

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2017-13

**Proposed Amendments to the WESM Rules and WESM Manual of Procedures
for Changes to the WESM Rules Issue 2.0**

WHEREAS, the Rules Change Committee (RCC), as part of its 2017 work plan, proposed to amend the WESM Rules and WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0;

WHEREAS, the proposal was discussed by the RCC during its meetings held on 07 July, 10 August and 14 September 2017, and was thereafter approved for publication to solicit comments from WESM Members and stakeholders;

WHEREAS, the proposal sought to:

- (i) reflect in the WESM Manual, the changes per DOE DC 2015-07-0013¹, which provides the revised procedures for approval of amendments to the WESM Rules and Market Manuals requiring the approval of the DOE, as well as for new Market Manuals;
- (ii) amend the specified timeline in the WESM Manual to cover the applicable process for rules change procedures and to be consistent with the WESM Rules; and
- (iii) reflect clerical and minor amendments for clarity and consistency;

WHEREAS, after thirty (30) working days from the date of publication of the proposal, comments were received from the DOE and MERALCO;

WHEREAS, the RCC deliberated on the proposal during its 135th Regular Meeting on 10 November 2017, giving due consideration to the comments received from DOE and MERALCO;

WHEREAS, the procedures for certification of Urgent Amendments was proposed to be amended by the DOE, which provides that the RCC members shall assess the urgency of the amendments based on the criteria provided in Sections 3² and 4³ of the manual;

WHEREAS, the RCC adopted DOE's recommendation to invite proponents during the RCC deliberation of the proposed amendments in order to respond to the received written submissions from the WESM stakeholders;

¹ DOE DC 2015-07-0013. *Adopting Further Amendments to the WESM rules (procedures for changes to the WESM rules and market manuals)*

² Manual of Procedures for Changes to the WESM Rules. Section 3. *Types of Amendments*

³ Manual of Procedures for Changes to the WESM Rules. Section 4. *Criteria for Rules Changes*

WHEREAS, clerical and minor amendments, as submitted by the DOE, were deliberated and subsequently adopted by the RCC which aimed for the consistency of the provisions with the Chapter 8⁴ of the WESM Rules;

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

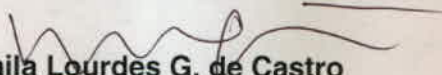
RESOLVED, that the Proposed Amendments to the WESM Rules and WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0 is hereby approved and submitted by the RCC;

RESOLVED FURTHER, that the attached Annex A and B of the Proposed Amendments to the WESM Rules and WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0 is hereby submitted to the PEM Board for approval and endorsement to the DOE.

Done this 08 December 2017, Pasig City.

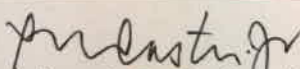
⁴ WESM Rules. Chapter 8. *Rules Change*

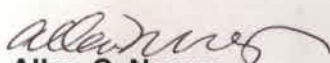
Approved by:
RULES CHANGE COMMITTEE



Maila Lourdes G. de Castro
Chairperson
Independent

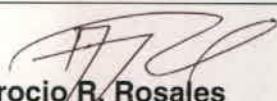
Members:

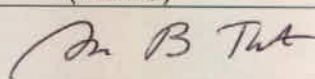
Concepcion I. Tanglao
Independent

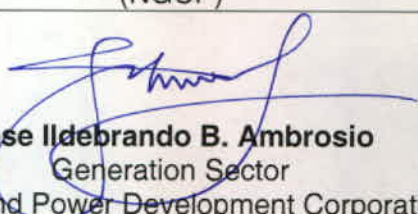

Francisco L.R. Castro, Jr.
Independent

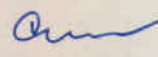

Allan C. Nerves
Independent


Isidro E. Cacho, Jr.
Market Operator
Philippine Electricity Market Corporation
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Ambrocio R. Rosales
Transmission Sector
National Grid Corporation of the Philippines
(NGCP)

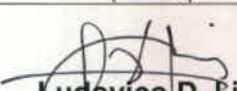

Abner B. Tolentino
Generation Sector
Power Sector Assets and Liabilities Management
Corporation (PSALM)

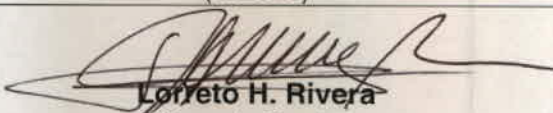

Jose Ildebrando B. Ambrosio
Generation Sector
NorthWind Power Development Corporation


