



RULES CHANGE COMMITTEE

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

Effective Date : 27 June 2023

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WHEREAS, the DOE promulgated on 05 October 2022 Department Circular No. 2022-10-0031 entitled *Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the Wholesale Electricity Spot Market Amending for this Purpose Department Circular No. DC2015-03-0001* that, among others, amends the definition of Priority Dispatch to expand to “all qualified and registered RE plants that are not Must Dispatch such as biomass, geothermal, and impounding hydro plants... taking into consideration their contractual obligations with their respective customers;”

WHEREAS, in compliance with Section 6.1 of the said 2022 DOE Circular, the Independent Electricity Market Operator of the Philippines (IEMOP) submitted to the Rules Change Committee (RCC) on 23 December 2022 proposed urgent amendments to the (i) WESM Rules and (ii) WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures to implement the provisions of the DOE Circular;

WHEREAS, following the procedures for processing urgent amendments, the RCC deliberated and approved the proposal, as amended, embodied in RCC Resolution No. 2023-04 dated 29 January 2023;

WHEREAS, the proposed amendments were subsequently approved by the PEM Board on 25 January 2023¹ and immediately took effect beginning 27 January 2023 for six (6) months, or until the general proposal version is promulgated by the DOE, whichever is earlier;

WHEREAS, the proposal was posted in the PEMC website as general proposed amendments² on 03 February 2023 to solicit comments from WESM Members and interested parties, and, following the 30-working day commenting period, received comments from the National Grid Corporation of the Philippines and Millennium Energy, Inc./Panasia Energy, Inc.;

WHEREAS, the proposal seeks to:

- 1) amend the classification of priority dispatch generating units to include all biomass plants (with FiT certificate or none), geothermal, and impounding hydro plants;
- 2) provide that controllable generating units involving biomass, geothermal and impounding hydro plants that are currently registered as providers of ancillary services should be registered as scheduled generating units in view of the principles of co-optimizing its energy and reserve capacities through market offers for the upcoming reserve market; and

¹ PEM Board Resolution No. 2023-56-01 dated 25 January 2023.

² ORCP-WR-WM-23-01 - Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001)

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

- 3) define projected output for hydropower and geothermal plants classified as priority dispatch generating units;

WHEREAS, the RCC deliberated on the proposal during its 216th and 217th Meetings on 19 May and 23 June 2023 considering the comments received, the response of IEMOP to the comments as the original proponent, and the RCC Secretariat’s presentation on updates and assessment of the implementation of the urgent amendments;³

WHEREAS, the RCC adopted the following changes to the general proposed amendments:

- 1) Make the disqualification criterion more specific such that generating units providing “frequency control ancillary services”, instead of “reserves tradeable in the WESM”, are not allowed to be classified or re-classified under the priority dispatch category;
- 2) Define “frequency control ancillary services” in the WESM Rules based on the definition in the WESM Manual on Dispatch Protocol; and
- 3) Clarify that the projected output of all priority dispatch plants shall be equivalent to their “available capacity”⁴, while projected output for must-dispatch plants shall indicate their forecasted output. This amendment to the definition of projected output shall cover biomass plants in the requirement for the submission of projected output for priority dispatch plants, instead of only geothermal and impounding hydropower plants;

WHEREAS, the RCC noted that the temporary effectivity of the implementation of the urgent amendments shall already lapse on 26 July 2023 and agreed to request the PEM Board to extend the effectivity of the implementation for another six (6) months pursuant to Section 7.4 (g) of the WESM Manual on Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals;

NOW THEREFORE, we, the undersigned, on behalf of the sectors we represent, hereby resolve, as follows:

RESOLVED, that the RCC shall request the PEM Board to extend the implementation of the Urgent Amendments for another six (6) months;

RESOLVED FURTHER, that the RCC approve, as amended, the Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 attached as Annexes A and B;

RESOLVED FINALLY, that the Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (“Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No.

³ Annex C – Assessment Report on the Implementation of Urgent Amendments regarding the Preferential Dispatch

⁴ “Maximum available capacity” is re-named to “available capacity” per RCC Resolution No. 23-04 dated 12 May 2023.

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of
DOE DC2022-10-0031 "Declaring All Renewable Energy Resources as Preferential Dispatch Generating
Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001"

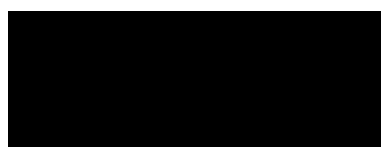
DC2015-03-0001") are hereby endorsed to the PEM Board for approval, and subsequent submission to the
DOE for final approval.

Done this **27rd** day of **June 2023**, Pasig City.

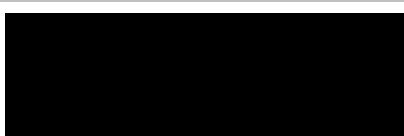
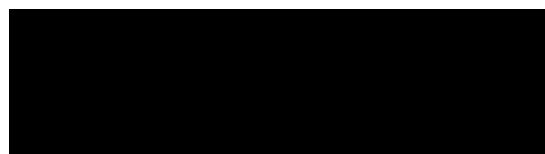
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Approved by:
THE RULES CHANGE COMMITTEE

Independent Members:



JESUSITO G. MORALLOS
Chairperson



RACHEL ANGELA P. ANOSAN



JORDAN REL C. ORILLAZA

Generation Sector Members:



DIXIE ANTHONY R. BANZON
Masinloc Power Partners Co. Ltd.
(MPPCL)



CHERRY A. JAVIER
Aboitiz Power Corp.
(APC)



CARLITO C. CLAUDIO
Millennium Energy, Inc./ Panasia Energy, Inc.
(MEI/PEI)

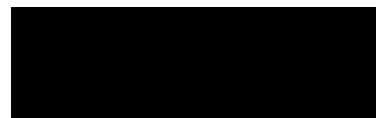


MARK D. HABANA
Vivant Corporation - Philippines
(Vivant)

Distribution Sector Members:



RYAN S. MORALES
Manila Electric Company
(MERALCO)



VIRGILIO C. FORTICH, JR.
Cebu III Electric Cooperative, Inc.
(CEBECO III)

