



Rules Change Committee 2020 Semestral Report

July to December 2020

JANUARY 2021

This Report is prepared by the
Philippine Electricity Market Corporation –
Market Assessment Group for the
Rules Change Committee



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I. INTRODUCTION

In compliance with its mandate under the WESM Rules¹ and the WESM Manual on the Procedures for Changes to the WESM Rules (“Rules Change Manual”), the Rules Change Committee (RCC) submits this Report, covering the period July to December 2020. This report sets out the following:

- i. All proposals to amend the Market Rules and Manuals which have been submitted to and deliberated upon by the RCC for the covered period; and
- ii. Status of RCC priorities outlined in the 2020 RCC Work Plan.

II. ACCOMPLISHMENTS AND WORK PROGRESS

The RCC held six (6) regular meetings during the covered period to discuss and deliberate upon several proposed amendments to the Market Rules and Manuals, which are aimed at enhancing market design, as well as refining processes and operations appropriate for the current market setting and as a result of market operations experience.

For the second half of 2020, the RCC approved four (4) proposals for changes in Market Rules and Manuals, which are all general amendments. These include the proposal on the amendments to the Guidelines Governing the Constitution of PEM Board Committees, which was earlier endorsed to the PEM Board in May 2020 but was remanded per PEM Board directive and re-deliberated in July 2020. The three (3) other proposals were new submissions to the RCC, which were approved with amendments and subsequently endorsed to the PEM Board.

Proposed changes were initiated by the Market Operator and a Market Participant, as presented below:

Table 1: Table of Proposals Submitted to and Approved by RCC in the second half of 2020 (by Proponent)

Proponent	Proposals Submitted (% of Total)	Proposals Approved
Market Operator	3 (90%)	2
Market Participants/ WESM Stakeholders	1 (10%)	1
PEMC/WESM Governance Committees	0 (0%)	1
TOTAL	4 (100%)	4

¹WESM Rules, Clause 8.6.5.

The details of the submitted and approved proposals are detailed in *II.B Proposals Approved by the RCC during the period July to December 2020* and *II.C. On-Going Proposal and Discussions*.

From July 2005 to December 2020, the RCC has completed the processing of 312 amendments to the Market Rules and Manuals (see Annex A for the number of proposals processed per year beginning 2005 until June 2020).

Table 2: Summary of Proposed Amendments Processed by RCC (2005 to 2020)

Documents	Jan to Jun 2020	July to Dec 2020	Cumulative Total Jan 2005 to Dec 2020
WESM Rules	5	3	94
WESM Manuals	18	5	193*
Retail Rules	1	0	10
Retail Manuals	0	0	15
TOTAL	24	8	312

****Includes and one (1) urgent amendment in 2020***

Of the 312 proposed amendments deliberated upon since 2005, the RCC disapproved nine (9) or 2.88% of the total. Some of these were re-developed and re-submitted by the proponent/s to the RCC as new proposals.

The RCC, as part of its consultation process, publishes all proposals in the PEMC website to solicit comments from interested parties, with commenting period of 30 days. Comments received are discussed during the RCC deliberation of the proposals, which resolutions are submitted to the PEM Board, for approval.

For the second half of 2020, the RCC issued four (4) Resolutions approving the endorsement of the proposals to the PEM Board. The PEM Board, upon its approval, endorsed the four (4) approved resolutions to DOE for promulgation.

A summary of the RCC's deliberations on proposed amendments during the period July to December 2020 are provided in the succeeding sections. All the minutes of the RCC's meetings and Resolutions are published in the PEMC website² for public information.

² <https://www.wesm.ph/market-governance/rules-change/rcc-minutes-of-meetings>

II.A. Summary of Proposals Submitted

The table below presents the status summary of all proposals submitted to the RCC in second half of 2020. Brief discussions on the proposals, both completed and on-going, are further provided in Sections II.B and II.C of this Report.

