



## MEETING MINUTES

Subject/Purpose : 229<sup>th</sup> RCC (Regular) Meeting  
 Date & Time : 15 March 2024, 09:00AM to 03:00PM  
 Venue : Online via Microsoft Teams  
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### ATTENDEES

	Name	Designation/Position	Department/Company
1	Jesusito G. Morillos	Chairperson/Independent	RCC
2	Rachel Angela P. Anosan	Member, Independent	RCC
3	Jose Roderick F. Fernando	Member, Independent	RCC
4	Jordan Rel C. Orillaza	Member, Independent	RCC
5	Carlito C. Claudio	Member (Principal), Generation Sector	RCC
6	Cherry A. Javier	Member (Principal), Generation Sector	RCC
7	Dixie Anthony R. Banzon	Member (Principal), Generation Sector	RCC
8	Michelle S. Tuazon	Member (Alternate), Generation Sector	RCC
9	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
10	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
11	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
12	Virgilio C. Fortich Jr.	Member (Principal), Distribution Sector	RCC
13	Alfredo C. Sanaga, Jr.	Member (Alternate), Distribution Sector	RCC
14	Gian Karla C. Gutierrez	Member (Principal), Supply Sector	RCC
15	Dennis R. Paragas	Member (Alternate), Supply Sector	RCC
16	Darryl Lon A. Ortiz	Member (Principal), Transmission Sector	RCC
17	Isidro E. Cacho, Jr.	Member (Principal), Market Operator	RCC
18	Kristoffer Monico S. Ng	Member (Alternate), Market Operator	RCC
19	Jhannelyn D. Marasigan	Observer	DOE
20	John Paulo O. Castro	Observer	DOE
21	Jane May M. Mea	Observer	DOE
22	Chrismah Joy D. Quinones	Observer	DOE
23	Karen A. Varquez	RCC Secretariat	PEMC
24	Divine C. Cruz	RCC Secretariat	PEMC
25	John Eisendel M. Labay	RCC Secretariat	PEMC
26	Mary Rose L. Bisnar	RCC Secretariat	PEMC
27	Gabriel R. Marmeto	DRA Secretariat	PEMC



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	Name	Designation/Position	Department/Company
28	Bienvenido C. Mendoza Jr.	Chief Market Assessment Officer	PEMC
29	Ken G. Trinidad	Proponent	NPC-DMD

### 1.0 Call to Order

The meeting was called to order at 09:00 AM.

### 2.0 Determination of Quorum

The quorum was determined with 14 principal and 3 alternate members present. The attendance of 4 DOE Observers was also noted.

### 3.0 Adoption of Agenda

The RCC adopted the proposed agenda.

### 4.0 Draft Minutes of Previous Meetings, DD Month YYYY (Optional)

#### 4.1 Draft minutes of 228<sup>th</sup> RCC (Regular) Meeting, 16 February 2024

Ms. Divine Gayle C. Cruz (Secretariat) presented the draft minutes of the meeting held last 16 February 2024. She informed the body that comments received from Mr. Jordan Rel C. Orillaza (Independent) were included in the draft minutes.

The RCC approved the draft minutes of the 228<sup>th</sup> RCC meeting.

#### 4.2 Draft minutes of 211<sup>th</sup> RCC (Regular) Meeting, 10 March 2023

Ms. Cruz informed the body that the minutes of the 211<sup>th</sup> RCC (Caucus) Meeting was already circulated via e-mail for e-signature.

### 5.0 Matters Arising from Previous Meeting

#### 5.1 Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints.

- Presenter/s: Ms. Divine Gayle C. Cruz
- Action Requested: For Discussion
- Material/s:
  - Annex A – Response Letter from NPC to RCC
  - Annex B – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023.



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### Proceedings:

As agreed during the 228<sup>th</sup> RCC (Regular) Meeting, a letter was routed on 04 March 2024 to NPC-DMD requesting confirmation if they still wish to pursue the subject proposal.

With this, Ms. Cruz presented the response letter from NPC to the RCC, dated 07 March 2024, that articulates the following:

- NPC is encountering difficulties in engaging with PSALM.
- NPC remains steadfast in its commitment of pursuing the proposal.

Additionally, Ms. Cruz provided the updated matrix of the proposal as presented by NPC on 15 Sept 2023 (220<sup>th</sup> RCC Meeting), which highlights the following:

- Modifying the initial proposed 3<sup>rd</sup> Category under section 7.6.2.b.iii of the WESM Dispatch Protocol Manual from “Dam Operations during Local Calamities” to “Prevention of Spilling Operations during the occurrence of severe weather disturbance and the reservoir water level is at Normal High Water Level.”
- Deletion of initial proposal of new provision 7.6.5 on the WESM Dispatch Protocol Manual

Mr. Ken G. Trinidad (Proponent – NPC-DMD) requested for the RCC’s final decision regarding the proposal. He also acknowledged all the suggestions raised by the RCC in the possible creation of a non-WESM (operational) solution and recognized the complexity of the proposal.

Below are the highlights of the discussion:

- Mr. Jesusito G. Morillos (Chairperson) noted that the RCC endorsed NPC’s proposal to the PEM Board twice, first on 21 June and then on 31 August 2022, but both submissions were remanded. The RCC and the PEM Board have reached consensus on the necessity of the provision of “Dam Operations during Local calamities,” which remains consistent with the revised provision, i.e. “Prevention of Spilling Operations during the occurrence of severe weather disturbance and the reservoir water level is at Normal High Water Level,” dated 15 September 2023. However, due to concerns regarding potential economic repercussions, it was requested that an economic study<sup>1</sup> be presented upon resubmission.

He also noted that the proposal was reviewed relative to DOE DC 2022-10-0031, “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the Wholesale Electricity Spot Market Amending for this Purpose Department Circular No. DC2015-03-0001” Section 4 of which states:

**“Section 4. Priority Dispatch of Impounding Hydro Plants.** The grant of Priority Dispatch status to impounding hydro plants, currently categorized as scheduled plants in the WESM, shall be at the option of the RE developer with due consideration to grid security and reliability, and its contractual obligations.”

<sup>1</sup> [RCC-MIN-22-13 of 201st RCC Meeting \(16 Sept 2022\)](#)



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The DOE DC declared all Renewable Energy (RE) resources may be registered in the WESM as Preferential Dispatch, including impounding hydropower plants. Nevertheless, the matter such is not applicable to the Caliraya plant due to its status as an ancillary service provider (ASP). As an ASP, they are registered as scheduled generating units within the WESM, whereby dispatch is only possible through offer management or if instructed by the System Operator (SO).

Mr. Morillos also stated that spilling operations for an ancillary service are not entitled for an additional compensation. Such compensation is limited to plants dispatched as MRUs, during market intervention or suspension, as constrained-on generators and when price mitigating measure is imposed. Furthermore, they will not incur any fuel cost, which is a prerequisite for qualifying for the additional compensation as indicated in the Section 8.3.2 of the WESM Price Determination Methodology Manual.

- Mr. Carlito C. Claudio (Generation) explained that there are instances that hydro plant encounters challenges in managing water drawdown due to possible unexpected rise of water elevation within the dam. Thus, the proposed provisions can be relevant and applicable to other hydro plants.

Mr. Claudio further stated that if the proposal is approved, the Kalayaan plant will be a price taker when the proposed provisions will be implemented. Additionally, Mr. Claudio and Mr. Darryl Lon A. Ortiz (Transmission) concurred that the imposition of over-riding constraints is not solely initiated by the System Operator (SO), rather, it may also be based on the request of the plant or the trader. Mr. Ortiz emphasized the need of PSALM to contribute to the discussion of the matter, as it serves as the trader of NPC and it is rather unfortunate that PSALM have not provided a response.