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of
DOE DC2022-10-0031 "Declaring All Renewable Energy Resources as Preferential Dispatch Generating
Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001"

 NELSON M. DELA CRUZ Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)	 RUSSEL S. ALABADO Angeles Electric Corporation (AEC)
Supply Sector Member:	
 GIAN KARLA C. GUTIERREZ First Gen Corporation (FGEN)	
Market Operator Member:	
 JOHN PAUL S. GRAYDA Independent Electricity Market Operator of the Philippines (IEMOP)	
System Operator Member:	
 DARRYL LON A. ORTIZ National Grid Corporation of the Philippines (NGCP)	

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

WESM Rules					
Title	Clause	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
CATEGORIES OF WESM MEMBERS 2.3.1 Generation Companies	2.3.1.5	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that is <i>intermittent renewable energy resource</i> -based, whether or not under the <i>Feed-In Tariff system</i> , such as wind, solar, run-of-river hydro or ocean energy with the corresponding <i>DOE</i> certification shall be classified as a <i>must dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that is <i>intermittent renewable energy resource</i> -based, whether or not under the <i>Feed-In Tariff system</i> , such as wind, solar, run-of-river hydro or ocean energy with the corresponding <i>DOE</i> certification shall be classified as a <i>must dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that is <i>intermittent renewable energy resource</i> -based, whether or not under the <i>Feed-In Tariff system</i> , such as wind, solar, run-of-river hydro or ocean energy with the corresponding <i>DOE</i> certification shall be classified as a <i>must dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	Clerical correction.
CATEGORIES OF WESM MEMBERS 2.3.1 Generation Companies	2.3.1.6	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses biomass as fuel, that is under the <i>Feed-In Tariff system</i> , with the corresponding <i>Feed-In Tariff Certificate of Compliance</i> shall be	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses <u>are qualified renewable energy plants that are not must dispatch, such as those using either</u>	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses <u>are qualified renewable energy plants that are not must dispatch, such as those using</u>	To comply with DOE DC2022-10-0031, but with consideration that the generating unit is not providing frequency control ancillary services (i.e.,

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of
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WESM Rules					
Title	Clause	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
		classified as a <i>priority dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	<u>geothermal energy or biomass as fuel or is an impounding hydro plant, and is not providing reserve or registered as Ancillary Services Provider</u> , that is under the Feed-In Tariff system , with the corresponding Feed-In Tariff Certificate of Compliance shall be classified as a <i>priority dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	<u>either geothermal energy or biomass as fuel or is an impounding hydro plant, and is not providing reserve or registered as Ancillary Services Provider, frequency control ancillary services</u> that is under the Feed-In Tariff system , with the corresponding Feed-In Tariff Certificate of Compliance shall be classified as a <i>priority dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>a non-scheduled generating unit</i> subject to Clause 2.3.1.4.	regulating, contingency, and dispatchable reserves) in view of the principles of co-optimizing the plant's energy and reserve capacities through market offers for the upcoming reserve market.
Glossary	Glossary	None	None	<u>Frequency Control Ancillary Services. Ancillary services used by the System Operator to maintain the frequency of the grid within the limits prescribed by the Grid Code by the timely use of reserves and demand control.</u>	To define FCAS as referred to in WESM Rules Clause 2.3.1.6 based on the definition of “frequency control” in the WESM Manual on Dispatch Protocol

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

WESM Rules					
Title	Clause	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
Glossary	Glossary	Priority Dispatch. Preference to biomass plants under the Feed-In Tariff <i>System</i> in the dispatch schedule pursuant to Section 7 of the <i>Renewable Energy Act</i> .	Priority Dispatch. <u>Option or Preference to all qualified and registered renewable energy plants that are not eligible for Must Dispatch such as</u> biomass, <u>geothermal, and impounding hydro</u> plants under the Feed-In Tariff System in the dispatch schedule. Pursuant to Section 7 of the Renewable Energy Act.	Priority Dispatch. <u>Option or Preference to all qualified and Registered renewable energy plants that are not eligible for Must Dispatch such as</u> biomass, <u>geothermal, and impounding hydro</u> plants, under the Feed-In Tariff System. Pursuant to Section 7 of the Renewable Energy Act <u>which are given preference in the dispatch scheduling process.</u>	To be consistent with the definition of “priority dispatch” in DOE DC2022-10-0031. Further revised for clarity.
Glossary	Glossary	Projected Output. The <i>loading level</i> nominated by a <i>Generation Company</i> for its <i>must dispatch generating units</i> or <i>priority dispatch generating units</i> indicating the forecasted output of its <i>must dispatch generating unit</i> or <i>priority dispatch generating unit</i> at the end of a <i>dispatch interval</i> .	Projected Output. The <i>loading level</i> nominated by a <i>Generation Company</i> for its <i>must dispatch generating units</i> or <i>priority dispatch generating units</i> indicating the forecasted output of its <i>must dispatch generating unit</i> or <i>priority dispatch generating unit</i> at the end of a <i>dispatch interval</i> . <u>In the case of geothermal or impounding hydro plant which is classified as priority dispatch generating unit, projected output shall refer to its maximum available</u>	Projected Output. The <i>loading level</i> nominated by a <i>Generation Company</i> for its <i>must dispatch generating units</i> or <i>priority dispatch generating units</i> <u>indicating the forecasted output of its must dispatch generating unit or priority dispatch generating unit</u> at the end of a <i>dispatch interval</i> . <u>Projected output of a must dispatch generating unit shall indicate its</u>	<ul style="list-style-type: none">• To distinguish the projected output between must-dispatch and priority dispatch generating units.• To maintain the requirement for all priority dispatch generating units (i.e., biomass, geothermal, hydropower plants) to

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

WESM Rules					
Title	Clause	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
			<u>capacity, as defined in WESM Rules or Market Manual.</u>	<u>forecasted output. In the case of geothermal or impounding hydro plant which is classified as a priority dispatch generating unit, projected output shall refer to its maximum available capacity, as defined in the WESM Rules or Market Manual.</u>	<p>nominate loading levels corresponding to their available capacity, in keeping with the principle of the must-offer rule.</p> <ul style="list-style-type: none">• To be consistent with RCC Resolution No. 2023-04 with regards to the re-naming of “maximum available capacity” to “available capacity”.

