



JUL 14 2008

DEPARTMENT ORDER NO. D02008-07-0006 <sup>905</sup>

**CREATING A TECHNICAL WORKING GROUP TO PROPOSE  
CHANGES IN THE WESM RULES**

WHEREAS, the Department of Energy (DOE) is mandated to supervise the restructuring of the electric power industry pursuant to Republic Act No. 9136 otherwise known as the "Electric Power Industry Reform Act (EPIRA) of 2001." The DOE is further authorized under Section 37 (p) of the EPIRA to formulate rules and regulations as may be necessary to implement the objectives of the Act;

WHEREAS, the DOE is mandated to promulgate the detailed rules for the Wholesale Electricity Supply Market (WESM), jointly with electric power industry participants, which caused the issuance of the WESM Rules;

WHEREAS, the DOE is likewise mandated to take the initiative to devise policies, plans and programs to achieve, among others, adequate, reliable and affordable supply of electricity, in cooperation with other government agencies and electric power industry participants and electricity end-users, taking into consideration first and foremost the welfare of the public and promoting, at the same time, partnership with the private sector;

WHEREAS, consistent with the purpose of the WESM Rules to provide an efficient, competitive, transparent and reliable spot market, the DOE shall uphold and ensure that the WESM Rules being adopted reasonably respond to the needs of the industry;

NOW, THEREFORE, in consideration of the foregoing, a Technical Working Group (TWG) is hereby created for the aforementioned purposes and in accordance with the terms provided in this Department Order.

**Section 1. Composition of the TWG.** There is hereby created a Technical Working Group which the DOE shall head and with the following representatives from the attached agencies as members:

- |          |   |   |
|----------|---|---|
| Chairman | - | Department of Energy (DOE)  |
| Members  | - | President, National Transmission Corporation (TRANSCO)<br>President, National Power Corporation (NPC) |

President, Power Sector Assets and Liabilities  
Management (PSALM)

The DOE/TWG may invite other resource persons for purposes of addressing any specific issue/concern intended to make the WESM operation effective.

**Section 2. Mandate.** The TWG shall take appropriate actions to address the issues affecting the WESM Rules that may affect the power sector including, but not limited to, the review of the composition and powers of the Philippine Electricity Market (PEM) Board.

Pursuant to the above mandate and in the exigency of the services as agreed during the PEM Board Meeting of 11 July 2008, the proposal on the revised/new composition of the PEM Board shall be submitted on or before 30 July 2008 for appropriate action by the PEM Board in accordance with the WESM Rules.

**Section 3. Objective.** The TWG shall perform its mandate with the objective of ensuring that the goals of the EPIRA on competition, efficient, transparent and reliable spot market are properly achieved.

The TWG shall perform their functions pursuant to this Order.

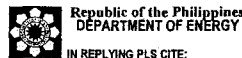
**Section 4. Secretariat.** The Electric Power Industry Management Bureau (EPIMB) of the DOE shall act as the TWG Secretariat and shall provide the necessary administrative and technical support.

**Section 5. Effectivity.** This Order shall remain in effect until otherwise revoked.

This Department Order shall take effect immediately.

Issued this \_\_\_\_ day of July 2008, Fort Bonifacio, Taguig City, Metro Manila, Philippines.

  
ANGELO T. REYES  
*Secretary*



IN REPLYING PLS CITE:  
SE08-005560