Table 3: Summary of Proposals Submitted to RCC (July to December 2020)

Item	Proponent	Control No.	Proposal ³	Submitted to RCC	Date Published	Deadline of Commenting Period	Comments Received	Action Taken by RCC	RCC Resolution ⁴	Action Taken by PEM Board	PEM Board Resolution	Date Submitted to DOE
1	Pagbilao Energy Corp.	ORCP-WM-20-11	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement regarding Bilateral Contract Quantity Declaration	16-Jul-20	21-Jul-20	04-Sep-20	Shel Energy Phils., PEMC, IEMOP	Approved	2020-16	Approved	2020-30-04	02-Dec-20
2	IEMOP	ORCP-WR-WM-20-12	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement for Enhancements to Prudential Requirements Procedures	21-Jul-20	17-Aug-20	30-Sep-20	PEMC, AC Energy Phils., Inc. TC	Approved	2020-17	Approved	2020-30-05	02-Dec-20

³ <https://www.wesm.ph/market-governance/rules-change/rules-change-proposals>

⁴ <https://www.wesm.ph/market-governance/rules-change/rcc-resolutions>

Item	Proponent	Control No.	Proposal ³	Submitted to RCC	Date Published	Deadline of Commenting Period	Comments Received	Action Taken by RCC	RCC Resolution ⁴	Action Taken by PEM Board	PEM Board Resolution	Date Submitted to DOE
3	IEMOP	ORCP-WR-WM-20-13	Proposed Amendments to the WESM Rules and WESM Manuals on the Rationalization of Billing Adjustment Timelines	14-Sep-20	21-Sep-20	03-Nov-20	PEMC	Approved	2020-18	Approved	2020-31-03	12-Jan-20
4	IEMOP	ORCP-WR-WM-20-14	Proposed Amendments to the WESM Rules and WESM Manuals for Clarifications on Indirect WESM Membership		23-Nov-20	13-Jan-21	-	-	-	-	-	-

II.B. Proposals Approved by the RCC during the period July to December 2020**1) Proposed Amendments to the Guidelines Governing the Constitution of PEM Board Committees, Issue 3 regarding the Composition of the WESM Technical Committee (Revision to RCC Resolution No. 2020-07, ORCP-WR-20-01)**

The proposal was submitted by the PEMC on 11 February 2020 to incorporate the policies under relevant DOE Circulars and to provide changes to relevant parties involved in WESM governance.

After series of deliberations with the Board Review Committee and the PEM Board on the composition of the WESM Governance Committees, it was proposed that the Technical Committee be composed of the following:

- one (1) independent member;
- one (1) member representing the generation sector;
- one (1) member representing the distribution sector;
- one (1) member representing the System Operator (SO); and
- one (1) member representing the Market Operator (MO).

The revised proposal was adopted by the RCC on 27 July 2020 and was endorsed by the PEM Board to the DOE on 20 August 2020.

2) Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement regarding Bilateral Contract Quantity Declaration (ORCP-WM-20-11)

The proposal was submitted by the Pagbilao Energy Corp. (PEC) as a result of its observation during the Parallel Operations Program (POP) for the enhanced WESM design and operations (EWDO) that confirmation and nullification will only be done if the seller Trading Participant (TP) submits bilateral contract quantity (BCQ) declaration. Thus, if no submission was made, there is nothing to confirm nor nullify by the buyer TP and such scenario may have a financial impact to the TPs.

The proposed changes specifically provide the following:

- procedures and flowchart covering scenario of non-submission, non-confirmation and nullification by the Trading Participant of bilateral contract quantities, all resulting to bilateral contract declarations not being accounted during settlement; and
- definition of Standing Bilateral Contract Quantity Declaration and its enrolment during registration.

If this proposal will be implemented, it will require enhancements to the Central Registration and Settlement System (CRSS), which is initially estimated to cost around Eight Hundred Thousand Pesos (PhP 800,000) and to be developed for approximately two (2) months.

3) Proposed Amendments to the WESM Rules and the WESM Manual on Billing and Settlement for Enhancements to Prudential Requirements Procedures (ORCP-WR-WM-20-12)

The Independent Electricity Market Operator of the Philippines (IEMOP) submitted the proposed amendments which sought to provide considerations for a more accurate determination of exposure of WESM Members, thereby reducing the cost of complying with prudential requirements.

