Capongcol	Ferdinand B. Binondo Luningning Baltazar
	Energy Regulatory Commission (ERC)	Atty. Debora T. Layugan	-

ANNEX B: Status of the 2017 RCC Work Plan

Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
1	Proposed Amendments to the WESM Manuals on Pricing Error Notice and Price Substitution Methodology regarding Publication Timeline	PEMC	submitted on 28 October 2016	Q1 2017	WESM Manual	Completed	▪ carried-over from 2016 ▪ approved on 13 January 2017 (RCC-RESO-17-01) ▪ **approved per DOE DC2017-03-0001 (20 March 2017)**
2	Proposed Amendments to the WESM Manuals on Registration, Suspension and De-registration Criteria and Procedures and Billing and Settlement regarding Bilateral Contract Quantity Declaration and Line Rental Calculation	PEMC	submitted on 03 November 2016	Q1 2017	WESM Manual	Completed	▪ carried-over from 2016 ▪ To revise the bilateral declaration timeline and incorporate changes to the line rental calculation to address previous audit findings; ▪ **approved on 13 January 2017 (RCC-RESO-17-02)** ▪ **endorsement of the proposal to the PEM Board was deferred to await for the promulgation**

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							of the DOE Circular that will include pertinent changes for the enhanced market design and the implementation of the CRSS and NMMS.
3	Proposed Urgent Amendments to the WESM Manuals on (a) Price Determination Methodology and (b) Constraint Violation Coefficient and Pricing Re-run	PEMC	submitted on 20 February 2017	Q1 2017	WESM Manual	Completed	▪ deliberated by RCC on 20 February 2017 ▪ approved on 20 February 2017 (RCC-RESO-17-03) ▪ withdrawn with the submission of the same proposal as general proposed amendments via RCC-RESO-2017-07 (09 June 2017)

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
4	Proposed Amendments to the WESM Manual on Metering Standards and Procedures regarding MSP Performance Rating	PEMC	submitted on 10 March 2016	Q2 2017	WESM Manual	On-going	▪ carried over from 2016 ▪ Proposed New Computation of MSP Rating ▪ RCC Sub-committee convened on 17 Aug 2016 ▪ approved on 07 December 2016 during RCC's 122nd Meeting; ▪ **for finalization; incorporated with proposals regarding Back-up Meters and WESM Design Enhancements (item nos. 5 and 11)**
5	Proposed Amendments to the WESM Rules and WESM Manual on Metering Standards and Procedures regarding Back-up meters	RCC	submitted in 2014	Q2 2017	WESM Rules and Manual	On-going	▪ carried-over from 2014 ▪ Originally proposed by PEMC and Technical Committee

[redacted]

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							▪ Deferred further deliberations awaiting results of 2nd Metering Audit Review; ▪ resumed deliberations in April 2016 ▪ approved during 122nd RCC Meeting on 07 Dec 2016 ▪ **for finalization; incorporated with proposals on MSP Performance Rating and WESM Design Enhancements (item nos. 4 and 11)**
6	Proposed Amendments to the Retail Manual on Metering Standards and Procedures to Address Audit Findings	PEMC	submitted on 05 December 2016	Q2 2017	Retail Manual	On-going	▪ carried-over from 2016 ▪ In response to RSM Bird Cameron's findings (5th MO Audit)

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							▪ Submitted to the RCC on 05 Dec 2016 ▪ Presented before the RCC on 07 Dec 2016 ▪ Published in the market website on 12 December 2016, commenting period until 26 January 2017 ▪ **approved on 11 April 2017 per RCC-RESO-17-04**
7	Proposed Amendments to the WESM Manual on Procedures for Load Shedding	NGCP-SO	submitted on 20 July 2016	Q2 2017	WESM Manual	On-going	▪ carried-over from 2016 ▪ deferred by the RCC on 13 January 2017 (123rd Meeting) pending update on Load Shedding Procedures by MO and SO ▪ **as of 20 Feb 2017: Manual will be abolished and incorporated in the**

