



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. DC 2013-10-0025

ADOPTING FURTHER AMENDMENTS TO THE WESM RULES
(Revision of Market Offers/Bids and Definition of "Working Day")

WHEREAS, Section 37 of the Electric Power Industry Reform Act provides that the DOE, jointly with the electric power industry participants, shall establish the Wholesale Electricity Spot Market (WESM) and formulate the detailed rules governing the operations thereof;

WHEREAS, on 28 June 2002, the DOE, upon the joint endorsement of the electric power industry participants, promulgated the WESM Rules through Department Circular No. 2002-06-003;

WHEREAS, any changes, amendments, and modifications to the WESM Rules shall be undertaken in accordance with the provisions of Chapter 8 thereof;

WHEREAS, on 21 May 2013, the Philippine Electricity Market Corporation (PEMC) submitted its proposed amendment to Clause 3.5.11.4 (Revision of Market Offers/Bids) of the WESM Rules to the Rules Change Committee (RCC) for consideration and approval;

WHEREAS, the proposal intends to harmonize the WESM Rules and its Dispatch Protocol Manual specifically on the Revision of Market Offers/Bids which adopts a gate closure for the submission of bids or offers, and consequently, to achieve a more efficient assessment of the Trading Participant's compliance with the relevant rules on the submission of bids or offers;

WHEREAS, on 05 June 2013, the RCC thoroughly discussed and deliberated the proposed amendments during the 75th RCC Meeting, and after which, agreed to published the proposal in the WESM website to solicit comments from participants and other interested parties;

WHEREAS, on 07 August 2013, the RCC in its 77th Meeting deliberated upon the comments submitted, and it approved the proposed amendment for endorsement to the PEM Board;

WHEREAS, on 29 August 2013, after due evaluation and deliberation, the PEM Board has resolved to approve for endorsement to the DOE the above stated amendment to the WESM Rules;

WHEREAS, on 02 September 2013, the above stated amendment was endorsed to the DOE for approval, consistent with Chapter 8 of the WESM Rules;

WHEREAS, in its review of the WESM Rules, the DOE likewise noticed typographical error in the definition of "Working Day" as promulgated through Department Circular No. DC2013-03-0005.

NOW THEREFORE, pursuant to its authority under the WESM Rules, the DOE hereby issues, adopts and promulgates the following amendment to the WESM Rules:

Section 1. Amendment to the WESM Rules.

1.1 Clause 3.5.11.4 under Revision of Market Offers/Bids is amended to read –

3.5.11.4 *Market bids or market offers for any trading interval may be revised by Trading Participants prior to gate closure if they no longer represent a reasonable estimate of:*

- (a) *The expected availability of the relevant generating unit or scheduled load for that trading interval; or*
- (b) *The demand bids or offers likely to apply for the real time dispatch optimization of that trading interval.*

1.2 Clause 3.5.11.5 under Revision of Market Offers/Bids is amended to read –

3.5.11.5 *In submitting Market bids or market offers for any trading interval, Trading Participants shall also take into account the following:*

- (a) *The time remaining until the occurrence of the relevant trading interval involved; and*
- (b) *Provision of reasons or circumstances whenever the submitted Market bids or market offers are cancelled or are less than the registered capacity of its facility or generating unit.*

1.3 Typographical Error in the Definition of “Working Day” under Glossary Chapter 11 and promulgated through Department Circular No. DC2013-03-0005 on 22 March 2013 is corrected to read –

Working Day. A day (excluding Saturdays and Sundays) on which banks and financial institutions are open in the city or municipality where the principal offices of the Market Operator are located.

Section 2. Separability Clause. If for any reason, any section or provision of this Circular is declared unconstitutional or invalid, such parts not affected shall remain valid and subsisting.

Section 3. Effectivity. This Circular shall take into effect fifteen (15) days from its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued this ____ September 2013 at the DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila.


CARLOS JERICO L. PETILLA
Secretary



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