The proposed amendments were as follows:

- addition of assessment by request of prudential requirements;
- inclusion of force majeure events and large reduction in load served as considerations for replacement month in the computation of maximum exposure;
- revision of the basis for security amount from average price and monthly quantities to hourly price and hourly quantities;
- revision of the grounds for exempting a WESM Member from prudential requirement;
- revision on the allowed forms of security; and
- clarification on the process for refund.

4) Proposed Amendments to the WESM Rules and WESM Manuals on the Rationalization of Billing Adjustment Timelines (ORCP-WR-WM-20-13)

The proposed amendments were submitted by IEMOP to reduce the financial risks of the WESM Trading Participants due to billing adjustments, by providing shorter and clearer timelines in reporting and correcting errors or discrepancies in settlement. The proposal sought to revise the timeline for reporting errors and raising disputes as described below:

ACTIVITY	ORIGINAL TIMELINE	PROPOSED TIMELINE
1) Errors/Discrepancy		
WESM Member deadline for reporting errors with MO	None	5 months after WESM Member's receipt of final statement
MO deadline for release of revised statement	6 months after notice of error or MO discovery	No change
MSP reconciliation of unintentional meter error	1 year after discovery	5 months after discovery
2) Disputes		
WESM Member deadline for raising	12 months after billing period	6 months after receipt of revised final statement

ACTIVITY	ORIGINAL TIMELINE	PROPOSED TIMELINE
disputes on revised final statement		
MO deadline for release of revised statements	12 months after resolution of dispute	6 months after resolution of dispute

II.C. On-Going Proposals and Discussions

During the period covered of this Report, the RCC likewise discussed the **Proposed Amendments to the WESM Rules and Manuals for Clarifications on Indirect WESM Membership (ORCP-WM-20-14)**

The IEMOP discussed the proposal during the regular RCC Meeting on 20 November 2020 with the objectives of aligning the transactions and responsibilities of Direct and Indirect WESM Members with WESM Rules Clauses 2.4⁵ and 2.2.4.2⁶ and addressing the non-registration of grid-customers. The proposed amendments are summarized as follows:

- require the Direct WESM member counterparty to register and transact for the Indirect WESM Member in the WESM;
- oblige the Direct WESM Member to enter into the Market Participation Agreement (MPA) on behalf of the Indirect WESM Member;
- allow optional access to the Market Participant Interface (MPI) for Wholesale and Retail Indirect WESM Members;
- reflect the practice wherein Indirect WESM Members enter into Metering Services Agreement (MSA) with the Metering Services Providers;
- clarify that bilateral quantity confirmation of an Indirect WESM Member will be conducted by its Direct WESM Member counterparty;
- clarify that the billing and settlement of the Indirect WESM Member shall be through its Direct WESM Member; and
- propose that the Direct WESM Member shall be responsible for all payments including adjustments during the relevant billing periods when the Direct WESM Member transacted on behalf of the Indirect WESM Member.

The proposal was published in the PEMC Website for comments on 23 November 2020 until 13 January 2021.

⁵ A person or an entity who wishes to indirectly trade in the spot market shall register with the Market Operator as an Indirect WESM member. However, an Indirect WESM member may only transact through a direct WESM member.

⁶ No person or entity shall be allowed to inject or withdraw electricity from the grid unless that entity or person is a registered member of the WESM.

Further, the Proposed Amendments to WESM Registration Manual for General Enhancements to the Application Process of New WESM Members (ORCP-WM-19-20) is still on deferred status as it was deemed necessary by the RCC to await the DOE promulgation regarding General Framework Governing the Testing and Commissioning of Generation Facilities to ensure consistency.

II.D. Status of Proposals Submitted to the DOE

This section provides updates on the status of DOE approval on the proposals submitted by PEMC during the covered period, which are still ongoing and recently approved. Of the 31 proposals, three (3) were approved by the DOE and 11 were subjected to virtual public consultations within the period. The rest of the proposals have no updates since the previous reporting period.

