



Philippine Electricity
Market Corporation

WHOLESALE ELECTRICITY SPOT MARKET RULES CHANGE COMMITTEE

RESOLUTION NO. 2020-14

Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

WHEREAS, Chapter 8 of the WESM Rules and the Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals ("Rules Change Manual") provide the criteria, method and procedures for changes to the WESM Rules, Retail Rules and Market Manuals;

WHEREAS, the Rules Change Committee (RCC) during its meeting on 13 March 2020 finalized its proposed general amendments to the WESM Rules and Rules Change Manual to enhance the rules change process and incorporate policies under the DOE Circulars issued on WESM governance;

WHEREAS, during the same meeting, the RCC approved the publication of the proposal 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 13 March 2020, comments were received from the Manila Electric Company (MERALCO) and SPC Power Corporation/SPC Island Power Corporation (SPC/SIPC);

WHEREAS, during the 165th RCC Meeting on 15 May 2020, the RCC gave due course to the comments received, deliberated on their corresponding response, and agreed to adopt further changes as follows:

- a) As recommended by MERALCO, the PEM Board may extend the effectivity of urgent amendments once for up to six (6) months;
- b) Publication of PEM Board-approved urgent amendments to solicit comments within thirty (30) working days;
- c) After one (1) billing period but no later than sixty (60) calendar days from the PEM Board's approval, the RCC shall require the proponent for an update

on the implementation of the Urgent Amendments and the resulting impact to the performance of the market. In consideration of the comments received in item (b), the RCC shall submit its recommendation on whether to approve the amendment as a general amendment to the PEM Board;










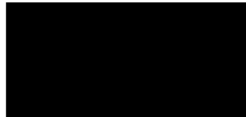



- d) If the urgent amendment is needed to facilitate the implementation of any regulation, circular, order or issuance of the DOE or ERC as provided in Section 3.1 (d) of the Rules Change Manual, the effectivity of such urgent amendment shall be identified by the PEM Board upon recommendation by the RCC, including the DOE's approval of the urgent amendment, as necessary. In such case, the publication of the urgent amendment to solicit comments shall be made within twenty-four (24) hours of effectivity.

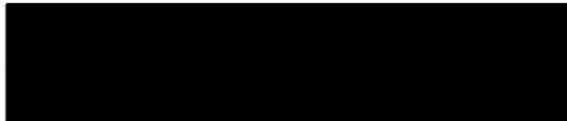


NOW THEREFORE, we, the undersigned, on behalf of the sectors we represent, hereby resolve as follows:

RESOLVED, that the RCC approves the Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0 (attached as Annexes A and B);

RESOLVED FURTHER, that the said Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0, are 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	 
 Allan C. Nerves	 Concepcion I. Tanglao
Generation Sector Members:	
 Dixie Masinloc Masinloc Power Partners Co. Ltd. (MPPCL)	 Cherry A. Javier Aboitiz Power Corp. (APC)
 Carlito C. Claudio Millennium Energy, Inc./ Panasia Energy, Inc. (MEI/PEI)	 Mark D. Habana Vivant Corporation - Philippines (Vivant)
Distribution Sector Members:	
 V. Cebu III Electric Cooperative, Inc. (CEBECO III)	 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:
<div style="text-align: center;"> Lorreto H. Rivera TeaM (Philippines) Energy Corporation (TPEC)</div>
Market Operator Member:
<div style="text-align: center;"> Isidro E. Cacho, Jr. Independent Electricity Market Operator of the Philippines (IEMOP)</div>
System Operator Member:
<div style="text-align: center;"> Ambrocio R. Rosales National Grid Corporation of the Philippines (NGCP)</div>



