



WHOLESALE ELECTRICITY SPOT MARKET RULES CHANGE COMMITTEE

RESOLUTION NO. 2020-13

Proposed Amendments to WESM and Retail Rules for the Operation of the Renewable Energy Market

WHEREAS, the Republic Act No. 9513 (RA 9513) or “Renewable Act of 2008” is an Act that established the framework for the accelerated development and advancement of renewable energy resources, and the development of a strategic program to increase its utilization;

WHEREAS, under Section 8 of the Renewable Act of 2008 states that the Department of Energy (DOE) shall establish the Renewable Energy Market (REM) and shall direct the Philippine Electricity Market Corporation (PEMC) to implement changes to the WESM Rules in order to incorporate the rules specific to the operation of the REM under the WESM;

WHEREAS, on 04 December 2019, the DOE promulgated¹ the REM Rules to facilitate the compliance of the Mandated Participants with the Renewable Portfolio Standards (RPS);

WHEREAS, on 27 February 2020, PEMC submitted a Proposed Amendment to WESM and Retail Rules for the Operation of REM;

WHEREAS, the proposal primarily aims to harmonize the WESM Rules and the Retail Rules with the policies stipulated in Section 8 of the Renewable Act of 2008 and the REM Rules;

WHEREAS, the proposal also aims to enable the RE Registrar (RER) to carry out its functions in issuing Renewable Energy Certificates (RECs) by gaining rights of access to WESM and Retail Market registration, metering, and settlement data and other confidential information that are vital to the REM operations and its corresponding reporting mechanism pursuant to the RPS Rules;

¹ Department Circular No. 2019-12-0016

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WHEREAS, during its 161st Meeting on 21 February 2020, the PEMC presented an overview of the proposal for RCC's information, with the intention of submitting the proposal, upon approval of the REM Governance Committee (RGC), to the RCC;

WHEREAS, on 10 March 2020, PEMC submitted the RGC-approved proposal, which the RCC approved for publication in the PEMC website to solicit comments from industry stakeholders and interested parties;

WHEREAS, following the 30-working day commenting period from publication date on 11 March 2020, comments were received from the Independent Electricity Market Operator of the Philippines (IEMOP);

WHEREAS, during the 165th RCC Meeting on 15 May 2020, the RCC reviewed the proposal and deliberated the comments received together with the proponent's response, with agreements as follows:

- To include RE Registrar in the parties entitled to have either direct or remote access to metering data on a read-only basis from the metering database or metering register;
- To add in the exceptions to information disclosure the disclosure of registration and settlement information to the RE Registrar of WESM members participating in the REM;
- To reflect in the glossary new terms introduced in the WESM Rules; and
- To adopt the proposed wording for clerical enhancements;

WHEREAS, in view of the foregoing, the RCC approved the proposals, as amended, and its endorsement to the PEM Board;

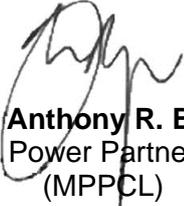
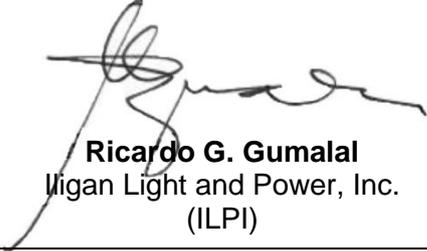
NOW THEREFORE, we, the undersigned, in behalf of the sectors we represent, hereby resolve as follows:

RESOLVED, that the Proposed Amendment to WESM and Retail Rules for Operation of REM;

RESOLVED FURTHER, that the said Proposed Amendment to WESM and Retail Rules for Operation of REM (attached as Annex A) is hereby endorsed to the PEM Board for approval and subsequent transmittal to the DOE for promulgation;

Done this 15 May 2020, Pasig City.



Approved by: THE RULES CHANGE COMMITTEE	
Independent Members:	
 Maila Lourdes G. de Castro Chairperson	 Francisco L.R. Castro, Jr.
 Allan C. Nerves	 Concepcion I. Tanglao
Generation Sector Members:	
 Dixie Anthony R. Banzon Masinloc Power Partners Co. Ltd. (MPPCL)	 Cherry A. Javier Aboitiz Power Corp. (APC)
 Carlito C. Claudio Millennium Energy, Inc./ Pansia Energy, Inc. (MEI/PEI)	 Mark D. Habana Vivant Corporation - Philippines (Vivant)
Distribution Sector Members:	
 Virgilio C. Fortich, Jr. Cebu III Electric Cooperative, Inc. (CEBECO III)	 Ryan S. Morales Manila Electric Company (MERALCO)
 Ricardo G. Gumalal Iligan Light and Power, Inc. (ILPI)	 Nelson M. Dela Cruz Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)

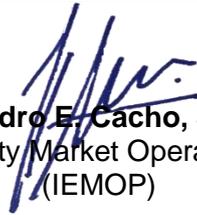


Supply Sector Member:



Lorreto H. Rivera
TeaM (Philippines) Energy Corporation
(TPEC)

Market Operator Member:



Isidro E. Cacho, Jr.
Independent Electricity Market Operator of the Philippines
(IEMOP)

