

PUBLIC

Retail Manual

Registration Criteria and Procedures

Abstract	This manual presents the criteria, guidelines and procedures for the registration of participants in the retail market.
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I. INTRODUCTION AND GENERAL GUIDELINES**1. PURPOSE & SCOPE OF APPLICATION**

Pursuant to Clause 2.5 of the Retail Rules, the *Central Registration Body* shall prepare and publish a Manual that shall provide the requirements and procedures for the registration of *Contestable Customers*, *Suppliers* and *Retail Metering Service Providers* in the WESM. The criteria, guidelines and procedures for registration of *metering installations* are covered by the Retail Metering Manual. The suspension and de-registration procedures shall be governed by the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures.¹

This Manual implements relevant provisions of Chapter 2 of the Rules for the Integration of Retail Competition in the Wholesale Electricity Spot Market ("Retail Rules").

2. DEFINITIONS, REFERENCES AND INTERPRETATION**2.1. Definitions**

Unless otherwise defined or the context implies otherwise, the italicized terms used in this Manual which are defined in the WESM Rules and Retail Rules will bear the same meaning as defined in the WESM Rules and Retail Rules.

2.2. Giving of Notices

The guidelines set forth in WESM Rules Clause 9.6.1 shall govern the giving of notices required in this Manual.

2.3. References

This Manual should be read in association with the -

- a) Republic Act No. 9136
- b) Implementing Rules and Regulations of Republic Act No. 9136
- c) ERC's Transitory Rules on the Implementation of OARC
- d) WESM Rules
- e) Retail Rules
- f) Philippine Grid Code
- g) Philippine Distribution Code
- h) Department of Energy Circular No. 2010-05-006
- i) Department of Energy Circular No. 2010-08-0010
- j) Department of Energy Circular No. 2012-011-0010

¹ Clause 2.6, Retail Rules

- k) WESM Manual: Registration, Suspension and De-Registration Criteria and Procedures
- l) WESM Manual: Billing and Settlements
- m) Retail Metering Manual

2.4. **Organization of the Manual/Interpretation**

2.4.1. This Manual is divided into three Chapters as follows -

- a) Chapter I - Introduction and Generation Guidelines
- b) Chapter II – Registration Procedures for Retail Market Participants
- c) Chapter III - Transitory Provisions

2.4.2. Any reference to a section or clause in any Chapter of this Manual shall refer to the particular section or clause of the same Chapter in which the reference is made, unless otherwise specified or the context provides otherwise.

3. **GENERAL GUIDELINES**

- 3.1. All Contestable Customers, Suppliers and Retail Metering Service Providers authorized by the Energy Regulatory Commission are eligible to become members of the WESM subject to compliance with set membership criteria.² Pursuant to Republic Act No. 9136, the Energy Regulatory Commission is the agency mandated to authorize other persons or entities that can be eligible to become members of the WESM.³
- 3.2. Considering its implications, suspension and deregistration from the WESM shall be carried out in strict compliance with the procedures in WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures.

4. **RESPONSIBILITIES**

4.1. **Compliance and implementation**

4.1.1. **Applicants.** All *Contestable Customers, Suppliers and Retail Metering Service Providers* applying for registration in the WESM shall comply

² Republic Act No.9136, Section 30

³ Republic Act No.9136, Section 30

with the requirements and procedures set forth in this Manual and in the *WESM Rules* and the *Retail Rules*.

4.1.2. **Central Registration Body.** The *Central Registration Body* shall be responsible for implementing the pre-registration procedures and the handling of information exchange as set forth in this Manual.

4.1.3. **Service Providers.** The *System Operator* as well as the relevant *Retail Metering Services Provider* and *Network Services Provider* shall provide the information or document required of them to enable the timely assessment and action on applications for registration.