- Ms. Rachel Angela P. Anosan (Independent) stated that NPC has two choices: 1) To register as a preferential dispatch generation and 2) To remain as a scheduled generation and still be able to offer ancillary services to the NGCP.
- Mr. Dixie Anthony R. Banzon (Generation) expressed concerns regarding the addition of the provision, noting that it would compel plant to operate, notwithstanding the associated fees. He emphasized the continued necessity of the provision for prevention of spilling operations to augment the DOE DC 2022-10-0031.
- Ms. Cherry A. Javier (Generation) inquired about the plants that would utilize the additional provisions in the WESM Dispatch Protocol Manual. Also, she raised the scenario wherein CBK would be privatized and questioned whether the provision would still be usable or applicable for them. Ms. Javier highlighted that the provision is not beneficial for a private player unless an additional compensation will be given as they would be required to generate electricity due to dam operations issues, incurring additional costs.
- Mr. Orillaza inquired about the potential consequences if the provision or amendment is not approved and its impact on the communities involved.
- Mr. Trinidad highlighted that the main concern of NPC in proposing the additional criteria under 7.6.2 (b) of Dispatch Protocol Manual regarding Non-Security Limit is to prevent the spilling operations of the Caliraya Dam that may affect the community and to protect the dam



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from breakage. He added that the NPC's main role is about the flood control of the spillway gates. Mr. Trinidad likewise confirmed that only Caliraya Dam has this kind of technical characteristics.

- Ms. Maria Teresa L. Serra (NPC-DMD) added that for the other dams, spilling operation is normal. Historically, there have been no spilling operation events in Caliraya Dam due to a typhoon. If it will happen, then the community alongside the Pagsanjan River will be affected because the river has a narrower width (approx. 4 meters) than the rivers of other dams (e.g. Angat River, San Roque River). Ms. Serra added that the Caliraya Dam used to have a contingency protocol aligned with the MRU Manual, but it can no longer be applied since the said Manual was already made obsolete. She re-iterated that their main goal is protect the communities.
- Since the proposal would only address the particular condition of one plant, Mr. Ortiz suggested that the DOE could provide a policy direction for the Caliraya Dam. Which in turn, Ms. Javier, clarified that it would be better if the policy direction will come from DOE since WESM Rules is applicable to all.
- Mr. Ryan S. Morales (Distribution) requested clarification regarding the distinctions among previous deliberations that led to the new agreement. Mr. Morales emphasized that throughout multiple meetings, discussions and lobbying efforts took place; however, there were instances where proponents failed to timely address concerns due to conflicting schedules. Additionally, Mr. Morales highlighted that the release of the DOE DC2022-10-0031 superseded the initial proposal.

### Agreement:

- 1) The RCC agreed that amending the WESM Rules/Manuals may not be the right venue to make an exemption for a specific dam and power plant.
- 2) The RCC suggested NPC to endorse the issue to the DOE and await the DOE's response. The RCC will determine next meeting whether to conclude the processing of the proposal through a resolution
- 3) The Secretariat will draft a summary of discussions and actions taken in the processing of the proposal.

## 5.2 Review of Rules Change Procedures

### A) Process in Closing Past Proposals

- Presenter/s: Ms. Mary Rose L. Bisnar
- Action Requested: For Information/Discussion
- Material/s: Annex C – Presentation Material on Process in Closing Past Proposals

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### Proceedings:

Ms. Mary Rose L. Bisnar (Secretariat) presented the rules change processes for urgent and general/minor amendments and highlighted related provisions from the WESM Rules, Rules Change Manual, and Rules Change Committee Internal Rules. She presented a tabulated data from CY 2018-2023 showing the number of working days it took for a proposal to be decided from the publication for comments up to the RCC's final decision. It was noted that all proposals were concluded by way of the RCC's submission of its resolution to the PEM Board, which either recommended to approve or disapprove the proposal.

She informed the body that the Secretariat proposes no further changes on the WESM Rules, Rules Change Manual (RCM), and RCC Internal Rules in relation to the RCC's process of closing proposals.

### Agreement:

The RCC noted the Secretariat's recommendation.

### B) Effectivity of Urgent Amendments

- Presenter/s: Mr. John Eisendel M. Labay
- Action Requested: For Discussion/Approval
- Material/s:

Annex D – Matrix on proposed general amendments to WESM Rules and Rules Change Manual regarding the Effectivity of the Urgent Amendments and the Process of General Amendments

### Proceedings:

Mr. John Eisendel M. Labay (Secretariat) presented the discussion paper and led the line-by-line discussion regarding the proposed amendments to WESM Rules and WESM Rules Change Manual regarding the Effectivity of Urgent Amendments and the Process of General Amendments.

### A. Effectivity and Extension of Urgent Amendments

Area/Subject of Amendment	Brief Description
Effectivity of Urgent Amendment	Revise the period of validity and implementation from 6 months to until the DOE has approved the corresponding general amendment.
Extension of Effectivity of Urgent Amendment	To harmonize with the amendment in the WESM Rules, delete the provisions on extension of effectivity.

Mr. Labay discussed the rationale of the agreed amendments from the last 228<sup>th</sup> RCC (regular) meeting on the effectivity of urgent amendments.





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Below are the highlights of the discussion:

- Ms. Anosan inquired about the necessity of a contingency plan if the corresponding general proposal of an urgent amendment was remanded or disapproved. Mr. Morillos agreed on rewording the provisions proposed on WESM Rules section 8.4.1.1 (a) and 8.4.1.2 to accommodate such scenario.
- The RCC voted<sup>2</sup> to revise the proposed additional phrase “until the DOE’s approval”.

### B. Process of General/Minor Amendments

Area/Subject of Amendment	Brief Description
Deliberation period by the RCC on general amendments	Reflect a more realistic period wherein the RCC shall make its decision regarding a proposal.

Mr. Labay discussed the rationale of the proposal, stating that from the period of 2018 – 2023, thirty-four (34) out of one hundred four (104) proposals exceeded the designated 60-working day timeframe for the formulation of RCC decision and submission of resolution. These proposals have an average processing period of one hundred and eleven (111) working days with an average of four (4) RCC meetings for the deliberation. Consequently, this led to the reassessment of the existing provisions within the Rules Change Manual aimed to streamline the process of general amendments.

Below are the highlights of the discussion:

- Mr. Virgilio C. Fortich Jr. (Distribution) sought clarification regarding the effectiveness of caucus meetings in expediting the decision-making process within RCC. Ms. Divine responded affirmatively, stating that caucus meetings proved beneficial particularly in deliberating lengthy proposals.
- Mr. Orillaza suggested to further enhanced the rationale indicating the actual process of deliberation.

Agreement:

- The RCC provisionally approved the rules change proposal.

<sup>2</sup> Approved proposed phrase –

Voted: “until final decision by DOE” (9) – Messers. Banzon, Dela Cruz, Claudio, Fernando, Fortich, Alabado, and Ortiz; and Mesdames. Anosan and Javier

Voted: “for approval or disapproval” (0)

Voted: “until the disposal of the DOE” (0)



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2. The Secretariat will further polish the language of the proposed amendments and will submit the draft proposal to the RCC, for further review and comments, prior to publishing the proposal in the PEMC website for commenting of WESM Members and stakeholders.

### C) Attendees in RCC Meetings

- Presenter/s: Ms. Divine Gayle C. Cruz
- Action Requested: For Discussion/Approval
- Material/s: Annex E – Matrix on Proposed Amendments to RCC Internal Rules

#### Proceedings:

Ms. Cruz presented the proposed amendments to the RCC Internal Rules Issue 7.0, highlighting the proposed amendment on the Section VI item (m), which is:

~~“Invitation to~~ **Attendance of** Third Parties. Representatives from other government agencies and private sector, including the proponents and **commenters** of certain rules change proposals, may be invited by the Chairperson to attend meetings of the Committee to provide expert advice **and/or clarifications on their position**, but with **they shall have** no voting rights.

**Third parties other than those expressly invited but who wish to attend a meeting must seek the approval of the Chairperson through the Secretariat.”**

Below are the highlights of the discussion:

- Mr. Orillaza asked about the possible criteria for the approval/disapproval of request for inviting third parties in a RCC meeting. He emphasized that interested parties should have made their comments during the designated commenting period to be eligible for invitation to the meeting for further elaboration on their comments. He also recommended to avoid subjectivity in the rules and stressed that the burden would lie with the Chairperson.
- Mr. Jose Roderick F. Fernando (Independent) proposed the deletion of the additional 2<sup>nd</sup> paragraph, asserting that attendance should not be open to just anyone and should instead serve a specific purpose. He concurred with Mr. Orillaza’s perspective on this matter.
- Mr. Morales reiterated that for a certain large group such as Meralco, the representative may not be able to adequately articulate the organization’s position, hence wanting to nominate an expert to do so. He also agreed with the deletion of the additional 2<sup>nd</sup> paragraph, provided that his concern is addressed by the 1<sup>st</sup> paragraph.

