

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2012-11

**Proposed Correction to Section 9.8.3 of the WESM Metering Standards and
Procedures Manual**

WHEREAS, on 31 August 2012, the Philippine Electricity Market Corporation (PEMC) submitted to the Rules Change Committee (RCC) for consideration and approval, its proposed correction to Section 9.8.3 of the WESM Metering Standards and Procedures Manual;

WHEREAS, the proposed correction aims to make the resulting units in the equations of the line quantities "active loss along the line" (**Line_{kW-Loss}**), and "reactive loss along the line" (**Line_{kVar-Loss}**) consistent with their quantity subscripts kilowatt (kW) and kilo-Volt-ampere-reactive (kVar), respectively.

WHEREAS, the subject equations are currently written down as follows:

$$\begin{aligned}\text{Line}_{\text{kW-Loss}} &= (I_{\text{Line}})^2 * R_{\text{Line}} \\ \text{Line}_{\text{kVar-Loss}} &= (I_{\text{Line}})^2 * X_{\text{Line}}\end{aligned}$$

WHEREAS, the subject equations, namely: a) the product of the square of the line current and total line resistance; and b) the product of the square of the line current and the total inductive line reactance, to be consistent with the their quantity subscripts in the said formula, have to be divided by a constant of 1000, and thus are proposed to be written as follows:

$$\begin{aligned}\text{Line}_{\text{kW-Loss}} &= ((I_{\text{Line}})^2 * R_{\text{Line}}) \div 1000 \\ \text{Line}_{\text{kVar-Loss}} &= ((I_{\text{Line}})^2 * X_{\text{Line}}) \div 1000;\end{aligned}$$

WHEREAS, the above proposed amendments are meant to address the audit findings and recommendations of PA Consulting, Ltd. in order to reflect the correct mathematical equation on the Site-Specific Loss Adjustment (SSLA);

WHEREAS, the Market Manual "Metering Standards and Procedures" is published at the public website of the WESM, to guide the Market Participants and other users on how the electrical losses are determined for them to compute the electrical losses, or create their own SSLA program;

WHEREAS, although PEMC has been using the correct formula in its SSLA program since commercial operation, the incorrect formula in the Manual as documented might be a source of confusion for trading participants, hence, the need to correct the same;

WHEREAS, during the 66th RCC Meeting held on 05 September 2012, the proposed amendments were presented to the RCC, for discussion;

WHEREAS, in the same meeting, the RCC agreed to publish the proposal in the WESM public information website to solicit comments from market participants and other interested parties;

WHEREAS, during the 67th RCC Meeting held on 03 October 2012, the RCC, after its deliberation on the matter, agreed to adopt the proposed amendments in order to reflect the correct mathematical equation on SSLA;

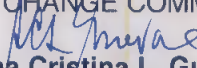
NOW THEREFORE, we, the undersigned and in behalf of the sector we represent, hereby resolve as follows:

RESOLVED, that the proposed corrections to Section 9.8.3 of the WESM Metering Standards and Procedures Manual (attached as Annex "A"), are adopted and approved;

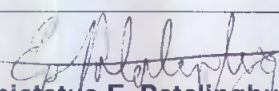
RESOLVED FURTHER, that the proposed corrections to Section 9.8.3 of the WESM Metering Standards and Procedures Manual be endorsed to the PEM Board for approval.

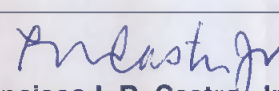
Done this 03 October 2012, Pasig City.

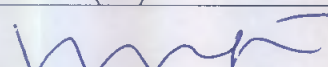
Approved by:
RULES CHANGE COMMITTEE



Rowena Cristina L. Guevara
Chairperson
University of the Philippines
(UP)

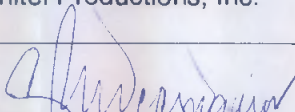
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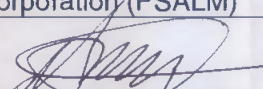

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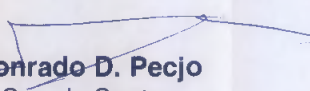

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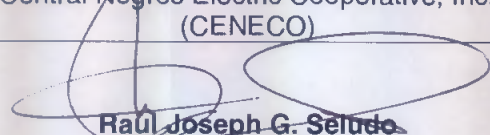

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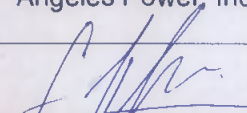

Ciprinilo C. Meneses
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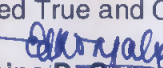

Sulpicio C. Lagarde Jr.
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Conrado D. Pecjo
Supply Sector
Angeles Power, Inc.


Raul Joseph G. Seludo
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National Grid Corporation of the Philippines
(NGCP)


Robinson P. Descanzo
Market Operator
Philippine Electricity Market Corporation
(PEMC)

Certified True and Correct:


Elaine D. Gonzales
RCC Secretary
PEMC

III. Proposed Amendment

Title	Section	Provision	Proposed Amendment	Rationale
General Equations	9.8.3	$\text{Line}_{\text{kW-Loss}} = (I_{\text{Line}})^2 * R_{\text{Line}}$ $\text{Line}_{\text{kVar-Loss}} = (I_{\text{Line}})^2 * X_{\text{Line}}$	$\text{Line}_{\text{kW-Loss}} = ((I_{\text{Line}})^2 * R_{\text{Line}}) \div 1000$ $\text{Line}_{\text{kVar-Loss}} = ((I_{\text{Line}})^2 * X_{\text{Line}}) \div 1000$	To make the resulting units in the equations of the line quantities consistent with their quantity subscripts (kW, kVar)

Note: For convenience, please underline and put in bold letters the proposed changes to the WESM Manual.