4.1.4. **Market Operator.** The Market Operator shall be responsible for assessing and evaluating applications for WESM membership in accordance with Chapter 2 of the *WESM Rules* and the WESM Manual: Registration, Suspension and De-Registration Criteria and Procedures. The Market Operator shall likewise be responsible for post-registration changes as set forth in the WESM Registration Manual.

4.2. **Amendments**

Amendments to this Manual shall be submitted to the *WESM Rules Change Committee* and shall be acted upon pursuant to Chapter 8 of the *WESM Rules* and relevant market manuals.

5. **EFFECTIVITY AND PUBLICATION**

This Manual shall take effect upon promulgation by the *DOE*. Thereafter, it shall be published in the *market information website*.

II. **REGISTRATION PROCEDURES**

1. **COVERAGE**

Pursuant to Chapter 2 of the Retail Rules, this Section:

- a) Describes the WESM membership categories and levels of participation;
- b) Prescribes the pre-requisites for applying for WESM registration; and
- c) Provides the procedures for pre-registration by *Suppliers, Contestable Customers and Retail Metering Service Providers* upon integration of retail competition in the WESM.

The procedures and criteria for registering in the WESM as a WESM Member are covered by the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures. This section provides information requirements and procedures that will guide the *Contestable Customers*, *Suppliers* and *Retail Metering Services Providers* in applying for WESM membership.

2. REGISTRATION OF SUPPLIERS

2.1. Overview

Suppliers shall register in the WESM as a *Direct WESM Members* under the *Customer Trading Participant* category and shall fulfill all such registration requirements as provided for in Chapter 2 of the *WESM Rules*.⁴

Distribution Utilities shall register as *Direct WESM Members* in their capacity as *Local Suppliers*⁵ and *Suppliers of Last Resort*.⁶

Applications for registration shall be submitted to the Market Operator together with documents and information required by the Market Operator to prove compliance with membership criteria and requirements for registration.⁷

Suppliers must have completed their registration as *Direct WESM Members* before they can transact in the WESM for their *Contestable Customer* counterparties.⁸

2.2. Information requirements

2.2.1. The *Supplier* shall submit to the *Market Operator* the following registration requirements as provided in the table below:

**Table 1.
Registration Requirements for Suppliers**

Document	Type of copy	No. of copies
ROCA Application Form for RES	signed original copy	Two (2)
Market Participation Agreement for Retail Electricity Supplier	signed original copy	Five (5)
SEC Certificate of Incorporation	certified true copy	One (1)
Articles of Incorporation	certified true copy	One (1)

⁴Clause 2.4.1.2, Retail Rules

⁵Local Supplier refers to the non-regulated supply business of a Distribution Utility catering to the Contestable Customers within its franchise area. (Section 4.2, DOE Circular No. 2012-010-0011)

⁶Clause 2.4.6, Retail Rules

⁷Clause 5.5.1, WESM Registration Manual

⁸Clause 5.3.6, Retail Rules

By-laws	certified true copy	One (1)
Secretary's Certificate/Board Resolution authorizing participation in the WESM as Retail Electricity Supplier, designating signatories and Main Contact	notarized original copy	One (1)
Secretary's Certificate/Board Resolution designating a Billing/Settlement contact and bank details for collection/payment	notarized original copy	One (1)
Settlement Information Sheet containing authorized bank details and Billing/Settlement contact	notarized original copy	One (1)
ERC RES License	certified true copy	One (1)

2.2.2. Once an applicant submits an accomplished application form with supporting requirements as indicated in Section 2.2.1 of this Manual, the Market Operator shall assess and evaluate the application in accordance with Chapter 2 of the WESM Rules and WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures.

2.2.3. The *Suppliers, Local Suppliers* and *Suppliers of Last Resort* shall submit to the *Central Registration Body* for posting in the market website the contracting parameters including the general offer, terms and conditions such as indicative average contract price, offers and scope of services being offered by them.¹⁰

3. REGISTRATION OF CONTESTABLE CUSTOMERS

3.1. Overview

Registration shall be in accordance with the certification of contestability issued by the *Energy Regulatory Commission*. The *Energy Regulatory Commission* issues certifications on a "facility" basis in that each certificate is attached to a metering point. For registration purposes, entities who have more than one (1) *registered facility* shall have multiple registrations and, at their option, each registration may either be as *Direct WESM Member* or *Indirect WESM Member*.

