



Republic of the Philippines  
**DEPARTMENT OF ENERGY**  
(Kagawaran ng Enerhiya)

**DEPARTMENT CIRCULAR NO. \_\_\_\_\_**

**ADOPTING AMENDMENTS TO THE MARKET OPERATOR PERFORMANCE STANDARDS (MOPS)**

**WHEREAS**, Section 30 of Republic Act No. 9136 otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA) provides that within one (1) year from the effectivity of this Act, the DOE shall establish a Wholesale Electricity Spot Market composed of the WESM participants.

**WHEREAS**, Section 37 of the EPIRA further mandates the DOE to, among others, supervise the restructuring of the electricity industry and jointly with the electric power industry participants, establish the WESM and formulate the detailed rules governing the operations thereof.

**WHEREAS**, pursuant to its mandate, in consultation with the electric power industry participants, the DOE, on 28 June 2002 promulgated Department Circular DC2002-06-0003 or the WESM Rules, as amended, mandating the Philippine Electricity Market (PEM) Board to develop performance standards to monitor and provide an indication of the Market Operator's (MO) performance for review and approval by the DOE.

**WHEREAS**, on 29 January 2013, the DOE promulgated Department Circular No. DC2013-01-0002 known as the Retail Rules, as amended, provides that the PEM Board shall adopt performance standards that monitor and provide an indication of the Central Registration Body's performance, to be reviewed and approved by the DOE.

**WHEREAS**, on 23 October 2015, the DOE promulgated Department Circular No. DC2015-10-0015 providing policies for the further enhancement of the WESM design and operations.

**WHEREAS**, on 17 January 2018, the DOE promulgated Department Circular No. DC2018-01-0002 providing policies for the effective and efficient transition to the Independent Market Operator for the Wholesale Electricity Spot Market.

**WHEREAS**, on 20 June 2022, the DOE promulgated Department Circular No. DC2022-07-0029 providing policies for the Market Operator Performance Standards.

**WHEREAS**, Section 3 of the Department Circular No. 2022-07-0029 entitled, "Providing Policies for the Market Operator Performance Standards" provides that the WESM Governance Arm shall conduct review of the MOPS initially after the first two years of the implementation for the Enhanced WESM Design Operations (EWDO), and as necessary thereafter, and submit recommendations to the DOE when warranted to ensure efficient disposal of the functions of the MO.

**WHEREAS**, Clause 6.6.2 of the MOPS Issue 2.0 provides that the list of market information required to be published in the Market Information Website may be updated as deemed necessary by the Governance Arm to reflect changes to the requirements under the WESM Rules and Retail Rules subject to the conformance of Market Operator.

**WHEREAS**, Clause 10 of the MOPS Issue 2.0 provides that MOPS may be updated annually to reflect changes, if any, in the operational activities of the MO, as well as to incorporate applicable amendments to the prevailing rules and manuals that govern the WESM operations.

**WHEREAS**, on 05 December 2023, the Philippine Electricity Market Corporation submitted to the DOE an official review of the MOPS and a proposal for the changes to the MO Performance Monitoring.

**WHEREAS**, the DOE, to ensure transparency and consistency with the objectives of the EPIRA and the WESM, conducted virtual public consultations on the said proposed amendments.

**WHEREAS**, the DOE reviewed and finalized the said proposals and made revisions thereto, taking into consideration the comments and recommendations received from the stakeholders.

**NOW THEREFORE**, after careful review of the proposal, and the comments and recommendations received on the same, the DOE, pursuant to its authority under the EPIRA and the WESM Rules, hereby adopts, issues, and promulgates the following amendments to the WESM Rules and WESM Manual on Market Operator Performance Standards (MOPS) and MO Performance Monitoring:

#### **Section 1. Amendments to the Market Operator Performance Standards.**

**Updated List of Market Information for Publication.** The list of Market Information for Publication is hereby updated under *Attachment 1* reflecting the changes to the requirements under the WESM Rules and Retail Rules.

**Summary of Calculation Formula for the Market Operator Performance Measures.** The calculation formula for the Billing, Settlements, and Accounts Management on the Market Operator Performance Measures is hereby amended as indicated under *Attachment 2*.

**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. Repealing Clause.** Except insofar as may be manifestly inconsistent herewith, nothing in this Circular shall be construed as to repeal any mechanisms already existing or responsibilities already provided for under existing rules.

**Section 4. Effectivity.** This Circular shall take effect fifteen (15) days following its complete publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

In consideration of the cumulative nature, the amended provisions as contained in this Circular shall have a retroactive effect from 26 September 2023 for purposes of annual monitoring and assessment of the MOPS.

Issued this \_\_\_\_\_ 2024 at the DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila.

**RAPHAEL P. M. LOTILLA**  
Secretary