

RULES CHANGE COMMITTEE

Request for Extension of Effectivity of Urgent Amendments to the WESM Manual on Ancillary Services Monitoring regarding Reserve Conformance Standards and Related Enforcement Actions

Effective Date : 21 November 2025

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WHEREAS, on 10 December 2024, the PEM Board approved the RCC Resolution No. 2024-08¹ entitled *Proposed Revisions to the Urgent Amendments to the Ancillary Services Monitoring Manual (ASMM) regarding Reserve Conformance Standards and Related Enforcement Actions*, which aims to implement:

- 1) Changes in timeline and procedure for monitoring compliance with the Reserve Conformance Standards and enforcement thereof to streamline the process, enhance submission/documentation by Ancillary Services Providers (ASPs), and lead to a more comprehensive and quality assessment by Enforcement and Compliance Office (ECO); and
- 2) Additional technical considerations in monitoring Response Accuracy on Governor Control Mode (GCM) to resolve technical issues identified during the August 2024 to November 2024 monitoring period to ensure fair assessment of the compliance of the ASPs;

WHEREAS, in accordance with the rules change process for urgent amendments², the revised WESM Manual on Ancillary Services Monitoring was posted in the WESM Governance Arm Website on 11 December 2024, with changes that are effective until 6 months from the date of posting (i.e. 12 December 2024 until 12 June 2025) or until the corresponding general amendment on the same matter is promulgated by the DOE, whichever is earlier;

WHEREAS, the rules change process for the corresponding general amendments³ was initiated by the RCC through online publication of the PEM Board-approved urgent proposal on the Governance Arm website, to solicit comments from WESM participants and interested parties. The consultation period ran from 16 December 2024 to 03 February 2025, during which comments were received from nine (9) stakeholders⁴;

WHEREAS, the RCC proceeded to deliberate on and finalize the general proposed amendments over three (3) meetings⁵, approved the endorsement of the same to the PEM Board, as revised, per RCC Resolution No. 2025-02 dated 30 April 2025; and in the same Resolution likewise recommended extending the effectivity of the urgent amendments for another six (6) months (until 12 December 2025), as permitted in the Section 7.4 (g) of the Rules Change Manual;

WHEREAS, the PEM Board approved the general amendments and the recommendation to extend the effectivity of the urgent amendments on 28 May 2025 per PEM Board Resolution No. 2025-85-02, which was thereafter endorsed to the DOE for final approval on 11 June 2025;

WHEREAS, the DOE has concluded its public consultations on the draft Department Circular regarding the proposal with the Luzon, Visayas, and Mindanao legs on 02 September (Muntinlupa City), 24 September (Cebu City) and 07 October 2025 (Cagayan de Oro City), respectively. These consultations provided WESM members and stakeholders the opportunity to submit their comments;

WHEREAS, noting that the effectivity of the PEM-Board approved urgent amendments is due to expire by 12 December 2025, the RCC again recommends extending the effectivity of the urgent amendments for

¹ PEM Board Resolution No. 2024-79-01

² WESM Manual on Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals (RCM), Section 7.4

³ Ibid, Section 7.5

⁴ <https://www.wesm.ph/market-governance/rules-change/new-rules-change-proposals/view-proposal-details/23>

⁵ 21 February 2025, 14 March 2025, and 11 April 2025

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another six (6) months (i.e. until 12 June 2026) or until the DOE approved the corresponding general amendments;

NOW THEREFORE, we, the undersigned, on behalf of the sectors we represent, hereby resolve that extending the implementation of the PEM-Board approved Urgent Amendments is necessary, considering the material impact on the determination of breaches to the Reserve Conformance Standards should the said amendments cease to take effect;

RESOLVED, that the RCC approves and recommends to the PEM Board extending the effectivity of the PEM-Board Approved Urgent Amendments to the WESM Manual on Ancillary Services Monitoring regarding Reserve Conformance Standards and Related Enforcement Actions for another six (6) months or until the DOE approved the corresponding general amendments;

Done this 21st day of **November 2025**, Pasig City.

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<p>Approved by: THE RULES CHANGE COMMITTEE</p>	
<p>Independent Members:</p>	
 RACHEL ANGELA P. ANOSAN Chairperson	 JESUSITO G. MORALLOS
 JORDAN REL C. ORILLAZA	 EMMANUEL GENESIS T. ANDAL
<p>Generation Sector Members:</p>	
 DIXIE ANTHONY R. BANZON Masinloc Power Partners Co. Ltd. (MPPCL)	 JAYSON A. FRANCISCO Aboitiz Power Corp. (APC)
 CARLITO C. CLAUDIO Millennium Energy, Inc./ Pansia Energy, Inc. (MEI/PEI)	 MARK D. HABANA Vivant Corporation - Philippines (Vivant)
<p>Distribution Sector Members:</p>	
 RYAN S. MORALES Manila Electric Company (MERALCO)	 VIRGILIO C. FORTICH, JR. Cebu III Electric Cooperative, Inc. (CEBECO III)
 NELSON M. DELA CRUZ Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)	 RUSSEL S. ALABADO Angeles Electric Corporation (AEC)

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Supply Sector Member:
 GIAN KARLA C. GUTIERREZ First Gen Corporation (FGC)
Market Operator Member:
 KRISTOFFER MONICO S. NG Independent Electricity Market Operator of the Philippines (IEMOP)
System Operator Member:
 DARRYL LON A. ORTIZ National Grid Corporation of the Philippines (NGCP)