Republic of the Philippines DEPARTMENT OF ENERGY

DEPARTMENT ORDER No. DO2005-05-006

DISSOLVING THE WHOLESALE ELECTRICITY SPOT MARKET-TECHNICAL WORKING GROUP (WESM-TWG)

WHEREAS, Chapter 10 Section 4.19 of the Wholesale Electricity Spot Market (WESM) Rules mandated the Department of Energy (DOE) to create a Technical Working Group (TWG) composed of the Government and industry participants, duly chaired by the DOE, to ensure the smooth transition from the promulgation of the WESM Rules to the actual operation of the spot market,

WHEREAS, pursuant to said mandate, the DOE, on 22 July 2002, created the WESM-TWG through Department Order No. 2002-07-010;

WHEREAS, on 18 November 2003, the Philippine Electricity Spot Market Corporation (PEMC) was created to manage, govern and administer the WESM with members consisting of electric industry participants and with the Secretary of the DOE as Chairman;

WHEREAS, on 1 April 2004, the DOE through Department Order No. 2004-05-005, reconvened the WESM-TWG and its Sub-Committees for the purpose of assisting the PEM Board in harmonizing the provisions of the WESM Rules, the Grid Code, and Distribution Code, and in the Formulation of rules and regulations, manuals, and other documents required under the WESM rules prior to the actual operation of the spot market;

WHEREAS, PEMC through the PEM Board, have since been organized, engaged in corporate acts, and commenced the actual operation of the WESM, on trial mode, on 18 April 2005;

NOW THEREFORE, in view of the foregoing, the WESM-TWG is hereby dissolved without prejudice to the constitution of the appropriate committee or committees by the PEM Board to undertake the functions otherwise performed by the WESM-TWG.

This Department Order shall take effect immediately.

Fort Bonifacio, Taguig, Metro Manila, 3 May 2005.

(Sgd.) **RAPHAEL PERPETUO M. LOTILLA** Secretary