

## MEETING MINUTES

Subject/Purpose : 236<sup>th</sup> RCC (Regular) Meeting  
 Date & Time : 20 September 2024, 9:00 AM to 3:00 PM  
 Venue : Online via Microsoft Teams  
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### ATTENDEES

|     | Name                       | Designation/Position                                | Department/<br>Company |
|-----|----------------------------|---|------------------------|
| 1.  | Rachel Angela P. Anosan    | Member, Independent                                 | RCC                    |
| 2.  | Jose Roderick F. Fernando  | Member, Independent                                 | RCC                    |
| 3.  | Jordan Rel C. Orillaza     | Member, Independent                                 | RCC                    |
| 4.  | Cherry A. Javier           | Member (Principal), Generation Sector               | RCC                    |
| 5.  | Dixie Anthony R. Banzon    | Member (Principal), Generation Sector               | RCC                    |
| 6.  | Carlito C. Claudio         | Member (Principal), Generation Sector               | RCC                    |
| 7.  | Michelle S. Tuazon         | Member (Alternate), Generation Sector               | RCC                    |
| 8.  | Jessie B. Victorio         | Member (Alternate), Generation Sector               | RCC                    |
| 9.  | Nelson M. Dela Cruz        | Member (Principal), Distribution Sector             | RCC                    |
| 10. | Virgilio C. Fortich, Jr.   | Member (Principal), Distribution Sector             | RCC                    |
| 11. | Russel S. Alabado          | Member (Principal), Distribution Sector             | RCC                    |
| 12. | Ryan S. Morales            | Member (Principal), Distribution Sector             | RCC                    |
| 13. | Gian Karla C. Gutierrez    | Member (Principal), Supply Sector                   | RCC                    |
| 14. | Darryl Lon A. Ortiz        | Member (Principal), Transmission Sector             | RCC                    |
| 15. | Kristoffer Monico S. Ng    | Member (Alternate), Market Operator                 | RCC                    |
| 16. | John Paulo O. Castro       | DOE Observer  | DOE                    |
| 17. | Chrismah Joy D. Quinones   | DOE Observer  | DOE                    |
| 18. | Jane May M. Mea            | DOE Observer  | DOE                    |
| 19. | Jhannelyn D. Marasigan     | DOE Observer  | DOE                    |
| 20. | Karen A. Varquez           | Secretariat   | PEMC                   |
| 21. | Divine Gayle C. Cruz       | Secretariat   | PEMC                   |
| 22. | John Eisendel M. Labay     | Secretariat   | PEMC                   |
| 23. | Mary Rose L. Bisnar        | Secretariat   | PEMC                   |
| 24. | Bienvenido C. Mendoza, Jr. | Chief Market Assessment Officer                     | PEMC                   |
| 25. | Cedric Xian Mico L. Uy     | Office of the President and WESM Governance Officer | PEMC                   |
| 26. | Gabriel R. Marmeto         | Legal   | PEMC                   |
| 27. | Christian Francis O. Belen | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 28. | Jace A. Tesaluna           | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 29. | Vince Luigi B. Maliwanag   | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 30. | Mark Anthony C. Andrada    | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 31. | Hillary Romeli C. Florendo | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 32. | Nylle Gregory P. Bague     | Enforcement and Compliance Office (ECO)             | PEMC                   |
| 33. | Gabriel Macky A. Cadang    | Enforcement and Compliance Office (ECO)             | PEMC                   |

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|     | Name                     | Designation/Position                    | Department/Company |
|-----|--------------------------|---|--------------------|
| 34. | Carl Angelo B. Dela Cruz | Enforcement and Compliance Office (ECO) | PEMC               |
| 35. | Dianne Kate C. Langit    | Enforcement and Compliance Office (ECO) | PEMC               |
| 36. | Anthony Jose P. Asprer   | Enforcement and Compliance Office (ECO) | PEMC               |
| 37. | Gabbor M. Dichoso        | Enforcement and Compliance Office (ECO) | PEMC               |
| 38. | Aldjon Kenneth M. Yap    | Market Assessment Group (MAG)           | PEMC               |
| 39. | Ira Lee P. Corectico     | Market Assessment Group (MAG)           | PEMC               |

### 1.0 Call to Order

The meeting was called to order at 9:05 AM.

### 2.0 Determination of Quorum

The quorum was determined with thirteen (13) principal and three (3) alternate members present. Four (4) DOE Observers were also present in the meeting.

Due to technical issues experienced by Mr. Jesusito G. Morillos (Chairperson/Independent), Ms. Rachel Angela P. Anosan (Independent) presided the meeting.

### 3.0 Adoption of Agenda

The RCC adopted the revised proposed agenda with the addition of Agenda item 6.1: *Effectivity of WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves Manual*.

### 4.0 Draft Minutes of Previous Meeting

- Draft Minutes of 234<sup>th</sup> RCC (Regular) Meeting, 16 August 2024

Proceedings:

Mr. John Eisendel M. Labay (Secretariat) presented the draft minutes of the 234<sup>th</sup> RCC (Regular) Meeting which was sent to the RCC on 17 September 2024. He informed the body that the comments received from Mr. Jordan Rel C. Orillaza (Independent) and GNPk had already been incorporated into the draft.