#### Agreement:

1. The RCC agreed to delete the second paragraph of the proposed amendments on Section VI item (m) of RCC Internal Rules.





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2. The Secretariat will prepare a pros and cons matrix regarding third parties' attendees and will prepare the draft resolution to be presented on the next RCC meeting.

### 5.3 RCC Work Plan for CY 2024

- Presenter/s: Mr. John Eisendel M. Labay
- Action Requested: For Discussion/Approval
- Material/s: Annex F – Presentation material on 2024 RCC Work Plan

#### Proceedings:

Mr. Labay presented the RCC work plan for the year 2024. He highlighted the possible rules change proposals and their corresponding schedules up to 2026. He also reiterated that this workplan is aligned with the Corporate Strategic Plan of PEMC and is for submission to the PEM Board and posting in PEMC's website.

#### Agreement:

The RCC approved the draft RCC Work Plan for CY 2024-2026

## 6.0 Other Matters

### 6.1 Updates on Other Proposed Amendments

- Presenter/s: Ms. Divine Gayle C. Cruz
- Action Requested: For Information
- Material/s: Annex G - Presentation Material of Updates on Other Proposed Amendments

#### Proceedings:

Ms. Cruz provided an update on other Proposed Amendments highlighting the four (4) approved proposed amendments promulgated in DOE Department Circulars. Below is the summary of the status of the proposed amendments.

Status	Topic
General Amendments under RCC Evaluation or Finalization	1. Non-Security Overriding Constraints 2. Rules Change Process
General Amendments deferred awaiting ERC's issuance of the Omnibus Retail Rules	1. No Outstanding Balance as requirement for Switching 2. Electric Retail Aggregation Program
Proposed Amendments awaiting DOE's approval	1. System Operator Procedures on Market Intervention and Suspension 2. Ancillary Services Monitoring 3. Interruptible Load Program

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Status	Topic
	4. Market Intervention and Suspension 5. Penalty and Enforcement

She also informed the body regarding the tentative face-to-face RCC meeting on 19 April 2024. This is in line with the WESM Governance Committees’ photoshoot for the State of the Market Report (PEMC Annual Report) 2023.

Agreement:

The RCC noted the updates provided.

6.2 DOE Updates

Proceedings:

Ms. Jhannelyn D. Marasigan (DOE) informed the body that the DOE have scheduled a public consultation for the following proposal:

- 1. Proposed Amendments to the WESM Rules and WESM Manuals on Dispatch Protocol and Market Surveillance regarding Refinements to Procedures during Market Intervention/Market Suspension Procedures
- 2. Proposed Amendments to WESM Rules and Enforcement and Compliance Manual in Alignment with the Penalty Manual Revisions
- 3. Proposed Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load Program Implementation

She informed the body that the Proposed New Manual on Ancillary Services Monitoring regarding Reserve Market Compliance and Related Enforcement Actions is currently being finalized by the DOE. Additionally, under DOE DC2024-03-0009, the DOE promulgated the Commercial Operations of Retail Competition and Open Access (RCOA) and Green Energy Option Program (GEOP) in Mindanao.

Agreement:

The RCC noted the updates provided.

6.3 Schedule of Activities:

- Presenter/s: Ms. Divine Gayle C. Cruz
- Action Requested: For Information
- Material/s: None



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### Proceedings:

Ms. Cruz informed the body of the following Schedule of Activities:

- a) RCC Meetings
  - 19 April 2024
  - 17 May 2024
- b) BRC Meeting (no RCC agenda item)
  - 21 March 2024
- c) PEM Board Meeting (no RCC agenda item)
  - 27 March 2024

### Agreement:

The RCC noted the schedules.

## 7.0 Adjournment

The meeting was adjourned at 12:45 PM.

Prepared by:

(signed)

JOHN EISENDEL M. LABAY  
Rules Review Specialist  
Market Assessment Group

Reviewed by:

(signed)

KAREN A. VARQUEZ  
Senior Manager, Rules Review Division  
Market Assessment Group

Noted by:

(signed)

BIENVENIDO C. MENDOZA JR.  
Chief Market Assessment Officer

Approved by:

(signed)

JESUSITO G. MORALLOS  
Chairperson, Independent

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(signed)

**RACHEL ANGELA P. ANOSAN**  
 Member, Independent

(signed)

**JOSE RODERICK F. FERNANDO**  
 Member, Independent

(signed)

**DIXIE ANTHONY R. BANZON**  
 Member, Generation Sector  
 Masinloc Power Partners Co. Ltd. (MPPCL)

(signed)

**JORDAN REL C. ORILLAZA**  
 Member, Independent

(signed)

**CARLITO C. CLAUDIO**  
 Member, Generation Sector  
 Millennium Energy, Inc./Panasia Energy, Inc.  
 (MEI/PEI)

(signed)

**CHERRY A. JAVIER**  
 Member, Generation Sector  
 Aboitiz Power Corp. (APC)

(signed)

**RYAN S. MORALES**  
 Member, Distribution Sector  
 Manila Electric Company (MERALCO)

(signed)

(Attended by: Ms. Michelle S. Tuazon (Alternate Member))  
**MARK D. HABANA**  
 Member, Generation Sector  
 Vivant Corporation – Philippines (Vivant)

(signed)

**RUSSEL S. ALABADO**  
 Member, Distribution Sector  
 Angeles Electric Corporation (AEC)

(signed)

**VIRGILIO C. FORTICH, JR.**  
 Member, Distribution Sector  
 Cebu III Electric Cooperative, Inc. (CEBECO II)

(signed)

**GIAN KARLA C. GUTIERREZ**  
 Member, Supply Sector  
 First Gen Corporation (FGEN)

(signed)

**NELSON M. DELA CRUZ**  
 Member, Distribution Sector  
 Nueva Ecija II Area 1 Electric Cooperative, Inc.  
 (NEECO II – Area I)

(signed)

**DARRYL LON A. ORTIZ**  
 Member, System Operator  
 National Grid Corporation of the Philippines  
 (NGCP)

(signed)

**ISIDRO E. CACHO, JR.**  
 Member, Market Operator  
 Independent Electricity Market Operator of the  
 Philippines (IEMOP)

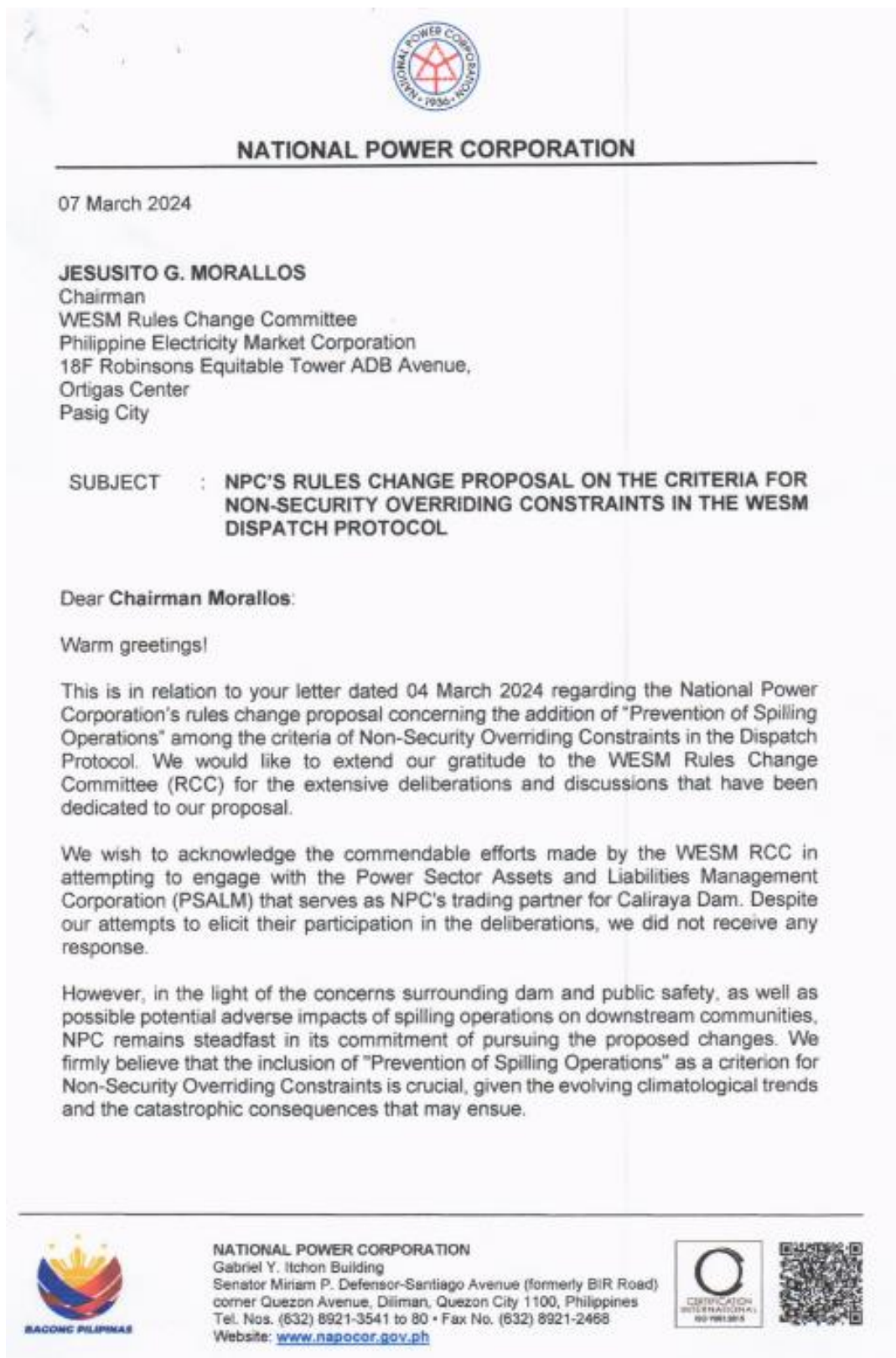
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Annex A – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023

