

DEPARTMENT CIRCULAR NO. DC 2012-08-0008

ADOPTING FURTHER AMENDMENTS TO THE WESM RULES (WESM Rules Section 2.5.6 Notice of Non-approval of Application or Registration as WESM Member)

WHEREAS, Rule 8.6.10 of the Wholesale Electricity Spot Market (WESM) Rules provide for the approval by the Department of Energy (DOE) of proposals for any WESM rules changes upon the endorsement of the Philippine Electricity Market (PEM) Board;

WHEREAS, on 07 May 2012 the Philippine Electricity Market Corporation (PEMC) submitted to the Rules Change Committee (RCC) proposed changes to the WESM Rules on Notice of Non-approval of Application for Registration as WESM Member;

WHEREAS, the proposed changes will incorporate the decision of the Energy Regulatory Commission (ERC) dated 19 September 2011, mandating the PEMC, in all circumstances, to furnish a copy to ERC of the denial of an application for membership in the WESM;

WHEREAS, on 06 June 2012, the RCC approved the proposed changes to the WESM Rules provision on Notice of Non-approval of Application for Registration as WESM Member and submission to the PEM Board for approval;

WHEREAS, on 28 June 2012, after discussion, the PEM Board has resolved to approve for endorsement to the DOE the above stated changes to the WESM Rules;

NOW, THEREFORE, pursuant to its authority under the WESM Rules, the DOE hereby issues, adopts and promulgates the following amendments to the WESM Rules:

Section 1. Amendments to the WESM Rules.

1.1 Clause 2.5.6.1 is amended to read -

If the *Market Operator* does not approve an application for registration, the *Market Operator* shall send within fifteen (15) *business days* written notice to the applicant advising the applicant that the application is not approved and the *Market Operator* shall give reasons for its decision.

1.2 Clause 2.5.6.2 is amended to read –

The DOE and ERC shall, in all instances, be provided a copy of such written notice within five (5) business days after issuance to the applicant.

Section 2. Separability Clause. If for any reason, any section or provisions of this Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 3. Effectivity. This Circular shall take into effect immediately following its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued this AUG 13 2012 in Energy Center, Rizal Drive, Bonifacio Global City Taguig City.

JOSE RENE D. ALMENDRAS

Secretary

DEPARTMENT OF ENERGY

N REPLYING PLS CITE: SDOE12-005432

Republic of the Philippines