

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2016-12

**Proposed Amendments to the WESM Rules and WESM Manuals on Dispute
Resolution and Registration, Suspension and De-registration Criteria and
Procedures**

WHEREAS, on 29 July 2016, the Rules Change Committee (RCC) received from the Dispute Resolution Administrator (DRA) two (2) Proposed Amendments, as follows:

- a) Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures regarding WESM Disputes; and
- b) Proposed Amendments to the WESM Rules and Dispute Resolution Market Manual regarding Dispute Resolution Process;

WHEREAS, both proposals were presented before the RCC during its 117th Meeting on 03 August 2016, and, after the RCC's initial discussions, were approved for publication in the Market Information Website to solicit comments from Market Participants. Stakeholders were given until 20 September 2016, 30-working days period from the date of publication, to submit their comments;

WHEREAS, the RCC deliberated on the proposal during its 119th Meeting on 05 October 2016, with consideration to the comments received from the DOE, MERALCO and SN Aboitiz Power (SNAP);

WHEREAS, the descriptions of the proposals and the discussions that transpired are presented as follows:

a) Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures regarding WESM Disputes

The proposal calls for aligning the relevant provisions of the WESM Rules and pertinent WESM Manuals with the agreement-based or commercial arbitration framework that the WESM Dispute Resolution Process was designed and contemplated to be. Specifically, the proposal aims to:

- (i) Remove the PEM Board as an impleadable entity in WESM Disputes under Clause 7.3.1.1 of the WESM Rules

The inclusion of the PEM Board and its Working Groups as possible parties to disputes that may be resolved through WESM Dispute Resolution is deemed

inconsistent with the agreement-based or commercial arbitration framework of WESM Dispute Resolution, hence the proposed amendment. WESM Dispute Resolution only intends to resolve disputes that are civil, commercial or business in nature. Disputes arising out of PEM Board decisions or actions, however, are more administrative and/or regulatory in nature considering its mandate to implement policies in the WESM. Such disputes are outside the jurisdiction of WESM Dispute Resolution.

The DOE agreed with the proposal while MERALCO and SNAP disagreed, contending that removing the PEM Board as an impleadable entity in WESM disputes might deprive Market Participants of a non-judicial avenue (i.e., WESM Dispute Resolution) through which they could lodge their dispute against the PEM Board. The proponent responded with the following, which the RCC accepted:

- a PEM Board that can sue and be sued does not exist in law as it has no juridical personality;
- disputes involving the PEM Board would not raise civil, commercial or business disputes (i.e., WESM disputes) since its actions or decisions are based from its mandate to implement regulatory policies in the market; and
- disputes involving the PEM Board are outside the jurisdiction of WESM Dispute Resolution and may be lodged before the ERC, the DOE, or the regular courts.

- (ii) Delete the disapproval of WESM Membership application as a subject matter of disputes cognizable under WESM Dispute Resolution Process

The proposal submits that the disapproval of an Intending WESM Member's application should not be included as a subject matter of disputes admissible in WESM Dispute Resolution since it is merely an administrative issue. Disputes cognizable under WESM Dispute Resolution are only those that are civil, commercial or business in nature, which the disapproval of a WESM membership application is not.

The DOE and MERALCO disagreed with the proposal as it will remove the opportunity for Intending WESM Members to settle registration issues through WESM Dispute Resolution. Moreover, other electricity markets allow registration issues to be resolved through their respective dispute resolution process. In response, the proponent offered the following counter-arguments, which the RCC accepted:

- Intending WESM Members are still not bound by the WESM Rules which, aside from providing regulatory policies of the market, also stands as the contract of WESM Members containing the arbitration agreement that all WESM Members are understood to have agreed to when they opted in the WESM;
- Unlike in the Philippines, the countries of other electricity markets may have laws allowing even non-parties in an arbitration agreement to lodge their disputes before their dispute resolution mechanisms;

- Disputes regarding registration issues are more administrative or regulatory rather than civil, commercial or business in nature, only the latter of which are subject matters cognizable under WESM Dispute Resolution; and
- Issues on WESM Membership application are, in practice, addressed through administrative correction by the applicants themselves, the relevant PEMC unit or the PEMC Management.

Following the deliberation, the RCC subsequently adopted the revisions to the WESM Rules and affected WESM Manuals, as revised.

b) Proposed Amendments to the WESM Rules and WESM Manual on Dispute Resolution regarding Dispute Resolution Process

The proposal intends to enhance and clarify vague procedures in the WESM Dispute Resolution Process. In summary, the proposal calls for the following revisions:

- (i) addition of provisions in the WESM Rules allowing for Emergency Arbitration and its procedures in the DRMM;
- (ii) revision of the default schedule of arbitration fees under the applicable section in the DRMM;
- (iii) revision of the default schedule of administrative costs under the applicable section in the DRMM; and
- (iv) general revisions throughout various sections in the DRMM, for enhancement and clarity.

The RCC considered the DOE and MERALCO's comments and suggestions to the proposal, as well as the proponent's responses and clarifications thereto. Following the deliberation, the RCC adopted the proposed changes to the WESM Rules and the Dispute Resolution Market Manual, as revised.

WHEREAS, during the same meeting, the RCC approved the two (2) proposed amendments, as revised, to be transmitted to the PEM Board for subsequent endorsement to the DOE;

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

RESOLVED, that the Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures are hereby approved by the RCC;

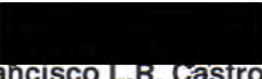
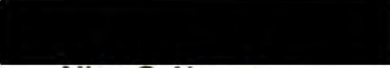
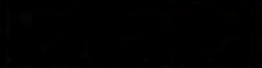
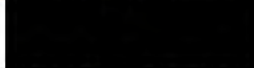
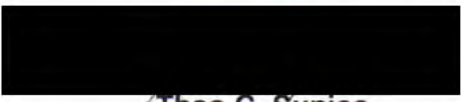
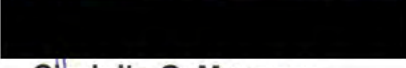
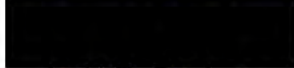
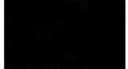
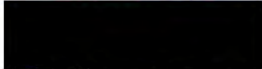
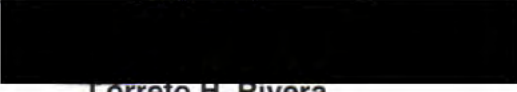
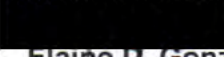
RESOLVED FURTHER, that the attached Annex of the Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures is hereby endorsed to the PEM Board for approval and endorsement to the DOE.