Agreement:

The RCC provisionally approved the draft minutes, subject to further comments and the secretariat shall route the draft minutes for final review and approval.



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### 5.0 Matters Arising from Previous Meeting

#### 5.1 Proposed General Amendments to the WESM Rules regarding Must-Offer Rule

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For discussion
- Material/s: Annex A - Presentation Materials for 236<sup>th</sup> RCC Meeting

Proceedings:

Ms. Mary Rose L. Bisnar (Secretariat) presented the timeline of activities and summarized the key points discussed during the 235<sup>th</sup> RCC Caucus Meeting held last 03 September 2024, as follows:

- The problems encountered by GNPk could be addressed operationally without necessitating amendments to the current rules.
- The RCC suggested that GNPk submit a formal letter converting the proposed amendment to either:
  - 1) Invitation to the DOE, as policy maker, to conduct visitation for better appreciation of GNPk's concern.
  - 2) Discussion with the Market Operator (MO) regarding the MDOM
- GNPk shall provide updates to the RCC on its action plan for the proposal via email or letter.

On 13 September 2024, the Secretariat requested an update from GNPk, who responded that the proposal remains under review and deliberation by their management. GNPk also requested additional time and for the proposal be included in the agenda at a later date.

While the commenting period for the proposal concluded on 06 August 2024, the secretariat received the System Operator's general comments on 09 September 2024. With the Chairman's approval to accept the late comments, Ms. Bisnar presented NGCP's comments for the information of the RCC.

Mr. Darryl Lon A. Ortiz (Transmission) confirmed the discussion during the caucus and reiterated that the problems encountered by GNPk could be addressed operationally without necessitating amendments to the current rules.

Agreement:

The RCC resolved to proceed with the deliberation of the proposed amendments at the next RCC Regular Meeting on 18 October 2024, irrespective of whether GNPk has concluded its internal review.

### 6.0 New Business

#### 6.1 Effectivity of WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves Manual.

- Presenter: Mr. John Eisendel M. Labay (Secretariat)
- Action Requested: For information
- Material/s: Annex A - Presentation Materials for 236<sup>th</sup> RCC Meeting



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### Proceedings:

Mr. Labay informed the RCC regarding the cessation of the effectivity of the WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves (WESM-PCSD) upon the commercial operations of the co-optimized energy and reserve market in accordance with Section 1.3.1 of the manual,

*“1.3.1. This Protocol shall apply to the Market Operator, the System Operator and all WESM Members, including intending WESM Members, and WESM Participants in the electric power industry for a limited period and shall immediately cease upon commencement of the commercial operation of the WESM reserve market pursuant to the provisions of the DOE Department Circulars Nos. DC2014-03-0009 and DC2019-12-0018.”*

He further stated that the cessation of the effectivity of the WESM-PCSD has rendered ineffective the provisions relating to the implementation of the dispatch schedules that are below the minimum stable load or Pmin, as follows:

*“4.7.8 For generators that were scheduled below their respective technical Pmin for the next trading interval:*

- 4.7.8.1 Trading Participants shall manage their offers appropriately for the following intervals so that such an incident may not occur.*
- 4.7.8.2 If it is currently running or dispatched, then it should operate at its technical Pmin for that next trading interval.*
- 4.7.8.3 If a generator is scheduled below its technical Pmin for the next trading interval, and it is currently off-line, then it should remain off-line for that next trading interval.”*

Noting that there are no similar provisions in the WESM Rules and Market Manuals, the Secretariat sought guidance from the DOE on the matter and arising concerns. Mr. Labay outlined these concerns along with the corresponding responses from DOE.

| Request/Inquiry (09 September 2024)  | DOE's Response (10 September 2024)  |
|--|---|
| (1) In reference to Section 1.3.1 of the PCSD Manual and the commencement of the reserve market on 05 Aug 2024, requested confirmation whether the Protocol ceased effectivity on 05 Aug 2024.   | The DOE confirmed that the protocol is no longer applicable upon the resumption of the Reserve Market.  |
| (2) Should the Protocol be deemed obsolete in item 1 above, can PEMC (through RCC and PEM Board) request the extension of effectivity of Section 4.7.8 noting that there are no corresponding provisions in the WESM Rules and Market Manuals? PEMC intends to submit General Amendments after thorough review of the rules, for completeness. | The DOE suggested PEMC to communicate at least to Usec. Guevara and to also discuss the matter with IEMOP before endorsing the matter to the DOE. |

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Pursuant to the DOE's recommendation to seek consultation with the Market Operator (MO), the MO has expressed its concurrence on extending the effectivity of Section 4.7.8 of the WESM-PCSD and the intent of PEMC to submit a general amendment after thorough review. Furthermore, the MO is currently studying the possible impact of the Protocol's cessation on their internal processes. Additionally, the MO proposed the introduction of a proposal incorporating the Supplemental Operating Guidelines issued by the DOE into the WESM Rules and other relevant Market Manuals.

