



**Republic of the Philippines
DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR NO. DC 2014-03-0007

**ADOPTING FURTHER AMENDMENTS TO THE WESM RULES
(Procedure for Load Shedding)**

WHEREAS, Section 37 of the Electric Power Industry Reform Act provides that the DOE, jointly with the electric power industry participants, shall establish the Wholesale Electricity Spot Market (WESM) and formulate the detailed rules governing the operations thereof;

WHEREAS, on 28 June 2002, the DOE, upon the joint endorsement of the electric power industry participants, promulgated the WESM Rules through Department Circular No. 2002-06-003;

WHEREAS, any changes, amendments, and modifications to the WESM Rules shall be undertaken in accordance with the provisions of Chapter 8 thereof;

WHEREAS, on 06 November 2013, the Philippine Electricity Market Corporation (PEMC) submitted to the Rules Change Committee (RCC) its proposed amendments to the Market Manual on the Management of Procedures for Load Shedding;

WHEREAS, the proposal aims to improve the said Market Manual with regard to context, process and governance in response to specific audit findings and recommendations relative to the said Market Manual;

WHEREAS, the proposal was presented by PEMC to the RCC during the 80th RCC Meeting held on 06 November 2013, which thereafter approved its posting in the WESM website to solicit comments from market participants and other interested parties;

WHEREAS, on 08 January 2014, the RCC in its 82nd RCC Meeting deliberated upon the said proposal as well as the corresponding proposed changes to the WESM Rules relative to load shedding for consistency, and after due course to the matter, the RCC approved the proposal for endorsement to the PEM Board;

WHEREAS, on 05 February 2014, after due evaluation and deliberation, the PEM Board has resolved to approve for endorsement to the DOE the above stated proposed amendments to the WESM Rules;

WHEREAS, on 06 February 2014, the above stated amendments was submitted to the DOE for approval, consistent with Chapter 8 of the WESM Rules; and

WHEREAS, the DOE thoroughly reviewed the PEM Board-approved amendments to the WESM Rules and considered it reasonable and consistent with the objectives of the WESM Rules.

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

Section 1. Amendment to the WESM Rules. The following Clauses 3.9 under Treatment of Load Shedding, Excess Generation and Reserve Violation is hereby amended to read as follows:

3.9.1 Direction to Conduct Load Shedding

The *System Operator* may direct a *WESM member* to conduct *load shedding* in response to:

xxx xxx xxx

3.9.4 Advising of Load Shedding

xxx xxx xxx

(b) *WESM members* who are likely to be directly affected by such *load shedding*.

Section 2. Separability Clause. If for any reason, any section or provision of this Circular is declared unconstitutional or invalid, such parts not affected shall remain valid and subsisting.

Section 3. Effectivity. This Circular shall take into effect fifteen (15) days from its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City.


CARLOS JERICHO L. PETILLA
Secretary
 Republic of the Philippines
DEPARTMENT OF ENERGY
IN REPLYING PLS CITE:
SOE-JLP-14002197


MAR 26 2014