Done this 05 October 2016, Pasig City.

Approved by:
RULES CHANGE COMMITTEE

Maila Lourdes G. de Castro
Chairperson
Independent

Members:

 Concepcion I. Tanglao Independent	 Francisco L.R. Castro, Jr. Independent
 Allan C. Nerves Independent	 Isidro E. Cacho, Jr. Market Operator Philippine Electricity Market Corporation (PEMC)
 Ambrojo R. Rosales Transmission Sector National Grid Corporation of the Philippines (NGCP)	 Abner B. Tolentino Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)
 Jose Teodoro B. Ambrosio Generation Sector NorthWind Power Development Corporation	 Theo C. Sunico Generation Sector Vivant Corporation
 Erwin C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)	 Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)
 Juanito O. Tolentino, Jr. Distribution Sector Mactan Electric Company (MECO)	 Ludovico D. Lim Distribution Sector Antique Electric Cooperative, Inc. (ANTECO)
 Lorreto H. Rivera Supply Sector TeaM (Philippines) Energy Corporation (TPEC)	Certified True and Correct:  Elaine D. Gonzales RCC Secretary PEMC

**Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration
Criteria and Procedures**

WESM Rules				
Title	Section	Original Provision	Proposed Amendment	Rationale
Notice of non-approval of application	2.5.6.3	If an application for registration is rejected by the Market Operator under clause 2.5.6.1 an applicant may: (a) Rectify the shortcomings in his previous application as notified by the Market Operator as being the reasons for the application being unsuccessful and re-submit an application for registration; or (b) Refer the matter for resolution as a dispute under clause 7.3.	If an application for registration is rejected by the Market Operator under clause 2.5.6.1 an applicant may: (a) Rectify the shortcomings in his previous application as notified by the Market Operator as being the reasons for the application being unsuccessful and re-submit an application for registration; or (b) Refer the matter for resolution as a dispute under clause 7.3.	To remove the disapproval of application for WESM Membership as a subject matter of WESM dispute as this issue is more administrative or regulatory (PEM Board acting as an “organ of the State”, via delegated power from the ERC), than commercial or civil in nature; hence, it properly should not be submitted to the disposal of private neutrals (i.e., Mediators/Arbitrators).
DISPUTE RESOLUTION Application and Guiding Principles	7.3.1.1	The dispute resolution procedures set out in this clause 7.3 apply to all disputes relating to or in connection with transactions in the WESM which may arise between or among any of the following: (a) The Market Operator;	The dispute resolution procedures set out in this clause 7.3 apply to all disputes relating to or in connection with transactions in the WESM which may arise between or among any of the following: (a) The Market Operator; (b) The System Operator;	To make the list of possible parties more consistent with the design of the WESM Dispute Resolution Process, and/or with the State/statutory policy and legal philosophy of commercial arbitration of only resolving disputes that are civil,

WESM Rules				
Title	Section	Original Provision	Proposed Amendment	Rationale
		(b) The System Operator; (c) The PEM Board and its Working Groups except the Dispute Resolution Administrator; (d) WESM members; (e) Intending WESM members;	(c) The PEM Board and its Working Groups except the Dispute Resolution Administrator; (d)(c) WESM Members; (e)(d) Intending WESM Members;	commercial or business in nature.
	7.3.1.1	(f) Persons who have been notified by the Market Operator under clause 2.5.6.1 on the following grounds: (1) an application for registration as a WESM member has been unsuccessful; xxx	(f) Persons who have been notified by the Market Operator under clause 2.5.6.1 on the following grounds: (1) an application for registration as a WESM member has been unsuccessful; (2) – (6) xxx as renumbered to (1) – (5) xxx	To remove the disapproval of application for WESM Membership as a subject matter of WESM dispute as this issue is more administrative than regulatory (PEM Board acting as an “organ of the State”, via delegated power from the ERC), commercial or civil in nature; hence, it properly should not be submitted to the disposal of private neutrals (i.e., Mediators/Arbitrators).
	7.3.8	None (displace existing provision)	<u>Interim and Emergency Relief</u> <u>A party in need of urgent interim or conservatory relief prior to the</u>	To insert an enabling provision in the WESM Rules providing for the mechanism on Emergency Arbitration.

WESM Rules				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>constitution of the Tribunal may apply for such relief pursuant to the procedures set forth in the Dispute Resolution Market Manual.</u>	
Legal Representation	7.3.8	Legal Representation	<u>7.3.9</u> Legal Representation	Re-numbering
Cost of Dispute Resolution	7.3.9	Cost of Dispute Resolution	<u>7.3.10</u> Cost of Dispute Resolution	Re-numbering
Effect of Resolution	7.3.10	Effect of Resolution	<u>7.3.11</u> Effect of Resolution	Re-numbering
	7.3.10.1	A resolution of the <i>dispute resolution panel</i> is binding on the parties to the dispute, ... xxx	<u>7.3.11.1</u> xxx	Re-numbering
	7.3.10.2	A requirement that a party to the dispute settle payment under:	<u>7.3.11.2</u> xxx	Re-numbering

WESM Rules				
Title	Section	Original Provision	Proposed Amendment	Rationale
		(a) An agreement reached between the parties to a dispute under clause 7.3.4.1; xxx		
	7.3.10.3	All persons referred to in clauses 7.3.1.1 (a) to (e) affected by an agreement reached during the mediation stage or an award of the arbitration panel shall comply...xxx	<u>7.3.11.3</u> xxx	Re-numbering
	7.3.10.4	If a party to a dispute is not satisfied with the resolution of the <i>dispute resolution panel</i> , ... xxx	<u>7.3.11.4</u> xxx	Re-numbering
Recording and Publication	7.3.11	Recording and Publication	<u>7.3.12</u> Recording and Publication	Re-numbering
	7.3.11.1	Whenever a dispute is resolved, the mediator or the arbitration tribunal, as may be applicable, shall send written details ...xxx	<u>7.3.12.1</u> xxx	Re-numbering