Ms. Anosan inquired whether the RCC has any actions to undertake regarding the potential approval of the extension request and the creation of a corresponding request letter, or if the matter should be addressed directly to the DOE. Mr. Labay clarified that the PEMC's request will be submitted directly to the DOE.

Mr. Carlito C. Claudito (Generation) emphasized that Section 4.7.8 of the WESM-PCSD pertains to the generators' inability to comply with the RTD schedule due to being scheduled below Pmin. He suggested that any proposed amendment should be including said provision in the WESM Manual on Dispatch Protocol. Additionally, he reiterated that the expiration of the WESM-PCSD's effectivity have impact on many generators, and thus, an urgent amendment may be necessary.

Mr. Ortiz concurred with suggestion of pursuing an urgent amendment on the WESM Manual on Dispatch Protocol rather than requesting for an extension to the DOE. He further noted that issuance of a DOE Circular to extend the proposed section will take time.

Mr. Orillaza raised a query about the potential coexistence of the WESM-PCSD provisions and the principles governing the Reserve Market. He voiced his apprehensions about the feasibility of extending the WESM-PCSD provisions while the Reserve Market is active, positing that they may be mutually exclusive, or that one framework might need to be phased out to favor the other. Ms. Anosan highlighted that the section in question pertains to the energy dispatch and should therefore be amended within the Dispatch Protocol Manual instead of the Ancillary Services Manual. She clarified that although the section does not relate to ancillary services, it was included in the document because the WESM-PCSD encompasses both energy and contracted reserves.

### Agreements:

The RCC deemed that Section 4.7.8 of the WESM-PCSD manual, which refers to the scheduling and dispatch of energy, should be added in the Dispatch Protocol Manual.

With the cessation of the effectivity of the WESM-PCSD, the RCC recommended that PEMC pursue an urgent amendment rather than seeking an extension through the DOE.

The RCC will hold a special meeting for the discussion of the proposed urgent amendment prior the October Board Review Committee (BRC) Meeting.

## 7.0 Other Matters

### 7.1 Update on Proposed Amendments

- Presenter/s: Mr. John Eisendel M. Labay (Secretariat)
- Action Requested: For information



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- Material/s: Annex A - Presentation Materials for 236<sup>th</sup> RCC Meeting

Proceedings:

### Status of Rules Change Proposals

Mr. Labay presented the update on proposed amendments highlighting the following:

| Status   | Topic  |
|--|--|
| Proposed Amendments awaiting DOE's approval                      | 1. System Operator Procedures on Market Intervention and Suspension<br>2. Interruptible Load Program<br>3. Refinements on Market Intervention and Market Suspension Procedure<br>4. Enforcement and Compliance Manual in alignment with Penalty Manual |
| General Amendments under RCC Evaluation or Finalization          | 1. Must Offer Rule<br>2. Energy Storage System (ESS)<br>3. Ancillary Services Monitoring Manual  |
| General Amendments approved by the PEM Board                     | Rules Change Process   |
| Urgent Amendments approved by the PEM Board                      | Ancillary Services Monitoring Manual and Penalty Manual  |
| Urgent Amendments ongoing PEM Board's Evaluation or Finalization | Terms of Office of WESM Governance Committee Members   |

### PEM Board-approved additional Changes on the Urgent Amendments to the WESM Manual on Ancillary Services Monitoring

Mr. Labay presented the additional amendments on the RCC-Approved urgent proposal on the WESM Manual on Ancillary Services Monitoring as approved by the PEM Board during its 75<sup>th</sup> Meeting last 28 August 2024. These amendments from IEMOP were included in the corresponding proposed general amendment published in the PEMC website on 06 September 2024 for comments.

Below is the summary of IEMOP's proposed revisions and affected provisions:

| IEMOP Proposed Further Revision  | Affected Provisions                                  |
|--|--|
| NGCP to submit the findings to ECO (instead of IEMOP) (on or before 25 <sup>th</sup> of the month; so in case of Sep Billing Pd > not later than 25 Oct) | Sec. 7.2.2<br>Sec. 7.2.3<br>Sec. 7.2.6<br>Sec. 7.3.1 |
| ECO to consolidate the findings (of ECO and SO)  | Sec. 7.2.3<br>Sec. 7.3.1 (c)<br>Sec. 7.6.1           |
| ECO to submit the consolidated findings to IEMOP   | Sec. 7.2.6   |



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|  |             |
|--|-------------|
| Updating of Process Flowchart for RCS Monitoring | Appendix II |
|--|-------------|

### Update on Proposed Amendments regarding the Retail Market

Mr. Labay informed the RCC on the updates on two proposals that were deferred to await the ERC's omnibus on the retail market: (1) *Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023)* and (2) *Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of Electric Retail Aggregation Program*. With the ERC's approval of the Omnibus Rules of the Retail Market by way of ERC Resolution No. 13, Series of 2024, Mr. Labay noted that the MO is currently reviewing the resolution and will be providing updates once their action plan on the aforementioned proposal has been finalized.

