

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2016-02

**Proposed Amendments to the WESM Rules on Market Intervention and
Suspension**

WHEREAS, on 21 July 2015, the Rules Change Committee (RCC) received the NGCP-System Operator's (NGCP-SO) Proposed Amendments to the WESM Rules on Market Intervention and Suspension (Chapter 6);

WHEREAS, said proposal sought to align the pertinent provisions of the WESM Rules with the changes in the practices in the power industry due to the growing technical requirements and stricter implementation of applicable/amended rules of the Grid Code;

WHEREAS, the proposal was presented before the RCC during the 104th RCC Meeting held on 02 September 2015, and was thereafter approved for posting to solicit comments from participants and interested parties, subject to the proponent's re-submission of the proposal in proper format;

WHEREAS, the proposal was published on 28 October 2015 in the Market Information Website, with the corresponding notice to participants;

WHEREAS, on 03 December 2015, the RCC received the Technical Committee's (TC) proposed amendments to Chapter 6 of the WESM Rules and the Dispatch Protocol Manual pertaining to Market Intervention and Suspension;

WHEREAS, said TC proposal sought to amend Chapter 6 of the WESM Rules and the Dispatch Protocol Manual for consistency with the provisions of the Philippine Grid Code and with due consideration of the current practices of the System Operator;

WHEREAS, with RCC approval granted via email, the TC's proposal was published for comments on 08 December 2015 in the Market Information Website, with the corresponding notice to participants;

WHEREAS, the RCC deliberated on the NGCP-SO's proposed amendments to the WESM Rules during its 108th Regular Meeting on 13 January 2016, taking into consideration the comments received from PEMC and MERALCO;

WHEREAS, the discussions centered on the circumstances when the System Operator will declare Market Intervention, the notification of WESM Participants on the occurrence of an emergency, and the contents of the System Operator's Significant Incident and Market Intervention Reports and the timeline of their submission to relevant parties;

WHEREAS, in the same meeting, the RCC agreed to defer its endorsement of the proposal to the PEM Board in order integrate the agreements that the body would make as regards the TC's proposed amendments to the same chapter of the WESM Rules (on Market Intervention and Suspension), which at that time was still in its commenting period;

WHEREAS, during its 111th Regular Meeting on 03 March 2016, the RCC took off from the agreements previously made from its 108th Regular Meeting as regards the NGCP-SO's proposal for its deliberation on the TC's proposal, giving due consideration to MERALCO's comments to the same;

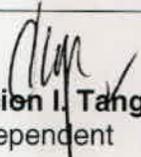
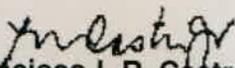
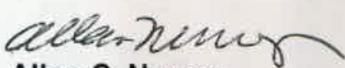
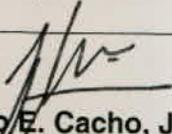
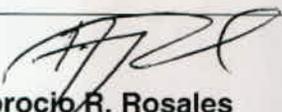
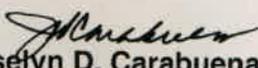
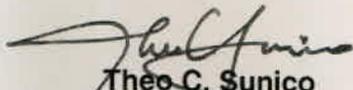
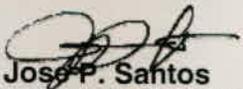
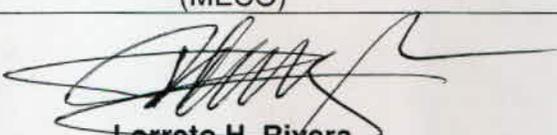
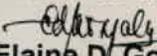
WHEREAS, after its deliberation of both the NGCP-SO's and the TC's proposed amendments, the RCC approved the proposed amendments to Chapter 6 of the WESM Rules (Market Intervention and Suspension), subject to the review by the Secretariat that the WESM Rules subject of amendment is the latest version of the WESM Rules as amended, after considering the clerical changes as confirmed by the RCC during its meeting on 07 October 2015 and subsequently via email on 01 February 2016.

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

RESOLVED, that the Proposed Amendments to the WESM Rules on Market Intervention and Suspension (Chapter 6), as revised is hereby approved by the RCC;

RESOLVED FURTHER, that the attached Proposed Amendments to the WESM Rules on Market Intervention and Suspension (Annex A) is hereby endorsed to the PEM Board for approval and endorsement to the DOE.