Annex A - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

WESM Rules (current and enhanced market design)				
Title	Section	Provision	Proposed Amendment	Rationale
Rules Change Classification Procedures	8.4.1.2	<p>xxx</p> <p>In cases of changes to the WESM Rules, Market Manuals or the adoption of new Market Manuals, implemented pursuant to WESM Rules Clause 8.4.1.1 (a) prior to DOE's approval, shall be processed and submitted to the DOE for final approval; otherwise, the effectivity of such WESM Rules changes shall be no more than six (6) months from the PEM Board approval.</p>	<p>xxx</p> <p>In cases of changes to the WESM Rules, Market Manuals or the adoption of new Market Manuals, implemented pursuant to WESM Rules Clause 8.4.1.1 (a) prior to DOE's approval, shall be processed and submitted to the DOE for final approval; otherwise, the effectivity of such WESM Rules changes shall be no more than six (6) months from the PEM Board approval. <u>The PEM Board may extend the effectivity once for up to six (6) months and shall inform the DOE of such extension.</u></p>	<ul style="list-style-type: none"> • There are instances when the PEM Board needs to extend the effectivity of Urgent Amendments while awaiting for the DOE's approval of the corresponding General Amendments, e.g. Initial Prudential Requirements (IPR) proposal in 2019. • To encourage the resolution of proposed Urgent Amendments, the extension should only be given once and the provision should provide for the option to extend for a period shorter than six (6) months.
Notification following satisfying criteria	8.4.5	<p>If the Rules Change Committee concludes that a proposal satisfies the criteria as set out in WESM Rules Clause 8.4.2, the Rules Change Committee shall:</p> <p>(a) Notify the PEM Board, all WESM members and all other interested parties of the proposal; and</p> <p>(b) Invite such parties to make written submissions regarding the proposal within the next 30 working days after publication of the proposed change to</p>	<p>If the Rules Change Committee concludes that a proposal satisfies the criteria as set out in WESM Rules Clause 8.4.2, the Rules Change Committee shall:</p> <p>(a) Notify the PEM Board, all WESM members and all other interested parties of the proposal; and</p> <p>(b) Invite such parties to make written submissions <u>submit comments</u> regarding the proposal within the next 30 working days after publication of the</p>	<ul style="list-style-type: none"> • To minimize paper use, comments may be submitted in electronic format, subject to the submission of a letter on the validity of such submission.

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WESM Rules (current and enhanced market design)				
Title	Section	Provision	Proposed Amendment	Rationale
		the WESM Rules or Market Manual, or new Market Manual in the market information website.	proposed change to the WESM Rules or Market Manual, or new Market Manual in the market information website. <u>(c) Comments shall be submitted in electronic format, subject to the submission of a letter on the validity of such submission.</u>	
Submissions regarding proposed Rules change	8.4.6	To be validly considered, a written submission made in response to a proposed change to the WESM Rules, Market Manual, or proposal for the adoption of a new Market Manual, as provided under clause 8.4.5 (b), must be received by the Rules Change Committee no later than 30 working days after the notice and invitation referred to in WESM Rules Clauses 8.4.5 (a) and (b) are issued.	To be validly considered, a written submission comments made in response to a proposed change to the WESM Rules, Market Manual, or proposal for the adoption of a new Market Manual, as provided under clause 8.4.5 (b), must be received by the Rules Change Committee no later than 30 working days after the notice and invitation referred to in WESM Rules Clauses 8.4.5 (a) and (b) are issued.	Same as 8.4.5
PEM Board discretions when assessing a proposal for a change in the WESM	8.5.2	In considering whether a proposal for a change in the WESM Rules or Market Manuals, or adoption of new Market Manuals satisfies the criteria which are set out in WESM Rules Clause 8.4.2, the PEM Board may:	In considering whether a proposal for a change in the WESM Rules or Market Manuals, or adoption of new Market Manuals satisfies the criteria which are set out in WESM Rules Clause 8.4.2, the PEM Board may:	<ul style="list-style-type: none"> There are instances that the PEM Board remands proposals to the RCC for further study.

