

Philippine Electricity Market Corporation

WHOLESALE ELECTRICITY SPOT MARKET INTERIM RULES CHANGE COMMITTEE

RESOLUTION NO. 2007-03

Proposed Changes to the WESM Manual Dispatch Protocol

WHEREAS, the Dispatch Protocol Manual (Manual) provides for the timetable and procedures defining the delineation of responsibilities between the System Operator (SO) and the Market Operator (MO) in implementing central scheduling and dispatching;

WHEREAS, there is a need to amend the Manual to clarify the responsibility of the Trading Participants to offer its maximum available capacity and the mechanism for allowing cancellation of offers;

WHEREAS, the proposed amendments to the Manual were presented by PEMC-Market Operator to the Interim Rules Change Committee (IRCC) in a series of meetings;

WHEREAS, the said amendments were deliberated upon by the IRCC;


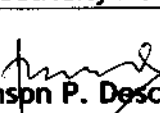
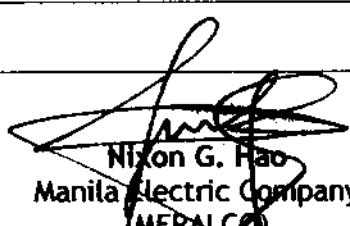
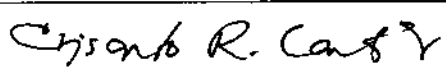

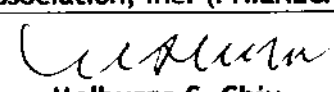
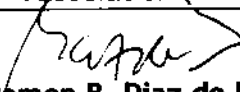
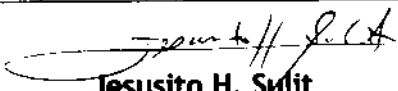
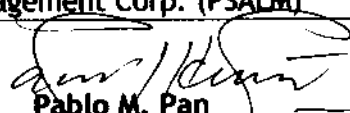
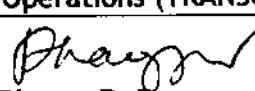
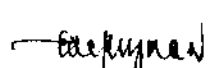
WHEREAS, during the 33rd IRCC meeting on 15 February 2007, the IRCC agreed to adopt the proposed amendments;

NOW THEREFORE, we, the undersigned, and in behalf of the entities we represent, hereby resolved as follows:

RESOLVED, that the proposed amendments to the Dispatch Protocol (attached as Annex "A") is adopted and approved in full; and

RESOLVED FINALLY, that the proposed amendments to the Dispatch Protocol be endorsed to the PEM Board for approval.

Done this 15 February 2007, Pasig City.

Approved by : INTERIM RULES CHANGE COMMITTEE  Lassi-Matti A. Holopainen Chairman President - Philippine Electricity Market Corporation (PEMC)	
 Robinson P. Descanzo Vice-Chairman PEMC-Market Operations	
Members:	
 Nixon G. Hao Manila Electric Company (MERALCO)	 Crisanto R. Laset Jr. Philippine Electric Plant Owners Association (PEPOA)
 Wendell V. Ballesteros Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA)	Dennis P. Gonzales Philippine Independent Power Producers' Association (PIPPA)
 Melburgo S. Chiu National Power Corporation (NPC)	 Ramon B. Diaz de Rivera Philippine National Oil Company - Energy Development Corporation (PNOC-EDC)
Dennis A. de la Serna Power Sector Assets and Liabilities Management Corp. (PSALM)	 Jesusito H. Sulit National Transmission Company - System Operations (TRANSCO-SO)
 Pablo M. Pan National Electrification Administration (NEA)	 Phares P. Parayno Independent
	Certified True and Correct:  Elaine R. De Guzman RCC Secretary PEMC

Interim Rules Change Committee
Proposed Changes to the Dispatch Protocol Manual

I. Generation Offers

Title	Section	Provision	Proposed Amendment	Rationale
Appendix A.1 Bids & Offers Submission & Processing	4.3 Submission of Bids and Offers (par. 1)	Each participant can submit bids for each trading interval. Each bid can consist of a subset, or complete set, of the 24 intervals of data and each of the 24 intervals can have different bid data. Each bid/offer submission or re-submission is validated against the validation rules set for that particular market window.	<u>Each trading participant classified as a scheduled generation company must submit bids/offers corresponding to its maximum available capacity for each trading interval. Each bid/offer</u> can consist of a subset, or complete set, of the 24 intervals of data and each of the 24 intervals can have different <u>bid/offer</u> data. Each bid/offer submission or re-submission is validated against the validation rules set for that particular market window.	To further clarify the responsibility of the Trading Participant to offer its maximum available capacity
Appendix A.1 Bids & Offers Submission & Processing	4.5 Revision and Cancellation of Bids	Bids may be updated as often as the Trading Participant desires so long as the bids/offers conform to the validation process as provided in Section 4.6. Trading Participants may retrieve previously submitted bids using the MPI thru the Template or XML File options as discussed in Section 4.2. Bids/Offers that were retrieved can be modified then submitted again for the same trading interval or for some other trading interval within the Open Market Window. Revised bids shall be processed as discussed in Section 4.3.	Bids may be updated as often as the Trading Participant desires so long as the bids/offers conform to the validation process as provided in Section 4.6. Trading Participants may retrieve previously submitted bids using the MPI thru the Template or XML File options as discussed in Section 4.2. Bids/Offers that were retrieved can be modified then submitted again for the same trading interval or for some other trading interval within the Open Market Window. Revised bids shall be processed as discussed in	To clarify the mechanism for allowing cancellation of offers in the WESM.

		<p>Cancellation of previously submitted bids follows the same process as described above except that instead of "SUBMIT" entry in the MPI, a "CANCEL" entry is specified.</p> <p>The cancellation of a standing bid/offer shall commence only after the seventh day, however, the corresponding standing bid profile shall be immediately deleted upon submission.</p> <p>Standing bids which become valid or had been "converted" can be modified using the Daily Bid option.</p>	<p>Section 4.3.</p> <p>Cancellation of previously submitted bids follows the same process as described above except that instead of "SUBMIT" entry in the MPI, a "CANCEL" entry is specified.</p> <p>The cancellation of a standing bid/offer shall commence only after the seventh day, however, the corresponding standing bid profile shall be immediately deleted upon submission.</p> <p>Standing bids which become valid or had been "converted" can be modified using the Daily Bid option.</p> <p><u>Trading participants may opt to cancel their daily or "converted" standing bids/offers for a particular trading interval when the 1600H Day-Ahead Market Projections indicate that the demand for that trading interval is less than summation of the registered technical minimum generating capacity (aggregate Pmin) of all the generating units that are classified as scheduled generation units. Cancellation of bids/offers shall be made within the period provided in the WESM timetable. Cancelled bids/offers may, however, be revoked or revised likewise within the period provided in the WESM timetable for submission of bids/offers.</u></p>	
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GLOSSARY OF TERMS & ABBREVIATIONS	10.0	(none)	<p><u>Maximum available capacity is equal to the registered maximum capacity (Pmax) of the (aggregate) unit less forced unit outages, scheduled unit outages, de-rated capacity due to technical constraints which include plant equipment-related failure and ambient temperature, hydro constraints which pertain to limitation on the water elevation/turbine discharge and MW output of the plant and geothermal constraints which pertain to capacity limitation due to steam quality (chemical composition, condensible and non-condensable gases), steam pressure and temperature variation, well blockage and limitation on steam and brine collection and disposal system</u></p>	To clarify the definition of maximum available capacity