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures Issue 12.1					
Title	Section	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
Generating Unit Classification	2.5.4.1	<p>a) An <i>Applicant</i> wishing to register as <i>Generation Company</i> shall, upon application, classify each of the <i>generating unit</i> or group of <i>generating units</i> which form part of the generating system it owns or operates or controls or from which it otherwise sources electricity as either – xxx</p> <p>(iv) A <i>priority dispatch generating unit</i> for a <i>generating unit</i> or group of <i>generating units</i> connected at a common <i>connection point</i> that uses biomass as fuel, that is under the <i>Feed-In Tariff system</i>, with the corresponding <i>Feed-In Tariff Certificate of Compliance</i> issued by the <i>ERC</i>. However, the <i>Generation Company</i> may also elect to have such unit/s classified as <i>scheduled generating unit/s</i> or <i>non-scheduled generating unit/s</i> subject to this Section.</p>	<p>a) An <i>Applicant</i> wishing to register as <i>Generation Company</i> shall, upon application, classify each of the <i>generating unit</i> or group of <i>generating units</i> which form part of the generating system it owns or operates or controls or from which it otherwise sources electricity as either – xxx</p> <p>(iv) A <i>priority dispatch generating unit</i> for a <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses <u>are qualified renewable energy plants that are not must dispatch, such as those using either geothermal energy or biomass as fuel or is an impounding hydro plant and is not providing reserve or registered as Ancillary Services Provider</u>, that is under the <i>Feed-In Tariff system</i>, with the corresponding <i>Feed-In Tariff Certificate of Compliance</i> issued by the <i>ERC</i>.</p>	<p>a) An <i>Applicant</i> wishing to register as <i>Generation Company</i> shall, upon application, classify each of the <i>generating unit</i> or group of <i>generating units</i> which form part of the generating system it owns or operates or controls or from which it otherwise sources electricity as either – xxx</p> <p>(iv) A <i>priority dispatch generating unit</i> for a <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses <u>are qualified renewable energy plants that are not must dispatch, such as those using either geothermal energy or biomass as fuel or is an impounding hydro plant and is not providing reserve or registered as Ancillary</u></p>	To be consistent with the definition of “priority dispatch” in DOE DC2022-10-0031, but with consideration that the generating unit is not providing frequency control ancillary services (i.e., regulating, contingency, and dispatchable reserves) in view of the principles of co-optimizing the plant’s energy and reserve capacities through market offers for the upcoming reserve market.

Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 “Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the WESM Amending for this Purpose Department Circular No. DC2015-03-0001”

WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures Issue 12.1					
Title	Section	Original Provision	PEM Board-approved Urgent Amendments	Proposed Amendments	Rationale
			However, the <i>Generation Company</i> may also elect to have such unit/s classified as <i>scheduled generating unit/s</i> or <i>non-scheduled generating unit/s</i> subject to this Section.	<i><u>Services Provider, frequency control ancillary services.</u></i> <i>that is under the Feed-In Tariff system, with the corresponding Feed-In Tariff Certificate of Compliance issued by the ERC.</i> However, the <i>Generation Company</i> may also elect to have such unit/s classified as <i>scheduled generating unit/s</i> or <i>non-scheduled generating unit/s</i> subject to this Section.	



Assessment Report on the Implementation of Urgent Amendments regarding the Preferential Dispatch

27 January to 18 May 2023

JUNE 2023

This Report is prepared by the
Philippine Electricity Market Corporation –
Market Assessment Group for the
Rules Change Committee

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1.0 SUMMARY

The urgent amendments relating to the revised policy on Preferential Dispatch have been implemented for five (5) months since the PEM Board's ratification on 27 January 2023. Said amendments significantly affected the Market Operator's registration process, specifically on the kinds of resources that may be tagged as "priority dispatch", under which FIT and non-FIT biomass, geothermal and impounding hydropower plants may now be classified.

So far, the scheduled plants that opted to be re-classified to priority dispatch have all been geothermal plants such that 967.3 MW has been transferred from the competitive market to non-competitive, preferential treatment for scheduling and dispatch. From submitting offers as scheduled plants, these geothermal plants have now been submitting their projected outputs as priority dispatch plants.

It is recommended that a more in-depth study be conducted to look into the medium to long-term impact of the urgent amendments to the price and competition in the market, as well as its effect if any, to system security and reliability. Finally, for the purpose of facilitating the amendments' continued implementation, it is suggested that the RCC request the PEM Board to extend the effectivity of the urgent amendments for another six (6) months, beginning 27 July 2023.

2.0 INTRODUCTION

This Assessment Report was prepared for the Rules Change Committee (RCC) pursuant to Section 7.4(f) of the WESM Manual on Procedures for Changes to the WESM Rules, Retail Rules and Market Manuals ("Rules Change Manual") to aid in its further evaluation of the subject urgent proposed amendments.

Urgent amendments to the Market Rules and Manuals undergo an expedited rules change process whereby, following the review and deliberation of the RCC and approval of the PEM Board, the amendments are immediately implemented on a temporary, short-term basis up to a maximum period of twelve (12) months¹ without the final approval of the DOE. Within this period and considering the actual implementation of the urgent amendments and comments from WESM Members and stakeholders, the RCC shall further deliberate on said amendments pursuant to the process for general amendments prescribed in Section 6 of the Rules Change Manual, for final approval and promulgation of the DOE.

¹ Immediate implementation for a period six (6) months that may be extended only once for up to another 6 months (Rule Change Manual, Section 7.3 (g)).

