



MARKET SURVEILLANCE COMMITTEE ACCOMPLISHMENTS

(JUNE 2006 – DECEMBER 2020)

July 2021

Zoom



A Premier Electricity Market & Champion of *G*overnance

THE MSC MANDATE: AN OVERVIEW

**Market
Monitoring
and
Assessment**

**Enforcement
and
Compliance**

**Penalty
Design and
Manual
Review**



Promote market
efficiency and effective
competition



Foster the culture of
compliance



Participate meaningfully
in policy and rules
development

MONITORING AND ASSESSMENT IN THE WESM



Review, Update, and Define Monitoring Indices

- Supply margin price index
- Offer Pattern index
- Seasonality in monitoring
- Enhanced WESM Design



Assessment of Market Outcomes and Participant Behavior

- Market Assessment Reports
- Review Reports on Market Intervention / Suspension
- Review of Over-Riding Constraints
- Monitoring of Prolonged Testing and Commissioning
- Review of Grid Operating Program (GOP)



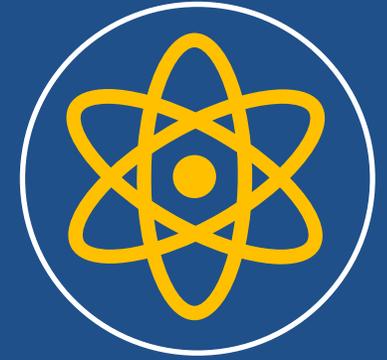
Analysis of Unusual Market Outcomes

- Interesting Pricing Events Reports on price outliers based on price-supply margin analysis
- Review of Extreme Negative Price Events
- Recommendation to implement the market floor price



Special Reports and Situationers

- Market Situationer Reports on Malampaya Shutdowns
- Assessment of Red and Yellow Alert Issuances
- Special Assessment Report on High Market Prices
- Offer Pattern Analysis during initial implementation of ECQ



Studies

- Competitiveness of the Visayas Market
- Study on the Mindanao Market
- Competitiveness of Reserves
- Position Paper on MMS Failure
- Study on the Economic Viability of the Generation Sector during the COVID-19 Pandemic
- Survey Paper on Competition Framework

MONITORING AND ASSESSMENT OF THE RCOA MARKET



Monitoring Indices

- Catalogue on Retail Market Monitoring Data and Indices



Periodic Assessment Reports

- Quarterly and Annual Retail Market Assessment Reports



Philippine RCOA Issues Paper

- Consultation Series with RCOA Stakeholders
- Assessment of the RCOA Implementation
- Benchmarking of Best Practices in Other Jurisdictions
- Recommendations to DOE and ERC

ENFORCEMENT AND COMPLIANCE

Streamlining of the compliance monitoring and investigation processes



Monitor Compliances

- Monitoring of compliance with the Must-Offer Rule (MOR), Nomination of Loading Levels and Projected Outputs (NOM), and Real-Time Dispatch (RTD) schedule/instruction
- Issuance of Requests for Investigations (RFIs)
- Policy on Compliance Monitoring during the COVID-19 Pandemic

5,935
RFIs

1,348
Concluded
Investigation
Cases



Review Investigation Reports

- Monthly Review of ECO Investigation Reports
- Submission of Recommendations to the PEM Board



Develop Criteria on Compliance Rating

- Developed the Criteria on the Compliance Rating of Generators
- Approved the Guidelines for the Conferment of the WESM Compliance Awards

PENALTY DESIGN AND MANUALS REVIEW

- Promulgation of the Financial Penalty Manual (2008)
 - Establishing the WESM Penalty Design
 - Schedule of financial penalties for breaches of the WESM Rules
- Proposed WESM Penalty Manual (2018)

Design of WESM Penalties



- Proposed Market Surveillance Manual Issue 4
- Proposed Enforcement and Compliance Manual Issue 1
- **WESM Industry Code of Ethics (WICOE)**
 - ✓ Standard of Behavior which WESM Entities are enjoined to follow

Review of Market Manuals



- Proposed enhancement to the Market Participant Interface (MPI)
- Submission of comments on:
 - Reduction of minimum offer block size from 5 MW to 1 MW
 - Cancellation of Offers
 - Management of MRUs/MSUs
 - Metering Standards and Procedures
 - Information Disclosure and Confidentiality
 - WESM Registration Manual
- Proposed amendments to the Administered Price Determination Methodology (APDM)

Participation in Rules Change Process



MARKET SURVEILLANCE COMMITTEE



**ENGR. FRANCIS V. MAPILE, PEE,
ACPE**
Chairman, MSC
Chairman, Electrical Engineering Board (PRC)



DR. PETER LEE U
Member, MSC
Vice Dean, School of
Economics, University of Asia
& the Pacific



ATTY. DOROTEO B. AGUILA
Member, MSC
Governor for Northern Luzon, Integrated
Bar of the Philippines



PROF. FERNANDO Y. ROXAS
Member, MSC
Professor, Asian Institute of Management



CONNECT WITH
PEMC



pemc.info@wesm.ph



+63 2 8631 8734



18F Robinsons Equitable Tower, ADB Avenue
Ortigas Center, Pasig City 1600, Philippines