ANNEX B: Status of the 2017 RCC Work Plan

Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							proposed Dispatch Protocol Manual 13 to reflect WESM design enhancements (item no. 11)

ANNEX B: Status of the 2017 RCC Work Plan

Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
8	Proposed Amendments to the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures	PEMC	submitted on 29 December 2016	Q2 2017	WESM Manual	Completed	▪ carried-over from 2016 ▪ To streamline procedures and address audit observations ▪ To incorporate the treatment/modelling of embedded generation and generation monitoring (gross or net of station use) ▪ Proposal submitted to the RCC on 29 December 2016 ▪ published on 18 January 2017 (commenting period until 01 Mar 2017) ▪ **approved on 19 May 2017 per RCC-RESO-17-06**

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
9	Proposed Amendments to the WESM Rules and Proposed Enforcement and Compliance Manual	PEMC	submitted on 06 December 2016	Q2 2017	WESM Rules and Manual	On-going	▪ carried-over from 2016 ▪ To provide for the authority of PEMC and the PEM Board to investigate and impose sanctions to non-complying participants; ▪ published on 18 January 2017 (commenting period until 01 Mar 2017) ▪ **on-going RCC deliberations/finalization**
10	Proposed Amendments to the WESM Rules and Market Surveillance, Compliance and Enforcement Manual	MSC	submitted on 29 December 2016	Q2 2017	WESM Rules and Manual	On-going	▪ carried-over from 2016 ▪ To set out the definitions of breaches and the procedures on compliance monitoring and enforcement actions

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							▪ published on 18 January 2017 (commenting period until 01 Mar 2017) ▪ **on-going RCC deliberations/finalization**
11	Proposed Amendments to the WESM and Retail Rules and Various Manuals for the Implementation of WESM Design Enhancements (Batch 2): a) WESM Rules b) Retail Rules c) Dispatch Protocol Manual d) Load Forecasting Manual e) Billing and Settlement Manual f) WESM Metering Manual g) Retail Metering Manual	PEMC	submitted on 16 December 2016	Q2 2017	WESM Rules and Manual	Partially completed	▪ carried-over from 2016 ▪ In compliance with DOE Circular No. DC2015-10-0015 ▪ presented to the RCC on 07 Dec 2016 ▪ published in the market website for comments of Market Participants (commenting period until 06 Feb 2017, extended until 08 Feb) ▪ **on-going RCC deliberations for the**

ANNEX B: Status of the 2017 RCC Work Plan

Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							WESM Rules, Dispatch Protocol Manual and WESM Metering Manual ▪ proposed amendments to the Retail Rules and Retail Metering Manual: approved on 11 April 2017 per RCC-RESO-17-04 ▪ proposed amendments to the Billing and Settlement and Load Forecasting Manuals: approved on 11 April 2017 per RCC-RESO-17-05

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
12	Proposed Amendments to the Retail Manual on Metering Standards and Procedures regarding Back-up Meters	RCC	submitted in 2014	Q2 2017	Retail Manual	Completed	▪ carried-over from 2014; ▪ originally proposed by MERALCO in 2014 ▪ Deferred further deliberations awaiting results of 2nd Metering Audit Review ▪ resumed deliberations on 03 March 2017 (126th Meeting) ▪ **approved on 11 April 2017 per RCC-RESO-17-04**
13	Proposed WESM Rules revision regarding reportorial requirements of the Daily Significant Variations Report	PEMC	Q1 2017	Q2 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ Amendments to reflect that submission of a printed copy of the DSVR to the DOE, ERC, PEM Board, WESM Members and interested entities (Clause 1.3.1.5) is no longer necessary since