Annex A - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

WESM Rules (current and enhanced market design)				
Title	Section	Provision	Proposed Amendment	Rationale
Rules or Market Manuals, or for the adoption of new Market Manuals		<p>(a) Take into account any information and documents, which the PEM Board reasonably considers to be relevant to its consideration of the proposal;</p> <p>(b) Consult with such persons as the PEM Board reasonably considers will likely be affected by the proposal; and</p> <p>(c) Seek such information and views from any person whom the PEM Board considers relevant or as may be practicable in the circumstances.</p>	<p>(a) Take into account any information and documents, which the PEM Board reasonably considers to be relevant to its consideration of the proposal;</p> <p>(b) Consult with such persons as the PEM Board reasonably considers will likely be affected by the proposal; and</p> <p>(c) Seek such information and views from any person whom the PEM Board considers relevant or as may be practicable in the circumstances; <u>and</u></p> <p><u>(d) Remand a proposal to the Rules Change Committee for further study. As necessary, the Rules Change Committee may subject a proposal to consultation as set out in WESM Rules Clause 8.4.5 (b).</u></p>	
Notification following unsuccessful proposal	8.5.3.1	<p>If the PEM Board concludes that a proposed change to the WESM Rules or a Market Manual, or proposal for a new Market Manual does not satisfy the criteria set out in Clause 8.4.2, the PEM Board shall notify:</p> <p>(a) The Rules Change Committee;</p>	<p>If the PEM Board concludes that a proposed change to the WESM Rules or a Market Manual, or proposal for a new Market Manual does not satisfy the criteria set out in Clause 8.4.2, the PEM Board shall notify:</p> <p>(a) The Rules Change Committee;</p>	<ul style="list-style-type: none"> • For consistency with the proposed amendments to Clause 8.4.5 • Relevant information to the ERC are related to pricing and settlement rules changes

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WESM Rules (current and enhanced market design)				
Title	Section	Provision	Proposed Amendment	Rationale
		(b) Proponent(s); (c) Any party who made written submissions to the Rules Change Committee under WESM Rules Clause 8.4.5; and (d) The DOE and the ERC, within 10 working days after reaching that conclusion, and shall provide reasons for its decision.	(b) Proponent(s); (c) Any party who made written submissions <u>submitted comments</u> to the Rules Change Committee under WESM Rules Clause 8.4.5; and (d) The DOE and, <u>as necessary</u> , the ERC, within 10 working days after reaching that conclusion, and shall provide reasons for its decision.	
Approval of a proposal	8.6.4	If the DOE concludes that a proposal is consistent with the Act and the public interest and satisfies the criteria, which are set out in WESM Rules Clause 8.4.2, it shall approve the proposal and cause its publication. The proposal approved by the DOE will take effect within fifteen (15) working days from its publication or on such later date as the DOE, determines or upon such time that the amendment may be implemented.	If the DOE concludes that a proposal is consistent with the Act and the public interest and satisfies the criteria, which are set out in WESM Rules Clause 8.4.2, it shall approve the proposal, and cause its publication, <u>and inform the Rules Change Committee to incorporate approved amendments to the relevant Market Rules/Manuals for publication in the PEMC website.</u> The proposal approved by the DOE will take effect within fifteen (15) working days from its publication or on such later date as the DOE, determines or upon such	To ensure the efficient updating of Market Rules and Manuals by the RCC Secretariat and publication of the revised Market Rules and Manuals for information of WESM Members.

Annex A - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

WESM Rules (current and enhanced market design)				
Title	Section	Provision	Proposed Amendment	Rationale
			time that the amendment may be implemented.	



Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Purpose	1.1	Describes the responsibilities and undertakings required of the DOE, the PEM Board, the Rules Change Committee, the other PEM Board Committees, any WESM Member and of any interested parties in the initiation, evaluation, and approval or disapproval of any amendment, review or interpretation of the WESM Rules, Retail Rules and Market Manuals, guidelines and issuances governing the WESM. The procedures described in this Market Manual shall be read and construed consistent with Chapter 8 of the WESM Rules.	Describes the responsibilities and undertakings required of the DOE, the PEM Board, the Rules Change Committee, the other PEM Board WESM Governance Committees, any WESM Member and of any interested parties in the initiation, evaluation, and approval or disapproval of any amendment, review or interpretation of the WESM Rules, Retail Rules and Market Manuals, guidelines and issuances governing the WESM. The procedures described in this Market Manual shall be read and construed consistent with Chapter 8 of the WESM Rules.	For consistency with DOE DC No. 2010-007-0008
Definitions	2.1	PEM Board Committees refers to the Committees created by the PEM Board pursuant to the WESM Rules, and may interchangeably be referred to as PEMC Committees	PEM Board WESM Governance Committees refers to the Committees created by the PEM Board pursuant to the WESM Rules, and may interchangeably be referred to as PEMC Committees	Same above
		PEM Committee Secretariat refers to the support group tasked to handle administrative matters of the PEM Board Committees	PEM Committee Secretariat refers to the support group tasked to handle administrative matters of the PEM Board WESM Governance Committees	Same above