Table 4: Status of Proposals Submitted to the DOE (2018-2020)

	RCC Resolution	Proposals	DOE Approval
1	RCC Resolution No. 2018-02	Proposed Amendments to the WESM Rules to Implement the Approved Plan for Transition to the Independent Market Operator of the WESM	DOE Department Circular No. 2020-10-0021 dated 22 Oct 2020
2	RCC Resolution No. 2018-05	Proposed Amendments to the WESM Rules and Various WESM Manuals related to Market Surveillance, Enforcement and Compliance	On-going <i>(completed series of public consultations in 2019)</i>
3	RCC Resolution No. 2019-02	Proposed Amendments to the WESM and Retail Rules and Various Manuals to Reduce Barriers to Entry and Participation in Retail Competition	Ongoing <i>(completed series of public consultations on 07 and 10 Oct 2019)</i>
4	RCC Resolution No. 2019-03	Proposed Amendments to the WESM Rules and Manual on Guidelines on Significant Variations In and Between Trading Intervals to Refine Publication Procedures	DOE Department Circular No. 2019-12-0017 dated 04 Dec 2019

	RCC Resolution	Proposals	DOE Approval
5	RCC Resolution No. 2019-04	Proposed Amendments to Provisions Related to Audit and Performance Monitoring Under the WESM Rules, Retail Rules, PEM Audit Manual, and Guidelines Governing the Constitution of the PEM Board	On-going <i>(completed series of virtual public consultations on 15, 17 and 19 Jun 2020)</i>
6	RCC Resolution No. 2019-06	Proposed Amendments to the WESM Rules and WESM Manual on Metering Standards and Procedures on MSP Performance Monitoring	On-going <i>(completed series of public consultations on 11, 12, 14, 20 and 21 Nov 2019)</i>
7	RCC Resolution No. 2019-10	Proposed Amendments to the WESM Manual on Metering Standards and Procedures (to align with PGC, PDC and DOE and ERC issuances)	On-going <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>
8	RCC Resolution No. 2019-11	Proposed Amendments to the WESM Manual on Monitoring of Forecast Accuracy Standards for Must-Dispatch Generating Units	On-going <i>(completed series of public consultations on 11, 12, 14, 20 and 21 Nov 2019)</i>
9	RCC Resolution No. 2019-13	Proposed Amendments to the WESM Manual on Constraint Violation Coefficients (CVC) and Pricing Re-Runs to Include Additional CVCs to Reflect the Dispatch Hierarchy of Self-Scheduled Generation	On-going <i>(completed series of virtual public consultations on 15, 17 and 19 Jun 2020)</i>
10	RCC Resolution No. 2019-14	Proposed Amendments for the Implementation of DOE Framework Governing the Operations of Embedded Generators	On-going <i>(completed series of public consultations on 11, 12, 14, 20 and 21 Nov 2019)</i>

	RCC Resolution	Proposals	DOE Approval
11	RCC Resolution No. 2019-16	Proposed Amendments to the WESM Manual on Dispatch Protocol for the Optimal Timing of Market Runs	DOE Department Circular No. 2020-10-0020 dated 06 Oct 2020
12	RCC Resolution No. 2019-17	Proposed Amendments to WESM Manuals to Clarify Procedures for the Registration of a New Load Facility	DOE Department Circular No. 2020-10-0019 dated 06 Oct 2020
13	RCC Resolution No. 2019-18	Proposed Amendments to the Retail Rules and Various Retail Manuals to Harmonize with ERC Rules Supplementing the Switching and Billing Process and Adopting a Disconnection Policy for Contestable Customers	On-going <i>(completed series of virtual public consultations on 15, 17 and 19 Jun 2020)</i>
14	RCC Resolution No. 2019-19	Proposed Amendments to the WESM Rules and New WESM Compliance Officers (WCO) Accreditation Manual	On-going <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>
15	RCC Resolution No. 2020-01	Proposed Abolition of Relevant WESM Manuals in View of the Implementation of Enhanced WESM Design and Operations	Ongoing <i>(received by DOE on 09 June 2020)</i>
16	RCC Resolution No. 2020-01	Proposed Amendments to the WESM Metering Manual to Harmonize with the Site Specific Loss Adjustment Procedures of the Wholesale MSP	Ongoing <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>