WESM Rules				
Title	Section	Original Provision	Proposed Amendment	Rationale
	7.3.11.2	Subject to clause 5.3, the details and results of each dispute which the mediator and/or arbitration panel resolves, as the case may be, except confidential information, shall be <i>published</i> ... xxx	<u>7.3.12.2</u> xxx	Re-numbering
	7.3.11.3	Claims for confidentiality of information disclosed in the dispute resolution process shall be dealt with in accordance with the provisions relating to use of information in clause 5.3.	<u>7.3.12.3</u> xxx	Re-numbering
Limitation of Liability	7.3.12	Limitation of Liability	<u>7.3.13</u> Limitation of Liability	Re-numbering

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
Definitions	2.1	None	<u>DRA Secretariat refers to the Market Assessment Group tasked to assist the DRA in the performance of his/her responsibilities under the WESM Rules.</u>	To clarify that the secretariat or staff assisting the DRA is different from the secretariat that supports the mediator and arbitrators during proceedings.
Dispute Categories and Parties	3.1.1	3.1.1 As established in the WESM Rules, the provisions and procedures in this Manual shall apply in the case of disputes that may arise between or among any of the following parties: xxx (e) Persons or entities that applied for registration as WESM Member and whose application has been denied by the MO provided, however, that any person seeking relief under this Manual shall agree to be bound by all Applicable Law, Rules and Regulations notwithstanding the denial of application.	3.1.1 As established in the WESM Rules, the provisions and procedures in this Manual shall apply in the case of disputes that may arise between or among any of the following parties: xxx (e) Persons or entities that applied for registration as WESM Member and whose application has been denied by the MO provided, however, that any person seeking relief under this Manual shall agree to be bound by all Applicable Law, Rules and Regulations notwithstanding the denial of application.	To remove the disapproval of application for WESM Membership as a subject matter of WESM dispute as this issue is more administrative (and/or policy direction/application) than commercial in nature, hence, not arbitrable.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		For disputes arising under or in connection with or in relation to one or more of the following: xxx (c) The failure of a person to become registered as a WESM Member; xxx	For disputes arising under or in connection with or in relation to one or more of the following: xxx (c) The failure of a person to become registered as a WESM Member; (d) – (h) xxx as renumbered to (c) - (g)	
WESM ADR Support Service Centers	6.2.4	Only those companies or organizations which have adequate facilities, trained staff, tested organization and systems, and have the experience in administering ADR cases, may be eligible for accreditation as WESM ADR Support Service Centers. The DRA shall submit a list of recommended companies or organizations for the approval of the PEM Board as accredited WESM ADR Support Service Centers.	6.2.4.1 Only those companies or organizations which have adequate facilities, trained staff, tested organization and systems, and have the experience in administering ADR cases, may be eligible for accreditation as WESM ADR Support Service Centers (ASSC). The DRA shall submit a list of recommended companies or organizations for the approval of the PEM Board as accredited WESM ADR Support Service Centers.	To provide a mechanism through which a case secretariat may be outsourced if no ASSC is accredited.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		In the selection of a WESM-Accredited ADR Support Service Center for a particular case, the DRA shall consider the convenience of the parties and the least cost to them.	In the selection of a WESM-Accredited ADR Support Service Center for a particular case, the DRA shall consider the convenience of the parties and the least cost to them. <u>6.2.4.2 Pending the availability of ASSC/s having the qualifications prescribed in this Manual and their being duly accredited as such, the DRA shall tap individuals he/she deems could adequately provide the needed support services on an <i>ad hoc</i>/temporary basis until such time that said services are required or the case is closed, whichever comes first.</u>	
Disputes on Application for Registration	7.3.1	7.3.1 Disputes on the rejection of an application for registration to participate in the WESM shall be governed by the following: (a) Subject to section 8.3, the parties should make good faith efforts to amicably settle their	7.3.1 Disputes on the rejection of an application for registration to participate in the WESM shall be governed by the following: (a) Subject to section 8.3, the parties should make good faith efforts to amicably settle their dispute	To remove the disapproval of application for WESM Membership as a subject matter of WESM dispute as this issue is more administrative (and/or policy direction/application) than commercial in nature, hence, not arbitrable.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		dispute between and/or among themselves. (b) Should the negotiation fail, any of the parties may refer the matter in dispute to the DRA in accordance with Section 8.4 of this Manual. Such submission shall set in motion the WESM dispute resolution process established in this Manual. If the DRA determines that the dispute is a WESM dispute under Section 2.1 (nn) of this Manual, the DRA shall initiate the selection of a mediator under Section 8.5 of this Manual. (c) Should mediation efforts fail, the Intending Member(s) may file with the DRA a Request under Section 9 of this Manual to resolve the dispute by arbitration. (d) Should the parties decide to dispense with mediation and proceed to arbitration directly, the parties may elect to do so subject to	between — and/or — among themselves. (b) Should the negotiation fail, any of the parties may refer the matter in dispute to the DRA in accordance with Section 8.4 of this Manual. Such submission shall set in motion the WESM dispute resolution process established in this Manual. If the DRA determines that the dispute is a WESM dispute under Section 2.1 (nn) of this Manual, the DRA shall initiate the selection of a mediator under Section 8.5 of this Manual. (c) Should mediation efforts fail, the Intending Member(s) may file with the DRA a Request under Section 9 of this Manual to resolve the dispute by arbitration. (d) Should the parties decide to dispense with mediation and proceed to arbitration directly, the parties may elect to do so subject to the issuance	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		the issuance by the DRA of a certification stating that mediation is no longer a viable option for the parties.	by the DRA of a certification stating that mediation is no longer a viable option for the parties.	
Referral of Dispute to the DRA	8.4.5	8.4.5 If the DRA makes a preliminary determination that the dispute is a <i>WESM dispute</i> under Section 2.1 (nn) of this Manual, he/she shall notify all other relevant parties that may be involved in or affected by the dispute, whether or not identified in the Claimant/s's RM, in such form as the DRA may prescribe and may, where applicable, transmit a copy of the RM within five (5) days from receipt thereof.	8.4.5 If the DRA makes a preliminary determination that the dispute is a <i>WESM dispute</i> under Section 2.1 (nn) of this Manual, he/she shall notify all other relevant parties that may be involved in or affected by the dispute, whether or not identified in the Claimant/s's RM, in such form as the DRA may prescribe and may, where applicable, transmit a copy of the RM within five (5) calendar days from receipt thereof.	To clarify the timeline of the subject mediation procedure.
Mediation		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>8.5.7 The Mediator shall, upon his appointment, sign a statement of acceptance, impartiality, independence and agreement to devote as much time and attention to the mediation as the circumstances require in order to achieve the objective of a speedy,</u>	To specify the required submissions from the appointed mediator, similar with the requirements from appointed arbitrators.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>effective and fair resolution of the dispute. The Mediator shall disclose in writing to the DRA and to the parties any facts or circumstances which might be of such a nature as to call into question the mediator's independence as well as any circumstances that could give rise to reasonable doubts as to the mediator's impartiality.</u>	
Mediation	8.5.7 to 8.5.16	8.5.7 to 8.5.16 xxx	Re-numbering: 8.5.7 <u>8.5.8</u> xxx 8.5.8 <u>8.5.9</u> xxx 8.5.9 <u>8.5.10</u> xxx 8.5.10 <u>8.5.11</u> xxx 8.5.11 <u>8.5.12</u> xxx 8.5.12 <u>8.5.13</u> xxx 8.5.13 <u>8.5.14</u> xxx 8.5.14 <u>8.5.15</u> xxx	Re-numbering