Directly-connected customers are required to register in the WESM pursuant to WESM Rules Clause 2.2.4 whether or not it is certified by the ERC as a *Contestable Customer*.¹¹

3.2. Pre-registration procedures

¹⁰Section 4.8, ERC Resolution No. 16, series of 2012.

¹¹Clause 2.2.1, Retail Rules

3.2.1. Distribution utilities shall notify the *Central Registration Body*, within fifteen (15) *working days* from its validation that a customer has met all the requirements of contestability.¹²

3.2.2. The *Central Registration Body*, within five (5) *working days* from receipt of such notice shall secure confirmation from the *ERC* if such customer has been certified as contestable.

3.2.3. Within thirty (30) *working days* from issuance of *ERC's* certification, the *Contestable Customer* shall register in the WESM. If a *Contestable Customer* intends to participate in the WESM directly, it shall register as *Direct WESM Member* and shall fulfill all such registration requirements.¹³ If a *Contestable Customer* intends to participate in the WESM indirectly, it shall elect a *Supplier* as its *Direct WESM Member* counterparty and said *Supplier* shall register the *Contestable Customer* as an *Indirect WESM Member*.¹⁴

3.2.4. A *Contestable Customer* shall continue to be served by the *Distribution Utility* until it is successfully registered with the WESM.¹⁵

3.2.5. Within five (5) *working days* from entering into a *retail supply contract*, the *Supplier* shall register its *Contestable Customer* counterparty as an *Indirect WESM Member* by submitting to the *Central Registration Body* a copy of its *retail supply contract* together with an accomplished application form and registration requirements as summarized in Section 3.3 of this Manual.

3.3. Information requirements

A) For Direct WESM Membership of Contestable Customers

3.3.1. The *Contestable Customer* (applying as a *Direct WESM member*) shall submit the following requirements to the *Market Operator* as provided in the table below:

Table 2.
Registration Requirements for Contestable Customers as Direct WESM Members

Document	Type of copy	No. of copies
WESM Registration Form for Direct Membership of Contestable Customer	signed original copy	Two (2)
Market Participation Agreement for Direct WESM Members-Contestable Customer	signed original copy	Five (5)
SEC Certificate of Incorporation	certified true copy	One (1)

¹²Clause 2.2.2, Retail Rules

¹³Clause 2.4.2.2, Retail Rules

¹⁴ Clause 2.4.2.3, Retail Rules

¹⁵Clause 2.2.3 (c), Retail Rules; Section 4.1, ERC Resolution No. 16, series of 2012

Articles of Incorporation	certified true copy	One (1)
Valid Retail Supply Contract	Signed original copy	One (1)
By-laws	certified true copy	One (1)
Secretary's Certificate/Board Resolution authorizing participation in the WESM as Direct Member-Contestable Customer, designating signatories and Main Contact	notarized original copy	One (1)
Secretary's Certificate/Board Resolution designating a Billing/Settlement contact and bank details for collection/payment	notarized original copy	One (1)
Settlement Information Sheet containing authorized bank details and Billing/Settlement contact	notarized original copy	One (1)
ERC Certificate of Contestability	certified true copy	One (1)
Valid Wheeling Services Agreement	certified true copy	One (1)
Valid Metering Services Agreement	certified true copy	One (1)
Proof of Prudential Security (Letter of Credit, Surety Bond, Bank Guarantee, Guarantee by other institutions, Cash deposit)	original copy	One (1)
Metering Installation Registration Form	signed original copy	One (1)
Single Line Diagram	certified true copy	One (1)
ERC Certification of meter test results	certified true copy	One (1)
Test and calibration reports of instrument transformers and meters	certified true copy	One (1)
Load Profile (Forecast, Historical data, including maximum and minimum hourly demand)	certified true copy	One (1)

