



WESM Traders' Accreditation Program

Philippine Electricity Market Corporation

2015

Outline of Presentation



Concept



Accreditation Guidelines



Next Steps



Concept



Background

- DOE spearheaded the formulation of the *WESM Traders' Accreditation Program* to:
 - Ensure that the traders of each WESM Trading Participant are fully aware of their obligations under the WESM Rules and Market Manuals;
 - Ensure that traders are equipped with the proper skills and competencies to protect the welfare and business interests of their respective companies and to ensure a market where compliance to market rules prevails;



What is WESM Traders' Accreditation Program?

- **WESM Traders' Accreditation Program**
 - is envisioned to be a mandatory program for traders in the WESM;
 - is aimed at developing/enhancing the competency, skills and accountability of current and new electricity market traders; and
 - will require passing of accreditation exam.



Objectives of the Program

- Foster a culture of professionalism, compliance and ethics in electricity/energy trading;
- Aid in the improvement of skills and competency of existing and new WESM traders;
- Standardize training modules for consistency and quality assurance; and
- Develop metrics to determine a trader's competency level.

Accreditation in Other Jurisdictions

- Accreditation similar to other markets such as:
 - Energy Exchange Austria – pre-requisite to trading is completion of a trader's diploma course and passing of exam; and
 - European Energy Exchange – requirement prior trading is completion of a trader certificate course and passing of exam



Definition of Terms

Accreditation – or WESM Accreditation; a process whereby an individual who is conducting or intends to conduct electric power trading for a WESM Member undergoes evaluation by the *Accreditation Body* against the standards on qualifications, competence and credibility in performing the said practice.



Definition of Terms

Accreditation Body – for purposes of the *accreditation*, the Philippine Electricity Market Corporation (PEMC) shall act as the *Accreditation Body* to which applications for *WESM Traders' Accreditation* will be submitted.

Accreditation Exam – a set of examination that will be required to be taken and passed by an applicant for *WESM Traders' Accreditation*.



Definition of Terms

WESM Trader – an individual who transacts in the WESM through submitting generation (energy and/or reserve) offers if WESM Member employer is a generation company, or through submitting demand bids or interruptible load offers, as applicable, if WESM Member employer is a customer/load company.



Accreditation Guidelines



Program Guidelines – Coverage

- The Accreditation Program guidelines:
 - shall apply to all *WESM Traders*
 - may also apply to individuals aspiring to become *WESM Traders*



Scope of WESM Traders' Accreditation

- **Mandatory** for all individuals who are engaged as *WESM traders* by a WESM Member
- **Optional** for other individuals who do not trade directly in the WESM



Scope of WESM Traders' Accreditation

- **Open** to other individuals from other fields
- **Open** for application as either:
 - **Individual**, or
 - **Group** through *accreditation* of a pool of traders exclusive for a specific WESM member



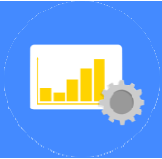
Accreditation Requirements

- Duly accomplished application form
 - (a) Application for *WESM Traders' Accreditation*, or
 - (b) Renewal of *WESM Traders' Accreditation*
- Latest curriculum vitae, to include relevant training and experience in the last two (2) years
- Trainings, as applicable



Accreditation Requirements

- Certificate of employment if applicant is a *WESM Trader* of any registered WESM Member
- Other requirements as may be required by the *Accreditation Body*.
- Payment of the corresponding application fee.



Accreditation Criteria

- **Initial Accreditation:**
 - Applicant has the relevant work experience required (at least two (2) years work experience from any field)
 - Applicants with less than two (2) years work experience will be required to complete relevant training/s
 - Applicant has passed the required *Accreditation Exam* by the *Accreditation Body*