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			8.5.15 8.5.16 xxx 8.5.16 8.5.17 xxx	
Answer to the Request: Counterclaims	9.2.2.1	9.2.2.1 Within fifteen (15) days from the receipt of the RA from the Secretariat, the Respondent shall submit an Answer which shall contain the following information: (a) its name in full, description, address and other contact details; xxx	9.2.2.1 Within fifteen (15) calendar days from the receipt of the RA from the Secretariat, the Respondent shall submit an Answer which shall contain the following information: (a) its name in full, description, address and other contact details; xxx	To clarify the timeline of the subject mediation procedure.
	9.2.2.6	The Claimant shall submit a Reply to any counterclaim within ten (10) days from the date of receipt of the counterclaims communicated by the Secretariat. xxx	The Claimant shall submit a Reply to any counterclaim within ten (10) calendar days from the date of receipt of the counterclaims communicated by the Secretariat. xxx	To clarify the timeline of the subject mediation procedure.
Challenge and Replacement of Arbitrators	9.5.2	For a challenge to be admissible, it must be submitted by a party either within ten (10) days from receipt by that party of the notification of the appointment or confirmation of the arbitrator, or within ten (10) days	For a challenge to be admissible, it must be submitted by a party either within ten (10) calendar days from receipt by that party of the notification of the appointment or confirmation of the arbitrator, or within ten (10)	To clarify the timeline of the subject mediation procedure.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		from the date when the party making the challenge was informed of the facts and circumstances on which the challenge is based if such date is subsequent to the receipt of such notification.	calendar days from the date when the party making the challenge was informed of the facts and circumstances on which the challenge is based if such date is subsequent to the receipt of such notification.	
None		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>Section 9.8.2 - Emergency Arbitrator</u>	Insertion of a new section to add the process and procedures for calling upon an emergency arbitrator if a party requires urgent interim relief that cannot await the constitution of an arbitral tribunal.
		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>9.8.2.1 A party that needs urgent interim or conservatory measures that cannot await the constitution of an arbitral tribunal ("Emergency Measures") may make an application for such measures pursuant to the Emergency Arbitrator Rules in Annex C. Any such application shall be accepted only if it is received by the DRA Secretariat prior to the transmission of the file to the arbitral tribunal pursuant to Section 9.6.1 of the</u>	<i>(These procedures were adopted from the Arbitration Rules of the International Chamber of Commerce.)</i>

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>Manual and irrespective of whether the party making the application has already submitted its Request for Arbitration.</u>	
		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>9.8.2.2 The emergency arbitrator's decision shall take the form of an order. The parties undertake to comply with any order made by the emergency arbitrator.</u>	
		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>9.8.2.3 The emergency arbitrator's order shall not bind the arbitral tribunal with respect to any question, issue or dispute determined in the order. The arbitral tribunal may modify, terminate or annul the order or any modification thereto made by the emergency arbitrator.</u>	
		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>9.8.2.4 The arbitral tribunal shall decide upon any party's requests or claims related to the emergency</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>arbitrator proceedings, including the reallocation of the costs of such proceedings and any claims arising out of or in connection with the compliance or non-compliance with the order.</u>	
		None <i>(displaces existing provisions and would require re-numbering)</i>	<u>9.8.2.5 The Emergency Arbitrator Provisions are not intended to prevent any party from seeking urgent interim or conservatory measures from a competent judicial authority at any time prior to making an application for such measures, and in appropriate circumstances even thereafter, pursuant to the Rules. Any application for such measures from a competent judicial authority shall not be deemed to be an infringement or a waiver of Clause 7.3.1.1 of the WESM Rules. Any such application and any measures taken by the judicial authority must be notified without delay to the DRA Secretariat.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
Time Limit for the Final Award	9.8.2	9.8.2 Time Limit for the Final Award	9.8.3 Time Limit for the Final Award	Re-numbering
	9.8.2.1	9.8.2.1 xxx	9.8.3.1 xxx	Re-numbering
	9.8.2.2	9.8.2.2 xxx	9.8.3.2 xxx	Re-numbering
Making of the Award	9.8.3	9.8.3 Making of the Award	9.8.4 Making of the Award	Re-numbering
	9.8.3.1	9.8.3.1 xxx	9.8.4.1 xxx	Re-numbering
	9.8.3.2	9.8.3.2 xxx	9.8.4.2 xxx	Re-numbering
	9.8.3.3	9.8.3.3 xxx	9.8.4.3 xxx	Re-numbering
Award by Consent	9.8.4	9.8.4 Award by Consent xxx	9.8.5 Award by Consent Xxx	Re-numbering
Notification, Deposit and	9.8.5	9.8.5 Notification, Deposit and Enforceability of the Award	9.8.6 Notification, Deposit and Enforceability of the Award	Re-numbering