	RCC Resolution	Proposals	DOE Approval
17	RCC Resolution No. 2020-02	Proposed Amendments to the WESM Rules and WESM Manual on MO Information Disclosure and Confidentiality to Provide Exceptions for Confidentiality Undertaking for Oversight Bodies	Ongoing <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>
18	RCC Resolution No. 2020-03	Proposed Amendments to the WESM Dispatch Protocol Manual to Enhance Procedures in MRU Accounting	Ongoing <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>
19	RCC Resolution No. 2020-04	Proposed Amendments to the WESM Manual on Metering Standards and Procedures	Ongoing <i>(received by DOE on 09 Jun 2020)</i>
20	RCC Resolution No. 2020-06	Proposed Urgent Amendments to the WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves	Ongoing <i>(completed series of virtual public consultations on 22 and 29 Jul 2020)</i>
21	RCC Resolution No. 2020-08	Proposed Abolition of Relevant WESM Manuals in View of the Implementation of Enhanced WESM Design and Operations	Ongoing <i>(completed series of virtual public consultations on 10 and 15 Dec 2020)</i>
22	RCC Resolution No. 2020-09	Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures to Clarify Bilateral Contracts Accounted for in Settlements	Ongoing <i>(received by DOE on 09 Jun 2020)</i>
23	RCC Resolution No. 2020-10	Proposed Amendments to the WESM Rules and WESM Manual on the Management of Net Settlement Surplus for the Implementation of ERC Resolution No. 07 Series of 2019	Ongoing <i>(received by DOE on 09 Jun 2020)</i>

	RCC Resolution	Proposals	DOE Approval
24	RCC Resolution No. 2020-11	Proposed Amendments to the WESM Manual on Load Forecasting Methodology for the Inclusion of the Procedures for Preparation and Updating of Nodal Load Distribution Factors	Ongoing <i>(completed series of virtual public consultations on 27 and 29 Oct 2020)</i>
25	RCC Resolution No. 2020-12	Proposed Amendments to the WESM Rules and WESM Manual on Management of Must-Run and Must-Stop Units regarding Settlement of Displaced Generators	Ongoing <i>(completed series of virtual public consultations on 27 and 29 Oct 2020)</i>
26	RCC Resolution No. 2020-13	Proposed Amendment to WESM and Retail Rules for Operation of Renewable Energy Market	Ongoing <i>(completed series of virtual public consultations on 10 and 15 Dec 2020)</i>
27	RCC Resolution No. 2020-14	Proposed Amendments to the WESM Rules and WESM Manual for Enhancements to the Rules Change Process	Ongoing <i>(completed series of virtual public consultations on 10 and 15 Dec 2020)</i>
28	RCC Resolution No. 2020-15	Proposal to amend the Guidelines Governing the Constitution of the PEM Board Committees, Issue 3.0	Ongoing <i>(received by DOE on 20 Aug 2020)</i>
29	RCC Resolution No. 2020-16	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement regarding Bilateral Contract Quantity Declaration	Ongoing <i>(received by DOE on 02 Dec 2020)</i>

	RCC Resolution	Proposals	DOE Approval
30	RCC Resolution No. 2020-17	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement for Enhancements to Prudential Requirements Procedures	Ongoing <i>(received by DOE on 02 Dec 2020)</i>
31	RCC Resolution No. 2020-18	Proposed Amendments to the WESM Rules and WESM Manuals on the Rationalization of Billing Adjustment Timelines	Ongoing <i>(received by DOE on 12 Jan 2021)</i>

II.E. Status of Proposals Submitted to the ERC

During the covered period, the ERC approved the proposed Price Determination Methodology for the enhanced WESM design and operations, with details provided in the table below:

Table 6: Status of Proposals Submitted to the ERC




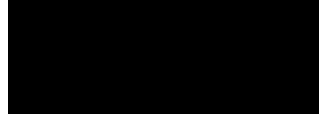




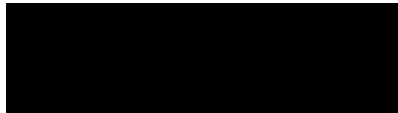
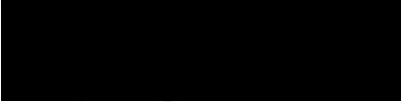
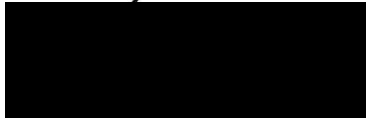
	RCC Resolution	Proposals	ERC Decision
1	RCC Resolution Nos. 2016-13, 2017-07 & 2018-01	Proposed Price Determination Methodology for the enhanced WESM design and operations	Approved as amended ERC Case No. 2017-042 RC Promulgated 29 December 2020

III. STATUS OF 2020 WORK PLAN

The 2020 RCC Work Plan (Annex C) was developed to align with PEMC's corporate vision, mission and desired outcomes towards 2022.

For the second half of the year, the RCC has published five (5) minutes of meetings, three (3) resolutions and four (4) proposals for comments, and conducted six (6) regular meetings. It has submitted its proposed amendments to the Guidelines Governing the Constitution of the PEM Board Committees and likewise formulated the methodology for selecting the topics for rules change effectiveness study. All submitted proposals during the covered period were timely processed by the RCC as prescribed in the Rules Change Manual.

The RCC strives to attain a timely resolution of all proposed amendments it receives and shall continuously direct its efforts to work on PEMC's priority activities as reflected in its Corporate Plan (which includes continuing review of the Market Rules and Manuals for further enhancements and inputs from sectoral representatives of the RCC), and pertinent DOE directives.

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./ Panasia 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)

ANNEX A: Number of Proposed Amendments

Table 7: Number of Proposed Amendments Processed from 2005 to 2020 (Approved and Disapproved)



Year	New Manuals	WESM Rules	WESM Manuals	Retail Rules	Retail Manuals	Total
2005	6	7	0	-	-	13
2006	12	9	20	-	-	41
2007	0	0	3	-	-	3
2008	1	3	1	-	-	5
2009	0	0	1	-	-	1
2010	0	6	9	-	-	15
2011	1	3	2	-	-	6
2012	1	6	4	-	-	11
2013	0	8	6	-	-	14
2014	1	8	19	0	3	31
2015	0	6	10	1	0	17
2016	2	7	21	0	0	30
2017	0	4	15	2	2	23
2018	1	9	12	3	4	29
2019	2	10	20	3	6	41
2020	0	8	23	1	0	32
Overall Total						312

ANNEX B: Members of the RCC as of December 2020

Sector	Representative Organization	Members	
		Principal	Alternate
Independent		Maila Lourdes G. de Castro (Chairperson)	-
		Francisco L.R. Castro, Jr.	-
		Concepcion I. Tanglao	-
		Dr. Allan C. Nerves	-
Market Operations	Independent Market Operator of the Philippines (IEMOP)	Isidro E. Cacho, Jr.	Edwin N. Mosa
System Operations	National Grid Corporation of the Philippines (NGCP)	Ambrocio R. Rosales	Henry V. Dela Cruz
Generation	Aboitiz Power Corporation (APC)	Cherry A. Javier	Angeli Abad Parcia
	Masinloc Power Partners Co. Ltd. (MPPCL)	Dixie Anthony R. Banzon	Rose Ann Alfaro
	Millennium Energy, Inc./ Pansia Energy, Inc. (MEI/PEI)	Carlito C. Claudio	Jessie B. Victorio
	Vivant Corporation – Philippines (Vivant)	Mark D. Habana	Michelle Tuazon
Distribution	PDU – Manila Electric Company (MERALCO)	Ryan S. Morales	Manuel Luis Zagala
	PDU – Iligan Light and Power, Inc. (ILPI)	Ricardo G. Gumalal	Keenan M. Erigbuagas
	EC – Cebu III Electric Cooperative, Inc. (CEBECO III)	Virgilio C. Fortich, Jr	Getulio Zamoras Crodua
	EC – Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)	Nelson M. Dela Cruz	Jeffrey C. Cudapas
Supply	TeaM (Philippines) Energy Corporation (TPEC)	Lorreto H. Rivera	Dennis Paragas
Observers	Department of Energy (DOE)	Dir. Mario C. Marasigan	Ferdinand B. Binondo Luningning Baltazar

ANNEX C: Status of the Rules Change Committee Work Plan for 2020

The Rules Change Committee strives to attain a timely resolution of all rules change proposals it receives and shall continuously direct its efforts to work on priority activities for further enhancements to the Market Rules and Manuals. The activities in the Work Plan will be updated as necessary as more contributions are received from industry sectors and stakeholders, or as directed by the DOE.