Ciprinilo C. Meneses
Distribution Sector (PDU)
Manila Electric Company
(MERALCO)

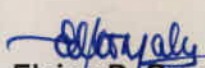

Jose P. Santos
Distribution Sector (EC)
Ilocos Norte Electric Cooperative, Inc.
(INEC)

Juanito Tolentino
Distribution Sector
Mactan Electric Company
(MECO)


Ludovico D. Lim
Distribution Sector
Antique Electric Cooperative, Inc.
(ANTECO)


Loretto H. Rivera
Supply Sector
TeaM (Philippines) Energy Corporation
(TPEC)

Noted by:


Elaine D. Gonzales
Manager – Market Data and Analysis

Proposed Amendments to the WESM Rules and WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0

WESM Rules				
Title	Section	Provision	Proposed Amendment	Rationale
Rules Change Classification Procedures	8.4.1.1 (a)	<p>The Rules change proposals shall be classified as follows:</p> <p>(a) xxx</p> <p>i. xxx</p> <p>ii. xxx</p> <p>iii. xxx</p> <p>iv. xxx</p> <p>xxx</p>	<p>The Rules change proposals shall be classified as follows:</p> <p>(a) xxx</p> <p>i. xxx</p> <p>ii. xxx</p> <p>iii. xxx</p> <p>iv. xxx</p> <p><u>Provided further that the urgent amendments shall be implementable on the affected WESM/Retail operations and/or transactions within the period of six (6) months.</u></p> <p>xxx</p>	To provide the criteria that all urgent amendments should be readily implemented.
Notification following Unsuccessful Proposal	8.5.3.1	<p>xxx</p> <p>(a) The Rules Change Committee</p> <p>(b) any party who made written submissions to the <i>Rules Change Committee</i> under Clause 8.4.5; and</p> <p>(c) the <i>DOE</i> and the <i>ERC</i>,</p> <p>xxx</p>	<p>xxx</p> <p>(a) The Rules Change Committee</p> <p>(b) Proponent(s)</p> <p>(c) any party who made written submissions to the <i>Rules Change Committee</i> under Clause 8.4.5; and</p> <p>(d) the <i>DOE</i> and the <i>ERC</i>,</p> <p>xxx</p>	For consistency

WESM Rules				
Title	Section	Provision	Proposed Amendment	Rationale
Glossary	Glossary	<i>Market Manual</i> refers to specific procedures, systems or protocols for the implementation of the WESM Rules	<i>Market Manual</i> refers to specific procedures, systems or protocols for the implementation of the WESM <u>and</u> <u>Retail</u> Rules	To provide that the term "Market Manual" refers to both WESM and Retail Manuals.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
Manual Title		Manual of Procedures for Changes to the WESM Rules Issue 2.0	Manual of Procedures for Changes to the WESM and Retail Rules and Market Manuals Issue 23.0	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals
Abstract		This document covers the method and procedures for changes to the WESM Rules.	This document covers the method and procedures for changes to the WESM and Retail Rules and Market Manuals .	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals
1. Introduction				
Purpose	1.1	a) Sets forth the procedures for the amendment, review and interpretation of the Wholesale Electricity Spot Market Rules (the " <i>WESM Rules</i> " or the " <i>Rules</i> "), and of the manuals of procedures, guidelines processes, issuances, and other rules and regulations promulgated by the Department of Energy (the " <i>DOE</i> "), or the Philippine Electricity Market Board (the " <i>PEM Board</i> ") or its Committees to implement the <i>WESM Rules</i> and to govern the operations of the WESM.	a) Sets forth the procedures for the amendment, review and interpretation of the Wholesale Electricity Spot Market Rules (the " <i>WESM Rules</i> " or the " <i>Rules</i> "), the <i>Retail Rules</i> and of the <i>Market Manuals</i> of procedures, guidelines processes, issuances, and other rules and regulations promulgated by the Department of Energy (the " <i>DOE</i> "), or the Philippine Electricity Market Board (the " <i>PEM Board</i> ") or its Committees to implement the <i>WESM Rules</i> and to govern the operations of the WESM.	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		b) 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 <i>WESM Rules</i> , manuals of procedures, guidelines and issuances governing the WESM. The procedures described in this <i>Market Manual</i> shall be read and construed consistent with the <i>WESM Rules</i> .	b) 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 <i>WESM Rules</i> , <u>Retail Rules and Market Manuals</u> of procedures, guidelines and issuances governing the WESM. The procedures described in this <i>Market Manual</i> shall be read and construed consistent with the <u>Chapter 8 of the WESM Rules</u> .	
Scope	1.2	This Manual addressed the processes for: a) urgent, minor and general amendments to the <i>WESM Rules</i> as these terms are defined in this Manual; b) interpretation and clarification of the provisions of the WESM Rules; and	This Manual addressed the processes for: a) urgent, minor and general amendments to the <i>WESM Rules</i> , <u>Retail Rules and Market Manuals</u> , as these terms are defined in this Manual; b) interpretation and clarification of the provisions of the WESM Rules; and	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		c) amendments to manuals, procedures, processes, guidelines, and other rules and regulations promulgated and implemented in relation to or in connection with the WESM Rules, collectively referred to in this Manual as "other amendments".	e) amendments to manuals, procedures, processes, guidelines, and other rules and regulations promulgated and implemented in relation to or in connection with the WESM Rules, collectively referred to in this Manual as "other amendments". <u>Procedure for approval of a change to the WESM Rules and Market Manuals, including proposals that will result in an amendment to the WESM price determination methodology, and adoption of new Market Manuals.</u>	Item (c) is already covered under items (a) and (b). The new provision is to be consistent with WESM Rules Clause 8.1
2. Definitions, Interpretation and Construction				
Definitions	2.1	NEW	<u>Market Manual refers to specific procedures, systems or protocols for the implementation of the WESM and Retail Rules.</u>	To provide definition for the term "Market Manual"
		NEW	<u>Retail Rules The rules promulgated by the DOE governing the integration of retail competition in the operations and governance processes of the WESM and the</u>	To provide definition for the term "Retail Rules"