Agreement:

The RCC noted the updates.

### 7.2 DOE Updates

- Presenter/s: Ms. Jhannelyn D. Marasigan (DOE)
- Action Requested: For information
- Material/s: N/A

Proceedings:

Ms. Jhannelyn D. Marasigan (DOE) informed the RCC that the DOE is currently finalizing the draft department circulars of the proposed amendments on the following topics:

1. System Operator Procedures on Market Intervention and Suspension
2. Interruptible Load Program Implementation
3. Refinements on Market Intervention and Market Suspension Procedures
4. Enforcement and Compliance Manual in alignment with Penalty Manual

She informed the body on the recent policy issuance of the DOE, as follows:

1. DOE DC2024-08-0026 entitled "*Adopting amendments to Department Circular No. DC2022-07-0029 providing policies for the Market Operator Performance Standards*" signed 19 August 2024 and will be effective on 24 September 2024.
2. DOE DC2024-08-0022 entitled "*Amending certain provisions of DOE DC2021-06-0013 on the Framework Governing the Test and Commissioning of Generation Facilities for ensuring readiness to deliver energy to the Grid of Distribution Network*" signed 21 July 2024 and was effective last 27 August 2024.

Agreements:

The RCC noted the updates.



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### 7.3 Schedule of Activities

- Presenter/s: Mr. John Eisendel M. Labay (Secretariat)
  - Action Requested: For information
  - Material/s: Annex A - Presentation Materials for 236<sup>th</sup> RCC Meeting
- Proceedings:

Mr. Labay informed the body about the schedule of activities, as follows:

| Activity                                  | Date                                 |
|---|--------------------------------------|
| RCC Meetings                              | 18 October 2024<br>15 November 2024  |
| BRC Meetings                              | 16 September 2024<br>16 October 2024 |
| PEM Board Meetings                        | 25 September 2024<br>23 October 2024 |
| WESM Compliance Officer (WCO) Summit 2024 | 24 October 2024                      |

Agreements:

The RCC noted the schedule as presented.

## 8.0 Adjournment

The meeting was adjourned at 10:08 AM.

Prepared by:



JOHN EISENDEL M. LABAY  
 Rules Review Specialist  
 Market Assessment Group

Reviewed by:

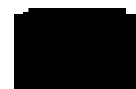


KAREN A. VARQUEZ  
 Senior Manager, Rules Review Division  
 Market Assessment Group

Noted by:



BIENVENIDO C. MENDOZA JR.  
 Chief Market Assessment Officer





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Approved by:

JESUSITO G. MORALLOS  
Chairperson, Independent

JOSE RODERICK F. FERNANDO  
Member, Independent

RACHEL ANGELA P. ANOSAN  
Member, Independent

JORDAN REL C. ORILLAZA  
Member, Independent

DIXIE ANTHONY R. BANZON  
Member, Generation Sector  
Masinloc Power Partners Co. Ltd. (MPPCL)

Member, Generation Sector  
Aboitiz Power Corp. (APC)

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

MARK D. HABANA  
Member, Generation Sector  
Vivant Corporation – Philippines (Vivant)

RYAN S. MORALES  
Member, Distribution Sector  
Manila Electric Company (MERALCO)

VIRGILIO C. FORTICH, JR.  
Member, Distribution Sector  
Cebu III Electric Cooperative, Inc. (CEBECO II)

RUSSEL S. ALABADO  
Member, Distribution Sector  
Angeles Electric Corporation (AEC)

NELSON M. DELA CRUZ  
Member, Distribution Sector  
Nueva Ecija II Area 1 Electric Cooperative, Inc.  
(NEECO II – Area I)

GIAN KARLA C. GUTIERREZ  
Member, Supply Sector  
First Gen Corporation (FGEN)

ISIDRO E. CACHO, JR.  
Member, Market Operator  
Independent Electricity Market Operator of the  
Philippines (IEMOP)

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DARRYL LON A. ORTIZ  
Member, System Operator  
National Grid Corporation of the Philippines  
(NGCP)



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### Annex A – Presentation Materials for 236<sup>th</sup> RCC Meeting



### DATA PRIVACY NOTICE

PLEASE BE INFORMED THAT THE **236<sup>TH</sup> RCC (REGULAR) MEETING** WILL BE RECORDED USING MS TEAMS FOR DOCUMENTATION PURPOSES AND KEPT IN MICROSOFT SHAREPOINT UNTIL SUCH PURPOSE IS ATTAINED OR THE RETENTION PERIOD AS MANDATED BY PEMC'S INFORMATION SECURITY AND DOCUMENTED INFORMATION POLICY HAS LAPSED.

YOUR VIDEO AND AUDIO MAY BE RECORDED.

BY CONTINUING TO STAY IN THIS MEETING, YOU CONSENT TO THIS RECORDING.