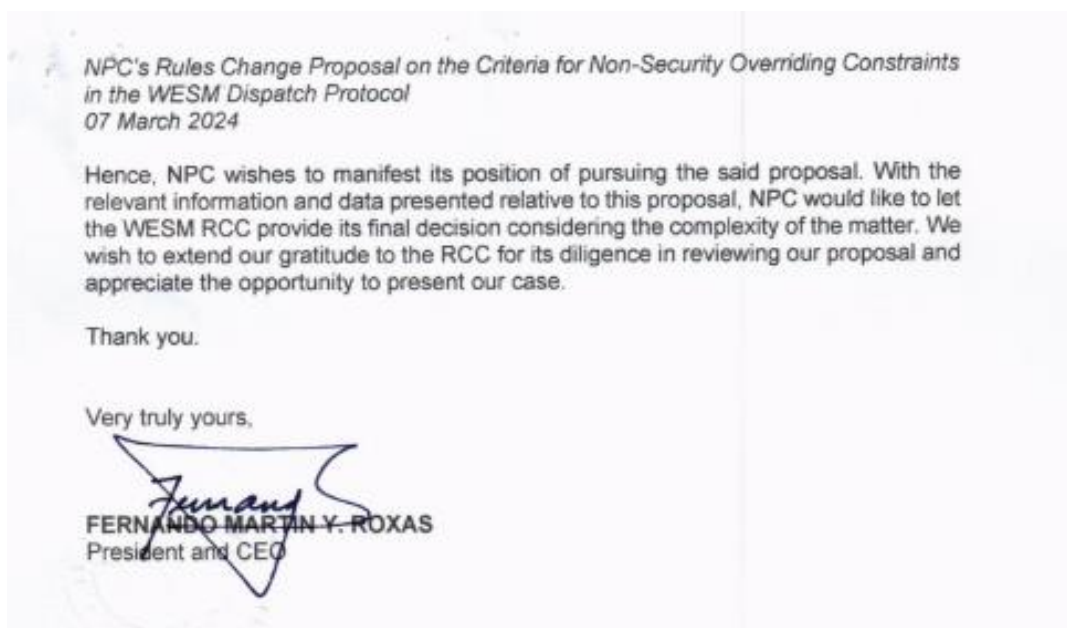


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Annex A – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023





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### Annex B – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023

Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC's Revised Proposal (15 Sep 2023)	Rationale
Over-riding Constraints	7.6.2	<p>7.6.2 The types of over-riding constraints that may be imposed in the MDOM include the following:</p> <p>xxx</p> <p>b. Non-Security Limits: Testing and Commissioning</p> <p>i. Generating Unit Limitation</p> <p>ii. Regulatory and Commercial Testing</p>	<p>7.6.2 The types of over-riding constraints that may be imposed in the MDOM include the following:</p> <p>xxx</p> <p>b. Non-Security Limits: <del>Testing and Commissioning</del></p> <p>i. Generating Unit Limitation</p> <p>ii. Regulatory and Commercial Testing</p> <p>iii. <u><b>Dam Operations during Local Calamities – refers to instances where there is a need to lower reservoir elevation due to incidents (i.e., flooding, damage to dam infrastructure, etc.) that would allow</b></u></p>	<p>7.6.2 The types of over-riding constraints that may be imposed in the MDOM include the following:</p> <p>xxx</p> <p>b. Non-Security Limits: <del>Testing and Commissioning</del></p> <p>i. Generating Unit Limitation</p> <p>ii. Regulatory and Commercial Testing</p> <p>iii. <u><b>Prevention of Spilling Operation during the occurrence of severe weather disturbance and the reservoir water level is at Normal High Water Level:</b></u></p>	<ul style="list-style-type: none"> <li>To facilitate requests to the System Operator for priority dispatch for hydropower plants through the imposition of overriding constraints in times when immediate pre-emptive lowering of reservoir elevation is necessary in anticipation of calamities.</li> <li>To minimize, if not prevent, the probability of spilling operations through the dam spillway that may cause extensive</li> </ul>

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### Annex B – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023

Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC's Revised Proposal (15 Sep 2023)	Rationale
			<u>hydro-electric plants to run under Non-Security Overriding Constraints to avert or minimize damage to infrastructures and ensure safety of people living in affected localities.</u>	<p><u>a. When release thru the spillway gates may result to severe flooding and cause damages downstream of the dam</u></p> <p><u>b. When dam appurtenances related to the conduct of spilling operations are deemed inoperable</u></p>	<p>flood damage in the downstream communities.</p> <ul style="list-style-type: none"> <li>To optimize the utilization of the reservoir stored water through power-generating turbines instead of spilling the excess water through the spillway which will be a waste of resources.</li> <li><u>To support the government's call for disaster resiliency by managing floods and optimizing the utilization of water resources.</u></li> </ul>

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### Annex B – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023

Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC's Revised Proposal (15 Sep 2023)	Rationale
Over-riding Constraints	7.6.3	7.6.3 Over-riding constraints in the scheduling and dispatch of generating units qualifying as must-run units designated under Section 7.6.2 and Section 17, shall be compensated based on the mechanism set forth in the Price Determination Methodology Manual. Overriding constraints for the scheduling and dispatch of generating units undergoing Regulatory and Commercial testing process shall be considered as price takers in the WESM for generation traded in the spot market.	7.6.3 <del>Over-riding constraints in the scheduling and dispatch of generating</del> <b>Generating</b> units qualifying <b>designated</b> as must-run units <del>designated under Section 7.6.2 and Section 17,</del> shall be compensated based on the mechanism set forth in the Price Determination Methodology Manual. <del>Overriding constraints for the scheduling and dispatch of</del> <b>Generating</b> units <del>undergoing Regulatory and Commercial testing process under the category of non-security over-riding constraints as cited in Section 7.6.2</del> shall be considered as <b>price takers</b> in the WESM for <i>generation</i> traded in the <i>spot market</i> .	No revision	(No revision in rationale)  <ul style="list-style-type: none"> <li>To clarify and distinguish the compensation mechanisms between generating units designated as must-run units (MRU) and those dispatched through the imposition of non-security limit over-riding constraints, which includes the proposed new sub-category of "Dam Operations during Force Majeure".</li> </ul>

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Annex B – Matrix on Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints as of 15 Sept 2023

Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC’s Revised Proposal (15 Sep 2023)	Rationale
					<ul style="list-style-type: none"><li>To emphasize that hydroelectric generating units imposed with the non-security limit under the condition of “Dam Operations during Force Majeure” are only considered price-takers and are not entitled to additional compensation (unlike MRUs) since they do not incur any fuel costs.</li></ul>
Over-riding Constraints	(NEW) 7.6.5	(None)	<b>(NEW)</b>  <u>7.6.5 Generating units requesting dispatch by reason of Dam Operations</u>	<u>7.6.5 Generating units requesting dispatch by reason of Dam Operations during Local Calamities shall submit to the System Operator the</u>	<i>(Rationale for original proposed amendment)</i>  To provide a timeline for hydroelectric

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Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC's Revised Proposal (15 Sep 2023)	Rationale
			<u>during Local Calamities shall submit to the System Operator the MW profile that details the MW target for each dispatch interval during its requested spilling operations period on or before two (2) business days prior to the start of the dam's spilling operations.</u>	<u>MW profile that details the MW target for each dispatch interval during its requested spilling operations period on or before two (2) business days prior to the start of the dam's spilling operations.</u>	<p>generating units to submit their MW profile to the System Operator</p> <p><i>(Rationale for proposed deletion of original proposed amendment, lifted from minutes of meeting)</i></p> <p>“.. to mitigate the risk caused by unforeseen events such as sudden malfunction of the dam operations during typhoons. ... the proposed coordination with SO, i.e., two (2) business days prior to the start of dam's spilling operations, may pose a problem if the said events occur because such lead</p>

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Title	Section	Original Provision	RCC Resolution No. 2022-09 (17 Jun 2022)	NPC’s Revised Proposal (15 Sep 2023)	Rationale
					time is too long. ... if the proposed deletion will not be approved by the RCC, reducing the timeline may be considered.”



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### Annex C – Presentation Material of Process in Closing Past Proposals



## RCC'S DECISION ON THE PROPOSED AMENDMENTS

Rules Review Division

### REQUESTED ACTION

For Information/Discussion

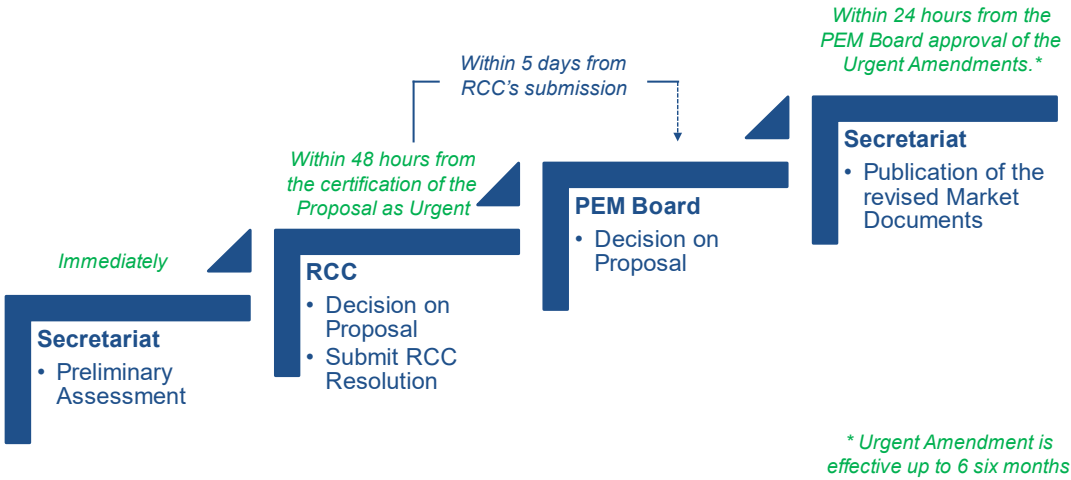
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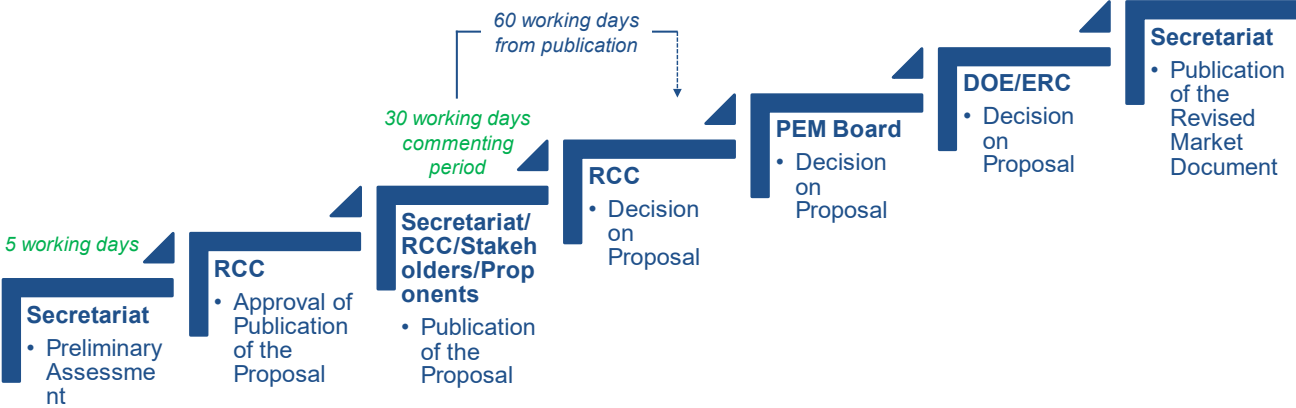
RULES CHANGE PROCESS  
Urgent Amendments



3



RULES CHANGE PROCESS  
General Amendments



4





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5

**REVIEW OF MARKET RULES AND MANUALS**

Review of Market Rules and Manuals

Philippine Electricity Market Corporation

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WESM RULES

**8.4.3 Discretions when assessing a Proposal**

*In considering whether a proposal for a change in the WESM Rules or a Market Manual, or for the adoption of a new Market Manual satisfies the criteria as set out in WESM Rules Clause 8.4.1, the Rules Change Committee may;*

xxx

*(c) Seek such information and views from any person as may be practicable under the circumstances; and xxx*



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RULES CHANGE MANUAL

- 6.1.5 Decision/Recommendations of the Rules Change Committee**  
a) The Rules Change Committee shall make its decision and shall submit its resolution or status report to the PEM Board not later than sixty( 60) working days from the date of publication of the notice made pursuant to Section 6.1.2(a).
- 6.1.6 Submission to the PEM Board**  
xxx  
b) The resolution or status report shall be in writing and shall contain  
i) the recommendation(s) whether or not to adopt the proposal and the reasons therefor;  
ii) the proposed amendment, where the recommendation(s) include a proposal to modify the WESM Rules, Retail Rules or Market Manuals;  
iii) record of the votes and summary of objections if any, of each member of the Rules Change Committee, in respect of each of the recommendations made;  
iv) summary of any objections to the proposal brought to the attention of the Committee by any interested party;  
Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals Page 9 of 15  
v) procedures implemented by the Committee in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written submissions.



RULES CHANGE COMMITTEE INTERNAL RULES

- Section VI Conduct of Meeting**  
xxx  
j. Resolution of Items/Issues. The Committee shall submit to the PEM Board either a resolution of its decision on a proposal within sixty (60) working days from the date of publication of the notice requesting for comments on a proposal, or, a status report on any proposal within ten(10) working days from the RCC meeting when the said proposals were discussed. xxx



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Annex C – Presentation Material of Process in Closing Past Proposals

RCC’S APPROVED AND DISAPPROVED PROPOSALS  
APPROVED PROPOSALS CY 2018-2023

Year	No. of days (x) from <u>Publication of the proposal for comments to RCC Decision</u> pursuant Section 6.1.5 of Rules Change Manual				
	X ≤ 60 days	60 < x ≤ 70 days	70 < x ≤ 100 days	100 < x ≤ 200 days	X > 200 days
2018	11	1		1	
2019	19	6	1	1	1
2020	13	1	1	1	
2021	17	3	1	3	1
2022	8		5	3	
2023	2		2	2	

- Note/s:
- Three (3) proposed amendments were disapproved as urgent amendment by the RCC.
  - One (1) proposed amendment was withdrawn by the Proponent.