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
			<u>management of transactions of Suppliers and Contestable Customers in the WESM, and the operation of the Central Registration Body.</u>	
3. Types of amendments				
Urgent Amendments	3.1	<p>Urgent Amendments are those which are needed:</p> <ul style="list-style-type: none"> a) To avoid, reduce the risk of or mitigate the adverse effects of certain conditions on the ability of the power system to function normally; b) To avoid, reduce the risk of or mitigate the effects of the abuse of market power or anti-competitive behavior; c) To avoid, reduce the risk of or mitigate the unintended adverse effect of a WESM rule (or any of its amendments); d) To facilitate the implementation of any regulation, circular, order or issuance of the DOE or ERC pursuant to the EPIRA, or of any issuance of the PEM Board. 	<p>Urgent Amendments are those which are needed:</p> <ul style="list-style-type: none"> a) To avoid, reduce the risk of or mitigate the adverse effects of certain conditions on the ability of the power system to function normally; b) To avoid, reduce the risk of or mitigate the effects of the abuse of market power or anti-competitive behavior; c) To avoid, reduce the risk of or mitigate the unintended adverse effect of a WESM rule (or any of its amendments); d) To facilitate the implementation of any regulation, circular, order or issuance of the DOE or ERC pursuant to the EPIRA, or of any issuance of the PEM Board; 	To provide that all urgent amendments should be readily implementable, and to be consistent with WESM Rules Clause 8.4.1.1.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
			<u>Provided further that the urgent amendments shall be implementable on the affected WESM/Retail operations and/or transactions within the period of six (6) months.</u>	
Minor Amendments	3.2	Minor amendments are amendments to the <i>WESM Rules</i> which are corrections as to form such as typographical or grammatical changes, or those which are of a non-material procedural or a non-substantive nature; provided, however, that a proposed change is NOT a minor amendment where: xxx	Minor amendments are amendments to the <i>WESM Rules</i> , <u>Retail Rules and Market Manuals</u> which are corrections as to form such as typographical or grammatical changes, or those which are of a non-material procedural or a non-substantive nature; provided, however, that a proposed change is NOT a minor amendment where <u>A proposal will not qualify as a Minor amendment if it entails any of the following:</u> xxx	<ul style="list-style-type: none"> To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals For clarity.
General Amendments	3.3	Amendments which do not otherwise qualify as either minor amendments or urgent amendments shall, for purposes of this <i>Manual</i> , be considered as general amendments.	<u>Proposed aAmendments to the WESM Rules, Retail Rules, Market Manuals, or new Market Manuals,</u> which do not otherwise qualify as either minor amendments or urgent amendments shall, for purposes of	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
			this <u>Market Manual</u> , be considered as general amendments.	
4. Criteria for rules changes				
Criteria for Rules Changes	4	In considering amendments to the WESM Rules, the DOE, the PEM Board and the Rules Change Committee shall be guided by the following criteria as to the proposal's: xxx	In considering amendments to the <u>WESM Rules, Retail Rules, Market Manual(s) and any amendment and/or adoption of a new Market Manual</u> , the DOE, the PEM Board and the Rules Change Committee shall be guided by the following criteria as to the proposal's: xxx	To provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals
5. Proposals for rules change				
Form and contents of proposal	5.2	The proposal shall: a) be in writing addressed to the PEM Board through the PEM Committee Secretariat, using the prescribed Rules Change Proposal Form; b) indicate whether the proposal requires a general, urgent or minor amendment as these terms are defined in this Manual;	The proposal shall: a) be in writing addressed to the PEM Board Rules Change Committee through the PEM Committee Secretariat, using the prescribed Rules Change Proposal Form; b) indicate whether the proposal requires a general, urgent or minor amendment as these terms are defined in this Manual;	To be consistent with the WESM Rules Clause 8.3.1.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		c) include a discussion: <ul style="list-style-type: none"> i) demonstrating that the proposed amendment satisfies the criteria set forth in Section 3 of this Manual and in the WESM Rules; ii) giving the reasons that the proposed amendment is desirable or necessary; iii) containing sufficient information to permit proper consideration by the Committee of the reasons cited, including the public benefit, if any, of making the amendment; and iv) demonstrating that the proposed amendment falls within the definition or an urgent or minor amendment, in appropriate cases. 	c) include a discussion: <ul style="list-style-type: none"> i) demonstrating that the proposed amendment satisfies the criteria set forth in Section 3 of this Manual and in the WESM Rules; ii) giving the reasons that the proposed amendment is desirable or necessary; iii) containing sufficient information to permit proper consideration by the Committee of the reasons cited, including the public benefit, if any, of making the amendment; and iv) demonstrating that the proposed amendment falls within the definition or an urgent or minor amendment, in appropriate cases. 	
To whom submitted	5.3	a) The proposals shall be submitted to the PEM Committee Secretariat which shall check for	a) The proposals shall be submitted to the <u>Rules Change Committee</u> through the PEM Committee	To be consistent with the WESM Rules.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		<p>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.</p> <p>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 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).</p> <p>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</p>	<p>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.</p> <p>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 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).</p> <p>d) 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</p>	