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
Enforceability of the Award	9.8.5.1	9.8.5.1 xxx	<u>9.8.6.1</u> xxx	Re-numbering
	9.8.5.2	9.8.5.2 xxx	<u>9.8.6.2</u> xxx	Re-numbering
	9.8.5.3	9.8.5.3 xxx	<u>9.8.6.3</u> xxx	Re-numbering
	9.8.5.4	9.8.5.4 xxx	<u>9.8.6.4</u> xxx	Re-numbering
Correction and Interpretation of the Award; Remission of Awards	9.8.6	9.8.6 Correction and Interpretation of the Award; Remission of Awards	<u>9.8.7</u> Correction and Interpretation of the Award; Remission of Awards	Re-numbering
	9.8.6.1	9.8.6.1 On its own initiative, the Arbitral Tribunal may correct a clerical, computational or typographical error, or any errors of similar nature contained in an Award, provided such correction is submitted for approval to DRA within fifteen (15) days of the date of such award.	<u>9.8.7.1</u> On its own initiative, the Arbitral Tribunal may correct a clerical, computational or typographical error, or any errors of similar nature contained in an Award, provided such correction is submitted for approval to DRA within fifteen (15) <u>calendar</u> days of the date of such award.	Re-numbering. To clarify the timeline of the subject mediation procedure.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
	9.8.6.2	9.8.6.2 Any application of a party for the correction of an error of the kind referred to in Section 9.8.6.1, or for the interpretation of an Award, must be made to the Secretariat within fifteen (15) days of the receipt of the award by such party, in a number of copies as stated in Section 9.1.2.1. After transmittal of the application to the Arbitral Tribunal, the latter shall grant the other party time not exceeding fifteen (15) days from the receipt of the application by that party, to submit any comments thereon. The Arbitral Tribunal shall submit its decision on the application in draft form to the DRA not later than thirty (30) days following the expiration of the time limit for the receipt of any comments from the other party or within such other period as the DRA may decide.	9.8.7.2 Any application of a party for the correction of an error of the kind referred to in Section 9.8.6.1, or for the interpretation of an Award, must be made to the Secretariat within fifteen (15) calendar days of the receipt of the award by such party, in a number of copies as stated in Section 9.1.2.1. After transmittal of the application to the Arbitral Tribunal, the latter shall grant the other party time not exceeding fifteen (15) calendar days from the receipt of the application by that party, to submit any comments thereon. The Arbitral Tribunal shall submit its decision on the application in draft form to the DRA not later than thirty (30) calendar days following the expiration of the time limit for the receipt of any comments from the other party or within such other period as the DRA may decide.	Re-numbering. To clarify the timeline of the subject mediation procedure.
	9.8.6.3	9.8.6.3 xxx	9.8.7.3 xxx	Re-numbering

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
	9.8.6.4	9.8.6.4 xxx	<u>9.8.7.4</u> xxx	Re-numbering
Advance Payment to Cover the Costs of the Arbitration	9.9.1.6	9.9.1.6 When a request for an advance on costs has not been complied with, and after consultation with the Arbitral Tribunal, the DRA may direct the Arbitral Tribunal to suspend its work and set a time limit, which must not be less than fifteen (15) days, on the expiry of which the relevant claims shall be considered as withdrawn. xxx	9.9.1.6 When a request for an advance on costs has not been complied with, and after consultation with the Arbitral Tribunal, the DRA may direct the Arbitral Tribunal to suspend its work and set a time limit, which must not be less than fifteen (15) calendar days, on the expiry of which the relevant claims shall be considered as withdrawn. xxx	To clarify the timeline of the subject mediation procedure.
Recording and Publication	9.12.1	9.12.1 When the resolution of a dispute has been made by an Arbitral Tribunal, the chairperson of the Arbitral Tribunal shall, within the next five (5) business days, send a report with the details of the resolution to: (a) The DRA; (b) The PEM Board; (c) The ERC; and (d) The MO.	9.12.1 When the resolution of a dispute has been made by an Arbitral Tribunal, the chairperson of the Arbitral Tribunal shall, within the next five (5) calendar days, send a report with the details of the resolution to: (a) The DRA; (b) The PEM Board; (c) The ERC; and (d) The MO.	To expedite the accomplishment of the subject procedure.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
Protocols on sending a Notice of Dispute	Annex A, 3.1. (b)	3.1 xxx b. The Notice of Dispute must be sent within the time limit set out under the Dispute Resolution Market Manual (DRMM).	3.1 xxx b. The Notice of Dispute must be sent within the time limit set out under the Dispute Resolution Market Manual (DRMM). e b. xxx	To remove inconsistent provision; the DRMM does not specify any 'time limit' in this stage of the Negotiation.
Protocols on receiving a Notice of Dispute	Annex A, 3.2	3.2 a. An acknowledgement of receipt should be properly made by the DMP Focal Person. b. In case the dispute is already outside the time limit set out under the DRMM, the receiving party must notify the other party of the same within ten (10) business days from receipt of the Notice of Dispute. c. The acknowledgement receipt shall be transmitted in	3.2 a. An acknowledgement of receipt should be properly made by the DMP Focal Person <u>within five (5) calendar days.</u> b. In case the dispute is already outside the time limit set out under the DRMM, the receiving party must notify the other party of the same within ten (10) business days from receipt of the Notice of Dispute. e b. The acknowledgement receipt shall be transmitted in accordance with	To clarify the timeline of the subject mediation procedure. To remove inconsistent provision; the DRMM does not specify any 'time limit' in this stage of the Negotiation.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		accordance with the mode of transmittal depending on the order of preference of receipt mentioned in the other party's DMP.	the mode of transmittal depending on the order of preference of receipt mentioned in the other party's DMP.	
Requests for Information	Annex A, 4.1.2	4.1.2. Time period for Information Request There should be a response to the request within ten (10) business days of receipt of the request.	4.1.2. Time period for Information Request There should be a response to the request within ten (10) calendar days of receipt of the request.	To expedite the accomplishment of the subject procedure.
NEGOTIATION	Annex A, 5.1.	5.1 Within fifteen (15) business days after the receipt of the Notice of Dispute, the parties must meet by agreement to determine the feasibility of voluntary and amicable settlement of the dispute.	5.1 Within fifteen (15) calendar days after the receipt of the Notice of Dispute, the parties must meet by agreement to determine the feasibility of voluntary and amicable settlement of the dispute.	To expedite the accomplishment of the subject procedure.
	Annex A, 5.3.	5.3 During the negotiation stage, the parties have forty five (45) business days from the Notice of Dispute to resolve the dispute by themselves. The parties may agree in writing to extend this 45-business day period.	5.3 During the negotiation stage, the parties have forty five (45) calendar days from the Notice of Dispute to resolve the dispute by themselves. The parties may agree in writing to extend this 45- calendar day period.	To be consistent with Section 8.3.3. of the DRMM