RCC’S APPROVED AND DISAPPROVED PROPOSALS  
Approved Proposals CY 2018-2023

Year	Proposed Amendment	Date Submitted to RCC	Date Approved by RCC	Meetings	Remarks
2019	Proposed Amendments to the WESM Registration Manual for <b>General Enhancements to the Application Process of New WESM Members</b>	29-Nov-19	21-Oct-21	161 <sup>st</sup> , 164 <sup>th</sup> , 183 <sup>rd</sup> , 184 <sup>th</sup> , 185 <sup>th</sup> (5 RCC Meetings)	Alignment of the proposal to the DOE DC2021-06-0013 re General framework adopting T&C of Generation Facilities
2021	Proposed Amendments to the WESM Rules, WESM Manual and Retail Manual on <b>Validation Timeline Adjustment in Metering and Billing</b>	04-Jan-21	17-Dec-21 (RCC Reso No. 2021-23)  18-Mar-22 (RCC Reso No. 2022-04)	176 <sup>th</sup> , 185 <sup>th</sup> , 186 <sup>th</sup> , 189 <sup>th</sup> , 191 <sup>st</sup> , 192 <sup>nd</sup> (6 RCC Meetings)	Revised and finalized in view of DOE DC2021-07-2021 re Metering Services Providers performance, metering standards, and SSLA.





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Annex C – Presentation Material of Process in Closing Past Proposals

CY 2018 - 2023  
General Observation

- Proposals that are disapproved by the RCC are mostly urgent proposals that didn’t pass as Urgent Amendment based on the criteria set out on the WESM Rules and RCM.
- 4 RCC Meetings - average number of meetings that the proposal was discussed.



CY 2014 - 2016  
Disapproved Proposals

Year	Proposed Amendment	RCC Resolution No.	Reason for Disapproval
2014	Proposed Amendments for the Inclusion of the Offer Price Cap in the WESM Rules and adoption of a New Manual re <b>Offer Price Cap and Customer Price Dampener</b>	RCC-RESO-2014-10	ERC is already undertaking efforts, through the issuance of ERC Resolution No. 08 to mitigate high prices in the Market
2015	Proposal for Amendments to the Dispatch Protocol Manual in Relation to <b>Dispatch Tolerance</b>	RCC-RESO-2015-07	Lack of clarity and sufficient justification
2016	Proposed Amendments to the WESM Manual on Metering Standards and Procedures regarding <b>Site-Specific Loss Adjustment</b>	RCC-RESO-2016-06	Inefficiencies and distortions that such change will introduce into the market, rendering the amendment to the relevant provision unnecessary







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Annex C – Presentation Material of Process in Closing Past Proposals

RECOMMENDATION

Recommendation	Remarks
No Further Changes on the WESM Rules, RCM, and Internal Rules	<p>Based on the data regarding RCC’s decision on the proposed amendments, the disapproval of the proposed amendments happened few times only.</p> <p>Per Section 6.1.6 (b) (v) of RCM, the RCC shall write its decision and submit to PEM Board by way of written resolution which contains procedures implemented by the Committee in considering the proposal, including but not limited to the giving of notices, conduct of consultations and receipt and consideration of written submissions.</p>





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Annex D – Matrix on proposed general amendments to WESM Rules and Rules Change Manual regarding the Effectivity of the Urgent Amendments and the Process of General Amendments

WESM RULES				
Title	Section	Provision	Proposed Amendment	Rationale
Chapter 8 – Rule Change  8.4 Consideration of Proposals to Change WESM Rules or Market Manuals or to Adopt New Market Manuals by the Rules Change Committee  8.4.1 Rules Change Classification Procedures	8.4.1.1 (a)	(a) x x x  “Provided further that the urgent amendments shall be implementable on the affected WESM/Retail operations and/or transactions within the period of six (6) months subject to the conformation of the Market Operator”	(a) x x x  “Provided further that the urgent amendments shall be implementable on the affected WESM/Retail operations and/or transactions <del>within the period of six (6) months subject to the conformation of the Market Operator</del> <b><u>until the DOE’s approval of the corresponding general amendment.</u></b>	To allow sufficient time for the approval and promulgation of corresponding general proposal
Chapter 8 – Rule Change  8.4 Consideration of Proposals to Change WESM Rules or Market Manuals or to Adopt New Market Manuals by the	8.4.1.2	x x x  In cases of changes to the WESM Rules, Market Manuals or the adoption of new Market Manuals, implemented pursuant to WESM Rules Clause 8.4.1.1 (a) prior to DOE’s approval, shall be processed and submitted to the DOE for final approval; otherwise, the effectivity of	x x x  In cases of changes to the WESM Rules, Market Manuals or the adoption of new Market Manuals, implemented pursuant to WESM Rules Clause 8.4.1.1 (a) prior to DOE’s approval, shall be processed and submitted to the DOE for final approval; <del>otherwise, the effectivity of</del>	To allow sufficient time for the approval and promulgation of corresponding general proposal



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Annex D – Matrix on proposed general amendments to WESM Rules and Rules Change Manual regarding the Effectivity of the Urgent Amendments and the Process of General Amendments

WESM RULES				
Title	Section	Provision	Proposed Amendment	Rationale
Rules Change Committee  8.4.1 Rules Change Classification Procedures		such WESM Rules changes shall be no more than six (6) months from the PEM Board approval	<del>such WESM Rules changes shall be no more than six (6) months from the PEM Board approval</del> <u>The effectivity of these changes will be until the DOE’s approval of the corresponding general amendment. (to be revised: for possible disapproval)</u>	



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### Annex D – Matrix on proposed general amendments to WESM Rules and Rules Change Manual regarding the Effectivity of the Urgent Amendments and the Process of General Amendments

WESM Rules Change Manual				
Title	Section	Provision	Proposed Amendment	Rationale
Decision/Recommendations of the Rules Change Committee	6.1.5	a) The Rules Change Committee shall make its decision and shall submit its resolution or status report to the PEM Board not later than sixty (60) working days from the date of publication of the notice made pursuant to Section 6.1.2 (a). xxx	a) The Rules Change Committee shall make its decision and shall submit its resolution or status report to the PEM Board not later than sixty (60) working days from the <b><u>deadline of written submissions</u></b> date of publication of the notice made pursuant to Section 6.1.2 (a). xxx	To reflect a more realistic period wherein the RCC shall make its decision regarding a proposal.(additional objective)
Chapter 7 – Urgent Amendments  7.4 Effectivity of Urgent Amendment	7.4 (b)	x x x  (b) The amendment shall be effective for a period of not more than six (6) months from publication provided for under subsection (a) hereof or until such time that a general amendment on the same matter has been approved and become effective, whichever comes first.	x x x  (b) The amendment shall be effective <del>for a period of not more than six (6) months from publication provided for under subsection (a) hereof or</del> until such time that a general amendment on the same matter has been approved and become effective, <del>whichever comes first.</del>	To harmonize with the amendments in WESM Rules
Chapter 7 – Urgent Amendments  7.4 Effectivity of Urgent Amendment	7.4 (g)	x x x  (g) On the basis of the assessment conducted by the Market	x x x  (g) <del>On the basis of the assessment conducted by the Market</del>	With the proposed amendments in WESM Rules and Clause 7.4 (b) of this manual, extension of



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Annex D – Matrix on proposed general amendments to WESM Rules and Rules Change Manual regarding the Effectivity of the Urgent Amendments and the Process of General Amendments

WESM Rules Change Manual				
Title	Section	Provision	Proposed Amendment	Rationale
		Assessment Group, the PEM Board may extend the effectivity of urgent amendments only once for up to six (6) months and shall inform the DOE of such extension.	<del>Assessment Group, the PEM Board may extend the effectivity of urgent amendments only once for up to six (6) months and shall inform the DOE of such extension.</del>	effectivity of urgent amendments will not be necessary.  Note that the MAG will still submit the assessment on the implementation of urgent amendments under Clause 7.4 (f) of this manual



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### Annex E – Matrix on Proposed Amendments to RCC Internal Rules