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
		Publish means to make information available through the market information or WESM website or, as may be deemed necessary by the PEM Board, publication in at least two (2) newspapers of general circulation	Publish means to make information available through the market information <u>website</u> or WESM <u>PEMC</u> website or, as may be deemed necessary by the PEM Board, publication in at least two (2) newspapers of general circulation	To ensure wider dissemination of information on Urgent Amendments
To whom submitted	5.3	a) The proposals shall be submitted to the Rules Change Committee through the PEM Committee Secretariat which shall check for the completeness of the proposal and its compliance with the formal requirements set forth in Section 5.2 of this Manual. Only proposals which are made in the prescribed form shall be accepted and considered as submitted.	a) The proposals shall be submitted to the Rules Change Committee through the PEM Committee Secretariat which shall check for the completeness of the proposal and its compliance with the formal requirements set forth in Section 5.2 of this Manual. Only proposals which are made in the prescribed form shall be accepted and considered as submitted.	For consistency with the proposed amendments to Section 2.1
		b) Complete proposals shall be given due course and shall be forwarded to the Rules Change Committee for consideration. Proposals for general and minor amendments shall be forwarded to the Rules Change Committee within five (5) business days from receipt of complete proposal. Proposals for urgent amendments will be forwarded immediately upon receipt as provide for in Section 7.2(a).	b) Complete proposals shall be given due course and shall be forwarded to the Rules Change Committee for consideration. Proposals for general and minor amendments shall be forwarded to the Rules Change Committee within five (5) <u>business working</u> days from receipt of complete proposal. Proposals for urgent amendments will be forwarded immediately upon receipt as provide for in Section 7.2(a).	To provide more time for the RCC Secretariat to initially review proposals

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Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
		c) Incomplete proposals or those which do not comply with the formal requirements shall be denied due course, and the PEM Committee Secretariat shall notify the proponent of the denial citing the grounds therefor. The proponent may re-submit the proposal and comply with the formal requirements.	c) Incomplete proposals or those which do not comply with the formal requirements shall be denied due course, and the PEM Committee Secretariat shall notify the proponent of the denial citing the grounds therefor. The proponent may re-submit the proposal and comply with the formal requirements.	For consistency with the proposed amendments to Section 2.1
Assessment of Proposal	6.1.1	a) Upon endorsement of the PEM Committee Secretariat, the Rules Change Committee shall give due course to the proposal in the next Rules Change Committee meeting. xxx	a) Upon endorsement of the PEM Committee Secretariat, the Rules Change Committee shall give due course to the proposal in the next Rules Change Committee meeting. xxx	For consistency with the proposed amendments to Section 2.1
		d) If the Rules Change Committee determines that the proposal satisfies the criteria, it shall proceed to evaluate the proposal in the manner set forth in this Manual.	d) If the Rules Change Committee determines that the proposal satisfies the criteria, it shall <u>notify the PEM Board of the proposal and</u> proceed to evaluate the proposal in the manner set forth in this Manual.	For consistency with WESM Rules Clause 8.4.5