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		proposal and comply with the formal requirements.	proposal and comply with the formal requirements.	
6. General and Minor Amendments				
6.1. Rules Change Committee				
Initial determination	6.1.1	<p>a) Within ten (10) business days from endorsement by the PEM Committee Secretariat of proposals for general or minor amendments, the Committee shall convene to evaluate whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules, and whether or not it involves a general, urgent or minor amendment.</p> <p>b) In determining whether or not the proposal satisfies the criteria, the Committee may:</p>	<p>Initial determination Assessment of Proposal –</p> <p>a) Within ten (10) business days from endorsement by the PEM Committee Secretariat of proposals for general or minor amendments, the Committee shall convene to evaluate whether or not the proposal satisfies the criteria set forth in Section 4 of this Manual and in the WESM Rules, and whether or not it involves a general, urgent or minor amendment. 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.</p> <p>b) In determining whether or not the proposal satisfies the criteria, the Committee may:</p>	To be consistent with the WESM Rules.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		i) take into account any information and documents which it reasonably considers to be relevant for its consideration of the proposal; ii) consult with persons who are likely to be affected by the proposal; and iii) seek information and views from any person as may be practicable under the circumstances; and iv) refer and delegate the proposal to a working group any or all of the tasks stated in paragraphs (i), (ii) and (iii) hereof. The working group shall comprise of persons having such expertise as the Committee in its absolute discretion considers reasonable considering the subject matter of the proposal.	i) take into account any information and documents which it reasonably considers to be relevant for its consideration of the proposal; ii) consult with persons who are likely to be affected by the proposal; and iii) seek information and views from any person as may be practicable under the circumstances; and iv) refer and delegate the proposal to a working group any or all of the tasks stated in paragraphs (i), (ii) and (iii) hereof. The working group shall comprise of persons having such expertise as the Committee in its absolute discretion considers reasonable considering the subject matter of the proposal.	
		c) If the Committee finds that the proposal does not satisfy the criteria, it shall notify the proponent within ten (10) days of	c) If the Committee finds that the proposal does not satisfy the criteria, it shall notify the proponent and the PEM Board within ten (10) working days of its	