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							said report is accessible to the public (i.e., report is published on a daily basis through WESM website).
14	Proposed Amendments to the WESM Rules (as applicable) and WESM Manual on Information Disclosure and Confidentiality for the Implementation of WESM Design Enhancements (Batch 3)	PEMC	Q2 2017	Q2 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ In compliance with DOE Circular No. DC2015-10-0015
15	Proposed Amendments to the Manual of Procedures for Changes to the WESM Rules Issue 2	RCC	Q2 2017	Q2 2017	WESM Manual		▪ to align the Manual with the WESM Rules ▪ to enhance the RCC process

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
16	Proposed Amendments to the Financial Penalty Manual	PEMC	Q2 2017	Q3 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ To set out the penalty to be applied for each type of breach and for breach of the dispatch conformance standards based on the enhanced WESM design, and to simplify the penalty system
17	Proposed Amendments to the WESM Manual on Market Network Model Development and Maintenance Criteria and Procedures	PEMC	Q2 2017	Q3 2017	WESM Manual		▪ carried-over from 2016 ▪ Proposal concerning the modelling of DUs, embedded generation, and generation monitoring (gross or net of station use)

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
18	Exclusion of Contestable Customers in Registering as Indirect / Direct WESM Members and Establishment of process for their mapping through their Retail Electricity Suppliers (RESes)	RESA	Q2 2017	Q3 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ To remove requirement for CCs to directly register with the WESM and to propose that CCs' registration be through the RES counter-party
19	Representation of RESes in the WESM Model/ Operations	RESA	Q2 2017	Q3 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ To represent RESes in the WESM Model/Operations and to revise settlement formula in consideration of RES transactions
20	Proposed Amendments to the WESM Manual on Metering Standards and Procedures regarding SSLA for Generators	PEMC	Q2 2017	Q3 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ To reflect the application of Site Specific Loss Adjustment (SSLA) for Generators

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
21	Proposed Amendments to the WESM Rules for the Appropriate Location of Metering Points and Market Trading Node	PEMC	Q2 2017	Q3 2017	WESM Rules and Manual		▪ carried-over from 2016 ▪ To adopt the DOE DC No. 2016-05-0007
22	Proposed Amendments to Proposed Rules Changes to the WESM Rules, Retail Manual and PAC Market Manual	PAC	Q2 2017	Q3 2017	WESM Rules and Manual		Proposed changes on audit provisions including the renaming of the PEM Auditor and Audit of Metering Arrangements audit title, frequency of audits, and inclusion of rules regarding MSP's compliance to metering installation requirements and rules providing for the review of all new market-related software and modifications to existing software implemented by the Market Operator (MO) as identified through the ICT

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
							Change Management Procedure.
23	Proposed Amendments to the WESM Manuals and WESM Rules (as applicable) to enhance WESM design and operations and provide guidelines on the participation of BESS and other modes of operation in the WESM: a) Registration Manual b) Load Forecasting Manual	PEMC	Q2 2017	Q3 2017	WESM Rules and Manual		▪ In compliance with DOE Circular No. DC2015-10-0015; ▪ Subject to DOE policy and ERC guidelines on BES and other modes of operation in the WESM. Also on the ERC approval of the ASRS/ASPP
24	Proposed Amendments related to Site-Specific Loss Adjustment (SSLA)	DU	Q2 2017	Q3 2017	WESM Rules and Manual		

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Item	Proposed Amendment	Proponent	Date Submitted/ Proponent's Target Period of Submission to the RCC	RCC's Target Period of Submission to the PEM Board *	Deliverables (WESM Rules/ Retail Rules/ WESM Manual/ Retail Manual)	Status	Remarks
25	Proposed Amendments to the WESM Manual on Dispute Resolution	DRA	Q2 2017	Q3 2017	WESM Manual		Amendments relative to fees and costs of WESM Mediation and Arbitration
26	Proposed Amendments to the WESM Manuals regarding WESM Design Enhancements: a) Ancillary Services Monitoring Manual b) Guidelines on Significant Variations	PEMC	Q2/Q3 2017	Q3/Q4 2017	WESM Rules and Manual		In compliance with DOE Circular No. DC2015-10-0015