Legend:  Submission/Completion of Report
 Regular Activity

ACTIVITIES		OUTPUTS	2020				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
POWER							
1	Publish updated and accurate reports and information on time	Published minutes of meetings, resolutions, Semestral Reports and proposals in accordance with timelines					<p>Published the following:</p> <ul style="list-style-type: none">• RCC Semestral Reports (July-December 2019 and January-July 2020)• 2020 RCC Work Plan• 12 Minutes of Meetings• 18 RCC Resolutions• 14 Proposals for Comments
EFFICIENCY							
2	Enhance rules change process based on best global practices	Approved Amendments to the WESM Manual on Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals Issue 3.0					<ul style="list-style-type: none">• Completed within timeline• Approved by PEM Board on 27 May 2020

ACTIVITIES		OUTPUTS	2020				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
3		Updated RCC Internal Rules					<ul style="list-style-type: none"> Status: received by DOE on 09 June 2020
EMPOWERED GOVERNANCE							
4	Timely provision of technical support to the PEM Board relevant to their decision-making functions	Conduct of monthly meetings					Conducted 13 meetings
5		Provision of minutes of meetings and resolutions					Approved and published: <ul style="list-style-type: none"> 12 Minutes of Meetings 18 Resolutions
6		Semestral Reports submitted to the PEM Board in January and July 2020					Semestral Report (July-December 2019) submitted within timeline (31 January 2020)
7	Approved Annual Committee Work Plan	2020 RCC Work Plan submitted to the PEM Board by March 2020					RCC 2020 Work Plan submitted within timeline (17 March 2020)
8	Assess market rules and manuals and propose amendments, as necessary	Approved Proposed Amendments to the Guidelines Governing the Constitution of the PEM Board Committees					<ul style="list-style-type: none"> Completed Deliberated by the PEM Board on 27 May 2020 and remanded to RCC for further study Redeliberated by RCC on 19 June 2020 and discussed by the Board Review Committee (BRC) on 22 July 2020 Approved by PEM Board on 29 July 2020

ACTIVITIES		OUTPUTS	2020				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
							<ul style="list-style-type: none"> Status: received by DOE on 20 August 2020
9		Approved Proposed Amendments to relevant Market Rules and Manuals related to Must-Stop Units and Settlement of Displaced Generators					<ul style="list-style-type: none"> Completed within timeline Approved by PEM Board on 27 May 2020 Status: received by DOE on 09 June 2020
10		Approved Proposed Amendments regarding Net Settlement Surplus to reflect ERC Resolution No. 7 Series 2019					<ul style="list-style-type: none"> Completed within timeline Approved by PEM Board on 27 May 2020 Status: received by DOE on 09 June 2020
11		Approved Proposed Amendments to relevant Market Rules and Manual to Address Extended Testing and Commissioning					<ul style="list-style-type: none"> On-going Awaiting DOE's promulgation of General Framework for Test and Commissioning to ensure consistency
12		Approved Proposed Amendments to the relevant Market Rules and Manuals on the Settlement for Must-Run Units and Administered Price					<p>Development of proposal was deferred in view of ERC approval of the PDM for the enhanced market design.</p> <p>Also, an AP methodology for prolonged market intervention/suspension was submitted to the ERC in relation to its directives/decision on the proposed Price Determination Methodology. The RCC provided inputs on the said AP</p>

