



PHILIPPINE
RENEWABLE ENERGY
MARKET

RENEWABLE ENERGY MARKET (REM) MANUAL

REM Registration Issue No. 1.0

Abstract

This manual presents the criteria, guidelines and procedures for the registration, participation, suspension and de-registration of members in the *Renewable Electricity Market (REM)*.

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SECTION 1 INTRODUCTION

1.1 Purpose

- 1.1.1 Pursuant to Clause 2.6.1.4 of the *REM Rules*, the *Registrar* shall maintain and publish a *REM Manual* which shall set out the requirements and procedures which will guide the applicants and the *Renewable Energy Registrar* (“*The Registrar*”) in the registration process in the *REM*.
- 1.1.2 This *REM Manual* presents the criteria, guidelines and procedures for the registration and de-registration of *REM Members*.
- 1.1.3 This *REM Manual* implements the provisions of Chapter 2 of the *REM Rules*.

1.2 Definitions, References and Interpretation

- 1.2.1 Unless otherwise defined or the context implies otherwise, the italicized terms used in this *REM Manual* which are defined in the *REM Rules* will bear the same meaning as defined in the *REM Rules*.
- 1.2.2 The guidelines set forth in Clause 8.1.4 of the *REM Rules* shall govern the provision of notices required in this *REM Manual*.
- 1.2.3 Any reference to a Section in any Section of this *REM Manual* shall refer to the particular Section or Clause of the same Section in which the reference is made, unless otherwise specified or the context provides otherwise.

1.3 Responsibilities

- 1.3.1 All *REM Members* and entities applying for registration and deregistration in the *REM* shall comply with the requirements and procedures set forth in this *REM Manual* and in the *REM Rules*.
- 1.3.2 The *Renewable Energy Registrar* shall be responsible for implementing the procedures as set forth in this *REM Manual*.
- 1.3.3 The Department of Energy (DOE) shall be responsible for implementing policies, plans and programs pursuant to the RE Act of 2008, including the establishment of the Renewable Portfolio Standards for On-Grid and Off-Grid Systems and of the *REM*.
- 1.3.4 The Philippine Electricity Market Board of Directors (PEM Board) shall be responsible for the ultimate governance of the *REM*.

1.3.5 The REM Governance Committee ("RGC") shall, under the PEM Board's supervision, carry out majority of governance functions of the REM.

1.4 **Amendments**

Amendments to this Manual shall be submitted to the *REM Governance Committee* and shall be acted upon pursuant to Section 7 of the *REM Rules* and relevant market manuals.

1.5 **Effectivity and Publication**

This Manual shall take effect upon promulgation by the DOE. Thereafter, it shall be published in the market information website.

SECTION 2 PARTICIPATION IN THE REM

2.1 Coverage

This Section describes the *REM* membership categories in accordance with Chapter 2 of the *REM Rules*.

2.2 REM Member Categories¹

2.2.1 REM Trading Participants

- a) The following entities shall register as RPS *On-Grid Mandated Participants*:
 - i. *On-Grid Distribution Utilities* serving *Captive Customers*, including those classified as Privately-Owned, Electric Cooperative, LGU-owned and Controlled, and Economic Zone Utility;
 - ii. *All Retail Electricity Suppliers and Local Retail Electricity Suppliers* for the *Contestable Market*, as defined in the *EPIRA* and pursuant to Retail Competition and Open Access (RCOA); and
 - iii. *Generation Companies* serving *Directly Connected Customers* registered in the *WESM*.
- b) The following entities shall register as RPS *Off-Grid Mandated Participants*:
 - i. NPC-SPUG and NPPs/QTPs as defined in the *RPS* for *Off-grid Areas*;
 - ii. *Off-Grid Distribution Utilities* with respect to their own generation facilities;
 - iii. Entities that generate electricity and serve off-grid areas as may be determined and approved by the *DOE*; and
 - iv. Entities that meet the requirements set forth in relevant legislation pertaining to the application of a renewable portfolio standards instrument in *Off-Grid Systems*.
- c) Entities owning eligible RE Generation Facilities that are registered in the *WESM* and generate renewable electricity into the *WESM* pool shall register as Generation Company.

2.2.2 REM Generators²

- a) Mandatory Participation

¹ REM Rules 2.1 and 2.2

² Eligibility of REM Generators and their classification shall be based on the provisions under REM Rules Clause 2.4.3

- i. Generation companies who own eligible RE generation facilities, including embedded generating facilities, that participate in the WESM. Prior to the commercial operations of the WESM in Mindanao, mandated RE Generation Facilities shall include those generation companies who own eligible RE generation facilities, including embedded generating facilities, connected to the Grid; and
 - ii. Entities with eligible RE Generation facilities in Off-Grid Systems
- b) Voluntary Participation
- i. Net-Metered eligible RE Generation Facilities in On-Grid Systems;
 - ii. Embedded Non-WESM eligible RE Generators;
 - iii. End-users with eligible RE Generation Facilities for its own use; and
 - iv. Eligible RE Generation facilities accredited under the Green Energy Option Program (GEOP), with concurrence of the owner of the generating facilities.