System Operator Member:



Ambrocio R. Rosales
National Grid Corporation of the Philippines
(NGCP)



Annex A**Proposed Amendment to WESM and Retail Rules for Operation of REM**

WESM Rules				
Title	Clause	Provision	Proposed Amendment	Rationale
Rights of Access to Metering Data	4.8.3	The only entities entitled to have either direct or remote access to <i>metering data</i> on a read only basis from the <i>metering database</i> or the <i>metering register</i> in relation to a <i>metering point</i> are: xxx (f) The <i>Market Surveillance Committee</i> ; and (g) The <i>ERC</i> .	The only entities entitled to have either direct or remote access to <i>metering data</i> on a read only basis from the <i>metering database</i> or the <i>metering register</i> in relation to a <i>metering point</i> are: xxx (f) The <i>Market Surveillance Committee</i> ; and (g) The <i>ERC</i> ; and <u>(fh) The Renewable Energy Registrar (RER).</u>	This provision needs to be amended to include the RE Registrar as a party who is allowed access to WESM Metering Data.
Exceptions	5.3.2	Exceptions Subject to clause 5.3.3.1, this clause 5.3 does not prevent: (a) The disclosure of information (confidential or otherwise) between anyone or more of the following: (1) The <i>ERC</i> and the <i>DOE</i> ; (2) The <i>System operator</i> , xxx (j) The disclosure of (i) settlement amounts unpaid by the end of the month, and (ii) the specific <i>WESM member</i> that failed to pay the settlement amounts (k) The disclosure of settlement information of FIT-Eligible generating units to TRANSCO pursuant to the FIT- All Guidelines.	Exceptions Subject to clause 5.3.3.1, this clause 5.3 does not prevent: (a) The disclosure of information (confidential or otherwise) between anyone or more of the following: (1) The <i>ERC</i> and the <i>DOE</i> ; (2) The <i>System operator</i> , xxx (j) The disclosure of (i) settlement amounts unpaid by the end of the month, and (ii) the specific <i>WESM member</i> that failed to pay the settlement amounts; (k) The disclosure of settlement information of FIT-Eligible generating units to TRANSCO pursuant to the FIT- All Guidelines. <u>(l) The disclosure of registration and settlement information to the RE Registrar, as pursuant to the REM Rules, of the following:</u> <u>i. WESM members participating in the REM; and</u>	This provision will be amended to include an additional permitted disclosure that enables the Market Operator to disclose the registration and settlement information to the RE Registrar to facilitate the participation and transacting with the RE Market of the WESM members, for their compliance to the RPS, pursuant to the RE Act.

Annex A

WESM Rules				
Title	Clause	Provision	Proposed Amendment	Rationale
			<u>ii. directly-connected customers who have contracts with Generator Companies.</u>	
Glossary	Chapter 11	(Blank)	<u>Renewable Energy Market or REM. The market developed and implemented by PEMC where the trading of Renewable Energy Certificates (RECs) is made.</u>	New definition that is consistent with the RE Act and the RE Market Rules (REM Rules).
Glossary	Chapter 11	(Blank)	<u>REM Rules. The REM Rules refers to the rules established by the DOE for the operation of the RE Market and to govern the conduct of the RE Registrar for the purpose of implementing the RPS Rules for both the On-Grid and Off-grid Areas;</u>	New definition that is consistent with the RE Act and the RE Market Rules (REM Rules).
Glossary	Chapter 11	(Blank)	<u>Renewable Energy Registrar or the RE Registrar. The unit established in accordance with Republic Act No. 9513 to issue, keep and verify RECs corresponding to energy generated from eligible RE facilities.</u>	New definition that is consistent with the RE Act and the RE Market Rules (REM Rules).

Annex A

Retail Rules				
Title	Clause	Provision	Proposed Amendment	Rationale
Rights of Access to Metering Data	4.5.3	The only entities entitled to have either direct or remote access to metering data on a read only basis from the metering database or the metering register in relation to a metering point are: 4.5.3.1 Each Supplier whose settlement amounts are determined by reference to quantities of energy flowing through that metering point, xxx 4.5.3.11 The DOE; and 4.5.3.12 the ERC.	The only entities entitled to have either direct or remote access to metering data on a read only basis from the metering database or the metering register in relation to a metering point are: 4.5.3.1 Each Supplier whose settlement amounts are determined by reference to quantities of energy flowing through that metering point, xxx 4.5.3.11 The DOE; and 4.5.3.12 the ERC; and <u>4.5.3.13 The RE Registrar.</u>	This provision will include the RE Registrar as a party who is allowed access to Retail Metering Data. <ul style="list-style-type: none">Please note that Retail Rules Clause 4.5.4 states that the treatment of metering data as confidential information is already subject to Chapter 5 of the WESM Rules. Thus, there is no need to amend the Retail Manual on Disclosure and Confidentiality.
Glossary	Chapter 6	(Blank)	<u>Renewable Energy Registrar or the RE Registrar. The unit established in accordance with Republic Act No. 9513 to issue, keep and verify RECs corresponding to energy generated from eligible RE facilities.</u>	New definition that is consistent with the RE Act and the RE Market Rules (REM Rules).