FOR ANY QUESTIONS, FEEL FREE TO CONTACT **RULES REVIEW DIVISION** AT [MAG\\_RRD@WESM.PH](mailto:MAG_RRD@WESM.PH) AND/OR THE DPO AT [DPO@WESM.PH](mailto:DPO@WESM.PH)



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**God our Father, we gather as your faithful servants and stewards of the resources you have given our nation.**

**We pray for wisdom that our deliberations in our RCC meeting will consistently be based on the best interest of WESM (in particular) and the government and the Filipino nation (in general), we are sworn to serve.**



**We pray for courage and boldness to face the challenges that we may meet in the course of performing our task, that calls for the highest standards of honesty, integrity and competence, in order to preserve the trust and confidence given to us by our people.**



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**We pray that this nation will be able to achieve transparent and reasonable prices of electricity, in a regime of free and fair competition and full public accountability, to achieve greater operational and economic efficiency.**

5



**We call on you Heavenly Father to remind us that you can see through our hearts and know our innermost thoughts and intentions.**

**Guide us every step of the way as we strive to contribute our part for honest and efficient governance so deserved by our people.**

**These we ask in the name of Jesus Christ, your Son. Amen.**

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### DETERMINATION OF QUORUM

| Representation/<br>Sector | Principal Member /Alternate Member |                         | Attendance |  |
|---------------------------|------------------------------------|-------------------------|------------|--|
| Independent               | Jesusito G. Morillos               |                         |            |  |
|                           | Jose Roderick F. Fernando          |                         |            |  |
|                           | Rachel Angela P. Anosan            |                         |            |  |
|                           | Jordan Rel C. Orillaza             |                         |            |  |
| Generation                | Dixie Anthony R. Banzon            | Rose Ann O. Alfaro      |            |  |
|                           | Cherry A. Javier                   | Angeli Abad-Parcia      |            |  |
|                           | Carlito C. Claudio                 | Jessie B. Victorio      |            |  |
|                           | Mark D. Habana                     | Michelle S. Tuazon      |            |  |
| Distribution              | Ryan S. Morales                    | Manuel Luis Zagala      |            |  |
|                           | Russel S. Alabado                  | Alfredo C. Sanaga, Jr.  |            |  |
|                           | Virgilio C. Fortich, Jr.           | Getulio Zamosas Crodua  |            |  |
|                           | Nelson M. Dela Cruz                | Darwin T. Daymiel       |            |  |
| Supply                    | Gian Karla C. Gutierrez            | Dennis R. Paragas       |            |  |
| Transmission              | Darryl Lon A. Ortiz                | Clark N. Agustin        |            |  |
| Market Operator           | Isidro E. Cacho, Jr.               | Kristoffer Monico S. Ng |            |  |



## ADOPTION OF THE AGENDA



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### ADOPTION OF THE AGENDA

| Proposed Agenda   | Presenter     | Action Required |
|---|---------------|-----------------|
| I. Call to Order  |               |                 |
| II. Determination of Quorum   |               |                 |
| III. Adoption of Agenda   | Secretariat   | For approval    |
| IV. Draft Minutes of Previous Meetings <ul style="list-style-type: none"> <li>234<sup>th</sup> RCC (Regular) Meeting, 16 August 2024</li> </ul>   | Secretariat   | For approval    |
| V. Matters Arising from Previous Meeting  |               |                 |
| 5.1 Proposed General Amendments to the WESM Rules regarding Must - Offer Rule <ul style="list-style-type: none"> <li>Updates on the deliberation during the Caucus Meeting</li> </ul>                       | Secretariat   | For information |
| VI. New Business  |               |                 |
| 6.1 Effectivity of WESM Manual on Protocol for Central Scheduling and Dispatch of Energy and Contracted Reserves Manual. <ul style="list-style-type: none"> <li>Update and Proposed ways forward</li> </ul> | Secretariat   | For information |
| VII. Other Matters  |               |                 |
| 7.1 Update on Proposed Amendments   | Secretariat   | For information |
| 7.2 DOE Updates   | DOE Observers | For information |
| 7.3 Schedule of Activities  | Secretariat   | For information |
| VIII. Adjournment   |               |                 |



### IV. DRAFT MINUTES OF PREVIOUS MEETING

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### V. MATTERS ARISING FROM PREVIOUS MEETING



#### 5.1 PROPOSED AMENDMENTS TO THE WESM RULES AND WESM MANUAL ON DISPATCH PROTOCOL REGARDING MUST-OFFER RULE



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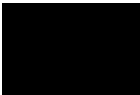