2.2.3 Data Providers

The following entities shall be automatically registered in the REM under the *Data Provider* category:

- i. *Market Operator* who is responsible for providing the settlement data of the *WESM RE Generators* and the *On-Grid Mandated Participant* to the *Registrar*;
- ii. The entity or entities designated as the metering services provider for embedded *FiT Eligible Facilities* who is/are responsible for providing the Registrar with Metered Quantities pertaining to *FiT Eligible Facilities*;
- iii. The entity designated as the *FiT-All Fund Administrator* who is responsible for providing the Registrar with information pertaining to the *FiT-All Tariff* payment as set out in REM Rules Clause 3.2; and
- iv. Host Distribution Utilities who are responsible for providing the RE Registrar with the Metered Quantity of its registered Net-metered RE Generation Facilities and eligible RE generation facilities, including Embedded Non-WESM RE Generators, End-users with RE Generation Facilities and RE Generation facilities accredited under the *GEOP*.

- 2.3 The *RE Registrar* shall maintain and publish an updated list of registered REM Members indicating the categories in which they are registered and their membership status in accordance with the provisions of Chapter 5 of the REM Rules.³

³ REM Rules Clause 2.1.4.3

SECTION 3 REGISTRATION REQUIREMENTS

3.1 Coverage

This section provides for the qualifications of the *REM Members* and the list of registration requirements to be submitted to the *RE Registrar*.

3.2 General Qualifications of *REM Members*

To qualify as a *REM Member*, an entity must⁴:

- i. Be a resident in, or is permanently established in, the Philippines;
- ii. Not be under liquidation, receivership or corporate rehabilitation under Republic Act No. 10142, otherwise known as the “Financial Rehabilitation and Insolvency Act of 2010”, or under a similar form of administration under any laws applicable to that person or entity in any jurisdiction;
- iii. Not be immune from suit in respect of the obligations of an *REM Member* under these *REM Rules*;
- iv. Be capable of being sued in its own name in a court of the Philippines; and
- v. Be able to meet any other requirements as specified in the relevant *REM Manual*.

3.3 Registration Requirements

The REM applicant shall submit the specific documents and information, as prescribed by the RE Registrar and as published and updated regularly in the market information website, to prove its compliance with REM membership criteria and qualifications.

⁴ REM Rules Clause 2.4.1

SECTION 4 REGISTRATION PROCESS

4.1 Coverage

This Section describes the *REM* registration process for new applications and the conditions for continuing compliance of REM Members.

4.2 Registration Process

The following process shall be observed for new registration applications of REM Applicants.

Figure 1. Registration Process for New Applications

Process Flow	Responsible	Process Description & Timeline
Start		
1. Submission of registration requirements	REM Applicant or Registration Agent (i.e. Host Distribution Utility)	<ul style="list-style-type: none"> Submit the accomplished application form and all of the required registration documents.
2. Assessment of registration documents	RE Registrar	<ul style="list-style-type: none"> Confirm receipt of the application and inform the applicant of any additional information required for processing the registration within five (5) working days upon receipt.
2.1 Assessment of registration documents	REM Applicant or Registration Agent (i.e. Host Distribution Utility)	<ul style="list-style-type: none"> Submit within fifteen (15) <i>Working Days</i> the lacking requirements. Otherwise, the RE Registration shall terminate the process for the REM membership application. The Applicant may re-activate the application by submitting a new application.
3. Approval/ Disapproval of Application	RE Registrar	<ul style="list-style-type: none"> Approve the application if, on the basis of the submissions made by the REM Applicant, the RE Registrar determines that the Applicant meets the criteria for registration as <i>REM</i>

Process Flow	Responsible	Process Description & Timeline
	RE Registrar	<p><i>Member</i>. Otherwise, it shall disapprove the application.</p> <ul style="list-style-type: none"> • Within fifteen (15) <i>Working Days</i> from receipt of all requirements from the applicant, the RE Registrar shall provide written notice of the approval/disapproval of the application. If the application is disapproved, the notice shall indicate the reasons for such disapproval. • Provide a copy of the notice to the DOE, ERC, and relevant Data Providers within five (5) <i>Working Days</i> from issuance of the said notice to the applicant.⁵
<div style="border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: 0 auto;">End</div>		

4.3 Continuing Compliance

Membership in the *REM* shall be continuing without further need of renewal, subject to the compliance of the *REM Member* with the membership criteria and the technical and commercial requirements set forth in the *REM Rules* and this *REM Manual*.

4.4 Cessation of a *REM Member*

4.4.1 If, based on submissions made by the *REM Member* and from other information made available to it, the *RE Registrar* determines that the *REM Member* no longer meets the aforesaid criteria and requirements, the *RE Registrar* shall advise the former in writing to rectify within fifteen (15) working days or as soon as practicable the requirements for its membership in the *REM*. If the requirements identified were not rectified within the foregoing period, the *RE Registrar* shall notify the *REM Member* in writing that its registration in the *REM* shall accordingly cease. Cessation of registration shall take effect on the date stated in the notice.