Done this 03 March 2016, Pasig City.

<p>Approved by:</p> <p>RULES CHANGE COMMITTEE</p>  <p>Maila Lourdes G. de Castro Chairperson Independent</p>	
<p>Members:</p>	
 <p>Concepcion I. Tanglao Independent</p>	 <p>Francisco L.R. Castro, Jr. Independent</p>
 <p>Allan C. Nerves Independent</p>	 <p>Isidro E. Cacho, Jr. Market Operator Philippine Electricity Market Corporation (PEMC)</p>
 <p>Ambrocio R. Rosales Transmission Sector National Grid Corporation of the Philippines (NGCP)</p>	 <p>Joselyn D. Carabuena Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)</p>
 <p>Jose Ferlino P. Raymundo Generation Sector SMC Global</p>	 <p>Theo C. Sunico Generation Sector Vivant Corporation</p>
 <p>Ciprinilo C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)</p>	 <p>Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)</p>
 <p>Gilbert A. Pagobo Distribution Sector Mactan Electric Company (MECO)</p>	 <p>Ludovico D. Lim Distribution Sector Antique Electric Cooperative, Inc. (ANTECO)</p>
 <p>Lorreto H. Rivera Supply Sector TeaM (Philippines) Energy Corporation (TPEC)</p>	<p>Certified True and Correct:</p>  <p>Elaine D. Gonzales RCC Secretary PEMC</p>



Proposed Amendments to the WESM Rules on Market Intervention and Suspension

Title	Section	Original Provision	Proposed Amendment	Rationale
Chapters	Chapter 6	Intervention and Market Suspension	Market Intervention and Market Suspension	General revision: Replace “intervention” with “market intervention” for consistency and clarity.
Table of Contents		INTERVENTION AND MARKET SUSPENSION 6.2.2 Exemption from Liability due to Market Suspension and Intervention	MARKET INTERVENTION AND MARKET SUSPENSION 6.2.2 Exemption from Liability due to Market Suspension and Market Intervention	General revision
		6.5.2 Intervention Due to Emergency	6.5.2 Market Intervention Due to Emergency	General revision
		6.6.5 Intervention Due to System Security Threat	6.6.5 Market Intervention Due to System Security Threat	General revision
		6.9.4 Intervention Report	6.9.4 Market Intervention Report	General revision
	Chapter 6	INTERVENTION AND MARKET SUSPENSION	MARKET INTERVENTION AND MARKET SUSPENSION	General revision
OVERVIEW	6.2			
	6.2.1	Preparation and Responses		
	6.2.1.1	The <i>System Operator</i> is responsible for giving directions and coordinating the actions, which are to be taken by <i>WESM Participants and Market Operator</i> when there is <i>market suspension or intervention</i> .	The <i>System Operator</i> is responsible for giving directions and coordinating the actions, which are to be taken by <i>WESM Participants and Market Operator</i> when there is <i>market suspension or market intervention</i> .	General revision

and

Title	Section	Original Provision	Proposed Amendment	Rationale
Preparation and Responses	6.2.1.2	Intervention is warranted when the grid or a portion of the grid is in extreme state condition as established in the Grid Code arising from: (a) an <i>emergency</i> ; (b) a threat to <i>system security</i> ; or (c) an event of <i>force majeure</i> .	Intervention is warranted when the grid or a portion of the grid is in the alert or emergency State extreme state condition as established in the Grid Code arising from: (a) An <i>emergency condition</i> ; (b) A threat to <i>system security</i> ; or (c) An event of <i>force majeure</i> .	To revise the original provision since intervention is only allowed if the condition is in the Extreme State. In the Extreme State all automatic actions already fail and this would lead to a system blackout.
	6.2.1.3	Intervention may be warranted if there are interruptions in the operations of market software used by the <i>Market Operator</i> to support various processes in the WESM during the simulation of the <i>business continuity</i> plan and <i>disaster recovery</i> procedures of the <i>Market Operator</i> developed under Clause 6.8.8.1.	Market intervention may also be warranted if there are interruptions in the operations of the market software used by the <i>Market Operator</i> to support various processes in the WESM during the simulation of the <i>business continuity</i> plan and <i>disaster recovery</i> procedures of the <i>Market Operator</i> developed under Clause 6.8.8.1.1.	General revision
	6.2.1.4	During <i>intervention</i> or <i>market suspension</i> , the <i>System Operator</i> and <i>Market Operator</i> shall coordinate their actions to restore normal operation of the <i>power system</i> and the market.	During market intervention or <i>market suspension</i> , the <i>System Operator</i> and <i>Market Operator</i> shall coordinate their actions to restore normal operation of the <i>power system</i> and the market.	General revision
	6.2.1.5	<i>WESM Participants</i> acknowledge that: (a) The operation of the <i>power system</i> involves risks to public safety and property and therefore accepts that the	<i>WESM Participants</i> acknowledge that: (a) xxx	To clarify that the issuance of emergency instructions by the System Operator should be for all WESM members and should be in accordance with the WESM rules and the PGC also.



Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>provisions of this Chapter 6 are appropriate and reasonable;</p> <p>(b) Their business interests will be subordinate to the need for the <i>Market Operator</i> and <i>System Operator</i> to implement <i>emergency</i> procedures in accordance with the <i>Grid Code</i> and Clause 6.3.2 and to make declarations and issue <i>emergency directions</i> under Clause 6.5 in an <i>emergency</i>; and</p> <p>(c) Subject to Clause 6.2.1.1, the <i>System Operator</i> shall issue <i>emergency directions</i> in accordance with the <i>Grid Code</i>, and shall report such action to the <i>Market Operator</i>.</p>	<p>(b) Their business interests will be subordinate to the need for the <i>Market Operator</i> and the System Operator to implement <i>emergency</i> procedures in accordance with the <i>Grid Code</i> and clause 6.3.2 and to issue make- declarations and issue <i>emergency directions</i> under clause 6.5 in an emergency;</p> <p>(c) Subject to Clause 6.2.1.1, the System Operator shall issue emergency directions instructions to all WESM members in accordance with the WESM Rules and the Philippine Grid Code, and shall prepare and submit a significant incident report, as soon as practicable, report such action to the ERC, PEM Board, DOE, GMC and the Market Operator.</p>	
	6.2.2	Exemption from Liability due to Market Suspension and Intervention	Exemption from Liability due to Market Suspension and Market Intervention	General revision
	6.2.2.1	In the events of <i>market suspension or intervention</i> , any action of the <i>ERC, Market Operator, System Operator</i> or a <i>WESM Participant</i> in	In the events of a market suspension or market intervention , any action of the <i>ERC, Market Operator, System Operator</i> or a <i>WESM Participant</i> in	General revision and for clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>compliance with the emergency procedures provided in this Chapter shall not constitute a breach of the <i>WESM Rules</i>, except in the case of an act committed in bad faith or gross negligence shall not be liable for any loss incurred by a <i>WESM Participant</i> as a result of any action taken by the <i>System Operator</i> or <i>Market Operator</i> under this chapter 6.</p>	<p>compliance with the emergency procedures provided in this Chapter shall not constitute a breach of the <i>WESM Rules</i>, except in the case of an act committed in bad faith or gross negligence, and said parties shall not be liable for any loss incurred by a <i>WESM Participant</i> as a result of any action taken by the <i>System Operator</i>, the Market Operator or the ERC under this chapter 6.</p>	
	6.2.3	<p>Administered Price</p> <p>During <i>market suspension</i> and <i>intervention</i>, the <i>Market Operator</i> shall impose an <i>administered price</i> to be used as basis for settlements.</p> <p>Prior to the <i>spot market commencement date</i>, the <i>Market Operator</i> shall develop and publish the methodology for determining the <i>administered price</i> to be used during <i>market suspension</i> or <i>intervention</i> of the <i>spot market</i>. Said <i>administered price</i> is to be endorsed by the <i>PEM Board</i> for <i>ERC approval</i>.</p>	<p>Administered Price Gap</p> <p>During <i>market suspension</i> and market intervention, the <i>Market Operator</i> shall impose an <i>administered price</i> to be used as basis for settlements.</p> <p>Prior to the <i>spot market commencement date</i>, the <i>Market Operator</i> shall formulate, and update as necessary, develop and publish the methodology for determining the <i>administered price</i> to be used during <i>market suspension</i> or market intervention. of the <i>spot market</i> Said <i>administered price</i> and any change thereto is to be endorsed by the <i>PEM Board</i> for <i>ERC approval</i>.</p>	<p>General revision</p> <p>For enhancement</p>