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Consultation and referral to Other Committees and Persons	6.1.2	a) If the proposal is given due course pursuant to Section 6.1.1(d), the Rules Change Committee shall notify all the WESM participants, as well as other interested parties of the proposal through publication, inviting them to give written submissions regarding the proposal.	a) If the proposal is given due course pursuant to Section 6.1.1(d), the Rules Change Committee shall notify all the WESM participants, as well as other interested parties of the proposal through publication, inviting them to give written submissions submit comments regarding the proposal.	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
Consultation and referral to Other Committees and Persons	6.1.2	b) The following committees or persons shall likewise be notified of the proposal and invited to make their written submissions within the period stated in Section 6.1.3(a) of this Manual: xxx iii) the PEM Auditor, where the proposal affects any matter falling under the competence of the PEM Auditor or the Audit Committee; xxx vi) the Chairpersons of the Grid Management Committee and Distribution Management Committee, where the proposal affects any provision of the Philippine Grid Code or Philippine Distribution Code, for the purpose, among other things, of determining the effect of the proposal and the need to	b) The following committees or persons shall likewise be notified of the proposal and invited to make submit their written submissions comments within the period stated in Section 6.1.3(a) of this Manual: xxx iii) the PEM Auditor Audit Committee , where the proposal affects any matter falling under the its its competence of the PEM Auditor or the Audit Committee ; xxx vi) the Chairpersons of the Grid Management Committee and Distribution Management Committee Energy Regulatory Commission , where the proposal affects any provision of the Philippine Grid Code, or Philippine Distribution Code, and other ERC	<ul style="list-style-type: none"> • For consistency with the proposed amendments to WESM Rules Clause 8.4.5 • Deletion of “PEM Auditor” has been previously approved by the RCC (Resolution No. 19-04) and the PEM Board (Resolution 2019-10-10). This is now for final approval of the DOE. • To reflect changes due to the dissolution of the DMC and GMC offices. • ERC should be notified of the proposal and be invited to submit comments and send their representatives to the deliberation to ensure that the proposal is not in conflict with ERC issuances.

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
		harmonize such proposal with the provisions of these Codes.	<u>issuances</u> , for the purpose, among other things, of determining the effect of the proposal and the need to harmonize such proposal with the provisions of these Codes <u>issuances</u> .	
Consultation and referral to Other Committees and Persons	6.1.2	d) Where the proposal involves a minor amendment, the Rules Change Committee may, at its discretion, no longer hold public consultations, refer to various committees or persons, or require written submissions.	d) Where the proposal involves a minor amendment, the Rules Change Committee may, at its discretion, no longer hold public consultations, refer to various committees or persons, or require written submissions <u>submission of comments</u> .	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
Written Submissions	6.1.3	Written Submissions	Written Submissions <u>Submission of Comments</u>	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
		a) The written submissions requested pursuant to Sections 6.1.2 (a) and (b) shall be given within thirty (30) working days from the date of publication of the notice made pursuant to Section 6.1.2 (a) of this Manual. The proponent shall be invited to respond during deliberation of the comments submitted.	a) The written submissions <u>submission of comments as</u> requested pursuant to Sections 6.1.2 (a) and (b) shall be within thirty (30) working days from the date of publication of the notice made pursuant to Section 6.1.2 (a) of this Manual. The proponent shall be invited to respond during deliberation of the comments submitted.	For consistency with the proposed amendments to WESM Rules Clause 8.4.5

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Written Submissions	6.1.3	b) Only written submissions submitted and actually received by the PEM Committee Secretariat within the prescribed period shall be validly considered by the Rules Change Committee.	b) Only written submissions <u>comments</u> submitted and actually received by the PEM Committee Secretariat within the prescribed period shall be validly considered by the Rules Change Committee. <u>Comments received beyond the prescribed period shall be considered by the Rules Change Committee upon approval of the Chairperson.</u>	<ul style="list-style-type: none"> For consistency with the proposed amendments to WESM Rules Clause 8.4.5 and Section 2.1 of the Manual. If necessary and deemed crucial to the deliberation of the proposal, late comments may be considered subject to the approval of the RCC Chairperson.
		c) All written submissions shall contain the name and address of the person making the submission and shall be made using the Rules Change Submission form. Documents and other materials supporting the comments made may also be attached to the written submission.	c) All written submissions <u>comments</u> shall contain the name and address of the person making the submission and shall be made using the Rules Change Submission form <u>prescribed by the Rules Change Committee</u> . Documents and other materials supporting the comments made may also be attached to the written submission <u>submitted</u> .	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
		d) The written submissions may be provided through printed document, by electronic means or by facsimile, and directed to the Rules Change Committee through the PEM Committee Secretariat.	d) The written submissions <u>comments</u> may <u>shall</u> be provided through printed document , by electronic means or by facsimile , and directed to the Rules Change Committee through the PEM Committee Secretariat.	For consistency with the proposed amendments to WESM Rules Clause 8.4.5 and Section 2.1 of the Manual.