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		Should there be failure of negotiation, either of the parties may file a Statement of Claim to the DRA.	Should there be failure of negotiation, either of the parties may file a Statement of Claim <u>Request for Mediation</u> to the DRA.	To specify the proper required form in commencing the Mediation stage.
None	Annex C	NEW ANNEX TITLE <i>(displaces existing provisions and would require re-numbering)</i>	<u>ANNEX C – EMERGENCY ARBITRATOR RULES</u> <u>Article 1 - Application for Emergency Measures</u> <u>1 A party wishing to have recourse to an emergency arbitrator pursuant to Section 9.8.2 of the Manual shall submit its Application for Emergency Measures (the “Application”) to the DRA Secretariat.</u> <u>2 The Application shall be supplied in a number of copies sufficient to provide one copy for each party, plus one for the emergency arbitrator, and one for the DRA Secretariat.</u>	Insertion of a new Annex section to add the process and procedures of calling upon an emergency arbitrator if a party requires urgent interim relief that cannot await the constitution of an arbitral tribunal.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			3 <u>The Application shall contain the following information:</u> a) <u>the name in full, description, address and other contact details of each of the parties;</u> b) <u>the name in full, address and other contact details of any person(s) representing the applicant;</u> c) <u>a description of the circumstances giving rise to the Application and of the underlying dispute referred or to be referred to arbitration;</u> d) <u>a statement of the Emergency Measures sought;</u> e) <u>the reasons why the applicant needs urgent interim or conservatory measures that cannot await</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>the constitution of an arbitral tribunal;</u> <u>f) any relevant agreements and, in particular, the arbitration agreement;</u> <u>g) any agreement as to the place of the arbitration, the applicable rules of law or the language of the arbitration;</u> <u>h) proof of payment of the amount referred to in Article 7(1) of this Annex; and</u> <u>i) any Request for Arbitration and any other submissions in connection with the underlying dispute, which have been filed with the DRA Secretariat by any of the parties to the emergency arbitrator proceedings prior to the making of the Application.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>The Application may contain such other documents or information as the applicant considers appropriate or as may contribute to the efficient examination of the Application.</u> <u>4 If and to the extent that the DRA considers, on the basis of the information contained in the Application, that the Emergency Arbitrator Provisions apply with reference to Sections 9.8.2.5 and 9.8.2.6 of the Manual, the DRA Secretariat shall transmit a copy of the Application and the documents annexed thereto to the responding party within two (2) working days. If and to the extent that the DRA considers otherwise, the DRA Secretariat shall inform the parties that the emergency arbitrator proceedings shall not take place with respect to some or all of the parties and shall transmit a copy</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>of the Application to them for information within 48 hours.</u> <u>5 The DRA shall terminate the emergency arbitrator proceedings if a Request for Arbitration has not been received by the DRA Secretariat from the applicant within ten (10) calendar days of the DRA Secretariat's receipt of the Application, unless the emergency arbitrator determines that a longer period of time is necessary.</u>	
		None	<u>Article 2 - Appointment of the Emergency Arbitrator; Transmission of the File</u> <u>1 The DRA shall appoint an emergency arbitrator within as short a time as possible, normally within two (2) calendar days from the DRA Secretariat's receipt of the Application.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			2 <u>The emergency arbitrator shall come from the pool of WESM-accredited Arbitrators. Every month, two (2) WESM Arbitrators shall be assigned as stand-by emergency arbitrators, one primary and one alternate, subject to their indication of availability. If a dispute requiring emergency arbitration is filed within the period when the WESM Arbitrator is assigned, he/she will be automatically contacted to handle the case.</u> 3 <u>Upon receipt of the Application for Emergency Arbitration, the DRA Secretariat shall, within one (1) working day, contact the assigned WESM Arbitrator through telephone, electronic mail and courier to confirm their availability and commence their</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>appointment as emergency arbitrator.</u> 4 <u>No emergency arbitrator shall be appointed after the file has been transmitted to the arbitral tribunal pursuant to Section 9.6.1 of the Manual. An emergency arbitrator appointed prior thereto shall retain the power to make an order within the time limit permitted by Article 6(4) of this Annex.</u> 5 <u>Once the emergency arbitrator has been appointed, the DRA Secretariat shall so notify the parties and shall transmit the file to the emergency arbitrator. Thereafter, all written communications from the parties shall be submitted directly to the emergency arbitrator with a copy to the other party and the DRA Secretariat. A copy of any written</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>communications from the emergency arbitrator to the parties shall be submitted to the DRA Secretariat.</u> <u>6 Every emergency arbitrator shall be and remain impartial and independent of the parties involved in the dispute.</u> <u>7 Before being appointed, a prospective emergency arbitrator shall sign a statement of acceptance, availability, impartiality and independence. The DRA Secretariat shall provide a copy of such statement to the parties.</u> <u>8 An emergency arbitrator shall not act as an arbitrator in any arbitration relating to the dispute that gave rise to the Application.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		None	<u>Article 3 - Challenge of an Emergency Arbitrator</u> <u>1 A challenge against the emergency arbitrator must be made within three (3) calendar days from receipt by the party making the challenge of the notification of the appointment or from the date when that party was informed of the facts and circumstances on which the challenge is based if such date is subsequent to the receipt of such notification.</u> <u>2 The challenge shall be decided by the DRA after the DRA Secretariat has afforded an opportunity for the emergency arbitrator and the other party or parties to provide comments in writing within five (5) working days.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		None	<u>Article 4 - Place of Emergency Arbitrator Proceedings</u> <u>1 If the parties have agreed upon the place of the arbitration, such place shall be the place of the emergency arbitrator proceedings. In the absence of such agreement, the DRA shall fix the place of the emergency arbitrator proceedings, without prejudice to the determination of the place of the arbitration pursuant to Section 9.6.3 of the Manual.</u> <u>2 Any meetings with the emergency arbitrator may be conducted through a meeting in person at any location the emergency arbitrator considers appropriate or by video</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>conference, telephone or similar means of communication.</u>	
		None	<u>Article 5 - Proceedings</u> <u>1 The emergency arbitrator shall establish a procedural timetable for the emergency arbitrator proceedings within as short a time as possible, normally within two (2) calendar days from the transmission of the file to the emergency arbitrator pursuant to Article 2(3) of this Annex.</u> <u>2 The emergency arbitrator shall conduct the proceedings in the manner which the emergency arbitrator considers to be appropriate, taking into account the nature and the urgency of the Application. In all cases, the emergency arbitrator shall act fairly and impartially and ensure that each party has a reasonable opportunity to present its case.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		None	Article 6 - Order 1 Pursuant to Section 9.8.2.2 of the Manual, the emergency arbitrator's decision shall take the form of an order (the "Order"). 2 In the Order, the emergency arbitrator shall determine whether the Application is admissible pursuant to Section 9.8.2.1 of the Manual and whether the emergency arbitrator has jurisdiction to order Emergency Measures. 3 The Order shall be made in writing and shall state the reasons upon which it is based. It shall be dated and signed by the emergency arbitrator. 4 The Order shall be made no later than fifteen (15) calendar days	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>from the date on which the file was transmitted to the emergency arbitrator pursuant to Article 2(3) of this Annex. The DRA may extend the time limit no more than fifteen (15) days and not more than one occasion pursuant to a reasoned request from the emergency arbitrator or on the DRA's own initiative if the DRA decides it is necessary to do so.</u> 5 <u>Within the time limit established pursuant to Article 6(4) of this Annex, the emergency arbitrator shall send the Order to the parties, with a copy to the DRA Secretariat, by any of the means of communication permitted by Section 9.1.2 of the Manual that the emergency arbitrator considers will ensure prompt receipt.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>6 The Order shall cease to be binding on the parties upon:</u> <u>a) the DRA's termination of the emergency arbitrator proceedings pursuant to Article 1(6) of this Annex;</u> <u>b) the acceptance by the DRA of a challenge against the emergency arbitrator pursuant to Article 3 of this Annex;</u> <u>c) the arbitral tribunal's final award, unless the arbitral tribunal expressly decides otherwise; or</u> <u>d) the withdrawal of all claims or the termination of the arbitration before the rendering of a final award.</u> <u>7 The emergency arbitrator may make the Order subject to such conditions as the emergency arbitrator thinks fit, including</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>requiring the provision of appropriate security.</u> <u>8 Upon a reasoned request by a party made prior to the transmission of the file to the arbitral tribunal pursuant to Section 9.6.1 of the Manual, the emergency arbitrator may modify, terminate or annul the Order.</u>	
		None	<u>Article 7 - Costs of the Emergency Arbitrator Proceedings</u> <u>1 The applicant must pay an amount of PHP250,000, consisting of PHP50,000 for the DRA Secretariat administrative expenses and PHP200,000 for the emergency arbitrator's fees and expenses. Notwithstanding Article 1(5) of this Annex, the Application shall not be notified to the other party/ies until the</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>payment of PHP250,000 is received by the DRA Secretariat.</u> <u>2 The DRA may, at any time during the emergency arbitrator proceedings, decide to increase the emergency arbitrator's fees up to PhP 500,000 or the DRA Secretariat administrative expenses up to PhP 125,000 taking into account, <i>inter alia</i>, the nature of the case and the nature and amount of work performed by the emergency arbitrator and the costs of the DRA Secretariat. If the party which submitted the Application fails to pay the increased costs within the time limit fixed by the DRA Secretariat, the Application shall be considered as withdrawn.</u> <u>3 The emergency arbitrator's Order shall fix the costs of the emergency arbitrator proceedings and decide which of the parties shall bear them or in</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>what proportion they shall be borne by the parties.</u> 4 <u>The costs of the emergency arbitrator proceedings include the DRA Secretariat administrative expenses, the emergency arbitrator's fees and expenses and the reasonable legal and other costs incurred by the parties for the emergency arbitrator proceedings.</u> 5 <u>In the event that the emergency arbitrator proceedings do not take place pursuant to Article 1(5) of this Annex or are otherwise terminated prior to the making of an Order, the DRA shall determine the amount to be reimbursed to the applicant, if any.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		None	Article 8 - General Rule 1 <u>The DRA shall have the power to decide, at the DRA's discretion, all matters relating to the administration of the emergency arbitrator proceedings not expressly provided for in this Annex.</u> 2 <u>In the DRA's absence or otherwise at the DRA's request, a member of the DRA Secretariat so designated by the DRA shall have the power to take decisions on behalf of the DRA. At least 24 hours prior to his/her leave of absence, the DRA shall specify in writing to the DRA Secretariat the powers, if any, he/she will be temporarily authorizing the DRA Secretariat to exercise on his/her behalf in, and for the duration of, his/her absence.</u>	