Title	Section	Original Provision	Proposed Amendment	Rationale
Emergency	6.3.1.1	The <i>System Operator</i> shall declare an <i>emergency</i> when it determines the existence of a situation which has an adverse material effect on electricity <i>supply</i> or which poses as a significant threat to <i>system security</i> . The <i>System Operator</i> shall report an <i>emergency</i> to the <i>ERC</i> .	The <i>System Operator</i> shall declare give an <i>emergency</i> instructions when it determines the existence of a situation which has an adverse material effect on electricity supply or which poses as a significant threat to system security. The <i>System Operator</i> shall report an <i>emergency</i> to the <i>ERC</i>.	For clarity. The System Operator does not declare an emergency but rather issues a Red Alert Notice in case of an emergency condition as specified in the PGC. Reporting of these incidents is part of the Market Intervention Report as submitted to the ERC, PEM Board, DOE and the GMC.
Emergency	6.3.1.2	An emergency may include: (a) a significant electricity <i>supply</i> capacity shortfall, being a condition where there is insufficient <i>generation</i> or <i>supply</i> options available to securely <i>supply</i> in one or more regions of the <i>power system</i> likely to be affected by the event; (b) a <i>power system</i> disturbance due to an <i>outage</i> in the <i>transmission network</i> or <i>generating system</i> for which market processes are inadequate for recovery; (c) a significant environmental phenomenon, including weather, storms or fires which	6.3.1.2 An emergency condition may include: (a) xxx (b) a power system disturbance due to an outage in the transmission network or generating system, which poses a significant threat to system security, for which market processes are inadequate for recovery; (c) a significant environmental phenomenon, including weather,	To emphasize clearly that whenever there's a system disturbance that poses a threat to system security, the grid is said to be operating in the emergency condition and failure to address the situation would have an adverse material effect in the supply of electricity.

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>are likely to or are significantly affecting the <i>power system</i> for which market processes are inadequate for recovery;</p> <p>(d) a <i>system blackout</i> or significant <i>power system</i> under <i>voltage</i> condition;</p> <p>(e) material damage to a <i>distribution system</i> which has or is likely to adversely affect the operation of the <i>transmission system</i> or to render the <i>spot market</i> ineffective; and</p> <p>(f) a situation, which the <i>Government</i> proclaims or declares an <i>emergency</i>.</p>	<p><u>earthquake, floods, volcanic eruptions, tsunami</u>, storms or fires which are likely to or are significantly affecting the <i>power system operation</i> for which market processes are <u>also</u> inadequate for recovery;</p> <p>(d) to (f) xxx</p>	
	6.3.1.7	<p>When the <i>System Operator</i> has determined that an emergency or the effect thereof has ended, the <i>System Operator</i> shall notify the <i>Market Operator</i> who in turn shall notify all <i>WESM Participants</i> and the <i>DOE</i> that the emergency or the effect of such emergency has ended.</p>	<p>When the <i>System Operator</i> has determined that an emergency or the effect thereof has ended, the <i>System Operator</i> shall notify the <i>Market Operator</i> who in turn shall notify all <i>WESM Participants</i>, the <i>DOE</i> and the ERC that the emergency or the effect of such <i>emergency</i> has ended.</p>	For clarification

Title	Section	Original Provision	Proposed Amendment	Rationale
Emergency	6.3.2 6.3.2.1	Emergency Procedures During the period when the <i>power system</i> may be or is affected by an <i>emergency</i> , the <i>System Operator</i> shall carry out actions, in accordance with the <i>system security and reliability guidelines</i> and its obligations (if any) concerning sensitive <i>loads</i> to: (a) Identify the impact of the <i>emergency</i> on <i>system security</i> in terms of the capability of <i>generating units, transmission systems or distribution systems</i> ; and (b) Identify and implement the actions required to restore the <i>power system</i> to its satisfactory operating state.	During the period when the <i>power system</i> may be or is affected by an <i>emergency condition</i> the <i>System Operator</i> shall carry out actions, in accordance with the Market Manual on sSystem sSecurity and rReliability the Grid Code and Distribution Code to: guidelines and its obligations (if any) concerning sensitive loads (a) xxx (b) xxx	For clarity
	6.3.2.2	<i>Emergency procedures</i> are the procedures to be taken by or at the direction of the <i>System operator</i> to: (a) Maintain <i>system security</i> ; (b) Avert or reduce the effect of an <i>emergency</i> ; (c) Issue notifications and warnings to <i>Market Operator, the PEM</i>	<i>Emergency procedures</i> are the processes or steps procedures to be taken by or at the direction of the <i>System Operator</i> to: (a) Maintain <i>system security</i> ; (b) Avert or reduce the effect of an <i>emergency</i> ;	Enhancement

