



Proposed Amendments to the WESM Rules and Manual on Metering Standards and Procedures to Clarify the Entity Monitoring Wholesale Metering Services Provider Performance

**Independent Electricity Market Operator of the
Philippines**

February 2019

I. SUMMARY OF THE PROPOSED RULES CHANGE

The amendments to the WESM Rules and Manual on Metering Standards and Procedures are proposed to clarify that wholesale Metering Service Provider (MSP) performance monitoring will be performed by the WESM Governing Body (PEMC).

II. BACKGROUND

To ensure the integrity, accuracy and timeliness of the meter data submission by MSPs, the WESM Rules specifies that MSPs shall conform with performance standards set by the Market Operator. The WESM Manual on Metering Standards and Procedures details the said standards and sets the responsibility of the Market Operator to facilitate MSP performance monitoring.

With the Department of Energy's (DOE) issuance of DC2018-01-0002¹, the market administration has transitioned to an independent market operator (IMO) as mandated by the EPIRA. In this new set-up, the governance functions of the PEMC, the WESM governing body, and the market operations functions of IMO are separated. Moreover, the operating agreement between PEMC and IEMOP², the designated IMO, provides for IEMOP's performance of market operations functions and the retention of all governance functions with PEMC.

Currently, MSP performance monitoring is being facilitated by IEMOP given that all meter data are being submitted by MSPs to the market operator. However, MSP performance monitoring is deemed as a governance function. This is a governance function that should be performed by the governing body over the service providers by PEMC.

III. THE PROPOSED RULES CHANGE

The proposed amendments seek to harmonize the provisions of WESM Rules and Manual on Metering Standards and Procedures on MSP performance monitoring with the delineation of functions of the Market Operator and WESM Governing Body. Since MSP performance monitoring is deemed as a governance function rather than market operation service, it is proposed that this function be clarified that it will be performed by PEMC as the WESM Governing Body.

IV. BACKGROUND AND DESCRIPTION OF THE PROPONENT

The proponent is the Independent Electricity Market Operator of the Philippines, Inc. IEMOP acts as the market operator of the WESM.

Top Officers:

Atty. Francis Saturnino C. Juan – President and CEO

Engr. Jose Mari T. Bigornia – Chief Operating Officer

¹ DOE Department Circular No. DC2018-01-0002 (dated 17 January 2018)

² PEMC-IEMOP Operating Agreement

Arthur P. Pintado – Internal Audit Head
Robinson P. Descanzo – Trading Operations Head
Rachel Angela P. Anosan – Chief Legal Officer
Isidro E. Cacho, Jr. – Chief Corporate Strategy and Communications Officer
Celina R. Encarnacion – Chief Corporate Services Officer
Salvador D. Subaran – Chief Information Systems and Technology Officer

V. CONCLUSIONS AND RECOMMENDATIONS

Since the delineation of the functions of PEMC as the governing body and IEMOP as the IMO has been established, it is proposed to clarify that MSP performance monitoring, deemed as a governance function, shall be performed by PEMC. By clarifying the provisions in the WESM Rules and relevant market manual, the basis for the facilitation of MSP performance monitoring will be harmonized with the responsibilities detailed on the relevant issuances and agreements.

VI. REFERENCES

1. WESM Rules
2. WESM Manual on Metering Standards and Procedures Issue 11.0
3. DOE Department Circular No. DC2018-01-0002 (dated 17 January 2018)
4. PEMC-IEMOP Operating Agreement