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		its decision and the reasons therefor. d) If the Committee determines that the proposal satisfies the criteria, it shall proceed to evaluate the proposal in the manner set forth in this Manual.	decision and the reasons therefor. d) If the Committee determines that the proposal satisfies the criteria, it shall proceed to evaluate the proposal in the manner set forth in this Manual.	
Consultation and referral to other committees and persons	6.1.2 (c)	In matters where the WESM Rules require the holding of public consultations, the Committee shall conduct public consultations in accordance with the WESM Consultation Guidelines. The consultations shall be conducted and completed within thirty (30) business days from the date of first publication of notice as provided for in Section 6.2 (a) hereof. Where the WESM Consultation Guidelines require longer periods, the Committee shall adjust the prescribed periods in order to complete the consultations within the thirty-day period provided herein.	In matters where the WESM Rules require the holding of public consultations, the Committee shall conduct public consultations in accordance with the WESM Consultation—Guidelines—Rules Clause 1.9. The consultations shall be conducted and completed within thirty (30) business-working days from the date of first publication of notice as provided for in Section 6.23 (a) hereof. Where the WESM Consultation—Guidelines—require longer periods, the Committee shall adjust the prescribed periods in order to complete the consultations within the thirty-day period provided herein.	To be consistent with the WESM Rules.
Written Submission	6.1.3 (a)	The written submissions requested pursuant to Sections 6.1.2 (a) and (b) shall be given within thirty (30) business days from the date of	The written submissions requested pursuant to Sections 6.1.2 (a) and (b) shall be given within thirty (30) business-working days from the date	To align the timeline with the WESM Rules.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		publication of the notice made pursuant to Section 6.1.2 (a) of this Manual.	of publication of the notice made pursuant to Section 6.1.2 (a) of this Manual. <u>The proponent shall be invited to respond during deliberation of the comments submitted.</u>	To provide transparency on the deliberation of the proposals and facilitate the responses of the proponent to the comments received as inputs during the RCC's deliberation.
Decision/Recommendations of the Committee	6.1.5 (a)	The Committee shall make its decision and shall submit its report and recommendation to the PEM Board not later than sixty (60) business days from the date of publication of the notice made pursuant to Section 6.1.2 (a).	The Committee shall make its decision and shall submit its report <u>resolution or status report</u> and recommendation to the PEM Board not later than sixty (60) business <u>working</u> days from the date of publication of the notice made pursuant to Section 6.1.2 (a).	To provide a more reasonable timeline for the RCC's deliberation of the proposal, and the RCC's submission of a status report to the PEM Board if it fails to decide on a proposal within said prescribed time period.
Submission to the PEM Board	6.1.6	a) The Committee shall immediately submit its 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 Committee. b) The report shall be in writing and shall contain xxx	a) The Committee shall immediately submit its report <u>resolution or status report</u> 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 Committee. b) The <u>resolution or status</u> report shall be in writing and shall contain xxx	For consistency