ACTION REQUESTED

- For information

ACTIVITIES

| DATE                          | ACTIVITIES   |
|-------------------------------|--|
| 13 June 2024                  | GNPK submitted the revised proposed amendment  |
| 21 June 2024                  | The RCC approved the publication of the proposed amendment   |
| 26 June 2024 – 06 August 2024 | Commenting period of the proposed amendment  |
| 16 August 2024                | Comments and response of the proponent were discussed during the 234 <sup>th</sup> RCC (Regular) Meeting. <ul style="list-style-type: none"><li>• The RCC decided to hold a caucus meeting.</li></ul>  |
| 03 September 2024             | The RCC further discussed the proposed amendment. <ul style="list-style-type: none"><li>• The RCC suggested GNPK to write a letter converting the proposed amendment to either of the following:<ul style="list-style-type: none"><li>○ Invitation to the DOE, as policy maker, to conduct visitation for better appreciation of GNPK’s concern</li><li>○ Discussion with the IEMOP on MDOM</li></ul></li><li>• The GNPK shall conduct further deliberation on the points raised by the Committee and PEMC and to provide update the RCC via email or letter on its next plan.</li></ul> |



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### ACTIVITIES

| DATE              | ACTIVITIES   |
|-------------------|--|
| 13 September 2024 | The Secretariat communicated GNPk for the updates on their proposal.   |
| 19 September 2024 | GNPK responded that the review and deliberation of the proposal is still on going with a view to provide the RCC corresponding response.<br><br>GNPK requested to give them additional time to further discuss |

### ADDITIONAL INFORMATION

- On 09 September 2024, the NGCP sent a letter to the RCC with the intent to submit the its general comments to GNPk's proposed amendment, which read as follows:

"NGCP would like to note that any exemption in the Rules would distort the market results (e.g., higher cost in case GNPk would opt not to run). Additionally, while the proposed amendments pertain to the submission of bids and offers of the Trading Participants in the WESM, over which the System Operator has no direct control, revisions of bids and offers due to generator technical constraints may impact the operational aspects and resource optimization of the System Operator. It is crucial to consider these potential effects to ensure efficient and reliable system operations."



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### ACTION REQUESTED

- For information

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## VI. NEW BUSINESS



## MEETING MINUTES

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### 6.1 EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL



#### ACTION REQUESTED

- For information



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### EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL

#### 1. Commencement of the Reserve Market and effectivity of the PCSD Manual.

- Commencement of the commercial operation of the Reserve Market was on 05 August 2024 per DOE Advisory 2024 -08-001-SEC.
- Per Section 1.3.1 of PCSD Manual, the protocol ceased effectivity on 05 August 2024.

*“1.3.1 This Protocol shall apply to the Market Operator, the System Operator and all WESM Members, including intending WESM Members, and WESM Participants in the electric power industry for a limited period and shall immediately cease upon commencement of the commercial operation of the WESM reserve market pursuant to the provisions of the DOE Department Circulars Nos. DC2014 -03-0009 and DC2019 -12-0018.”*

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### EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL

#### 2. Extension of effectivity of the provisions

- PCSD Manual provides guidelines to ECO's dispatch compliance monitoring, in particular, Section 4.7.8, which states that:
  - “4.7.8 For generators that were scheduled below their respective technical  $P_{min}$  for the next trading interval:*
    - 4.7.8.1 Trading Participants shall manage their offers appropriately for the following intervals so that such an incident may not occur.*
    - 4.7.8.2 If it is currently running or dispatched, then it should operate at its technical  $P_{min}$  for that next trading interval.*
    - 4.7.8.3 If a generator is scheduled below its technical  $P_{min}$  for the next trading interval, and it is currently off -line, then it should remain off -line for that next trading interval.”*
- Section 4.7.8 has no corresponding provisions in the WESM Rules and Market Manuals.

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### EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL

#### Steps taken:

1. The Secretariat requested DOE for guidance

| Secretariat's Inquiry (09 September 2024)  | DOE's Response (10 September 2024)   |
|--|--|
| (1) In reference to the Section 1.3.1 of the PCSD Manual and the commencement of the reserve market on 05 Aug 2024, does the Protocol ceased effectivity on 05 Aug 2024?   | The DOE confirmed that the protocol is no longer applicable upon commencement of the Reserve Market. |
| (2) Should the Protocol be deemed obsolete in item 1 above, can PEMC (through RCC and PEM Board) request the extension of effectivity of Section 4.7.8 noting that there are no corresponding provisions in the WESM Rules and Market Manuals? PEMC intends to submit General Amendments after thorough review, for completeness | The DOE suggested to also discuss the matter with IEMOP before endorsing to the DOE.                 |

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### EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL

2. Regarding the DOE's response on item (2), the Secretariat consulted IEMOP on 10 September 2024 on:
  - (i) request for the extension of effectivity of Section 4.7.8; and
  - (ii) PEMC's intent to submit a General Amendment proposal on the enhancements to A/S monitoring.

On 12 September 2024, IEMOP responded that they:

- o Agreed to the above -mentioned items
- o Noted that they are studying the impact of the Protocol's lapse to their internal processes; and
- o There may be a need to introduce a proposal incorporating the Operating Guidelines issued by the DOE into the WESM Rules and other relevant Market Manuals

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### EFFECTIVITY OF WESM MANUAL ON PROTOCOL FOR CENTRAL SCHEDULING AND DISPATCH OF ENERGY AND CONTRACTED RESERVES MANUAL

#### Ways forward:

1. PEMC (through RCC and PEM Board) will request the extension of the effectivity of the provision, in particular, Section 4.7.8 (September 2024).
2. PEMC will submit a general amendment proposal on the enhancement to Ancillary Services Monitoring Manual (4<sup>th</sup> quarter 2024).