3.0 DESCRIPTION OF PROPOSAL

Topic	Implementation of Revisions to Rules on Preferential Dispatch
Reference Code	ORCP-WR-WM-22-13
Original Proponent	Independent Electricity Market Operator of the Philippines or IEMOP (Market Operator)
Date Submitted to RCC	27 December 2022
RCC Approval	RCC Resolution No. 2023-01 dated 09 January 2023
PEM Board Approval	PEM Board Resolution No. 2023-56-01 dated 25 January 2023
Documents Amended/Adopted	1) WESM Rules 2) WESM Manual on Registration, Suspension and De-registration Criteria and Procedures
Date of Effectivity of Amendments	27 January 2023

The set of urgent amendments emanated from the promulgation of DOE Department Circular No. 2022-10-0031 dated 05 October 2022 entitled *Declaring All Renewable Energy Resources as Preferential Dispatch Generating Units in the Wholesale Electricity Spot Market Amending for this Purpose Department Circular No. DC2015-03-0001* (“2022 DOE Circular”). The 2022 DOE Circular aims to, among others, “aid in accelerating the development and utilization of indigenous RE resources and reduce dependence on imported conventional energy resources.”

The most salient provision of the said DOE Circular is in Section 3 which re-defines “priority dispatch” as follows:

DOE Department Circular No. 2015-03-0001 (20 March 2015)	DOE Department Circular No. 2022-10-0031 (05 October 2022)
“Priority Dispatch” means giving preference to biomass plants, under the FIT system, in the dispatch schedule pursuant to Section 7 of the RE Act.	"Priority Dispatch" means giving the option or preference to all qualified and registered <u>RE plants that are not Must Dispatch such as biomass, geothermal, and impounding hydro plants to enjoy preferential dispatch in the WESM</u> , taking into consideration their contractual obligations with their respective customers. <i>(emphasis supplied)</i>

Emanating from the DOE’s directive, the “priority dispatch generating unit” classification is now extended to biomass plants within or outside the Feed-in-Tariff system, geothermal plants, impounding hydroelectric plants and other plants with renewable energy resources that are

not classified as “must-dispatch generating units”.² The generating units of geothermal and impounding hydroelectric power plants have been traditionally classified as scheduled generating units and as such do not enjoy preferential treatment in scheduling and dispatch. Scheduled generating units are given real-time dispatch schedules through their submission of market offers.

The IEMOP, in compliance with Section 6.1 of the 2022 DOE Circular which states that the Market Operator shall “propose necessary amendments in the WESM Rules and Manuals to implement the dispatch of all Preferential Dispatch generating units utilizing RE resources in the WESM”, submitted proposed urgent amendments to the Rules Change Committee (RCC) to:

- 1) amend the classification of priority dispatch generating units to include all biomass plants (with FiT certificate or none), geothermal, and impounding hydro plants; and
- 2) provide that controllable generating units involving biomass, geothermal and impounding hydro plants that are currently registered as providers of ancillary services should be registered as scheduled generating units in view of the principles of co-optimizing its energy and reserve capacities through market offers for the upcoming reserve market.

Following the rules change process, the RCC approved the foregoing proposed amendments with modifications for clarity. Guidelines on the submission of projected output by geothermal and impounding hydroelectric power plants whose generating units are classified as priority dispatch generating units was also added to maintain the implementation of the must-offer rule principle.

4.0 SCOPE OF ASSESSMENT

The Assessment period is from the date the urgent amendments took effect, 27 January 2023, until 03 May 2023 when the latest relevant registration information was available as provided by the IEMOP. This Report provides updates and feedback, if any, on the IEMOP’s implementation of the urgent amendments. However, this Report does not evaluate the impact of the urgent amendments to the market and its participants.

5.0 IMPLEMENTATION OF PROPOSED AMENDMENTS

5.1. REGISTRATION PROCESS

The amendments primarily impact both the registration and/or classification of new and WESM-registered biomass, geothermal and impounding hydroelectric plants. There are

² Must dispatch generating units refer to intermittent or variable RE-based plants, which include solar, run-of-river hydro, and ocean energy power plants.

no changes to the existing mechanisms and market systems for the scheduling, dispatch and settlement of priority dispatch generating units. The IEMOP provided updates on the implementation of each applicable provision as of April 2023 provided below.

WESM Rules					Implementation	
Title	Section	Original Provision	Proposed Amendments	Rationale	Y/N	Remarks/Updates
CATEGORIES OF WESM MEMBERS 2.3.1 Generation Companies	2.3.1.5	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that is <i>intermittent renewable energy resource</i> -based, whether or not under the <i>Feed-In Tariff system</i> , such as wind, solar, run-of-river hydro or ocean energy with the corresponding <i>DOE</i> certification shall be classified as a <i>must dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>non-scheduled generating unit</i> subject to Clause 2.3.1.4.	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that is <i>intermittent renewable energy resource</i> -based, whether or not under the <i>Feed-In Tariff system</i> , such as wind, solar, run-of-river hydro or ocean energy with the corresponding <i>DOE</i> certification shall be classified as a <i>must dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a a <i>non-scheduled generating unit</i> subject to Clause 2.3.1.4.	Clerical correction.	NA	No process changes necessary
CATEGORIES OF WESM MEMBERS 2.3.1 Generation Companies	2.3.1.6	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses biomass as fuel, that is under the <i>Feed-In Tariff system</i> , with the corresponding <i>Feed-In Tariff Certificate of Compliance</i> shall be classified as a <i>priority dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a <i>non-scheduled generating unit</i> subject to Clause 2.3.1.4.	A <i>generating unit</i> or group of <i>generating units</i> connected at a common connection point that uses <u>are qualified renewable energy plants that are not must dispatch, such as those using either geothermal energy or biomass as fuel or is an impounding hydro plant, and is not providing reserve or registered as Ancillary Services Provider</u> , that is under the Feed-In Tariff system, with the corresponding Feed-In Tariff Certificate of Compliance shall be classified as a <i>priority dispatch generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> or a a	To comply with DOE DC2022-10-0031, but with consideration that the generating unit is not providing reserve (i.e., ancillary services traded in the WESM) in view of the principles of co-optimizing the plant's energy and reserve capacities through market offers for the upcoming reserve market.	Y	(1) For new registration (Impounding Hydro, Geo, or Biomass): Default classification is Priority Dispatch (provided that it is not an AS Provider), unless opted to register as sched or non-sched. -No new application yet for RE Plants. (2) IEMOP issued advisories to the market participants regarding the implementation of the circular. As of 05 April 2023, GCGI Palinpinon 1,