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Written Submissions	6.1.3	(new)	<u>e) The party submitting comments shall inform the Rules Change Committee, in writing using a format prescribed by the Rules Change Committee, of their submission.</u>	To ensure validity of the comments emailed. This is similar to the process of data submission by the ECO for generators.
Submission to the PEM Board	6.1.6	a) The Rules Change Committee shall immediately submit its resolution or status report to the PEM Board within the period stated in Section 6.1.5 of this Manual. The PEM Board may, at its discretion, require that it be furnished with copies of the written submissions received by the Rules Change Committee.	a) The Rules Change Committee shall immediately submit its resolution or status report to the PEM Board within the period stated in Section 6.1.5 of this Manual. The PEM Board may, at its discretion, require that it be furnished with copies of the written submissions <u>comments</u> received by the Rules Change Committee.	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
		b) The resolution or status report shall be in writing and shall contain: xxx v) procedures implemented by the Committee in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written submissions.	b) The resolution or status report shall be in writing and shall contain: xxx v) procedures implemented by the Committee in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written submissions <u>comments</u> .	For consistency with the proposed amendments to WESM Rules Clause 8.4.5

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
PEM BOARD	6.2.2	<p>The PEM Board shall render its decision:</p> <p>a) whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules and it may, as may be practicable under the circumstances:</p> <p>i) take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal;</p> <p>ii) consult with persons who are likely to be affected by the proposal; and</p> <p>iii) seek such information and views from any person with expertise on the subject matter of the proposal.</p>	<p>The PEM Board shall render its decision:</p> <p>a) whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules and it may, as may be practicable under the circumstances:</p> <p>i) take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal;</p> <p>ii) consult with persons who are likely to be affected by the proposal; and</p> <p>iii) seek such information and views from any person with expertise on the subject matter of the proposal; <u>and</u></p> <p><u>iv) Remand the proposal to the Rules Change Committee for further study. As necessary, the Rules Change Committee may subject the proposal to consultation as set out in WESM Rules Clause 8.4.5 (b).</u></p>	For consistency with the proposed amendments to WESM Rules Clause 8.5.2

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Rejection of Rules Change Proposal	6.2.4	If the PEM Board concludes that the proposal does not satisfy the prescribed criteria, it shall notify the Rules Change Committee, the proponent, the parties who made written submissions, the DOE and the Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) working days from the date of the decision.	If the PEM Board concludes that the proposal does not satisfy the prescribed criteria, it shall notify the Rules Change Committee, the proponent, the parties who submitted written submissions comments , the DOE and the Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) working days from the date of the decision.	For consistency with the proposed amendments to WESM Rules Clause 8.4.5
Action by the PEM Board	7.3	c) If the PEM Board determines that the approval of the urgent amendment is not warranted, it shall notify the Rules Change Committee, the proponent, the parties who made written submissions, the DOE and the Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) working days from the date of the decision in which case, the approval of the Rules Change Committee shall be deemed vacated within twenty-four (24) hours from such reversal. In its discretion, the PEM Board may return the proposal to the Rules Change Committee for consideration as a general amendment and in accordance	c) If the PEM Board determines that the approval of the urgent amendment is not warranted, it shall notify the Rules Change Committee, the proponent, the parties who made written submissions, the DOE and the Energy Regulatory Commission (the "ERC") of its decision and the reasons for rejection, within ten (10) working days from the date of the decision in which case, the approval of the Rules Change Committee shall be deemed vacated within twenty-four (24) hours from such reversal. In its discretion, the PEM Board may return the proposal to the Rules Change Committee for consideration as a general amendment and in accordance	There is no requesting of comments prior the RCC's approval of urgent amendments.