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### ACTION REQUESTED

- For information

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## VII. OTHER MATTERS



### 7.1 UPDATE ON THE PROPOSALS



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### UPDATES ON THE PROPOSALS

#### Urgent Amendments

|   | Proposal  | Proponent    | Update/Status   |
|---|---|--------------|---|
| 1 | Proposed Urgent Amendment regarding Terms of Office of WESM Governance Committee Members  | PEMC - LEGAL | <ul style="list-style-type: none"> <li>28 August 2024– PEM Board directive to endorse to the Board Selection Committee (BSC)</li> <li>17 September 2024– BSC Meeting</li> </ul>   |
| 2 | Proposed Urgent Amendments to the Ancillary Services Monitoring Manual and Penalty Manual | PEMC - ECO   | <ul style="list-style-type: none"> <li>28 August 2024– PEM Board approved the urgent amendment</li> <li>29 August 2024– Revised Ancillary Service Monitoring Manual Issue 1.1 was posted in PEMC Website, effective: 30 August 2024</li> <li>See corresponding General Amendment</li> </ul> |



### FURTHER UPDATE ON THE PROPOSED URGENT AMENDMENTS TO THE ANCILLARY SERVICES MONITORING MANUAL AND PENALTY MANUAL

- During the 75<sup>th</sup> PEM Board Meeting (28 August 2024), the PEM Board approved IEMOP's additional proposed amendment to the ASM Manual. These amendments were included in the corresponding proposed general amendment published in the PEMC website on 06 September 2024. Below is the summary of IEMOP's proposed revisions and affected provisions:

| IEMOP Proposed Further Revision   | Affected Provisions                                  |
|---|--|
| NGCP to submit the findings <u>to ECO</u> (instead of IEMOP) (on or before 25 <sup>th</sup> of the month; so in case of Sep Billing Pd > not later than 25 Oct) | Sec. 7.2.2<br>Sec. 7.2.3<br>Sec. 7.2.6<br>Sec. 7.3.1 |
| <u>ECO</u> to consolidate the findings (of ECO and SO)  | Sec. 7.2.3<br>Sec. 7.3.1 (c)<br>Sec. 7.6.1           |
| ECO to submit the consolidated findings to IEMOP  | Sec. 7.2.6   |
| Updating of Process Flowchart for RCS Monitoring  | Appendix II  |



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### UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation

|   | Proposal   | Proponent | Update/Status   |
|---|--|-----------|---|
| 1 | Proposed General Amendments to the Ancillary Services Monitoring Manual and Penalty Manual           | PEMC      | <ul style="list-style-type: none"> <li>Published in PEMC Website to request for comments on 06 September 2024 until 18 October 2024.</li> </ul>   |
| 2 | Proposed Amendment to the WESM Rules and WESM Manual on Dispatch Protocol regarding Must-Offer Rules | GNPK      | <ul style="list-style-type: none"> <li>Published in PEMC Website to request for comments on 26 June 2024 until 06 August 2024</li> <li>Received comments from MEI/PEI, SNAP, Aboitiz Power, Technical Committee (WGC), Market Surveillance Committee, IEMOP, and PEMC</li> <li>03 Sept 2024 – Caucus Meeting (Deliberation on the Comments Received)</li> </ul> |



### UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation

|   | Proposal  | Proponent | Update/Status  |
|---|---|-----------|--|
| 3 | Proposed General Amendments to the WESM Rules and various WESM Market Manuals regarding Energy Storage Systems in view of the DOE DC202304-0008   | IEMOP     | <ul style="list-style-type: none"> <li>20 August 2024 – The RCC approved the publication of the proposed amendment.</li> <li>Published in the PEMC Website to request for comments on 22 August 2024 until 07 October 2024.</li> </ul>   |
| 4 | Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023) | IEMOP     | <ul style="list-style-type: none"> <li>Deferred deliberation pending ERC's issuance of Omnibus Retail Electricity Market Rules.</li> <li>28 August 2024 – ERC officially released the ERC Resolution No. 13, Series 2024.</li> </ul>   |
| 5 | Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of Electric Retail Aggregation Program   | IEMOP     | <ul style="list-style-type: none"> <li>29 August 2024 – In relation to the ERC Resolution, the RCC sent a letter to IEMOP requesting for the updates on the proposals.</li> <li>05 September 2024 – IEMOP will provide an update to the RCC as soon as they have finalized their action plan.</li> </ul> |