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			3 <u>In all matters concerning emergency arbitrator proceedings not expressly provided for in this Annex, the DRA and the emergency arbitrator shall act in the spirit of the Rules and this Annex.</u>	
Schedule of Mediation Costs	Annex C	ANNEX C SCHEDULE OF MEDIATION COSTS	ANNEX-G <u>ANNEX D</u> SCHEDULE OF MEDIATION COSTS	Re-numbering.
		xxx B. The administrative expenses of the Secretariat for the Mediation proceedings shall be fixed at the DRA's discretion depending on the tasks carried out by the Secretariat. Such administrative expenses shall not exceed the maximum sum of PHP150,000.	xxx B. The administrative expenses of the Secretariat for the Mediation proceedings shall be fixed at the DRA's discretion depending on the tasks carried out by the Secretariat. Such administrative expenses shall not exceed the maximum sum of PHP150,000. <u>However, the parties are not precluded from agreeing between/among them to disburse beyond the prescribed maximum</u>	To provide flexibility to the parties in setting the administrative expenses during mediation, according to their requirements.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>amount if they or the circumstances of the dispute resolution proceedings so require.</u>	
Arbitration Costs and Fees	Annex D	ANNEX D	ANNEX D ANNEX E	Re-numbering
	Article 2	ARBITRATION COSTS AND FEES Article 2 xxx 4. The DRA shall fix the Secretariat administrative expenses of each arbitration in accordance with the scale hereinafter set out or, where the amount in dispute is not stated, at its discretion. In exceptional circumstances, the DRA may fix the Secretariat administrative expenses at a lower or higher figure than that which would result from the application of such scale, provided that such expenses shall normally	ARBITRATION COSTS AND FEES Article 2 xxx 4. The DRA shall fix the Secretariat administrative expenses of each arbitration in accordance with the scale hereinafter set out or, where the amount in dispute is not stated, at its discretion. In exceptional circumstances, the DRA may fix the Secretariat administrative expenses at a lower or higher figure than that which would result from the application of such scale, provided that such expenses shall normally not exceed the maximum amount of the scale. <u>This does not</u>	To provide flexibility to the parties in setting the administrative expenses during arbitration, according to their requirements.

