



Philippine Electricity
Market Corporation

MINUTES OF MEETING

Rules Change Committee

158th Regular Meeting (No. 2019-11)

08 November 2019, 9:00 AM – 11:30 AM

18/F PEMC Board Room, Robinsons Equitable Tower
Ortigas Center, Pasig City

Agenda		Action Required
I. Call to Order	There being a quorum, Atty. Maila Lourdes G. De Castro called the meeting to order at 9:10 AM.	
II. Determination of Quorum		
Attendance List		
In-attendance	Not In-attendance	
<u>Rules Change Committee</u>		
<i>Principal Members:</i>		
Maila Lourdes G. de Castro , Chairperson – Independent	Concepcion I. Tanglao – Independent	
Francisco Leodegario R. Castro, Jr. – Independent	Ricardo G. Gumalal – Distribution (ILPI)	
Allan C. Nerves – Independent		
Abner B. Tolentino – Generation (PSALM)		
Cherry A. Javier – Generation (APC)		
Dixie Anthony R. Banzon – Generation (MPPCL)		
Ryan S. Morales – Distribution (MERALCO)		
Jose P. Santos – Distribution (INEC)		
Virgilio C. Fortich, Jr. – Distribution (CEBECO III)		
Lorreto H. Rivera – Supply (TPEC)		
Ambrocio R. Rosales – System Operator (NGCP)		
Isidro E. Cacho – Market Operator (IEMOP)		
<i>Alternate Member:</i>		
Keenan M. Erigbuagas – Distribution (ILPI)		
<u>DOE Observers</u>		
Ferdinand B. Binondo		
Ryan Jasper Villadiego		
Ann Margaret Andres		
<u>PEMC – Market Assessment Group</u>		
Karen A. Varquez		
Divine Gayle C. Cruz		
Dianne L. De Guzman		

PEMC – ECO

Atty. Hazel G. Lopez

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Agenda	Agreements/Action Plans
III. Adoption of the Agenda	The proposed agenda was approved as revised.
Agenda	Agreements/Action Plans
IV. Review of the Minutes of the Previous Meeting (158 th Meeting, 08 November 2019)	The draft minutes was approved as revised to reflect clerical enhancements.

- 2 In response to the request for clarification by Atty. Maila Lourdes G. de Castro, the Secretariat
3 clarified from the minutes that the changes on the lines: "*In compliance to prudential*
4 *requirements, a WESM Member under the Customer category must, as soon as practical prior*
5 *to energization, provide an additional security commensurate to the load profile of the additional*
6 *load facility.*" were initiated by the committee during the 158th meeting.

V. Matters Arising from Previous Meeting

Agenda	Agreements/Action Plans
5.1. Deliberation on PEMC's Proposed New WESM Manual on WESM Compliance Officers' Accreditation	<ul style="list-style-type: none"> • The RCC approved the endorsement of the proposal to the PEM Board as revised. • The RCC directed the Secretariat to finalize the matrix of proposed changes and draft the resolution, for approval in the next meeting.

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8 The RCC deliberated on the proposal taking into account the comments received from SN
9 Aboitiz Power Inc., Aboitiz Power Corporation, and SPC Power Corporation as well as the
10 response from PEMC as the proponent.

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12 On the comment from the Aboitiz Power Corporation, Atty. Hazel G. Lopez explained that the
13 partial accreditation point is envisioned for the WCOs or WEOs who is/are transferring to
14 another organization. The points earned from the previous organization will be carried together
15 with the status as WCO or WEO. Atty. Lopez also added that the Probationary Status will no
16 longer be effective if the WCO or WEO earned a total of 20 points and the status will then be
17 changed to Active.

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19 The RCC adopted the proponent's response and agreed to reflect all clerical enhancements.

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Agenda	Agreements/Action Plans
5.2. Draft RCC Resolution No. 2019-16: Proposed Amendments to the WESM Manual on Dispatch Protocol for the Optimal Timing of Market Runs	<ul style="list-style-type: none"> • The RCC approved the endorsement of the proposal to the PEM Board as revised. • The Secretariat shall finalize the matrix of proposed changes and draft the resolution, for approval in the next meeting.
5.3. Draft RCC Resolution No. 2019-17: Proposed Amendments to the WESM Manual on Registration, Suspension, and De-Registration Criteria and Procedures and WESM Manual on Market Network Model Criteria and Procedures to Clarify Procedures for the Registration of a New Load Facility	<ul style="list-style-type: none"> • The RCC approved the endorsement of the proposal to the PEM Board as revised. • The Secretariat shall finalize the matrix of proposed changes and draft the resolution, for approval in the next meeting.
5.4. Draft RCC Resolution No. 2019-18: Proposed Amendments to the Retail Rules and Various Retail Manuals to Harmonize with ERC Rules Supplementing the Switching and Billing Process and Adopting a Disconnection Policy for Contestable Customers	<ul style="list-style-type: none"> • The RCC approved the endorsement of the proposal to the PEM Board as revised. • The Secretariat shall finalize the matrix of proposed changes and draft the resolution, for approval in the next meeting. The documents for amendments were: <ul style="list-style-type: none"> • Retail Rules; • Retail Manual – Registration Criteria and Procedures 2.0; and • Retail Manual – Market Transactions Procedures 2.0