WESM Rules					Implementation	
Title	Section	Original Provision	Proposed Amendments	Rationale	Y/N	Remarks/Updates
			non-scheduled generating unit subject to Clause 2.3.1.4.			<p>Palinpinon II Unit 3 and Nasulo Geothermal Power Plant of EDC have already been reclassified as priority dispatch. The process for re-classification of Palinpinon 2 is on-going.</p> <p>No market systems enhancements in the MMS is necessary to implement the re-classification. The switch to Priority Dispatch for the cited facilities has already been implemented.</p>
Glossary	Glossary	Priority Dispatch. Preference to biomass plants under the Feed-In Tariff <i>System</i> in the dispatch schedule pursuant to Section 7 of the <i>Renewable Energy Act</i> .	Priority Dispatch. <u>Option or</u> P preference to <u>all qualified and registered renewable energy plants that are not eligible for Must Dispatch such as</u> biomass, <u>geothermal, and impounding hydro</u> plants under the Feed-In Tariff System in the dispatch schedule. Pursuant to Section 7 of the Renewable Energy Act.	To be consistent with the definition of “priority dispatch” in DOE DC2022-10-0031.	Y	See updates in Clause 2.3.1.6.
Glossary	Glossary	Projected Output. The <i>loading level</i> nominated by a <i>Generation Company</i> for its <i>must dispatch generating units</i> or <i>priority dispatch generating units</i> indicating the forecasted output of its <i>must dispatch generating unit</i>	Projected Output. The <i>loading level</i> nominated by a <i>Generation Company</i> for its <i>must dispatch generating units</i> or <i>priority dispatch generating units</i> indicating the forecasted output of its <i>must dispatch</i>	To maintain the requirement for geothermal and hydro plants to nominate loading levels corresponding to their maximum available	Y	<p>See updates in Clause 2.3.1.6</p> <p>Palinpinon 1, a geothermal plant, has already started submissions of projected</p>

WESM Rules					Implementation	
Title	Section	Original Provision	Proposed Amendments	Rationale	Y/N	Remarks/Updates
		or <i>priority dispatch generating unit</i> at the end of a <i>dispatch interval</i> .	<i>generating unit or priority dispatch generating unit</i> at the end of a <i>dispatch interval</i> . <u>In the case of geothermal or impounding hydro plant which is classified as priority dispatch generating unit, projected output shall refer to its maximum available capacity, as defined in WESM Rules or Market Manual.</u>	capacity, in keeping with the principle of the must-offer rule.		outputs beginning 20 March 2023. DCS Compliance monitoring remains the same for Scheduled and Priority Dispatch Generating Units.

IEMOP started the implementation of the 2022 DOE Circular and the corresponding urgent amendments to the WESM Rules and the Registration Manual by releasing advisories through the market information website and e-mail to Market Participants on January 26th and 31st, and March 3rd 2023, regarding the option for concerned Generation Companies to re-classify their eligible generating units from *scheduled* to *priority dispatch generating units*. IEMOP likewise directly communicated with each Generation Company with eligible generating units to determine their intention to re-classify. Table 1 summarizes the number of generating units that either opted to or expressed intention to be re-classified from scheduled or non-scheduled generating units to priority dispatch generating units.

Table 1 Generating Units Re-classified to Priority Dispatch

Plant Type	No. of Units Eligible for Re-classification*	No. of Units Re-classified	No. of Units Undergoing or Intending Re-classification
Biomass	11	0	2
Geothermal	24	10	0
Hydro**	11	0	0

* Already excludes plants registered as ancillary service provider in the WESM

** Excludes Run-of-River Hydro plants

Based on the latest information from IEMOP, the maximum stable load (Pmax) already transferred from the competitive market (i.e., submission of offers) to priority dispatch (i.e., submission of projected output) is 967.3 MW. This capacity corresponds to 41.38% of the total capacity eligible for re-classification to priority dispatch, and 3.65% of the total Pmax for Luzon, Visayas and Mindanao (i.e., 26,475.38 MW).

Table 2 Capacity (Pmax) Transferred to Priority Dispatch

Plant Type	Capacity Eligible for Re-classification (MW)*	Capacity Re-classified (MW)
Biomass	168.98	0
Geothermal	1,702.7	967.3
Hydro**	465.8	0
TOTAL	2,337.48	967.3

* Already excludes plants registered as ancillary services provider in the WESM

** Excludes Run-of-River Hydro

So far, all scheduled generating units that opted to be re-classified to priority dispatch generating units are geothermal plants. Some eligible hydropower plants expressed hesitation to be re-classified due to possible commercial loss in being a price-taker during specific

conditions. As for biomass plants, both the need to comply with the stricter dispatch conformance standards and commercial considerations were mentioned as reasons for opting not to be re-classified as priority dispatch.

5.2. SUBMISSION OF PROJECTED OUTPUT

The urgent amendments require geothermal (and impounding hydro plants) to submit their projected output equivalent to their maximum available capacity in keeping with the principle of the ‘must-offer rule’. The first recorded submission of projected output by those who opted to be re-classified was on 20 March 2023 submitted by Palinpinon Geothermal Power Plant I. The table below indicates the average projected output submitted by the ten (10) geothermal plants re-classified to priority dispatch from March to May 2023, covering almost two billing periods. The geothermal plants’ submitted projected output ranges from 65% (Leyte A) to 99.94% (Tongonan Geothermal) of their registered Pmax.

Table 3 Projected Output of Priority Dispatch Geothermal Plants

	Market Trading Node	Facility Name	Max. Stable Load (Pmax, MW)	Ave. Projected Output Submitted (MW)
1	03BACMAN_U01	Bacman Geothermal Power Plant Unit 1	60	57.78
2	03BACMAN_U02	Bacman Geothermal Power Plant Unit 2	60	59.54
3	03BACMAN_U03	Bacman Geothermal Power Plant Unit 3	19.2	16.87
4	06NASULO_G01	49.37 MW Nasulo Geothermal Power Plant	47.5	47.44
5	04LEYTE_A	Leyte A (HVDC)	490.1	320.32
6	06PAL1A_G01	Palinpinon Geothermal Power Plant I	110.5	107.45
7	06PAL2A_U01	Palinpinon Geothermal Power Plant II Unit 1	20	19.88
8	06PAL2A_U02	Palinpinon Geothermal Power Plant II Unit 2	20	19.88
9	06PAL2A_U03	Palinpinon Geothermal Power Plant II Unit 3	19.5	19.19
10	04LGPP_G01	Tongonan Geothermal Power Plant	120.5	120.43

6.0 IMPLEMENTATION CONCERNS

There were no concerns raised on the part of the Market Operator in its implementation of the 2022 DOE Circular and the urgent amendments.