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
6.2. PEM Board				
PEM Board	6.2.1	Within ten (10) business days from receipt of the Committee report, the PEM Board shall convene to evaluate the report and render its decision.	Within ten (10) business days from receipt of the Committee report, As soon as practicable, the PEM Board shall convene to evaluate the report and render its decision.	To set a more reasonable timeframe for the PEM Board's evaluation of the proposed rules change.
Adoption and approval of the proposal	6.2.3	a) If the PEM Board concludes that the proposal satisfies the prescribed criteria and that the procedures set forth in this Manual have been duly complied with, it shall approve the amendment and if – <ul style="list-style-type: none"> i. the proposal involves a general amendment of the WESM Rules, it shall submit the proposed amendment to the DOE for approval. ii. the proposal involves a minor amendment, it shall promulgate the approved amendment and forward the same to the DOE for the issuance of the pertinent circular amending the WESM Rules in accordance with Sections 9 and 10 of this Manual. 	a) If the PEM Board concludes that the proposal satisfies the prescribed criteria and that the procedures set forth in this Manual have been duly complied with, it shall approve the amendment and if – <ul style="list-style-type: none"> i. the proposal involves a general amendment of the WESM Rules, Retail Rules and Market Manuals, it shall submit the proposed amendment to the DOE for approval. ii. the proposal involves a minor amendment, it shall promulgate submit the approved amendment and forward the same to the DOE for approval the issuance of the the pertinent circular amending the WESM Rules in accordance with Sections 9 	To be consistent with the WESM Rules.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		<p>iii. the proposal involves an amendment of any manual, procedures, guidelines, rules and regulations which were originally promulgated by the PEM Board, it shall promulgate the amendment and cause its publication as provided for in the succeeding sections.</p> <p>b) In any case, the PEM Board may approve the proposal as recommended by the Committee or with such modifications it deems proper.</p>	<p>and 10 of this Manual approval.</p> <p>iii. the proposal involves an amendment of any manual, procedures, guidelines, rules and regulations which were originally promulgated by the PEM Board, it shall promulgate the amendment and cause its publication as provided for in the succeeding sections.</p> <p>b) In any case, the PEM Board may approve the proposal as recommended by the Committee or with such modifications it deems proper.</p>	
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 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) business days from the date of the decision. If, however, the proposal involves amendments to WESM	If the PEM Board concludes that the proposal does not satisfy the prescribed criteria, it shall notify the 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, however, the proposal involves amendments to WESM	To include the proponent in the list of the entities to be informed of the rejection of a proposal by the PEM Board.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		Manuals, guidelines, rules and regulations originally approved and promulgated by the PEM Board, notice to the ERC and the DOE is not necessary.	Manuals, guidelines, rules and regulations originally approved and promulgated by the PEM Board, notice to the ERC and the DOE is not necessary.	
Endorsement to the DOE	6.2.6	NEW	<u>Pursuant to WESM Rules Clause 8.4.1.2, the PEM Board shall endorse the approved proposal(s) to the DOE for its review and promulgation, thereafter.</u>	For consistency with the WESM Rules
6.3. Department of Energy				
Department of Energy	6.3.1	Within ten (10) business days from receipt of the proposal for a general amendments approved by the PEM Board, the DOE shall assess whether or not the proposal satisfies the prescribed criteria set forth in Section 4 of this Manual and in the WESM Rules and is consistent with the EPIRA.	Within ten (10) business days from receipt of the proposal for a general amendments approved by the PEM Board, <u>As soon as practicable,</u> the DOE shall assess whether or not the proposal satisfies the prescribed criteria set forth in Section 4 of this Manual and in the WESM Rules and is consistent with the EPIRA.	To set a more reasonable timeframe for the DOE's evaluation of the proposed rules change.
Approval of Proposal	6.3.2	If the DOE concludes that the proposal satisfies the conditions set forth in Section 6.3.1 of this Manual, it shall approve the proposal and promulgate the pertinent circular publishing the amendment of the	If the DOE concludes that the proposal satisfies the conditions set forth in Section 6.3.1 of this Manual, it shall approve the proposal and promulgate the pertinent circular publishing the amendment of the <u>WESM Rules, Retail Rules and/or</u>	For clarity