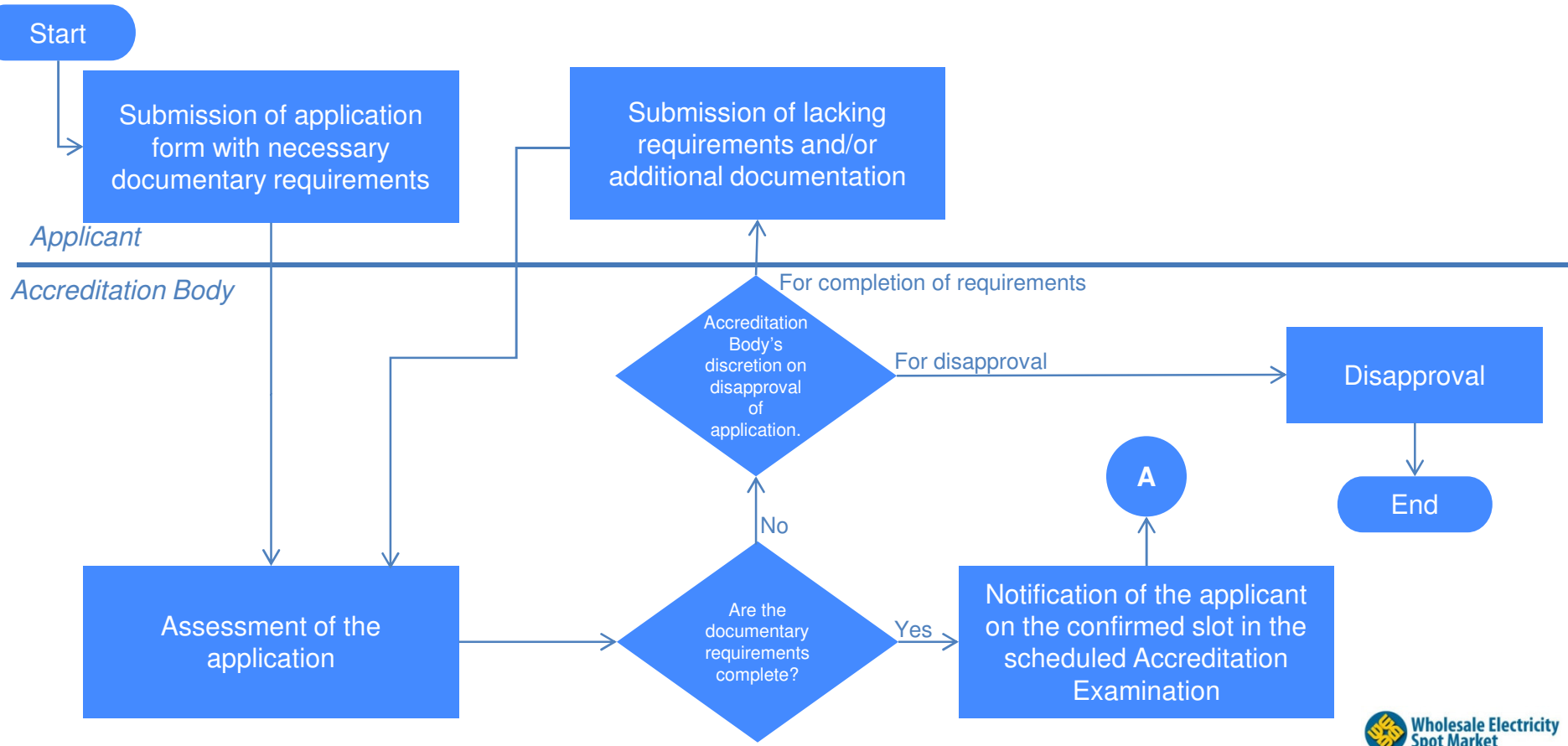
Accreditation Criteria

- **Renewal of Accreditation:**
 - Required trainings
- **For Pilot implementation of WESM Traders' Accreditation:**
 - WESM Traders certified by their respective WESM Member employer will be allowed to apply for accreditation and take the *Accreditation Exam* regardless of work experience