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p><i>Board, the DOE and ERC where appropriate; and</i></p> <p>(d) Restore the <i>power system</i> to a satisfactory operating state immediately after an <i>emergency</i>.</p>	<p>(c) Issue notifications and warnings to the Market Operator, the PEM Board, the DOE and the ERC where appropriate; and</p> <p>(d) Restore the <i>power system</i> to a satisfactory operating state immediately after an <i>emergency</i>.</p>	
	6.3.2.4	<p>Prior to spot market commencement date, the <i>System Operator</i> in consultation with the <i>Market Operator</i> shall:</p> <p>(a) Develop appropriate emergency procedures in accordance with the <i>Grid Code</i> and <i>Distribution Code</i> which shall be subject to approval of the PEM Board; and</p> <p>(b) <i>Publish</i> details of the approved emergency procedures.</p>	<p>Prior to spot market commencement date, the <i>System Operator</i> in consultation with the Market Operator shall:</p> <p>(a) Develop and maintain appropriate emergency procedures in accordance with the <i>Grid Code</i> and <i>Distribution Code</i> which shall be subject to approval of the <i>PEM Board</i>; and</p> <p>(b) Publish details of the approved <i>emergency</i> procedures.</p>	Enhancement
Emergency Procedures	6.3.2.7	<p>The <i>System operator</i> shall make available a copy of the emergency procedures to all WESM Participants within seven (7) days after each occasion on which the emergency procedures have been updated.</p>	<p>The <i>System Operator</i> shall make available a copy of the emergency procedures to all WESM Participants within seven (7) days after each occasion on which the emergency procedures have been updated.</p>	<p>For deletion since any change made to a manual including the emergency procedures manual is already made known to the WESM Participants as provided for in the Rules Change Process. Also, the System Operator has no</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
				capability to provide the documents to all WESM participants.
RESPONSE TO AN EMERGENCY	6.5			
Declarations and Directions in an Emergency	6.5.1	6.5.1 Declarations and Directions in an Emergency	Declarations and Directions Instructions during an Emergency Condition	For clarity
	6.5.1.1	During an <i>emergency</i> : (a) The <i>System Operator</i> shall, in coordination with the <i>Market Operator</i> , issue <i>emergency directions</i> as it reasonably considers necessary, which may include, but need not be limited to directions to: (i) Switch off, or re-route, <i>energy</i> delivery from a <i>Generation Company</i> ; (ii) Call equipment into service; (iii) Take equipment out of service;	During an <i>emergency condition</i> : (a) The <i>System Operator</i> shall, in coordination with the <i>Market Operator</i> , issue <i>emergency directions instructions</i> as it reasonably considers necessary, which may include, but need not be limited to directions to: (i) xxx (ii) xxx (iii) Take transmission line or equipment out of service; (iv) xxx (v) Curtail, shut down or otherwise vary operation	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
	6.5.1.2	<p>When an <i>emergency</i> arises, the <i>System Operator</i> shall:</p> <p>(a) Immediately notify the <i>Market Operator</i>;</p> <p>(b) Notify the <i>ERC</i> and the <i>DOE</i>, as soon as reasonably practicable;</p> <p>(c) Notify <i>WESM Participants</i>, as soon as reasonably practicable, of the commencement, nature, extent and expected duration of the <i>emergency</i> and the way in which the <i>System Operator</i> reasonably anticipates it will act in response to the <i>emergency</i>; and</p> <p>(d) Notify the <i>ERC</i>, the <i>DOE</i>, and <i>WESM Participants</i> of any material changes in the nature, extent and expected duration of an <i>emergency</i>.</p>	<p>When an <i>emergency</i> condition arises, the <i>System Operator</i> shall immediately notify the <i>ERC</i>, the <i>DOE</i>, <i>Market Operator</i> and <i>GMC</i> as soon as reasonably practicable, of the commencement and nature of the emergency. The <i>Market Operator</i>, on the other hand, shall notify <i>WESM Participants</i>, as soon as reasonably practicable, of the commencement and nature of the emergency.</p> <p>:(a) Immediately notify the <i>Market Operator</i>;</p> <p>(a) Notify the <i>ERC</i> and the <i>DOE</i>, as soon as reasonably practicable;</p> <p>(c) Notify <i>WESM Participants</i>, as soon as reasonably practicable, of the commencement, nature, extent and expected duration of the emergency and the way in which the <i>System Operator</i> reasonably anticipates it will act in response to the emergency; and</p> <p>(d) Notify the <i>ERC</i>, the <i>DOE</i>, and <i>WESM Participants</i> of any material changes in the nature, extent and expected duration of an emergency.</p>	<p>For clarity that notification to the concerned agencies during emergency conditions should be made by the System Operator</p> <p>To emphasize clearly the role of the Market Operator during emergency condition.</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
Intervention Due to Emergency		6.5.2 Intervention Due to Emergency	Market Intervention Due to Emergency <u>Condition or Threat in System Security</u>	General revision
	6.5.2.1	<p>If, in the best judgment of the <i>System Operator</i>, insufficient time exists for the <i>spot market</i> to address an <i>emergency</i>, the <i>System Operator</i> shall take any measures it considers to be reasonable and necessary to overcome the <i>emergency</i>, including without limitation:</p> <p>(a) Increase the <i>generation or supply</i> capability such as requesting available but not committed <i>generating units</i> to start-up, or recall <i>transmission</i> equipment outages;</p> <p>(b) <i>Disconnect</i> one or more <i>connection points</i> as considered by the <i>System Operator</i> to be necessary;</p> <p>(c) Direct, in accordance with Clause 6.5.1, a <i>Customer</i> to take such steps as are reasonable to immediately reduce its <i>load</i>;</p>	<p>If, in the best judgment of the <i>System Operator</i> determines that, insufficient time exists for the <i>spot market</i> to address an emergency <u>condition or eliminate threat in system security</u>, the <i>System Operator</i> shall take any <u>or all</u> measures it considers to be reasonable and necessary to overcome the emergency, including without limitation <u>but not limited to the following</u>:</p> <p>(a) Increase or decrease the generation or supply capability such as <u>issuance of emergency instructions requesting to all</u> available but not committed generating units to start-up, <u>shutdown, cancel generating units on testing</u> or recall transmission equipment outages;</p> <p>(b) xxx</p> <p>(c) xxx</p>	<p>To clearly emphasize the existence of a threat in system security whenever an emergency condition exists</p> <p>For clarity and enhancement</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>(d) <i>Constrain-on or constrain-off a Generation Company; and</i></p> <p>(e) <i>Require WESM Participants to do any reasonable act or thing, which the System Operator believes necessary in the circumstances.</i></p> <p>Thereafter, the <i>System Operator</i> shall report in detail to the <i>PEM Board</i> regarding the actions and circumstances under which the <i>intervention</i> was made.</p>	<p>(d) xxx</p> <p>(e) xxx</p> <p>Thereafter, the <i>System Operator</i> shall report in detail to the <u>Market Surveillance Committee, DOE, and ERCPEM Board</u> in detail regarding the actions and circumstances under which the intervention was made. <u>The Market Operator shall likewise submit a report to the PEM Board, DOE and ERC for such incidents.</u></p>	
System Security	6.6			
System Security and Reliability Guidelines	6.6.1			
	6.6.1.1	<p>In consultation with <i>WESM Participants</i> and the <i>Market Operator</i>, the <i>System operator</i> shall develop and periodically update <i>system security and reliability guidelines</i>, subject to approval of the <i>PEM Board</i>.</p>	<p>In consultation with <i>WESM Participants</i> and the <i>Market Operator</i>, the <i>System Operator</i> shall develop and periodically update the system security and reliability guidelines, subject to approval of the <i>PEM Board</i>.</p>	Clerical