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### UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

|   | Proposal   | Proponent | Update/Status   |
|---|--|-----------|---|
| 1 | Proposed General Amendments to the WESM Rules and Various WESM Manuals on the <b>Interruptible Load Program Implementation</b> | IEMOP     | <ul style="list-style-type: none"> <li>Jan 31, 2024: Approved by the PEM Board <b>PEM Board Resolution No. 202468-03</b></li> <li>DOE conducted Public Consultation: 3 April 2024, 17 April 2024 and 23 April 2024</li> <li><b>For finalization of DOE</b></li> </ul> |
| 2 | Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding <b>Market Intervention and Suspension</b> | MSC       | <ul style="list-style-type: none"> <li>Jan 31, 2024: Approved by the PEM Board <b>PEM Board Resolution No. 202468-04</b></li> <li>DOE conducted Public Consultation: 3 April 2024, 17 April 2024 and 23 April 2024</li> <li><b>For finalization of DOE</b></li> </ul> |
| 3 | Proposed Amendments to the WESM Rules and WESM Manuals on <b>Penalty, and Enforcement and Compliance</b>                       | PEMC      | <ul style="list-style-type: none"> <li>Jan 31, 2024: Approved by the PEM Board <b>PEM Board Resolution No. 202468-06</b></li> <li>DOE conducted Public Consultation: 3 April 2024, 17 April 2024 and 23 April 2024</li> <li><b>For finalization of DOE</b></li> </ul> |



### UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

|   | Proposal  | Proponent | Update/Status   |
|---|---|-----------|---|
| 4 | Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Enhancements and Updating of the <b>System Operator's ReDispatching, Reporting and Market Intervention/Suspension Procedures</b> | NGCP      | <b>Under DOE finalization stage</b><br><br>Concluded DOE Public Consultation: <ul style="list-style-type: none"> <li>23 Aug 2023– Luzon (BGC)</li> <li>31 Aug 2023– Mindanao (General Santos)</li> <li>06 Sept 2023– Visayas (Cebu)</li> </ul>  |
| 5 | Proposed Amendments to the <b>Rules Change Process</b>  | RCC       | <ul style="list-style-type: none"> <li>Published in PEMC Website to request for comments.</li> <li>16 May 2024– Received Comments from Manila Electric Company (MERALCO)</li> <li>14 July 2024– RCC approved</li> <li>31 July 2024– PEM Board directive to Endorsement to the Board Legal Committee and Further Study</li> <li><b>28 August 2024– PEM Board approved the proposed amendments to the Rules Change Process</b></li> </ul> |

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## UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

|   | Proposal   | Proponent | Update/Status  |
|---|--|-----------|--|
| 4 | Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Enhancements and Updating of the <b>System Operator's Re-Dispatching, Reporting and Market Intervention/Suspension Procedures</b> | NGCP      | <b>Under DOE finalization stage</b><br><br>Concluded DOE Public Consultation:<br>• 23 Aug 2023 – Luzon (BGC)<br>• 31 Aug 2023 – Mindanao (General Santos)<br>• 06 Sept 2023 – Visayas (Cebu) |

General Amendments – For DOE's Response

|   | Proposal  | Proponent | Update/Status  |
|---|---|-----------|--|
| 1 | Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding <b>Non-security Over-riding Constraints</b> | NPC       | • 17 May 2024 – RCC approved Reso on the conclusion of NPC's Proposal for endorsement to PEM Board<br>• <b>31 July 2024 – PEM Board concurred with the RCC's decision to conclude the National Power Corporation's (NPC) proposed rules change</b> |



## OTHER MATTERS

### • WESM COMPLIANCE OFFICER (WCO) Summit 2024

- **What:** WCO Summit 2024
- **When:** 24 October 2024
- **Where:** Lapu-Lapu Grand Ballroom, Bai Hotel Cebu City Special Economic Administrative Zone Mandaue City, Cebu
- **Attire:** Corporate
- **Type of Event:** In-person event

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### 7.2 DOE UPDATES



### 7.3 SCHEDULE OF ACTIVITIES





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### SCHEDULE OF ACTIVITIES

|   |   |   |
|---|---|---|
| <ul style="list-style-type: none"><li>• 18 Oct 2024</li><li>• 22 Nov 2024</li></ul> <b>RCC Meetings</b>  | <ul style="list-style-type: none"><li>• 16 Sept 2024</li><li>• 16 Oct 2024</li></ul> <b>BRC Meeting</b>  | <ul style="list-style-type: none"><li>• 25 Sept 2024</li><li>• 23 Oct 2024</li></ul> <b>PEM Board Meeting</b>  |
|---|---|---|



## VIII. ADJOURNMENT



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The banner features a hand holding a smartphone on the left, with the screen displaying a blue background and a white graphic of two electrical plugs connected by a cord. The background of the banner is split diagonally, with a bright yellow upper-left section and a light gray lower-right section. On the right side, the text 'Connect with PEMC' is prominently displayed in a large, bold, blue font. Below this, the PEMC logo and name are shown. At the bottom, contact information is provided, including an email address, a phone number, and a physical address, each preceded by its respective icon. Social media links for Facebook, LinkedIn, Twitter, and YouTube are also listed at the bottom right. The page number '41' is visible in the bottom left corner of the banner area.

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