B. For Indirect WESM Membership of Contestable Customers

3.3.2. The *Supplier* (applying on behalf of a *Contestable Customer* who wishes to be an *Indirect WESM member* shall submit the following requirements to the *Market Operator* as provided in the table below:

**Table 3.
Registration Requirements for Contestable Customers as Indirect WESM Members**

Document	Type of copy	No. of copies
WESM Registration Form for Indirect Membership of Contestable Customer	signed original copy	Two (2)

Valid <i>Retail Supply Contract</i>	signed original copy	One (1)
Market Participation Agreement for Indirect WESM Member – Contestable Customer	signed original copy	Five (5)
SEC Certificate of Incorporation	certified true copy	One (1)
Articles of Incorporation	certified true copy	One (1)
By-laws	certified true copy	One (1)
Proof of Prudential Security (Letter of Credit, Surety Bond, Bank Guarantee, Guarantee by other institutions, Cash deposit) – provided by the Retail Electricity Supplier as its Direct WESM Member Counterparty	original copy	One (1)
Secretary's Certificate/Board Resolution authorizing participation in the WESM as Indirect Member, designating signatories and Main Contact	notarized original copy	One (1)
ERC Certificate of Contestability	certified true copy	One (1)
Valid Wheeling Service Agreement	certified true copy	One (1)
Valid Metering Services Agreement	certified true copy	One (1)
Metering Installation Registration Form	signed original copy	One (1)
Single Line Diagram	certified true copy	One (1)
ERC Certification of meter test results	certified true copy	One (1)
Test and calibration reports of instrument transformers and meters	certified true copy	One (1)
Load Profile (Forecast, Historical data, including maximum and minimum hourly demand)	certified true copy	One (1)

3.3.3. A *Contestable Customer* registered as *Direct WESM Member* or a *Supplier* on behalf of its *Contestable Customer* counterparty shall furnish the *Central Registration Body* with a copy of their *retail electricity supply contract* at least thirty (30) days prior to the effective date of their contract.¹⁶

3.3.4.A *Contestable Customer* that is registered as *Direct WESM Member* shall be responsible for providing the *Central Registration Body* with information on their connection and metering details by submitting a metering installation registration form in accordance with the Retail Metering Manual.¹⁷

3.3.5. A *Supplier* counterparty shall provide information on the connection and metering details of its *Contestable Customer* registered as *Indirect WESM Member* by submitting a metering installation registration form in accordance with the Retail Metering Manual.¹⁸

3.3.6. *Suppliers* that wish their *bilateral power supply contracts* with Generation Companies be accounted for in the WESM settlements shall enroll those contracts in the *Market Operator* in accordance with the customer enrolment procedures not later than thirty (30) days before the effectivity of their contracts.¹⁹

¹⁶Clause 2.3.3.2, Retail Rules

¹⁷Clause 2.4.3.2, Retail Rules

¹⁸Clause 2.4.4.2, Retail Rules

¹⁹ClauseSection 2.3.3.1, Retail Rules; Chapter 5, Section 2, WESM Registration Manual

3.3.7. The enrolment shall provide the following details-

- a. details on the duration of the supply contract;
- b. desired effective date on which the bilateral contract transactions are to be accounted for in the WESM settlements which shall coincide with the start of the billing period;
- c. identification of the Trading Participant that shall be responsible for the payment of line rental trading amounts and for the net settlement surplus/deficit allocations;
- d. copy of the supply contract; and
- e. written confirmation by the Supplier and the Generation Company of the foregoing information.

3.3.8. Once an applicant submits an accomplished application form with supporting requirements as indicated in Sections 3.3.1 and 3.3.2 of this Manual, the Market Operator shall assess and evaluate the application in accordance with Chapter 2 of the WESM Rules and WESM Registration Manual.