Title	Section	Original Provision	Proposed Amendment	Rationale
Notice of Threat to System Security	6.6.2		<p>Notice of Threat to System Security <u>Notice of Declaration of Market Intervention</u></p>	To align with the PGC
	6.6.2.1	<p>Upon determination of the existence or the likely possibility of a threat to system security, the <i>System Operator</i> shall without delay notify the <i>WESM Participants</i> and the <i>Market Operator</i> of such threat. Said notice shall include the details of that threat as well as:</p> <p>(a) nature and general magnitude of the threat to <i>system security</i>, including an estimate of the likely duration thereof, and the likely shortfall in <i>supply</i>, likely to occur during that period;</p> <p>(b) timeframe in which the <i>System Operator</i> will need to intervene in the <i>spot market</i> if the threat to <i>system security</i> does not subside without <i>intervention</i> by the <i>System Operator</i>, and</p>	<p>Upon determination of the existence <u>of an Alert or Emergency State</u>, the <i>System Operator</i>, <u>in coordination with the Market Operator, may declare market intervention.</u> shall without delay notify the <i>WESM Participants</i> and the <i>Market Operator</i> of such threat. Said notice shall include the details of that threat as well as:</p> <p>(a) nature and general magnitude of the threat to <i>system security</i>, including an estimate of the likely duration thereof, and the likely shortfall in <i>supply</i>, likely to occur during that period;</p> <p>(b) timeframe in which the <i>System Operator</i> will need to intervene in the <i>spot market</i> if the threat to <i>system security</i> does not subside without <i>intervention</i> by the <i>System Operator</i>, and</p> <p>(c) regions of the <i>power system</i> in which the threat to <i>system security</i> is likely to be located.</p>	<p>To emphasize what type of notification is to be issued to address threat in system security or whenever an emergency condition exists</p> <p>For deletion since the System Operator during emergency condition has no more time to determine items a-c as they need to immediately act on it without delay to address the threat in system security.</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
		(c) regions of the <i>power system</i> in which the threat to <i>system security</i> is likely to be located.	<u>The Market Operator shall inform the WESM Participants of alert warning notice from the System Operator and/or declaration of market intervention.</u>	
	6.6.2.2	<p>If the <i>System Operator</i> provides the notice with details of a threat to <i>system security</i> to <i>WESM Participants</i>, in accordance with Clause 6.6.2.1, the <i>System Operator</i> may issue instructions, requiring each <i>WESM Participant</i> to provide best estimates of the following:</p> <p>(a) a <i>scheduled Generation Company's plant</i> availability to either increase or decrease <i>generation</i>; and</p> <p>(b) a <i>Customer's</i> ability to either increase or decrease <i>market load</i>.</p>	<p>If the <i>System Operator</i> provides the notice with details of a threat to <i>system security</i> to <i>WESM Participants</i>, in accordance with Clause 6.6.2.1, the <i>System Operator</i> may issue instructions, requiring each <i>WESM Participant</i> to provide best estimates of the following:</p> <p>(a) a <i>scheduled Generation Company's plant</i> availability to either increase or decrease <i>generation</i>; and</p> <p>(b) a <i>Customer's</i> ability to either increase or decrease <i>market load</i>.</p> <p><u>The System Operator (for grid-related events) and Market Operator (for market-related events) shall submit a Market Intervention Report (MIR), as soon as practicable, to the Market Surveillance Committee, PEMC, DOE and ERC, after the resumption of the spot market. Said report shall include</u></p>	To replace original provision in Clause 6.6.2.2 since what should be specified would be the content of the Market Intervention report before submission to the same to concerned agencies.

