Philippine Chamber of Commerce and Industry
The Voice of Business

PRESS RELEASE
13 July 2025

PCCI urges greater accountability at the WESM

Calls for transparent electricity billing by retail suppliers

The Philippine Chamber of Commerce and Industry (PCCI), the largest business organization in the country, is calling on the Energy Regulatory Commission and the Independent Electricity Market Operator of the Philippines (IEMOP) to work together to address the issue of members of the Wholesale Electricity Spot Market (WESM) defaulting on payments for their spot market transactions.

In a meeting with the PCCI who raised the issue, IEMOP acknowledged the challenges posed by defaults of some WESM participants which impacts on the full settlement of receivables of compliant WESM members.

Noting that non-payment of market dues undermines the integrity of the spot market and unfairly burdens compliant participants, PCCI stressed that IEMOP should act decisively against WESM members who default on their financial obligations.

“These defaults distort market signals and expose law-abiding market players to significant financial risk. Imposing the burden on compliant WESM members effectively penalizes those who fulfil their financial obligations while relieving delinquent members of their responsibility," PCCI said.

"Ultimately, the costs resulting from defaults are passed on to consumers through higher electricity prices or market fees," PCCI added.

PCCI urged the IEMOP to fully exercise its authority under the WESM Rules to protect market integrity and prevent the undue subsidization of non-compliant members by those in good standing.

The group emphasized that the WESM Rules provide IEMOP with the authority to suspend and deregister defaulting members citing specific provisions that empower IEMOP to issue default and suspension notices and pursue deregistration if financial obligations remain unfulfilled.

"IEMOP should implement a policy framework that ensures defaulters are held accountable and that compliant members are protected from bearing the cost of others’ failures," PCCI stressed.

*_Call for transparent billing by Retail Electricity Suppliers_*

In addition to enforcement of default penalties, PCCI also urged the Energy Regulatory Commission (ERC) to push for greater transparency in the billing systems of Retail Electricity Suppliers (RES), particularly on WESM-related charges for contestable customers.

The group proposed that electricity bills issued by RES providers clearly itemize WESM charges—including energy transactions, line rentals, Feed-In Tariff components, and Net Settlement Surplus allocations. This would provide contestable customers—now encompassing a wider base under the expanded Retail Competition and Open Access (RCOA)—with a better understanding of how charges are computed.

"Contestable customers deserve clarity and fairness in their electricity billing. Transparent WESM-related charges will allow them to make informed decisions and promote greater competition in the energy sector," PCCI said.

As the energy market continues to evolve, PCCI emphasized that fair enforcement of rules and transparent billing practices are essential to building a more accountable and efficient power sector that benefits both suppliers and consumers.