



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT ORDER NO. DO 2012 - 03 - 0002 e

**CREATING A TECHNICAL WORKING GROUP TO ASSIST THE  
PHILIPPINE ELECTRICITY MARKET AUDITOR UNDER THE  
PHILIPPINE ELECTRICITY MARKET CORPORATION IN THE  
CONDUCT OF AN INDEPENDENT REVIEW OF METERING SERVICES  
OF THE NATIONAL GRID CORPORATION OF THE PHILIPPINES**

**WHEREAS**, under Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA), it is hereby declared policy of the state to, among others:

- a. ensure the reliability and quality of supply of electric power;
- b. ensure transparent and reasonable prices of electricity in a regime of free and fair competition and full public accountability to achieve greater operational and economic efficiency and enhance the competitiveness of Philippine products in the global market; and
- c. protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power.

**WHEREAS**, the EPIRA mandated the Department of Energy (DOE) to supervise the restructuring of the electricity industry and jointly with the electric power industry participants, establish the wholesale electricity spot market and formulate the detailed rules governing the operations thereof;

**WHEREAS**, on 28 June 2002, the DOE promulgated the Wholesale Electricity Spot Market Rules (WESM Rules), which aims to promote competition, provide an efficient, competitive, transparent and reliable spot market;

**WHEREAS**, on 26 June 2006, the Wholesale Electricity Spot Market (WESM) started its commercial operations in the Luzon Grid, while the Visayas Grid was integrated effective 26 December 2010;

**WHEREAS**, pursuant to the governance/structure under the WESM Rules, the Philippine Electricity Market Auditor (PEM Auditor) was created among others, to conduct annual audits of the Market Operator (MO) and the settlement system and any other procedures, persons, systems or other matters relevant to the operation of the spot market;

**WHEREAS**, under 4.5.5.4 of the WESM Rules, the PEM Auditor, in consultation with the MO and the Metering Services Providers, shall review the security arrangements and requirement of metering installations annually;

**WHEREAS**, the National Grid Corporation of the Philippines (NGCP), as the current Metering Service Provider (MSP), shall be responsible to:

- a. ensure that the metering installations are provided, installed, tested, calibrated and maintained in accordance with the WESM Rules, the Philippine Grid and Distribution Codes and all applicable laws, rules and regulations;
- b. ensure the accuracy of each of the metering installations in accordance with the requirements of the WESM Rules, the Philippine Grid and Distribution Codes; and
- c. if the MO requires, provide remote monitoring facilities to alert the MO of any failure of any components of the metering installation, which might affect the accuracy of the metering data derived from that metering installation.

**WHEREAS**, on 25 August 2010, the PEM Board approved the recommendation of the PEM Auditor to review the compliance of the NGCP as the current MSP, with its obligations under the WESM Rules, the Philippine Grid Code and the Philippine Distribution Code, to be undertaken under the supervision of the DOE;

**WHEREAS**, the DOE and the PEM Auditor agreed to formally constitute a Technical Working Group (TWG), composed of the DOE, the Philippine Electricity Market Corporation (PEMC) with the representatives from the National Transmission Corporation (TransCo), the Grid Management Committee (GMC) and the Distribution Management Committee (DMC) to provide technical assistance to the PEM Auditor in the conduct of an independent review of the metering services of the NGCP;

**NOW THEREFORE**, for and in consideration of the foregoing premises, a TWG is hereby created to assist the PEM Auditor in the preparation and implementation of an independent review of the metering services of the NGCP:

**Section 1: Composition.** The Technical Working Group (TWG) for an independent review of the Metering Services of the National Grid Corporation of the Philippines shall be composed of:

Chairperson	:	Director Mylene C. Capongcol, DOE
Co-Chairperson	:	Assistant Director Irma C. Exconde, DOE
Members	:	Luningning G. Baltazar, DOE
		Ferdinand B. Binondo, DOE
		Victorina S. Cortez, DOE
		Rodel S. Limbaga, DOE
		Jesusito H. Sulit, PEMC
		Carlito C. Claudio, PEMC
		Robinson Descanzo, PEMC
		Atty. Caryl Lopez-Mateo, PEMC
		Raymund D. Villapeña, PEMC

Bienvenido Valeros, TransCo  
Tomas B. Vivero, GMC/DMC  
Ruben Orillaza, GMC  
Ronaldo T. Garcia, DMC


**Section 2: Responsibilities.** The TWG shall assist the PEM Auditor and the PEM Audit Committee (PAC) and will be performing the following tasks:

1. Assist in the conduct of on-site inspection/audit of metering facilities;
2. Assist in preparing the schedule and grouping of metering facilities for audit/review;
3. Actively participate in the Preliminary/Technical Conferences and public consultations;
4. Assist the PAC in the crafting of necessary documents and formulating review processes;
5. Review and assess the deliverables submitted by the Reviewer/Auditor;
6. Attend meetings as may be called by the PAC; and
7. Perform such other tasks as may be directed by the PAC.

**Section 3: Confidentiality.** All activities undertaken in the performance of such responsibilities by the TWG shall be approved by the PEM Auditor in consultation with the DOE and shall be made with utmost confidentiality and ensure that all documents, data and information in connection with the bidding and the actual implementation of an independent review of the metering services of the NGCP shall not be released, reproduced or made available for other purposes.

**Section 4: Effectivity.** This Department Order shall take effect immediately.

Issued this 2nd day of March 2012, Fort Bonifacio, Taguig City, Metro Manila.

  
JOSE RENE D. ALMENDRAS  
Secretary