RCC Internal Rules			
Section and Title	Original Provision	Amendments	Rationale
II. Responsibilities	The Committee shall assist the Philippine Electricity Market Corporation (PEMC) Board and the Department of Energy (DOE) in refining or enhancing the market design through revision and amendment of the WESM Rules, and the formulation and amendment of market manuals, procedures, and guidelines.	The Committee shall assist the Philippine Electricity Market Corporation (PEMC) Board and the Department of Energy (DOE) <b><u>or the Energy Regulatory Commission (ERC)</u></b> in refining or enhancing the market design through revision and amendment of the WESM Rules, and the formulation and amendment of market manuals, procedures, and guidelines.	To include the ERC among the government bodies assisted by the RCC, specifically for proposals affecting market prices and settlement.
V. Meetings  (g) Highlights of Meetings	Highlights of the Meeting. Initially, draft highlights of the previous regular and caucus meeting shall be sent by the Secretariat to the Committee members present no later than twenty-four (24) hours after the said meeting, for comments and approval.	Highlights of the Meeting. Initially, draft highlights of the previous regular and caucus meeting shall be sent by the Secretariat to the Committee members present no later than <del>twenty-four (24) hours</del> <b><u>one (1) working day</u></b> after the said meeting, for comments and approval.	To be consistent with the Secretariat's internal business procedures and current practice.
VI. Conduct of Meetings	Invitation to Third Parties. Representatives from other	Invitation to Third Parties. Representatives from other	To limit third party attendees in the RCC meetings to only those with





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### Annex E – Matrix on Proposed Amendments to RCC Internal Rules

RCC Internal Rules			
Section and Title	Original Provision	Amendments	Rationale
(m) Invitation to Third Parties	government agencies and private sector, including the proponents of certain rules change proposals, may be invited by the Chairperson to attend meetings of the Committee to provide expert advice, but with no voting rights.	government agencies <del>and private sector, including the proponents,</del> <b><u>commenters and resource persons</u></b> of certain rules change proposals <b><u>and other matters in the RCC agenda</u></b> may be invited by the Chairperson to attend meetings of the Committee to provide <b><u>information</u></b> , expert advice <b><u>and/or clarifications on their position</u></b> , but <del>with</del> <b><u>they shall have</u></b> no voting rights.	specific participation in the meeting: proponent, commenters and resource persons of proposals and other matters in the RCC agenda.
VIII. Rules Change Process a. Submission of Proposal, number 2	Only those proposals which are submitted using the standard prescribed form shall be considered and accepted by the Committee. Otherwise, the Committee Secretariat shall remand the proposal back to the proponent, for compliance.	Only those proposals which are submitted <b><u>through the PEMC website submissions facility and</u></b> using the standard prescribed form shall be considered and accepted by the Committee. Otherwise, the Committee Secretariat shall remand the proposal back to the proponent, for compliance.	To reflect that submissions of new proposals and comments thereto are now done via an online facility in the PEMC website.



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### Annex E – Matrix on Proposed Amendments to RCC Internal Rules

RCC Internal Rules			
Section and Title	Original Provision	Amendments	Rationale
VIII. Rules Change Process  b. Consideration of Comments and Proponent's Response, number 1	In the evaluation of proposed rules amendments that were published for comments, the Committee shall consider comments submitted by interested parties to the Committee through the Committee Secretariat using the standard prescribed form posted for in electronic format by e-mail. The Committee Secretariat shall acknowledge receipt of comments.	In the evaluation of proposed rules amendments that were published for comments, the Committee shall consider comments submitted by interested parties to the Committee through the Committee Secretariat using the <b><u>PEMC website submissions facility and</u></b> standard prescribed form <del>posted for in electronic format by e-mail</del> . The Committee Secretariat shall acknowledge receipt of comments.	To reflect that submissions of new proposals and comments thereto are now done via an online facility in the PEMC website.
IX. Code of Ethics and Professional Conduct  Item (b)	xxx b. The Committee members shall observe generally accepted principles of ethics and professional conduct in all its dealings.	xxx b. The Committee members shall observe <b><u>the WESM Industry Code of Ethics and</u></b> generally accepted principles of ethics and professional conduct in all its dealings.	To provide that the WICOE also applies to all WESM Governance Committee members.



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### Annex F – Presentation material of 2024 RCC Work Plan

#### 2024 RULES CHANGE COMMITTEE WORK PLAN

The Rules Change Committee strives to attain a timely resolution of all rules change proposals it receives and shall continuously direct its efforts to work on priority activities for further enhancements to the Market Rules and Manuals. The activities in the Work Plan are aligned with PEMC's 2023-2025 Corporate Strategic Plan and shall be updated as necessary as more contributions are received from industry sectors and stakeholders or as directed by the DOE or ERC.

**Legend:** ■ Submission/Completion of Report/Inputs/Comments  
 ■ Regular Activity

ACTIVITIES		OUTPUTS	2024				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance							
Objective 4: Availability of Adequate Support to the PEM Board and its Committees							
1	Conduct of monthly, special, and caucus meetings	Minutes of meetings					
Objective 5: Availability of Accurate and Updated Market Reports, Rules, Manuals, and Other Relevant Public Information About the WESM and REM							
2	Approve Annual Committee Work Plan aligned with PEMC Corporate Strategic Plan	2024 RCC Work Plan					
3	Approve Semestral Reports	RCC Semestral Reports submitted to the PEM Board in January and December 2024					
4	Facilitate submission of Sectoral Certifications as proof of informing within the previous calendar year on matters pertaining to rules changes and other activities of the Committee	Sectoral Certifications submitted to the RCC/PEM Board					
Objective 6: Provision of Continuing Stakeholder Support and Engagement and Enhanced Market Awareness							
5	Participate in WESM-related events, as requested or <u>scheduled</u>	Attendance to the WESM events					

#### 2024 RULES CHANGE COMMITTEE WORK PLAN

ACTIVITIES		OUTPUTS	2024				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
Objective 8: Responsive market rules and manuals							
6	Assess market rules and manuals and propose amendments <sup>1</sup>	RCC Resolutions on rules change proposals submitted to the PEM Board					
7		Presentation during the Board Review Committee (BRC) and PEM Board meetings					
8	Participate in DOE/ERC public consultations on market rules and manuals and propose amendments	Attendance to the DOE/ERC public consultations					
9	Enhance rules change process	Updated RCC Internal Rules and proposed amendments to the Rules Change Manual					
GOAL 3: Achieve Organizational Excellence and Operational Efficiency							
Objective 5: Clear Corporate Targets and Performance Measures							
10	Timely approval of Corporate and Departmental Strategic Plan by the PEM Board and PEMC Management, respectively	Inputs to Corporate and Departmental Strategic Plan					
Objective 6: Continuing Improvement in the Delivery of Service to Internal and External Clients							
11	Respond to survey on the provision of technical and administrative support to the RCC	Response to survey on WESM Governance Committee (WGC) Support by PEMC					
12	Participate in activities related to ISO 37000:2021 - Governance of Organizations Training / Certification	Attendance to trainings/discussions and provide inputs, as requested by PEMC					

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### Annex F – Presentation material of 2024 RCC Work Plan

#### 2024 RULES CHANGE COMMITTEE WORK PLAN

##### Annex A: Current Rules Change Proposals (as of 08 February 2024)

Status	Proposal	Proponent
General Amendments under RCC Evaluation or Finalization	Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding <b>Non-security Over-riding Constraints</b> .	National Power Corporation (NPC)
General Amendments deferred awaiting ERC's issuance of the Omnibus Retail Rules	Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of <b>Electric Retail Aggregation Program</b>	IEMOP
	Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on <b>No Outstanding Balance</b> (Harmonization with ERC Resolution No. 01, Series of 2023)	IEMOP

##### Annex B: PEMC/WGC Possible Rules Change Proposals

PEM Board-Approved Goals / Objectives (2023-2025 PEMC Corporate Strategic Plan)	Topic	Proponent	2024	2025	2026
<b>GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance</b>					
Objective 1: Promotion of a culture of compliance and enhanced compliance monitoring	Compliance to the Reserve Offer Capacity Compliance (ROCC) and Reserve Conformance Standards	PEMC	✓		
	<b>Battery Energy Storage Systems (BESS),</b> including Plants with Hybrid Systems (VREs + ESS)	PEMC	✓	✓	
	Metering Services Providers (MSP) Obligations and Compliance	PEMC		✓	✓
Objective 3: Market Design, Review, and Implementation of Mechanisms for the WESM	Implementation of Enhanced WESM Design and Operations (EWDO) including Reserve Market (RM)	PEMC			✓
	Anti-Competitive Behavior (ACB)	PEMC & MSC			✓
Objective 6: Provision of Continuing Stakeholder Support and Engagement and Enhanced Market Awareness	Review of articles and bylaws for Voting Rights of Participants	PEMC			✓
	WCO Certification and Registration Manual and Implementing Guidelines Procedures	PEMC			✓
Objective 8: Responsive Market Rules and Manuals	Improvements to rules change process	PEMC	✓		
	Enhancement to Enforcement and Compliance Manual and Penalty Manual	PEMC			✓
	Overhaul of WESM Manual on Market Network Model Development and Maintenance – Criteria and Procedures	PEMC	✓		

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### Annex G – Presentation Material of Updates on Other Proposed Amendments



## DATA PRIVACY NOTICE

Please be informed that 229<sup>th</sup> RCC Meeting will be recorded using MS Teams for documentation purposes and kept in Microsoft SharePoint until such purpose is attained or the retention period as mandated by PEMC's Information Security and Documented Information Policy has lapsed.