Title	Section	Original Provision	Proposed Amendment	Rationale
			<p><u>the details relative to the market intervention, as follows:</u></p> <ul style="list-style-type: none"> a. <u>the reason for the declaration of market intervention;</u> b. <u>the number of trading intervals affected by the intervention;</u> c. <u>the actions done to address the threat in system security; and</u> d. <u>the actual dispatch of all generating units per interval affected.</u> 	<p>To clearly specify the detailed information of the Market Intervention Report to be prepared by the System Operator and or the Market Operator after the market intervention incident.</p>
	6.6.2.3	<p>Despite Clause 5.3, a <i>WESM Participant</i> shall not withhold information required by the <i>System Operator</i> in accordance with Clause 6.6.2.2. The <i>WESM Participant</i> shall comply with the instructions and provide the information required as soon as practicable.</p>	<p>Despite clause 5.3, a <i>WESM Participant</i> shall not withhold information required by the <i>System Operator</i> in accordance with Clause 6.6.2.2. <u>The System Operator may require each WESM Participant to provide the following:</u></p> <ul style="list-style-type: none"> (a) <u>the Scheduled Generation Company's plant availability to either increase or decrease generation; and</u> (b) <u>the Customer's ability to either increase or decrease load.</u> <p>The <i>WESM Participant</i> shall comply with the instructions and provide the information required as soon as practicable.</p>	<p>To allow the System Operator to acquire necessary data from the WESM Participants</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
	6.6.2.4	<p>The <i>System Operator</i> shall treat all information provided to it by a WESM Participant under clause 6.6.2.2 as confidential information and may only use that information for the following purposes:</p> <p>(a) maintaining or re-establishing system security by issuing emergency directions under clauses 6.6.4 and 6.6.5;</p> <p>(b) making a decision under clause 6.6.3; and</p> <p>(c) regulatory reporting.</p>	<p>The <i>System Operator</i> shall treat all information provided to it by a <i>WESM Participant</i> under clause 6.6.2.32 as confidential information and may only use that information for the following purposes:</p> <p>(a) maintaining or re-establishing system security by issuing emergency directions under clauses 6.6.4 and 6.6.5;</p> <p>(b) making a decision under clause 6.6.3; and</p> <p>(c) regulatory reporting.</p>	For correction in referencing
	6.6.2.5	<p>The <i>System Operator</i> shall inform <i>WESM Participants</i> and the <i>Market Operator</i> immediately when it reasonably considers a threat to system security to be at an end.</p>	<p>The <i>System Operator</i>, <u>in coordination with the Market Operator,</u> shall, <u>recommend for market resumption if the emergency condition or threat in system security has ended.</u> <u>The Market Operator shall inform the WESM Participants of the market resumption.</u> inform <i>WESM Participants</i> and the <i>Market Operator</i> immediately when it reasonably considers a threat to system security to be at an end.</p>	For clarity on what to do when the spot market resumes whenever the threat or emergency conditions ceased
Response to Threat to System Security	6.6.3.1	<p>If the <i>System Operator</i> has identified a threat to <i>system security</i> and reasonably considers that sufficient time exists for the threat to subside without <i>intervention</i>, the <i>System Operator</i> shall, in accordance with the procedures set out in Clause 6.6.4, facilitate a <i>spot</i></p>	<p>If the <i>System Operator</i> has identified a threat to system security and reasonably considers that sufficient time exists for the threat to subside without <i>market intervention</i>, the <i>System Operator</i> shall, in accordance with the procedures set out in Clause 6.6.4, facilitate a <i>spot</i></p>	General revision