4. REGISTRATION OF METERING SERVICE PROVIDERS

4.1. Overview

Persons or entities wishing to register with the *Central Registration Body* as a *Retail Metering Services Provider* must have been authorized and issued the pertinent license or authorization to operate as *Retail Metering Services Provider* by the ERC and shall register in the WESM as a *Retail Metering Services Provider* and shall fulfil all such registration requirements as set out in Chapter 2 of the *WESM Rules*.

Upon the commencement of retail competition, *Distribution Utilities* shall serve as the default *Retail Metering Services Provider* for *Contestable Customers* with service addresses located within their franchise area and are deemed registered in the WESM without need of complying with registration requirements.²¹

4.2. Information requirements

4.2.1. At the commencement of retail competition, the *Distribution Utilities* acting as default *Retail Metering Services Providers* shall submit the following to the Market Operator:

- a. Accomplished application form; and

²¹Clause 2.4.8, Retail Rules

b. Signed Market Participation Agreement.²²

4.2.2. Upon declaration by the *Energy Regulatory Commission* that the provision of retail metering services is competitive and open, a qualified entity shall submit the following as provided in the table below:

**Table 4.
Registration Requirements for Retail Metering Services Providers**

Document	Type of copy	No. of copies
WESM Registration Form for Retail Metering Services Provider	signed original copy	Two (2)
Market Participation Agreement for Retail Metering Services Provider	signed original copy	Five (5)
SEC Certificate of Incorporation	certified true copy	One (1)
Articles of Incorporation	certified true copy	One (1)
By-laws	certified true copy	One (1)
Secretary's Certificate/Board Resolution authorizing participation in the WESM as Retail Electricity Supplier, designating signatories and Main Contact	notarized original copy	One (1)
ERC Certificate of Authority	certified true copy	One (1)

4.2.3. Once an applicant submits an accomplished application form with supporting requirements as indicated in Section 4.2.2 of this Manual, the *Market Operator* shall assess and evaluate the application in accordance with Chapter 2 of the WESM Rules and WESM Registration Manual.

III. TRANSITORY PROVISIONS

1. During the *transition period*, Contestable Customers shall endeavor to enter into *retail supply contracts* with WESM-registered *Suppliers*.²³

2. Contestable Customers shall enter into a *retail electricity supply contract* with a *Supplier* or *Local Supplier* on or before May 20, 2013 and the *Supplier* or *Local Supplier* shall inform the *Central Registration Body* of such fact within five (5) days from the expiry of the *Cooling-Off Period*²⁴ or within the period of May 27 to 31, 2013.²⁵

²²By virtue of the designation of *Distribution Utilities* as default *Metering Services Providers* under DOE Circular No. DC 2012-05-005, the *Distribution Utilities* having Contestable Customers within their *Franchise Area* will be required only to submit an accomplished form and signed Market Participation Agreement.

²³Clause 5.6.1, Retail Rules

²⁴Cooling-Off Period refers to the period of five (5) business days or a longer period agreed upon by both parties commencing from the signing of the retail supply contract within which Contestable

3. The *Supplier* or *Local Supplier* shall notify the *Central Registration Body* between the period of June 3 to June 14, 2013 for the *Initial Switch*²⁶ to take effect by June 26, 2013 or the subsequent billing period of the *Contestable Customer* immediately following June 26, 2013.²⁷

Customer has the right to cancel the retail supply contract it has entered into with the RES or Local RES (Section 3, ERC Resolution No. 16, series of 2012)

²⁵ Section 6.2 (first paragraph), ERC Resolution No. 16, series of 2012.

²⁶ Initial Switch refers to the commercial transfer of a Contestable Customer to a Supplier or Local Supplier which takes effect on June 26, 2013 or the subsequent billing period immediately following June 26, 2013 or not later than December 26, 2013.

²⁷ Section 6.2 (second paragraph), ERC Resolution No. 16, series of 2012.