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		WESM Rules, in accordance with Sections 9 and 10 hereof.	<u>Market Manual(s)</u> , in accordance with Sections 9 and 10 hereof.	
Disapproval of Proposal	6.3.3	<p>If the DOE concludes that the proposal does not satisfy the conditions set forth in Section 6.3.1 of this Manual, it shall give notice of its decision and the reasons therefor to the following, within ten (10) business days from the date of its decision:</p> <p>a) the PEM Board; b) the proponent/s; and c) the persons who made written submission to the Committee</p>	<p>If the DOE concludes that the proposal does not satisfy the conditions set forth in Section 6.3.1 of this Manual, it shall give notice of its decision and the reasons therefore to the following, within ten (10) business days from the date of its decision:</p> <p>a) the PEM Board; b) <u>Rules Change Committee;</u> <u>and</u> c) the proponent/s; and the persons who made written submission to the Committee</p>	To provide the appropriate entities that should be informed by the DOE if a proposal is rejected.
7. Urgent Amendments				
Evaluation by the Rules Change Committee	7.2	<p>a) Upon receipt of a proposal for an urgent amendment, the Committee Secretariat shall immediately transmit the proposal to the President and if upon determination that the same constitutes an urgent amendment, the President shall certify as such and immediately direct the Committee Secretariat to convene the Committee.</p>	<p>a) Upon receipt of a proposal for an urgent amendment, the Committee Secretariat shall immediately transmit the proposal to the President <u>Rules Change Committee to assess the proposal, via electronic or similar medium, subject to Section 3.</u> and if upon determination that the same <u>proposal</u> constitutes an urgent amendment, the President <u>Rules Change Committee</u> shall certify as</p>	<ul style="list-style-type: none"> To clarify the procedures for the evaluation of urgent proposals. To assign the RCC as the appropriate neutral entity to certify whether a proposal submitted as urgent satisfies the criteria of urgent amendments set forth in the Manual.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		<p>b) The Committee shall within forty eight (48) hours from receipt of the proposal convene and render its decision to determine whether the proposal –</p> <p>i) falls within the definition of an urgent amendment set forth in Section 3 hereof;</p> <p>ii) satisfies the criteria set forth in Section 4 hereof; and</p> <p>iii) has an impact on prices, and/or on the reliability and quality of electricity service, and the nature of the impact.</p> <p>c) In its evaluation, the Committee may –</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>such <u>giving notice to the President and the proponent</u>, and immediately direct the Committee Secretariat to convene the Committee.</p> <p>b) The Committee shall <u>convene</u> within forty eight (48) hours from <u>the certification of the proposal as urgent amendment</u> receipt of the proposal convene and render its decision to determine whether the proposal</p> <p>i) falls within the definition of an urgent amendment set forth in Section 3 hereof;</p> <p>ii) satisfies the criteria set forth in Section 4 hereof; and</p> <p>iii) has an impact on prices, and/or on the reliability and quality of electricity service, and the nature of the impact.</p> <p>c) In its evaluation <u>deliberation</u>, the Committee may shall –</p> <p>i) take into account any information and document which it reasonably considers to be relevant for its consideration of the proposal;</p>	

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
			ii) consult with persons who are likely to be affected by the proposal; and iii) seek such information and views from any person with expertise; <u>iv) in the event of approval of the urgent rules change, the reasons for its adoption;</u> <u>v) in the event of rejection of proposal for urgent rules change, the reasons for its rejection.</u>	
Evaluation by the Rules Change Committee	7.2 (d)	A majority of those present in the Committee meeting called for such purpose shall be sufficient to render a decision. Thereafter, the Committee shall submit its written report to the PEM Board which shall contain – xxx	A majority of those present in the Committee meeting called for such purpose <u>stated in Section 7.2 (a) and (b)</u> shall be sufficient to render a decision. Thereafter, the Committee shall submit <u>the committee resolution</u> its written report to the PEM Board which shall contain – xxx	For clarity
Action by the PEM Board	7.3 (a)	Upon receipt of the report from the Committee, the PEM Board shall immediately convene in one or more occasions as may be necessary to evaluate the approval by the Rules	Upon receipt of the report resolution from the Committee, the PEM Board shall immediately convene in one or more occasions as may be necessary to evaluate the approval by the Rules	For clarity

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		Change Committee of the proposal. The Board shall render its decision not more than five (5) calendar days from transmittal to it of the Committee report.	Change Committee of the proposal. The Board shall render its decision not more than five (5) calendar days from transmittal to it of the Committee report Resolution .	
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 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) business days from the date of the decision in which case, the approval of the Committee shall be deemed vacated within twenty four (24) hours from publication in the WESM website of such reversal. In its discretion, the PEM Board may return the proposal to the Committee for consideration as a general amendment and in accordance with the procedure for such amendments.	If the PEM Board determines that the approval of the urgent amendment is not warranted, it shall notify the 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) business working days from the date of the decision in which case, the approval of the Committee shall be deemed vacated within twenty four (24) hours from publication in the WESM website of such reversal. In its discretion, the PEM Board may return the proposal to the Committee for consideration as a general amendment and in accordance with the procedure for such amendments.	For clarity
Effectivity of Urgent Amendment	7.4 (a)	The approved urgent amendment shall become effective within twenty four (24) hours upon its publication in the WESM website or upon such	The approved urgent amendment shall become effective within twenty four (24) hours upon its publication of the relevant Rules and/or Market	For clarity and consistency with the criteria for urgent amendments.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		time that the urgent amendment may be implemented taking into consideration the technical changes that may be introduced to the Market Management System (MMS) or such other systems, in which case, 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 thru the MMS website informing participants of such amendment.	Manual(s) in the WESM market information website or upon such time that the urgent amendment may be implemented taking into consideration the technical changes that may be introduced to the Market Management System (MMS) or such other systems, in which case, 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 thru the MMS website informing participants of such amendment.	
Effectivity	9	General amendments shall take effect fifteen (15) days from their publication in accordance with the succeeding Section, or on such later date as determined by the DOE. Urgent amendments to the WESM Rules shall take effect in accordance with Section 7.4 of this Manual. Minor amendments to the WESM Rules and other amendments (i.e., amendments to manuals, procedures, guidelines and rules and regulations) shall take effect fifteen (15) days from their publication in	General and Minor amendments to the WESM Rules, Retail Rules and Market Manual(s) approved by the DOE shall take effect fifteen (15) working days from their its publication in two (2) newspapers of general circulation accordance with the succeeding Section, or on such later date as determined by the DOE, or upon such time that the amendments may be implemented. Urgent amendments to the WESM Rules shall take effect in accordance with Section 7.4 of this Manual. Minor	To reflect the current procedures for the DOE's promulgation of amendments and to provide that the manual also sets forth the procedure for changes to the Retail Rules and Market Manuals

