

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION No. 2010-08

**Proposed Changes to the WESM Metering Standards and Procedures Manual,
Issue 5.0 regarding the Removal of Application of Site Specific Loss Adjustment
(SSLA) for Generators**

WHEREAS, Section 9 of the WESM Metering Standards and Procedures Manual (the "Manual") provides the Site Specific Loss Adjustment (SSLA) procedure to be used to adjust the Trading Participant's meter data to compensate for the electrical losses in the components that come between the Metering Point and the Market Trading Node (MTN);

WHEREAS, Sub-section 9.8.2 of the Manual provides for adjusting the meter data of the generators to compensate for the losses between the MTN and the metering point;

WHEREAS, on 08 February 2010, the Rules Change Committee (RCC) Metering Subcommittee submitted its proposed amendments on the Manual recommending for the complete deletion of Sub-section 9.8.2 and the corresponding computation in the Appendix of the Manual entitled "Site – Specific Loss Adjustment", for consideration and approval;

WHEREAS, the proposed revisions remove the application of SSLA for all generators to ensure that the generated energy to be recognized by the Market must be net of transformer loss and plant station service consumption energy;

WHEREAS, during the 31st RCC Meeting on 10 March 2010, the proposed amendments were presented to the RCC, for review and approval;

WHEREAS, to facilitate the deliberation of the proposed amendments, the PEMC Billing, Settlement and Metering Department (BSMD) presented its Settlement Calculation Processes during the 33rd RCC Meeting on 05 May 2010, particularly on the application of SSLA for generators;

WHEREAS, based on the presentation by the BSMD, the RCC noted that the SSLA calculation is being applied; however, zero values are being used in the absence of data that will reflect the loss figures for step up transformers;

WHEREAS, the RCC viewed that in order to address the inaccuracies in the settlement calculation, plant owners must be required to submit and provide the MO with technical data/parameters on their generator step up transformers;

WHEREAS, during the said 33rd RCC Meeting, the RCC concurred to close the discussion on the proposed amendments with the agreement to retain Section 9.8.2 of the Manual on the application of SSLA for generators and its corresponding computation in the Appendix;

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

Rules Change Committee

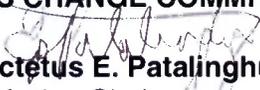
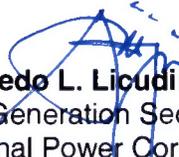
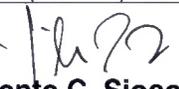
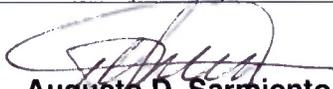
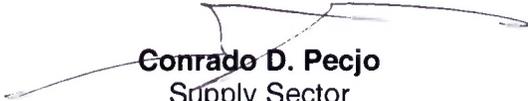
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regarding the Removal of Application of Site Specific Loss Adjustment (SSLA) for Generators

RESOLVED, that the proposed amendments to the WESM Metering Standards and Procedures Manual (attached as Annex "A") are disapproved;

RESOLVED FINALLY, that the proposed amendments to the WESM Metering Standards and Procedures Manual be endorsed to the PEM Board for information.

Done this 05 May 2010, Pasig City.

Approved by: RULES CHANGE COMMITTEE  Epictetus E. Patalinghug Acting Chairperson Independent University of the Philippines (UP)	
Members:	
 Cherry Aquino-Javier Generation Sector AES Philippines (AES)	 Ralph T. Crisologo Generation Sector SN Aboitiz Power (SNAP)
Liberty Z. Dumlaog Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)	 Alfredo L. Licudine, Jr. Generation Sector National Power Corporation (NAPOCOR)
 Raul Joseph G. Seludo Transmission Sector National Grid Corporation of the Philippines (NGCP)	Robinson P. Descanzo Market Operator Philippine Electricity Market Corporation (PEMC)
 Vicente C. Sioson Distribution Sector (PDU) Manila Electric Company (MERALCO)	 Augusto D. Sarmiento Distribution Sector (PDU) Dagupan Electric Corporation (DECORP)
 Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative (INEC)	 Conrado D. Pecjo Supply Sector Angeles Power, Inc.
 Gloria P. Gerilla-Teknomo Independent CPI-Energy Phils., Inc.	
	Certified True and Correct:  Elaine D. Gonzales RCC Secretary PEMC

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RCC/WESM-WM-10/02

Original Provision	RCC Metering Subcommittee Proposed Amendment		RCC Agreement
	<i>On 08 February 2010</i>	Rationale	
9.8.2 Generator Cases	For complete deletion.	The Market Operator did not practice the application of SSLA in the meter data of the generators since the energy difference between the generator Market Trading Node (gross) and the Metering Point (net) is also the plant's station usage, taken from its own generation.	-Disapproved- Retain Section 9.8.2 The RCC noted that the SSLA calculation process for generators is being applied; however, zero values are being used in the absence of data that will reflect the loss figures for step up transformers. Further, the RCC viewed that in order to address the inaccuracies in the settlement calculation, plant owners must be required to submit and provide the MO with technical data/parameters on their generator step up transformers.
Appendix SSLA-Generators Generator Cases	For complete deletion.	In accordance with the complete deletion of Section 9.8.2.	-Disapproved- Retain the corresponding computation of SSLA for generators in the Appendix.