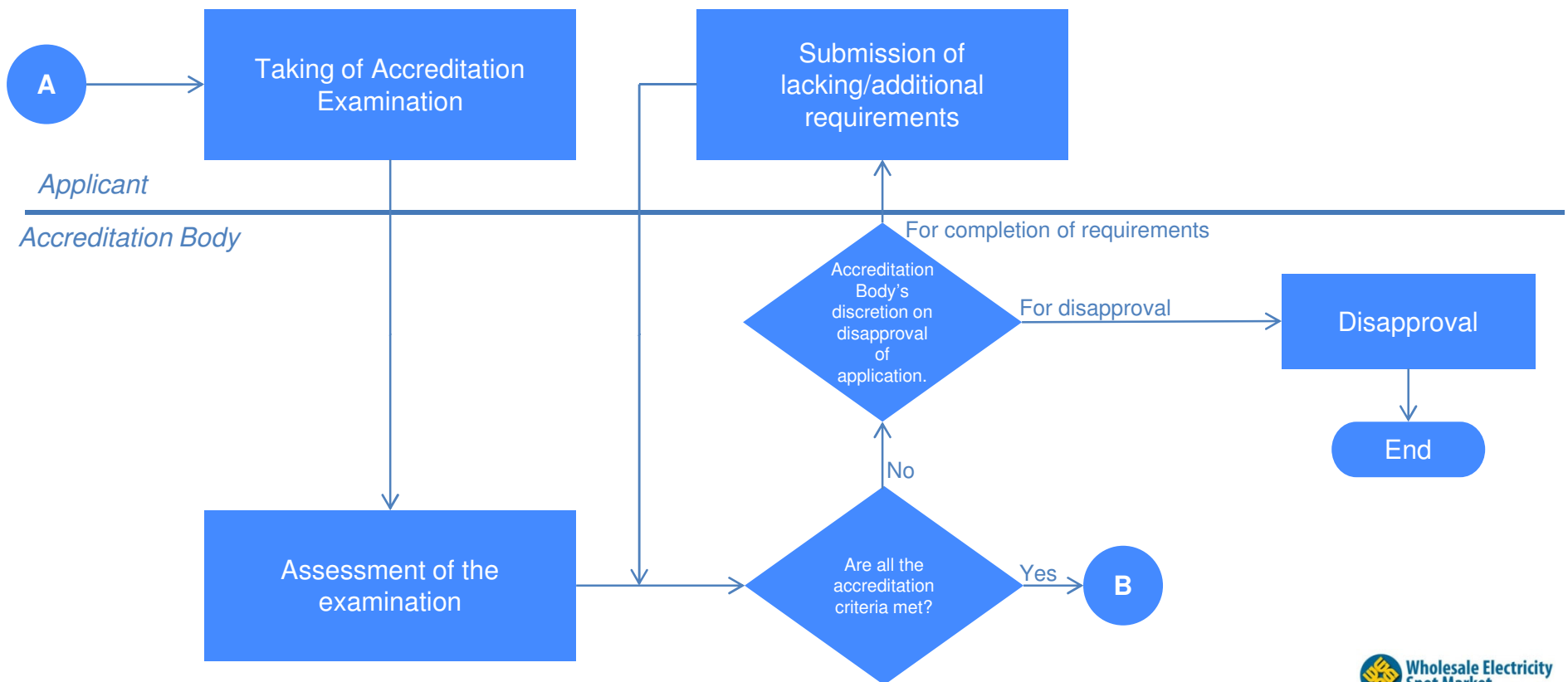
Accreditation Process (Initial Accreditation)

Assessment of Application





Accreditation Process (Initial Accreditation) *Accreditation Examination*

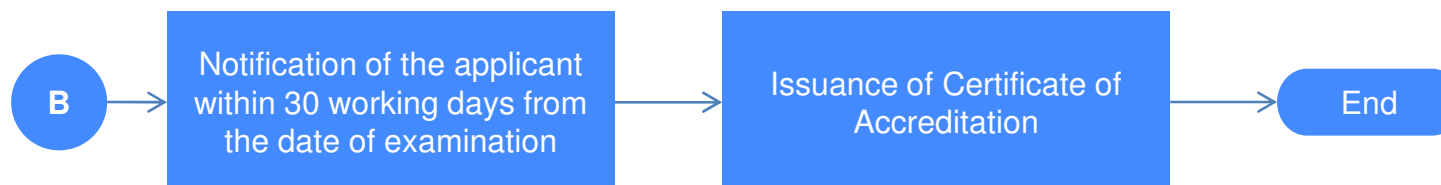




Accreditation Process (Initial Accreditation) *Issuance of Certificate of Accreditation*