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		accordance with the succeeding Section or on such later date as the PEM Board determines.	amendments to the WESM Rules and other amendments (i.e., amendments to manuals, procedures, guidelines and rules and regulations) shall take effect fifteen (15) days from their publication in accordance with the succeeding Section or on such later date as the PEM Board determines.	
Publication	10	Subject to Section 7.4, consolidated amendments shall be published on a monthly bases in the WESM website.	Subject to Section 7.4, consolidated amendments shall be published on a monthly bases in the WESM website.	The procedure is covered under Section 7.4 (a)
Semestral Report	11.1	Every end of June and December of each year, the Committee shall make available to the PEM Board and the WESM Members a report, which sets out: xxx	1011.1 Every end of June January and December July of each year, the Committee shall make available to the PEM Board and the WESM Members a report, which sets out: xxx	<ul style="list-style-type: none"> To be consistent with the timeline for submission of accomplishment reports with other WESM Governance Committees Re-numbering.
Custodian of Records	11.2	The Head of the PEM 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 Committee or the PEM Board. The Chairperson shall keep and maintain the official version	1011.2 The Head of the PEM 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	For clarity and re-numbering

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		of all the amendments made pursuant to these Manual.	Committee or the PEM Board. The Chairperson shall keep and maintain the official version of all the amendments made pursuant to these Manual.	
Review of Rules Change Procedures and of Committee Proceedings	12.	The PEM Board may review, from time to time, the work and proceedings of the Committee and issue to the Committee such directions as the PEM Board from time to time determines appropriate. Such directions may relate to one or more proceedings respecting particular proposals, review of the WESM Rules, or may be of more general application. The Committee shall comply with such directions.	11 12. xxx	Re-numbering
Amendment of Manual	13	13. Amendment of Manual This Manual or any of its provisions may be amended by the PEM Board, upon its own initiative or upon recommendation by the Committee or upon a proposal by any WESM Participants submitted through the Committee.	13 <u>12</u> Amendments of Manual, <u>Publication and Effectivity</u> This Manual or any of its provisions may be amended by the PEM Board, upon its own initiative or upon recommendation by the Committee or upon a proposal by any WESM Participants submitted through the Committee.	To be consistent with the similar section on <i>Amendments, Publication and Effectivity</i> found in other WESM Manuals

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Title	Section	Provision	Proposed Amendment	Rationale
			<p>12.1 Amendments</p> <p><u>Any amendments to this Manual shall be approved by the DOE, following the procedures for changes to Market Manual set out in the WESM Rules and in the relevant Market Manual.</u></p> <p>12.2 Publication and Effectivity</p> <p><u>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></p> <p><u>This Market Manual or any amendments thereto shall become effective upon approval of the DOE in accordance with the WESM Rules Clause 8.6.4. The date of effectivity shall be indicated in this document.</u></p>	
Effectivity and Publication of Manual	14	<p>14. Effectivity and Publication of Manual</p> <p>This Manual shall take effect upon approval by the PEM Board.</p>	<p>14. Effectivity and Publication of Manual</p> <p>This Manual shall take effect upon approval by the PEM Board.</p>	This section is already covered in the previous section.

WESM Manual of Procedures for Changes to the WESM Rules Issue 2.0				
Title	Section	Provision	Proposed Amendment	Rationale
		Thereafter, it shall be published in the WESM website.	Thereafter, it shall be published in the WESM website.	