4.4.2 If a *REM Member* wishes that its registration as such should cease, it shall notify the *RE Registrar* in writing of its intention indicating the reason/s for the same and the date such cessation shall take effect. The cessation shall take effect on the date stated in the notice, or if no date is indicated, thirty (30) working days from the date the notice is received by the *RE Registrar*.

⁵ REM Rules 2.6.3

SECTION 5 POST REGISTRATION PROCESS
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5.1 Coverage

This Section establishes the requirements and procedures for implementing and approving, if necessary, changes in the registration and in the registered information of *REM Members*.

5.2 Enrolment of Supply Contracts

5.2.1 *REM Trading Participants or registration agents* shall enroll their bilateral power supply contracts with REM Generators for accounting in the REC issuance.

5.2.2 The enrolment under Section 5.2.1 shall be confirmed by the counterparty that they have a bilateral contract stating the start and end dates and other pertinent information for verification purposes by the RE *Registrar*.

5.2.3 The RE *Registrar* shall notify the REM Trading Participants that the enrolled bilateral contract transactions shall be accounted for starting on the date stated on the notice submitted by the *Trading Participant* or on such other date as the RE *Registrar* may determine.

5.3 Changes to Registration information

5.3.1 A registered REM Member shall notify the RE *Registrar* in writing of any changes in the information it has provided in its original application.

5.3.2 Among other information, changes to the following must be notified to the RE Registrar and shall be subject to the following requirements:

- i. Changes in the Registered Capacity of a generating facility shall require confirmation by the RE *Registrar* before such change can be considered;
- ii. The approval of changes to the registered capacity of a *REM Generator* registered in the WESM and its bilateral contract details shall be part of the REM post-registration process in accordance with the REM Registration Manual;
- iii. For a *REM Generator* that is not registered in the WESM, the *Mandated Participant* who is the registration agent of the facility shall initiate the approval of the change of the former's registered capacity; and
- iv. Changes shall be confirmed by the RE *Registrar* within fifteen (15) *Working Days* from receipt of certification or proof of change from the Energy Regulatory Commission (ERC) or a certification from the relevant DU. The *DOE, ERC, and relevant Data Providers* shall be copy furnished of the approval of the change in the *Registered Capacities* by the RE *Registrar*.

SECTION 6 DE-REGISTRATION PROCEDURES

6.1 Coverage

This Section provides for the guidelines on the implementation of cessation, suspension, and deregistration pursuant to Section 2.7 of the *REM Rules*.

6.2 Cessation of Registration⁶

6.2.1 An entity that ceases its operations related to any *REM Member* category for which it is registered shall send a written notice to the *RE Registrar* to cease its registration under that category.

6.2.2 Such notice sent to the *RE Registrar* under REM Rules Clause 0 shall include:

- i. The date upon which it wishes to cease to be registered, which date should not be less than thirty (30) *Working Days* from the *RE Registrar*'s receipt of the said notice; and
- ii. The category or categories in which the *REM Member* no longer wishes to be registered.

6.2.3 If the *REM Member* wishes to cease its REM registration due to transfer of its facilities to another person or entity, the *RE Registrar* shall effect the cessation under REM Rules Clause 2.7.1 and the person or entity to whom the facility will be transferred shall initiate the registration of the transferred facility as one of its facilities.

6.2.4 Upon confirmation by the *RE Registrar*, it shall issue a Notice of Cessation to all *REM Members* stating the cessation of the registration of the *REM Member*, the category in which it ceases its registration, and the effective date of cessation.

6.3 Suspension of a *REM Member*⁷

6.3.1 The *Registrar* may suspend a *REM Member* if:

- i. The *REM Member* has failed to pay transaction fees pursuant to *REM Rules* Clause 2.7.5.2; or

⁶ REM Rules Clause 2.7.1

⁷ REM Rules Clause 2.7.3

- ii. The *REM Member* has been sanctioned for a breach of the *REM Rules* in accordance with *REM Rules* Clause 6.1.2 and the relevant *REM Manual*.

6.3.2 Any *REM Member* that is suspended shall no longer be allowed to participate in the *REM* in the category from which it was suspended until the suspension is revoked, provided however that such entity shall continue to be liable for any obligations incurred prior to its suspension.

6.4 **Deregistration of a REM Member**⁸

6.4.1 The *RE Registrar* shall deregister a *REM Member* if the *REM Member* has been sanctioned for a breach of the *REM Rules* in accordance with *REM Rules* Clause 6.1 and this *Manual*.

6.4.2 A *REM Member* may be deregistered if it was given a notice or order of disconnection pursuant to prevailing rules and regulations on disconnection at the instance of parties other than the *RE Registrar* and has been physically disconnected from the Grid.

6.4.3 Any *REM Member* that is deregistered shall no longer be allowed to participate in the *REM* in the category from which it was deregistered, provided however that such entity shall continue to be liable for any obligations incurred prior to its deregistration.

⁸ REM Rules Clause 2.7.2