ACTIVITIES	OUTPUTS	2020				REMARKS/STATUS
		Q1	Q2	Q3	Q4	
						methodology during its meeting in August 2020.
13	Approved proposed amendments as submitted by WESM Members, or as directed by the PEM Board, DOE or ERC					(See below)
14	Submit comments/inputs to DOE policies and ERC issuances (including participation in public consultations)					(See below)
15	Ensure responsive and effective market rules Approved methodology in reviewing impact of a rules change					<ul style="list-style-type: none"> Completed within timeline
16	Approved methodology in assessing effectiveness of rules and manuals provisions					<ul style="list-style-type: none"> Completed within timeline

	OUTPUTS	Date Published	Approved by RCC	Approved by PEM Board	Status
1	Proposed Amendments to the WESM Metering Manual to Harmonize with the Site Specific Loss Adjustment Procedures of the Wholesale MSP	22 Oct 2019	24 Jan 2020	25 Mar 2020	completed series of virtual public consultations on 22 and 29 Jul 2020
2	Proposed Amendments to the WESM Rules and WESM Manual on MO Information Disclosure and Confidentiality to Provide Exceptions for Confidentiality Undertaking for Oversight Bodies	22 Oct 2019	24 Jan 2020	25 Mar 2020	completed series of virtual public consultations on 22 and 29 Jul 2020
3	Proposed Amendments to the WESM Dispatch Protocol Manual to Enhance Procedures in MRU Accounting	22 Oct 2019	12 Feb 2020	25 Mar 2020	completed series of virtual public consultations on 22 and 29 Jul 2020
4	Proposed Amendments to the WESM Manual on Metering Standards and Procedures	12 Dec 2019	13 Mar 2020	25 Mar 2020	<ul style="list-style-type: none"> received by DOE on 08 Apr 2020 RCC-TC Joint Resolution on Interpretation of PGC GRM 9.2.3.2 submitted on 16 Jun 2020
5	Proposed Urgent Amendments to the WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves	<i>(Urgent amendments are not immediately published for comments)</i>	01 Apr 2020	29 Apr 2020	completed series of virtual public consultations on 22 and 29 Jul 2020

	OUTPUTS	Date Published	Approved by RCC	Approved by PEM Board	Status
		Received by RCC on 30 Mar 2020			
6	Proposed Abolition of Relevant WESM Manuals in View of the Implementation of Enhanced WESM Design and Operations	26 Feb 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 10 and 15 Dec 2020
7	Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures to Clarify Bilateral Contracts Accounted for in Settlements	26 Feb 2020	21 May 2020	27 May 2020	received by DOE on 09 Jun 2020
8	Proposed Amendments to the WESM Rules and WESM Manual on the Management of Net Settlement Surplus for the Implementation of ERC Resolution No. 07 Series of 2019	28 Feb 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 27 and 29 Oct 2020
9	Proposed Amendments to the WESM Manual on Load Forecasting Methodology for the Inclusion of the Procedures for Preparation and Updating of Nodal Load Distribution Factors	26 Feb 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 27 and 29 Oct 2020

	OUTPUTS	Date Published	Approved by RCC	Approved by PEM Board	Status
10	Proposed Amendments to the WESM Rules and relevant WESM Manual regarding the Effectivity of Settlement of Displaced Generators	26 Feb 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 27 and 29 Oct 2020
11	Proposed Amendment to WESM and Retail Rules for Operation of Renewable Energy Market	11 Mar 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 10 and 15 Dec 2020
12	Proposed Amendments to the WESM Rules and WESM Manual for Enhancements to the Rules Change Process	13 Mar 2020	15 May 2020	27 May 2020	completed series of virtual public consultations on 10 and 15 Dec 2020
13	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlement regarding Bilateral Contract Quantity Declaration	21 Jul 2020	20 Nov 2020	25 Nov 2020	received by DOE on 02 Dec 2020
14	Proposed Amendments to the WESM Rules and WESM Manual on Billing and Settlements for Enhancements to Prudential Requirements Procedures	17 Aug 2020	20 Nov 2020	25 Nov 2020	received by DOE on 02 Dec 2020

	OUTPUTS	Date Published	Approved by RCC	Approved by PEM Board	Status
15	Proposed Amendments to the WESM Rules and WESM Manuals on the Rationalization of Billing Adjustment Timelines	21 Sep 2020	11 Dec 2020	16 Dec 2020	received by DOE on 12 Jan 2021