As to the classification to, or re-classification of biomass, geothermal and impounding hydroelectric power plants from scheduled or non-scheduled to priority dispatch, the option to do so remains within their respective Generation Companies' discretion considering their own commercial aims and contractual obligations. Annex A details the reasons given to IEMOP by Generation Companies with eligible plants for not opting to be re-classified to priority dispatch.

However, while there are no hindrances in the implementation of the rules amendments, it is worth mentioning the concerns raised regarding the principle behind the policy itself. Based on the deliberation of the urgent amendments and the comments received from WESM stakeholders during the 30-day commenting period the primary concerns are as follows:

- 1) The policy may have an impact on the security and reliability of the power grid and the need for appropriate ancillary services; and
- 2) There may be a need to study how the policy could impact market prices and competition in the WESM with potential additional capacities to be given preferential treatment in scheduling and dispatch.

7.0 RECOMMENDATION

Since it has only been five (5) months since the urgent amendments have been implemented, it is recommended that a more in-depth study be conducted to look into the medium to long-term impact to price and competition in the market of an increased capacity with preferential treatment in scheduling and dispatch. This may include an assessment on the effect of displacing conventional plants by priority dispatch plants. Moreover, the policy's impact to system security and reliability may also be evaluated.

Relative to the timeline of the rules change process, it is recommended that the RCC request the PEM Board to extend the effectivity of the urgent amendments for another six (6) months, beginning 27 July 2023, to facilitate the continued implementation of the relevant provisions pending the DOE's final approval of the general amendments.

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Update on Implementation of Preferential Dispatch of Renewable Energy Resources
(Luzon and Visayas)

Reference:
Department Circular No. DC2022-10-0031 (DECLARING ALL RENEWABLE ENERGY RESOURCES AS PREFERENTIAL DISPATCH GENERATING UNITS IN THE WHOLESALE ELECTRICITY SPOT MARKET AMENDING FOR THIS PURPOSE DEPARTMENT CIRCULAR NO. DC2015-03-0001)

This report consolidates the latest information received by IEMOP from the generating companies with facilities that are qualified for preferential dispatch during the calls made to determine their respective plans regarding possible reclassification.

IEMOP was already able to call all concerned Trading Participants (TPs). Details of the latest information are tabulated below for reference:

BIOMASS

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
Asian Carbon Neutral Power Corp.	Non-scheduled	08-Mar-23	No	Need to comply with the dispatch conformance standards
BISCOM, Inc.	Non-scheduled	06-Mar-23	-	Will discuss with management, they will resume operation in September
Central Azucarera de San Antonio	Non-scheduled	07-Mar-23	Yes	Follow-up response - Will reclassify to Priority Dispatch and will initiate
Central Azucarera Don Pedro, Inc.	Non-scheduled	09-Mar-02	No	Facility is not operational
Cleangreen Energy Corporation	Non-scheduled	08-Mar-02	Yes	Will reclassify upon receipt of COC FIT
HyperGreen Energy Corporation	Scheduled	07-Mar-23	-	Will discuss with management and provide update on the decision of the management
Isabela La Suerte Rice Mill Corporation	Non-scheduled	08-Mar-23	No	Need to comply with the dispatch conformance standards
North Negros Biopower, Inc.	Scheduled	03-Mar-23	No	Will not reclassify due to economic reasons. Since they are not FIT eligible, they have to set a price that is higher than their operating cost. They might consider

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
San Carlos Biopower Inc.	Scheduled	03-Mar-23	No	the reclassification if they will be approved for GEAP or PSA
South Negros Biopower, Inc.	Scheduled	03-Mar-23	No	
San Carlos Bioenergy, Inc.	Non-scheduled	03-Mar-23	-	Will bring up to management and coordinate decision

GEOTHERMAL

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
AP Renewables Inc.	Scheduled	07-Mar-23	-	Ongoing internal discussion
Bac-Man Geothermal Inc.	Scheduled	09-Mar-23	Yes	TP sent a letter to requesting for reclassification to be effective on 30 April 2023 <i>(For submission of request to reclassify in CRSS)</i> <i>Update 1 (as of 13 April 2023): BGI will request updated ERC Certification since there will be changes in the registered capacity.</i> <i>Update 2: Change in classification to Priority Dispatch and ramp rate to 4.4 MW/min effective 30 April 2023</i>
Energy Development Corporation	Scheduled	09-Mar-23	Yes	TP sent a letter to requesting for reclassification to be effective on 15 April 2023 (for Nasulo Geothermal Power Plant) <i>(For submission of request to reclassify in CRSS)</i> <i>Update as of 13 April 2023: EDC's Nasulo Geothermal Power Plant was already reclassified to Priority Dispatch with effectivity on 15 April 2023.</i>
Energy Development Corporation	Scheduled	09-Mar-23	Yes	TP sent a letter to requesting for reclassification to be effective on 15 April 2023 (for Leyte A (HVDC))

