



**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2011-04

**Proposed New WESM Manual on Registration, Suspension and Deregistration
Criteria and Procedures**

WHEREAS, Chapter 2 of WESM Rules sets out the procedures for registration and suspension of WESM Members;

WHEREAS, on 23 August 2010, the Department of Energy (DOE) issued the DOE Circular No. DC2010-08-0010 (the "DOE Circular") entitled "Prescribing the Implementing Rules and Procedures for Department Circular No. DC2010-05-0006, entitled "Terminating the Default Wholesale Supplier Arrangements for the Philippine Wholesale Electricity Spot Market (WESM) and Declaring a Disconnection Policy";

WHEREAS, there is a need to establish guidelines, criteria and procedures for registration, suspension and deregistration of WESM members so as to implement the provisions of the WESM Rules and the DOE Circular;

WHEREAS, on 22 November 2010, the Philippine Electricity Market Corporation (PEMC) submitted to the Rules Change Committee (RCC) its proposed new Manual on Registration, Suspension and Deregistration Criteria and Procedures, for consideration and approval (the "Manual");

WHEREAS, during the 43rd RCC Meeting on 08 December 2010, the proposed new Manual was presented to the RCC, for discussion and approval;

WHEREAS, as agreed upon by the RCC during the said 43rd Meeting, the proposed new Manual was published in the RCC Web Forum on 10 December 2010 to solicit comments from the market participants and other interested parties;

WHEREAS, during the period of publication, various comments were received from the market participants and other interested parties;

WHEREAS, the RCC further deliberated the proposed new Manual, together with the comments received, during its 44th Meeting on 19 January 2011, 45th Meeting on 09 March 2011, and 46th Meeting on 06 April 2011;

WHEREAS, during the 46th Meeting, the RCC requested PEMC to revise the proposed Manual to incorporate the comments and recommendations by the RCC and other parties;

WHEREAS, during the 47th RCC Meeting on 04 May 2011, the PEMC presented the revisions made to the proposed Manual;





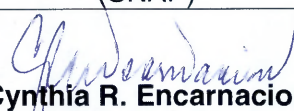
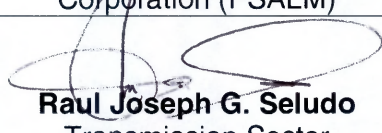
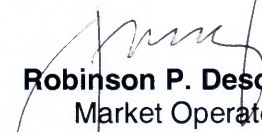

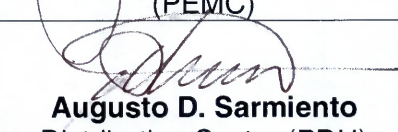
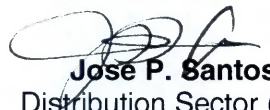
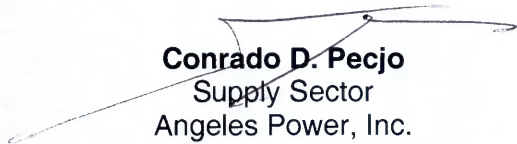

WHEREAS, during the said 47th Meeting, the RCC agreed to adopt the proposed Manual, incorporating the comments/suggestion from RCC and other parties (attached as Annex "A");

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

RESOLVED, that the proposed new Manual on Registration, Suspension and Deregistration Criteria and Procedures (attached as Annex "B"), as revised by the RCC, is adopted and approved in full; and

RESOLVED, that the proposed new Manual on Registration, Suspension and Deregistration Criteria and Procedures be endorsed to the PEM Board for approval.

Done this 04 May 2011, Pasig City.

<p>Approved by:</p> <p>RULES CHANGE COMMITTEE</p>  <p>Epictetus E. Patalinghug Acting Chairperson Independent University of the Philippines (UP)</p>	
<p>Members:</p>	
 <p>Cherry Aquino-Javier Generation Sector AES Philippines (AES)</p>	 <p>Ralph T. Crisologo Generation Sector SN Aboitiz Power (SNAP)</p>
 <p>Liberty Z. Dumlaog Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)</p>	 <p>Cynthia R. Encarnacion Generation Sector National Power Corporation (NAPOCOR)</p>
 <p>Raul Joseph G. Seludo Transmission Sector National Grid Corporation of the Philippines (NGCP)</p>	 <p>Robinson P. Descanzo Market Operator Philippine Electricity Market Corporation (PEMC)</p>
 <p>Ciprinilo C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)</p>	 <p>Augusto D. Sarmiento Distribution Sector (PDU) Dagupan Electric Corporation (DECORP)</p>
 <p>Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative (INEC)</p>	 <p>Conrado D. Pecjo Supply Sector Angeles Power, Inc.</p>
	<p>Certified True and Correct:</p>  <p>Elaine D. Gonzales RCC Secretary PEMC</p>

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RCC/WESM-WM-10/20

Original Provision	RCC Comments
<p>New WESM Manual</p>	<ul style="list-style-type: none"> • Revised to incorporate the following changes based on the discussions by the RCC: <ul style="list-style-type: none"> ✓ Deletion of all references to transactions of the Retail Electricity Supplier (RES) except only in Chapter II, Section 5.1.2 which is a list of who are eligible to apply for WESM membership. ✓ Inclusion of a separate section on the procedures for the application for registration of Indirect WESM Members. This is included in Chapter II, Section 8. ✓ Expansion of the Glossary of Terms, which is moved from Chapter 1 to Appendix A. ✓ Revision of Section 5.4.4 in Chapter II to clarify that a generation company must include in its application the maximum stable load (Pmax), minimum stable load (Pmin), and ramp up/down rates. The revision likewise provided that the information must be consistent with the information contained in the Certificate of Compliance issued by the Energy Regulatory Commission. (ERC). ✓ Revision of Chapter III, Section 3. ✓ Clarification on the disqualification of Metering Service Providers in Chapter II, Section 7.2.4.