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VI. Other Matters	
Agenda	Agreements/Action Plans
6.1. Discussion of the DOE Letter re: Must-Stop Units and Displaced Generator	The RCC noted the DOE Letter and will act once there will be a rule change proposal.

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The Secretariat informed the RCC of the DOE letter reiterating its directive for PEMC to propose amendments to the current WESM Rules and Manuals for consistency with the ERC Order. It was noted that the compensation issue for the Must-Stop Units (MSU) and Displaced Generators cannot be implemented since PEMC withdrew its application on the same from the ERC in March 2018. Mr. Ferdinand Binondo clarified that from the DOE's perspective, amendments to the WESM Rules and MRU-MSU Manual are still necessary notwithstanding the forthcoming implementation of the enhanced market design.

Atty. Maila Lourdes G. de Castro asked when the launch of NMMS will be and was responded that the prevailing Go-Live date is on 26 January 2020.

Mr. Isidro E. Cacho updated the body that the Market Readiness Steering Committee through the PEM Audit Committee will be the one giving the final recommendation to the PEM Board on the Go-Live of the enhanced market design, together with the launch of WESM Mindanao.

Agenda	Agreements/Action Plans
6.1. PEM Board Meeting schedules: a) BRC – 15 Nov 2019 (Mon), tentative b) PEM Board – 27 Nov 2019 (Wed)	The RCC noted the updates and information
VII. Schedules of Next Meetings	▪ December 6 th ▪ January 17 th ▪ February 21 st
VIII. Adjournment	There being no other matters left for discussion, the RCC adjourned the meeting at 09:45 AM.


Prepared by:


Dianne L. De Guzman
 Specialist
 Market Assessment Group – Rules Review Division

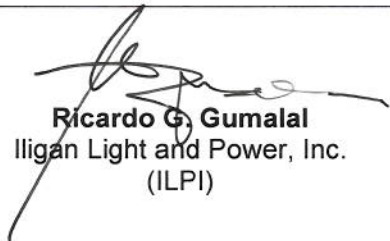

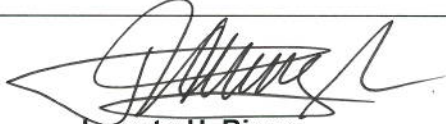


Reviewed by:


Karen A. Varquez
 Manager
 Market Assessment Group – Rules Review Division

Noted by:


Elaine D. Gonzales
 Acting Head
 Market Assessment Group

<p>Approved by:</p> <p>THE RULES CHANGE COMMITTEE</p>	
Independent Members:	
 Maila Lourdes G. de Castro Chairperson	 Francisco L.R. Castro, Jr.
 Allan C. Nerves	Concepcion I. Tanglao
Generation Sector Members:	
 Dixie Anthony R. Banzon Masinloc Power Partners Co. Ltd. (MPPCL)	 Abner B. Tolentino Power Sector Assets and Liabilities Management Corporation (PSALM)
<p>(Resigned as of 08 October 2019)</p> <p>Jose Ildebrando B. Ambrosio NorthWind Power Development Corp. (NorthWind)</p>	 Cherry A. Javier Aboitiz Power Corp. (APC)
Distribution Sector Members:	
 Virgilio C. Fortich, Jr. Cebu III Electric Cooperative, Inc. (CEBECO3)	 Ryan S. Morales Manila Electric Company (MERALCO)

 Ricardo G. Gumalal Iligan Light and Power, Inc. (ILPI)	 Jose P. Santos Ilocos Norte Electric Cooperative, Inc. (INEC)
<p>Supply Sector Member:</p>	
 Lorreto H. Rivera TeaM (Philippines) Energy Corporation (TPEC)	
<p>Market Operator Member:</p>	
 Isidro E. Cacho, Jr. Independent Electricity Market Operator of the Philippines (IEMOP)	
<p>System Operator Member:</p>	
 Ambrocio R. Rosales National Grid Corporation of the Philippines (NGCP)	