Your video and audio may be recorded.

By continuing to stay in this meeting, you consent to this recording.

For any questions, feel free to contact Rules Review Division (mag\_rrd@wesm.ph) and/or the DPO at dpo@wesm.ph



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DETERMINATION OF QUORUM

Representation/ Sector	Principal Member / Alternate Member		Attendance	
Independent	Jesusito G. Morillos			
	Jose Roderick F. Fernando			
	Rachel Angela P. Anosan			
	Jordan Rel C. Orillaza			
Generation	Dixie Anthony R. Banzon	Rose Ann O. Alfaro		
	Cherry A. Javier	Angeli Abad-Parcia		
	Carlito C. Claudio	Jessie B. Victorio		
	Mark D. Habana	Michelle S. Tuazon		
Distribution	Ryan S. Morales	Manuel Luis Zagala		
	Russel S. Alabado	Alfredo C. Sanaga, Jr.		
	Virgilio C. Fortich, Jr.	Getulio Zamosas Crodua		
	Nelson M. Dela Cruz	Darwin T. Daymiel		
Supply	Gian Karla C. Gutierrez	Dennis R. Paragas		
Transmission	Darryl Lon A. Ortiz	Clark N. Agustin		
Market Operator	Isidro E. Cacho, Jr.	Kristoffer Monico S. Ng		



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UPDATES ON THE PROPOSALS

Urgent Amendments

	Proposal	Proponent	Update/Status
1	Proposed Urgent Amendments to the WESM Rules and <b>Forecast Accuracy Standards</b> Manual on Matters Relating to Enforcement Proceedings and Actions	PEMC	Expiration of Effectivity: <b>23 May 2024 or until the DOE approves General Amendments</b>  Extended implementation per PEM Board Resolution No. 2023-66-04  • <b>Signed by DOE Secretary   DOE DC2024-01-0005</b>
2	Proposed Urgent Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring <b>All RE Resources as Preferential Dispatch</b> )	IEMOP	Extended implementation per PEM Board Resolution No. 2023-62-03 • Expiration of Effectivity: <b>26 January 2024</b>  • <b>Signed by DOE Secretary   DOE DC2024-01-0004</b>
3	Request for Extension of Effectivity of Urgent Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring <b>All RE Resources as Preferential Dispatch</b> )	PEMC	• <b>Extended implementation per PEM Board Resolution No. 2024-68-05</b>



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UPDATES ON THE PROPOSALS

Urgent Amendments

	Proposal	Proponent	Update/Status
4	Proposed New WESM Manual on <b>Ancillary Services Monitoring</b> (Urgent Proposal)	PEMC	Transmitted to the DOE in a letter dated 09 November 2023  DOE conducted virtual Public Consultation on 05 December 2023





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UPDATES ON THE PROPOSALS  
General Amendments – Under RCC Evaluation

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding <b>Non-security Over-riding Constraints</b>	NPC	<ul style="list-style-type: none"><li>Proponent submitted revised proposal on 12 September 2023</li><li>Mar 15 (229<sup>th</sup>): Deferred; tabled for decision on April 2024 meeting</li></ul>
2	Proposed Amendments to the <b>Rules Change Process</b>	RCC	<ul style="list-style-type: none"><li>For finalization and posting for comments</li></ul>



UPDATES ON THE PROPOSALS  
General Amendments – Under RCC Evaluation

	Proposal	Proponent	Update/Status
4	Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on <b>No Outstanding Balance</b> (Harmonization with ERC Resolution No. 01, Series of 2023)	IEMOP	Deferred deliberation pending ERC's issuance of Omnibus Retail Electricity Market Rules
5	Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of <b>Electric Retail Aggregation Program</b>	IEMOP	



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UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

	Proposal	Proponent	Update/Status
1	Proposed New WESM Manual on <b>Ancillary Services Monitoring</b> (Urgent Proposal)	PEMC	Transmitted to the DOE in a letter dated 09 November 2023  DOE conducted virtual Public Consultation on 05 December 2023
2	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the <b>Interruptible Load Program Implementation</b>	IEMOP	<ul style="list-style-type: none"><li>Jan 08, 2024: Endorsed to PEM Board, for approval</li><li>Jan 31, 2024: Approved by the PEM Board PEM Board Resolution No. 2024-68-03</li></ul>
3	Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding <b>Market Intervention and Suspension</b>	MSC	<ul style="list-style-type: none"><li>Jan 08, 2024: Endorsed to PEM Board, for approval</li><li>Jan 31, 2024: Approved by the PEM Board PEM Board Resolution No. 2024-68-04</li></ul>
4	Proposed Amendments to the WESM Rules and WESM Manuals on <b>Penalty, and Enforcement and Compliance</b>	PEMC	<ul style="list-style-type: none"><li>Jan 8, 2024: Endorsed to PEM Board, for approval</li><li>Jan 31, 2024: Approved by the PEM Board PEM Board Resolution No. 2024-68-06</li></ul>

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UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

	Proposal	Proponent	Update/Status
5	Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Enhancements and Updating of the <b>System Operator's Re-Dispatching, Reporting and Market Intervention/Suspension Procedures</b>	NGCP	Under DOE finalization stage  Concluded DOE Public Consultation: <ul style="list-style-type: none"><li>23 Aug 2023 – Luzon (BGC)</li><li>31 Aug 2023 – Mindanao (General Santos)</li><li>06 Sept 2023 – Visayas (Cebu)</li></ul>

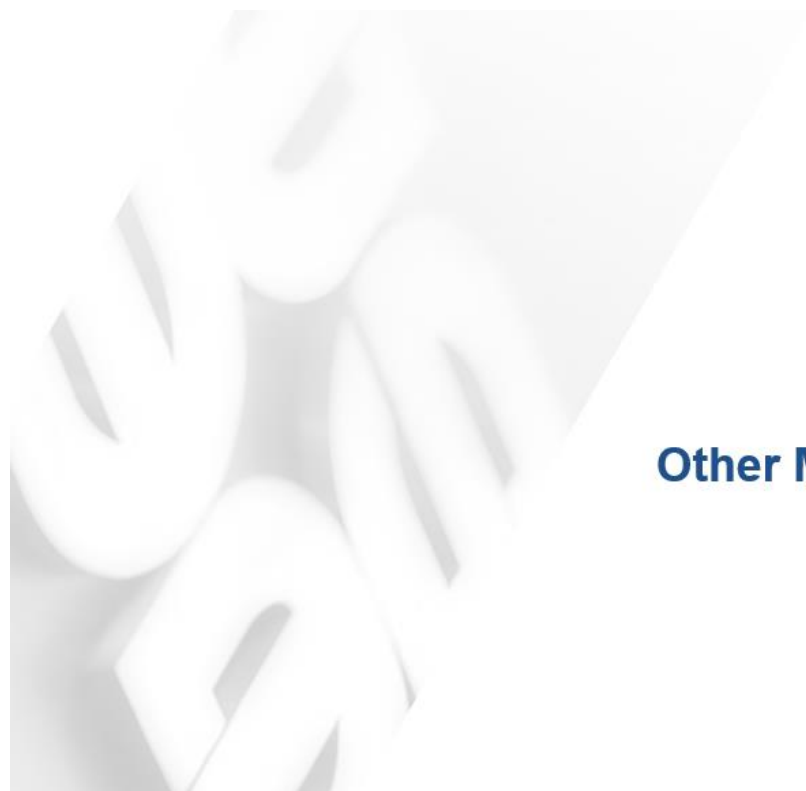


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## Other Matters



## OTHER MATTERS

- TENTATIVE Face-to-Face Meeting for April 2024
  - Photoshoot for the State of the Market Report (PEMC Annual Report) 2023

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