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
		not exceed the maximum amount of the scale.	<u>preclude the parties from agreeing between/among them to disburse beyond the administrative expenses prescribed in the scale, if they or the circumstances of the dispute resolution proceedings so require. Should the parties fail to agree, the Arbitral Tribunal is allowed to fix the administrative fees in the amount they deem fit, subject to the concurrence of the DRA.</u>	
Scales of Administrative Expenses and Arbitrator's Fees	Annex D, Article 3 – Table of Fees and Expenses	Annex D, Article 3 – Table of Fees and Expenses	Annex D Annex E , Article 3 – Table of Fees and Expenses	Re-numbering
		Table of Fees and Expenses (See Table below)	<u>Schedule of Arbitrators' Fees</u> (See Table below)	To make the WESM Arbitrators' Fees somehow at par with the arbitrators' fees of the Construction Industry Arbitration Commission (CIAC) and the Philippine Dispute

WESM Manual on Dispute Resolution Issue 5.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
				Resolution Center, Inc. (PDRCI).
		New table	<u>Schedule of Administrative Costs</u> <i>(See Table below)</i>	To fix the schedule of WESM administrative costs with the estimated costs the parties are expected spend throughout the entire run of typical mediation or arbitration proceedings.
TREASURY SERVICES	ANNEX E	ANNEX E TREASURY SERVICES xxx	ANNEX E <u>ANNEX F</u> TREASURY SERVICES Xxx	Re-numbering

Current Schedule of Arbitrators' Fees and Administrative Costs

Sum in Dispute ("SID") (in PH Pesos)	Fee of 3 Arbitrators (in PHP)	Administrative Costs (in PHP)
up to 100,000,000 (including for non-monetary or 'specific performance' claims)	250,000	50,000
from 100,000,001 to 200,000,000	250,000 + 0.1% of SID in excess of 100 Million	50,000 + 0.03% of SID in excess of 100 Million
from 200,000,001 to 400,000,000	350,000 + 0.075% of SID in excess of 200 Million	80,000 + 0.02% of SID in excess of 200 Million
from 400,000,001 to 500,000,000	400,000 + 0.05% of SID in excess of 400 Million	120,000 + 0.01% of SID in excess of 400 Million
over 500,000,000	550,000 + 0.01% of SID in excess of 500 Million	130,000 + 0.005% of SID in excess of 500 Million

Proposed Schedule of Arbitrators' Fees

SUM IN DISPUTE (SID) (in PhP)	FEEES FOR 3 ARBITRATORS (in PhP)
<u>UP TO 100M</u>	<u>500,000</u>
<u>OVER 100M - 200M</u>	<u>500,000</u> <u>+ 0.2% of SID in excess of 100M</u>
<u>OVER 200M -300M</u>	<u>700,000 + 0.2% of SID in excess of 200M</u>
<u>OVER 300M -400M</u>	<u>900,000 + 0.2% of SID in excess of 300M</u>
<u>OVER 400M - 500M</u>	<u>1,100,000 + 0.2% of SID in excess of 400M</u>
<u>OVER 500M - 1B</u>	<u>1,300,000</u> <u>+ 0.15% of SID in excess of 500M</u>
<u>OVER 1B - 2B</u>	<u>2,050,000</u> <u>+ 0.1% of SID in excess of 1B</u>
<u>OVER 2B - 5B</u>	<u>3,050,000</u> <u>+ 0.075% of SID in excess of 2B</u>
<u>OVER 5B - 10B</u>	<u>5,300,000</u> <u>+ 0.05% of SID in excess of 5B</u>
<u>OVER 10B</u>	<u>7,800,000</u> <u>+ 0.025% of SID in excess of 10B</u>

Proposed Schedule of Administrative Costs

SUM IN DISPUTE (SID) (in PhP)	ADMINISTRATIVE COSTS (in PhP)
<u>UP TO 100M</u>	<u>200,000</u>
<u>OVER 100M – 200M</u>	<u>200,000 + 0.12% of SID in excess of 100M</u>
<u>OVER 200M – 400M</u>	<u>320,000 + 0.08% of SID in excess of 200M</u>
<u>OVER 400M – 500M</u>	<u>480,000 + 0.04% of SID in excess of 400M</u>
<u>OVER 500M</u>	<u>520,000 + 0.02% of SID in excess of 500M</u>

Registration, Suspension and De-registration Criteria and Procedures Manual Issue 2.0				
Title	Section	Original Provision	Proposed Amendment	Rationale
Non-Approval of Applications/ Remedies	2.5.7	xxx c) The Applicant whose application is disapproved may either rectify the shortcomings in the application and re-submit the same, or submit the matter for dispute resolution pursuant to Chapter 7 of the WESM Rules and relevant market manuals. If it elects to re-submit the application, the re-submitted application shall be acted upon by the Market Operator following the same timetable set forth in this Manual as if it were a new application.	xxx c) The Applicant whose application is disapproved may either rectify the shortcomings in the application and re-submit the same, or submit the matter for dispute resolution pursuant to Chapter 7 of the WESM Rules and relevant market manuals. If it elects to re-submit the application, the re-submitted application shall be acted upon by the Market Operator following the same timetable set forth in this Manual as if it were a new application.	To remove the disapproval of application for WESM Membership as a subject matter of WESM dispute as this issue is more administrative or regulatory than civil, commercial or business in nature, hence, not arbitrable.