

PEM AUDIT COMMITTEE WORK PLAN FOR CY 2020						
Legend						
Target date of completion/conduct						
Recurring/regular activity						
ACTIVITIES		OUTPUT	2020			
			Q1	Q2	Q3	Q4
POWER						
1	Provide oversight on the market readiness assessment activities	Commercial operations of the New Market Management System (NMMS) and WESM Mindanao				
EFFICIENCY						
2	Enhanced MOPS to include (a) Financial and institutional compliances of the market operator and (b) Global electricity market practices on identified/specific criteria with respect to market and system operations and market governance functions and prescribe the stages to attain global benchmarks to the PEM Board	PEM Board approved final metrics for the enhanced MOPS by Q2 2020				
3	Review results of MOPS monitoring and reporting	PEM Board Approved Quarterly and Annual Monitoring Status Reports, as scheduled				
4	Provide inputs and recommendations in the development of performance metrics for NGCP-SO	Approval by the PEM Board of the recommendations on the proposed performance metrics in Q4 2020				
5	Provide inputs and recommendations in the enhancement of current performance metrics for MSP	Approval by the PEM Board of the recommendations on the proposed performance metrics in Q4 2020				
6	Review results of MSP performance monitoring report based on the current standards	Submission of the Report to the PEM Board, as scheduled				
7	Conduct Market operations audit and Review of metering installations and arrangements (Joint)	PEM Board approved Audit Reports and Software Certificates by 4Q 2020.				
8	Monitor compliance of the service provider to their audit action plans by developing monitoring process framework for audit action plan	PEM Board approved framework in Q4 2020				
9	Conduct special audits i.e. [supplemental] audit on Enhancements and Fixes to NMMS, CRSS and other Market tools; Conduct of Net Settlement Surplues (NSS) Audit	PEM Board Approved Audit Reports and Software Certificates by Q2 2020				
MARKET						
10	Conduct REMS Software Certification Audit and VAPT	Completion and submission of Report to the PEM Board by Q3 2020				

The Go-live for the commercial operations of the enhanced WESM Design in Luzon and Visayas, and WESM in Mindanao is on 26 June 2020, at the earliest, subject to the completion of go-live conditions.

Contingent to the transfer of this function from IEMOP to PEMC

Includes the monitoring of IEMOP's audit action plan (prior to conduct of 7th MO Audit & 4th MAR in Feb 2020)

Subject to the completion of IEMOP systems and ERC's approval of New NSS Rules

Subject to the timely engagement of an External Auditor

Legend						
		Target date of completion/conduct				
		Recurring/regular activity				
ACTIVITIES		OUTPUT	2020			
			Q1	Q2	Q3	Q4
11	Provide recommendations, as necessary, on the effective implementation of derivatives market	Study on the proposed design for the electricity derivatives market in consideration of the previous study with recommended policies and proposed ways forward to the DOE; Submission to the PEM Board of the EDM Phase 2 Study by Q3 2020				
COMPETITION						
	None					
GOVERNANCE						
12	Regular conduct of PAC Meetings (every 3rd Friday of the month)	Participation during PAC Meetings				
13	Submit PAC Annual Report for 2019 and 2020 Work Plan	Submission and publication of PAC 2019 Annual Report and 2020 Work Plan				