Applicant

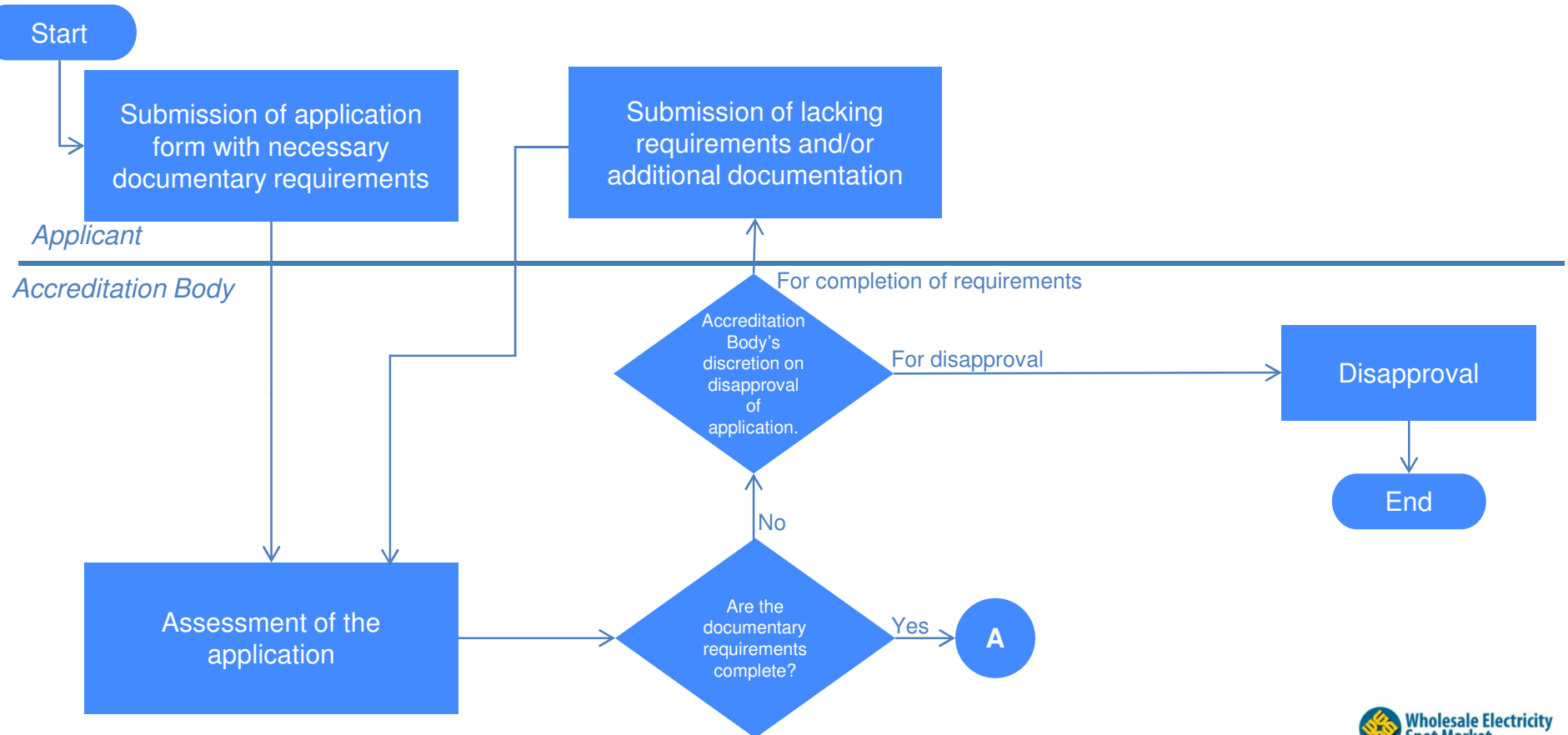
Accreditation Body





Accreditation Process (Renewal of Accreditation)