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
		with the procedure for such amendments.	with the procedure for such amendments.	
Effectivity of Urgent Amendment	7.4	a) The approved urgent amendment shall become effective within twenty-four (24) hours upon publication of the relevant Rules and/or Market Manual(s) in the market information website. PEMC shall issue an advisory to the participants of the date of its effectivity. PEMC shall publish the amendments within twenty-four (24) hours from its approval and advisories shall be made through the MMS website informing participants of such amendment.	a) The approved urgent amendment shall become effective within twenty-four (24) hours upon publication of the relevant Rules and/or Market Manual(s) in the market information website. PEMC shall issue an advisory to the participants of the date of its effectivity. PEMC shall publish the amendments within twenty-four (24) hours from its approval and advisories shall be made through <u>email</u> , the MMS <u>market information</u> website <u>and the PEMC website to solicit comments from</u> participants of such amendment within thirty (30) working days .	For clarity in the information dissemination of urgent amendments.
Effectivity of Urgent Amendment	7.5	7.5 Within ten (10) days from ratification by the PEM Board of the urgent amendment or upon approval by the PEM board, the Rules Change Committee shall notify and invite all WESM Members and all other interested parties of the amendment to make written submissions and shall thereafter proceed to consider the amendment as a	7.5 (f) Within ten (10) days from ratification by the PEM Board of the urgent amendment or upon approval by the PEM board After one (1) billing period but no later than sixty (60) calendar days from the PEM Board's approval , the Rules Change Committee shall notify and invite all WESM Members and all other interested parties	To ensure that the effectivity of urgent amendments are reviewed. If deemed effective, Urgent amendments shall be incorporated in the Market Rules and Manuals through the General Amendments process.

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
		general amendment in accordance with Section 6 hereof.	of the amendment to make written submissions and shall thereafter proceed to consider <u>require the proponent for an update on the implementation of the Urgent Amendments and the resulting impact to the performance of the market. In consideration of the comments received in item (f), the Rules Change Committee shall submit its recommendation on whether to approve</u> the amendment as a general amendment to the PEM Board in accordance with Section 6 hereof.	
Effectivity of Urgent Amendment		(new)	<u>(g) If the urgent amendment is needed to facilitate the implementation of any regulation, circular, order or issuance of the DOE or ERC as provided in Section 3.1 (d) of this Market Manual, the effectivity of such urgent amendment shall be identified by the PEM Board upon recommendation by the Rules Change Committee. The PEM Board shall request the DOE's approval of the urgent amendment, as necessary.</u>	

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
			<u>In such case, the publication of the urgent amendment to solicit comments shall be made within twenty-four (24) hours of effectivity.</u>	
Effectivity of Urgent Amendment	7.6	(new)	<u>(h) The PEM Board may extend the effectivity of Urgent Amendments once for a maximum of six (6) months and shall inform the DOE of such extension. Such extension is only allowed while awaiting approval of the corresponding General Amendments by the DOE.</u>	There are instances when the PEM Board needs to extend the effectivity of Urgent Amendments while awaiting for the DOE's approval of the corresponding General Amendments, e.g. Initial Prudential Requirements (IPR) proposal in 2019.
Custodian of Records	9.2	The Head of the Rules Change Committee Secretariat shall have official custody and charge of the records prepared for or in connection with the rules change process, including but not limited to the journal and minutes of deliberations of the Rules Change Committee or the PEM Board. The Chairperson shall keep and maintain the official version of all the amendments made pursuant to this Manual.	The Head of the Rules Change Committee Secretariat shall have official custody and charge of the records prepared for or in connection with the rules change process, including but not limited to the journal, and minutes of deliberations of the Rules Change Committee, or the decision of the PEM Board and the . The Chairperson shall keep and maintain the official version of all the amendments made pursuant to this Manual.	To reflect current practice

Annex B - Proposed Amendments to the WESM Rules and Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals, Issue 3.0

Procedures for Changes to the WESM and Retail Rules and Market Manuals, Issue 3				
Title	Section	Provision	Proposed Amendment	Rationale
Publication and Effectivity	11.2	This Market Manual, as it may be amended from time to time, shall be published in the market information website maintained by the Market Operator. xxx	This Market Manual, as it may be amended from time to time, shall be published in the market information website maintained by the Market Operator <u>PEMC</u> . xxx	For clarity