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
				<p>(For submission of request to reclassify in CRSS)</p> <p>Update as of 13 April 2023: EDC will request updated ERC Certification since there will be changes in the registered capacity of Leyte A (HVDC) facility.</p> <p>Update 2: Change in classification to Priority Dispatch, Pmax to 490.1 MW, Pmin to 14.1 MW and ramp rate to 24.2 MW/min effective 24 April 2023</p>
Green Core Geothermal Inc.	Scheduled	14-Mar-23	Yes	<p>TP submitted on 13 March 2023 the CRSS request to update the classification and registered capacity. TP will send a revised letter on the new effective date of reclassification of Palinpinon Plant, which will coincide with the effectivity of the change in registered capacity.</p> <p>Update as of 13 April 2023: Palinpinon Geothermal Power Plant I already reclassified to Priority Dispatch effective 20 March 2023; Palinpinon Geothermal Power Plant II Unit 3 already reclassified to Priority Dispatch effective 11 April 2023; GCGI will request updated ERC Certification for the Palinpinon Geothermal Power Plant II Units 1 and 2 since there will be changes in the registered capacity.</p> <p>Update 2: change in classification to Priority Dispatch and ramp rate to 2.9 MW/min of Palinpinon Geothermal Power Plant II Units 1 and 2 effective 27 April 2023</p>
Green Core Geothermal Inc.	Scheduled	09-Mar-23	Yes	<p>TP sent a letter to requesting for reclassification to be effective on 15 April 2023 (for Tongonan Geothermal Power Plant)</p> <p>(For submission of request to reclassify in CRSS)</p> <p>Update as of 13 April 2023: GCGI will request updated ERC Certification since there will be changes in the registered capacity of Tongonan Geothermal Power Plant facility.</p>

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
				<i>Update 2: Change in classification to Priority Dispatch, Pmin to 16.9 MW and ramp rate to 4.5 MW/min effective 27 April 2023</i>
Maibarara Geothermal, Inc.	Scheduled	07-Mar-23	-	Will discuss with management and provide update on the decision of the management

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

HYDRO

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
Amlan Hydroelectric Power Corporation	Non-scheduled	10-Mar-23	-	Facility is ROR; Will relay to management
Angat Hydropower Corporation	Scheduled	07-Mar-23	No	Will not reclassify. Amenable to reclassify but with special conditions such as: a) during rainy season or weather disturbance only b) if the price is not negative; This is because they have capacity contract w/ PSALM and as a merchant plant, it is detrimental for them to be dispatched as a price taker during negative price intervals. <i>Ms. Cynthia Encarnacion also mentioned that they will present in the Rules Change Committee for conditions of Hydro as preferential dispatch.</i>
Bohol I Electric Cooperative, Inc. - Janopol Mini Hydro Power Corporation	Non-scheduled	09-Mar-23	No	Facility not operational
BOHECO I Sevilla Mini Hydro Corp.	Non-scheduled	09-Mar-23	No	Facility not operational
First Gen Hydro Power Corporation	Scheduled	08-Mar-23	No	Will register as AS Provider (for Pantabangan Hydroelectric Power Plant)
First Gen Hydro Power Corporation	Scheduled	15-Mar-23	-	Ongoing internal discussion. TP will advise if they will push through with the reclassification (for Masiway Hydroelectric Power Plant)
National Irrigation Administration	Non-scheduled	08-Mar-23	No	Need to comply with the dispatch conformance standards
Power Sector Assets and Liabilities Management Corporation	Scheduled	08-Mar-23	No	To consult first with their plant operator
SN Aboitiz Power - Magat, Inc.	Scheduled	15-Mar-23	-	Ongoing internal discussion
Sta Clara Power Corporation	Non-scheduled	09-Mar-23	No	Facility is ROR

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Trading Participant	Current Classification	Contact Date	Will Re-classify?	Comments / Responses
Sta Clara Power Corporation	Non-scheduled	09-Mar-23	No	Facility is ROR
Strategic Power Development Corporation	Scheduled	07-Mar-23	No	Will not reclassify. Amenable to reclassify but with special conditions such as: a) during rainy season or weather disturbance only b) if the price is not negative; This is because they have capacity contract w/ PSALM and as a merchant plant, it is detrimental for them to be dispatched as a price taker during negative price intervals. <i>Ms. Cynthia Encarnacion also mentioned that they will present in the Rules Change Committee for conditions of Hydro as preferential dispatch.</i>

List of Plants that are Qualified for Preferential Dispatch
(Luzon and Visayas)

Market Participant Name	Region	Facility Name	Type	Current Classification
Angat Hydropower Corporation*	Luzon	Angat Hydroelectric Power Plant Unit A	Hydro	Scheduled
Angat Hydropower Corporation*	Luzon	Angat Hydroelectric Power Plant Unit M	Hydro	Scheduled
AP Renewables Inc.*	Luzon	Makban -Bay Geothermal Power Plant A	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	Makban-Calauan Geothermal Power Plant (Plant B)	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	Makban-Calauan Geothermal Power Plant (Plant C)	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	Makban -Bay Geothermal Power Plant D	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	Makban-Sto. Tomas GPP Plant E	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	7.000 MW Makban-Binary 1 Geothermal Power Plant	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	120.000 MW Tiwi A Geothermal Power Plant	Geothermal	Scheduled
AP Renewables Inc.*	Luzon	114.000 MW Tiwi C Geothermal Power Plant	Geothermal	Scheduled
Asian Carbon Neutral Power Corp.*	Luzon	ACNPC Tarlac Biomass Plant	Biomass	Non-scheduled
Bac-Man Geothermal Inc.*	Luzon	Bacman Geothermal Power Plant Unit 1	Geothermal	Scheduled