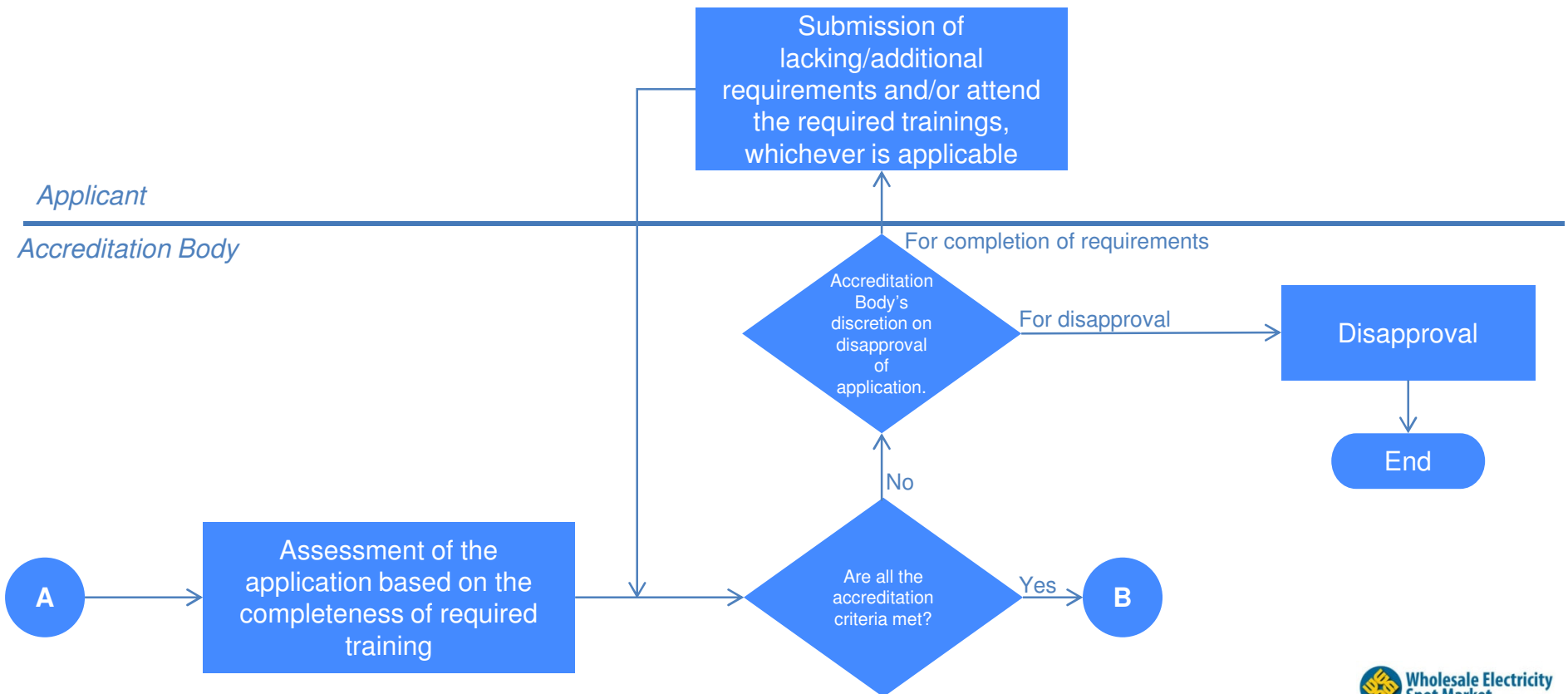
Assessment of Application





Accreditation Process (Renewal of Accreditation)

Assessment of Required Trainings

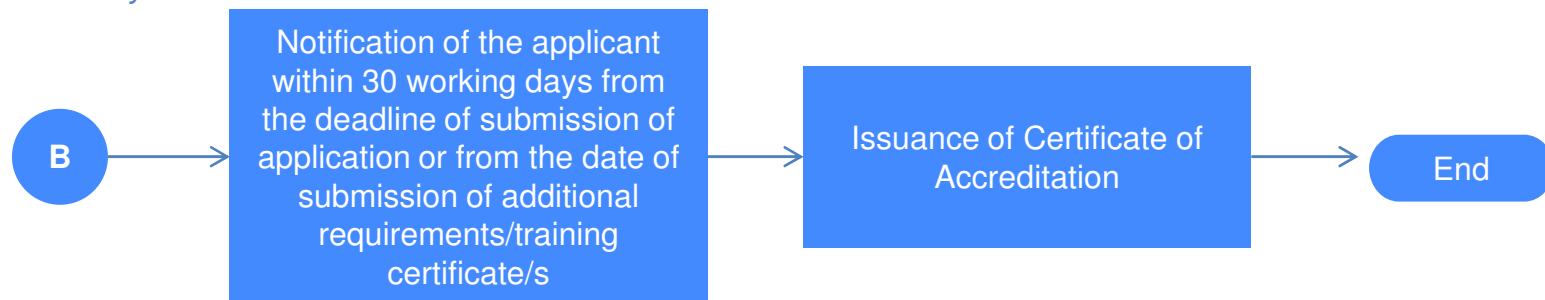




Accreditation Process (Renewal of Accreditation) *Issuance of Certificate of Accreditation*

Applicant

Accreditation Body





Frequency of Accreditation Exam

- **Annual**, or on an approved regular interval
 - No special or exclusive examination sessions
 - will be posted at the website of the *Accreditation Body*



Proof and Validity of Accreditation

- Issuance of a **Certificate of Accreditation**
- List to be posted at the website of the *Accreditation Body*
- Valid for a period of one (1) year from date of effectivity
 - With option to renew accreditation



Renewal of Accreditation

- Renewal for the succeeding two (2) years :
 - Required completion of relevant trainings each for the 1st and 2nd renewals
 - No exam
- After two (2) renewals, a re-examination will be required on the following year.
 - Same process as initial accreditation.



Next Steps



Accreditation Webpage

- A webpage in the WESM website will be designated for accreditation purposes:
 - Schedules of Accreditation Exam;
 - Accreditation Application Form/s;
 - List of Accredited Individuals; and
 - Other information related to WESM Traders' Accreditation Program.



Schedule of Activities

ACTIVITY	SCHEDULE	RESPONSIBLE AGENCY
Public Consultation – Luzon	March 30-31, 2015	DOE and PEMC
Public Consultation – Visayas	April 7-8, 2015	DOE and PEMC
Implementation of the WESM Traders' Accreditation Program	2015	Accreditation Body



THANK YOU VERY MUCH
WESM Works.