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Market Participant Name	Region	Facility Name	Type	Current Classification
Bac-Man Geothermal Inc.*	Luzon	Bacman Geothermal Power Plant Unit 2	Geothermal	Scheduled
Bac-Man Geothermal Inc.*	Luzon	Bacman Geothermal Power Plant Unit 3	Geothermal	Scheduled
Central Azucarera Don Pedro, Inc.*	Luzon	CADPI Biomass Power Plant	Biomass	Non-scheduled
Cleangreen Energy Corporation*	Luzon	CEC Biomass Power Plant	Biomass	Non-scheduled
First Gen Hydro Power Corporation*	Luzon	12.000 MW Masiway Hydroelectric Power Plant	Hydro	Scheduled
First Gen Hydro Power Corporation*	Luzon	Pantabangan Hydro Electric Power Plant Unit 1	Hydro	Scheduled
First Gen Hydro Power Corporation*	Luzon	Pantabangan Hydro Electric Power Plant Unit 2	Hydro	Scheduled
HyperGreen Energy Corporation*	Luzon	12.000 MW Biomass Power Plant	Biomass	Scheduled
Isabela La Suerte Rice Mill Corporation*	Luzon	Isabela La Suerte Biomass Power Plant	Biomass	Non-scheduled
Maibarara Geothermal, Inc.*	Luzon	Maibarara Geothermal Power Plant 1	Geothermal	Scheduled
Maibarara Geothermal, Inc.*	Luzon	Maibarara Geothermal Power Plant 2	Geothermal	Scheduled
National Irrigation Administration*	Luzon	NIA Baligatan Hydro Electric Power Plant	Hydro	Non-scheduled
PSALM Corporation*	Luzon	Casecnan Hydro Electric Power Plant	Hydro	Scheduled
PSALM Corporation*	Luzon	Botocan Hydro Electric Power Plant	Hydro	Scheduled
PSALM Corporation*	Luzon	Caliraya Hydro Electric Power Plant	Hydro	Scheduled
PSALM Corporation*	Luzon	Kalayaan Hydro Electric Power Plant 1	Hydro	Scheduled
PSALM Corporation*	Luzon	Kalayaan Hydro Electric Power Plant 2	Hydro	Scheduled
PSALM Corporation*	Luzon	Kalayaan Hydro Electric Power Plant 3	Hydro	Scheduled
PSALM Corporation*	Luzon	Kalayaan Hydro Electric Power Plant 4	Hydro	Scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Magat Hydroelectric Power Plant Unit 1	Hydro	Scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Magat Hydroelectric Power Plant Unit 2	Hydro	Scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Magat Hydroelectric Power Plant Unit 3	Hydro	Scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Magat Hydroelectric Power Plant Unit 4	Hydro	Scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Maris Canal HEPP Unit 1	Hydro	Non-scheduled
SN Aboitiz Power - Magat, Inc. *	Luzon	Maris Canal HEPP Unit 2	Hydro	Non-scheduled

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Market Participant Name	Region	Facility Name	Type	Current Classification
Strategic Power Development Corporation*	Luzon	San Roque Hydro Electric Power Plant Unit 1	Hydro	Scheduled
Strategic Power Development Corporation*	Luzon	San Roque Hydro Electric Power Plant Unit 2	Hydro	Scheduled
Strategic Power Development Corporation *	Luzon	San Roque Hydro Electric Power Plant Unit 3	Hydro	Scheduled
Amlan Hydroelectric Power Corporation *	Visayas	Amlan Hydro Electric Power Plant	Hydro	Non-scheduled
BISCOM, Inc.*	Visayas	BISCOM Biomass Power Plant	Biomass	Non-scheduled
Bohol I Electric Cooperative, Inc. - Janopol Mini Hydro Power Corporation *	Visayas	Janopol Mini Hydro Power Plant	Hydro	Non-scheduled
BOHECO I Sevilla Mini Hydro Corp. *	Visayas	BOHECO I Sevilla Mini Hydro Power Plant	Hydro	Non-scheduled
Central Azucarera de San Antonio*	Visayas	CASA Biomass Co-Generation Power Plant	Biomass	Non-scheduled
Energy Development Corporation*	Visayas	Nasulo Geothermal Power Plant	Geothermal	Scheduled
Energy Development Corporation*	Visayas	Leyte A (HVDC)	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Palinpinon Geothermal Power Plant I	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Palinpinon Geothermal Power Plant II Unit 1	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Palinpinon Geothermal Power Plant II Unit 2	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Palinpinon Geothermal Power Plant II Unit 3	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Palinpinon Geothermal Power Plant II Unit 4	Geothermal	Scheduled
Green Core Geothermal Inc.*	Visayas	Tongonan Geothermal Power Plant	Geothermal	Scheduled
North Negros Biopower, Inc.*	Visayas	26.256 MW NNBP Biomas Power Plant (BPP)	Biomass	Scheduled
San Carlos Bioenergy, Inc.*	Visayas	Bagasse-Fired Cogeneration Power Plant	Biomass	Non-scheduled
San Carlos Biopower Inc.*	Visayas	19.990 MW SCBP Biomass Power Plant (BPP)	Biomass	Scheduled
South Negros Biopower, Inc.*	Visayas	26.256 MW SNBP Biomass Power Plant (BPP)	Biomass	Scheduled
Sta Clara Power Corporation *	Visayas	Loboc Hydro Electric Power Plant	Hydro	Non-scheduled
Sta Clara Power Corporation *	Visayas	Loboc 2 Hydro Electric Power Plant	Hydro	Non-scheduled

*Already called by IEMOP regarding Preferential Dispatch, as reported

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

**List of Plants that are Qualified for Preferential Dispatch
(Mindanao)**

Market Participant Name	Region	Facility Name	Type	Current Classification
Energy Development Corporation	Mindanao	Mindanao I Geothermal Power Plant	GEOTHERMAL	Scheduled
Energy Development Corporation	Mindanao	Mindanao 3 (M3 Binary) Geothermal Power Project	GEOTHERMAL	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Mindanao II Geothermal Power Plant	GEOTHERMAL	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus I Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus I Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus II Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus II Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus II Hydroelectric Power Plant Unit 3	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus IV Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Asset and Liabilities Management Corporation	Mindanao	Agus IV Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Asset and Liabilities Management Corporation	Mindanao	Agus IV Hydroelectric Power Plant Unit 3	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus V Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus V Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VI Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VI Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VI Hydroelectric Power Plant Unit 3	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VI Hydroelectric Power Plant Unit 4	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VI Hydroelectric Power Plant Unit 5	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VII Hydroelectric Power Plant Unit 1	HYDRO	Scheduled

ANNEX A – IMPLEMENTATION UPDATE FROM THE MARKET OPERATOR

Market Participant Name	Region	Facility Name	Type	Current Classification
Power Sector Assets and Liabilities Management Corporation	Mindanao	Agus VII Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	255 MW Pulangi IV Hydroelectric Power Plant Unit 1	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	255 MW Pulangi IV Hydroelectric Power Plant Unit 2	HYDRO	Scheduled
Power Sector Assets and Liabilities Management Corporation	Mindanao	255 MW Pulangi IV Hydroelectric Power Plant Unit 3	HYDRO	Scheduled