Title	Section	Original Provision	Proposed Amendment	Rationale
		<i>market</i> response to overcome the threat to <i>system security</i> .	<i>market</i> response to overcome the threat to system security.	
	6.6.3.2	<p>If the <i>System Operator</i> has identified a threat to <i>system security</i> and it does not believe that sufficient time exists for the threat to subside without <i>intervention</i>, then the <i>System Operator</i> shall:</p> <p>(a) Take any measures it believes to be reasonable and necessary to maintain or restore <i>system security</i> including those set out in times in accordance with the <i>system</i> Clause 6.6.5; and</p> <p>(b) Act at all times in accordance with the <i>system security and reliability guidelines</i>.</p>	<p>If the <i>System Operator</i> has identified a threat to <i>system security</i> and it does not believe that sufficient time exists for the threat to subside without <i>market intervention</i> then the <i>System Operator</i> shall:</p> <p>(a) xxx</p> <p>(b) xxx</p>	General revision
Market Response to Threat to System Security	6.6.4			
	6.6.4.1	If the <i>System Operator</i> believes that sufficient time exists for a threat to <i>system security</i> to subside without <i>intervention</i> , the <i>System Operator</i> shall:	If the <i>System Operator</i> believes that sufficient time exists for a threat to system security to subside without <i>market intervention</i> , the <i>System Operator</i> shall <u>advise the Market Operator and those WESM Participants who the System Operator</u>	For clarity and enhancement

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>(a) If it has not already done so, provide <i>WESM Participants</i> with the information set out under Clause 6.6.2.1; and</p> <p>(b) Advise the <i>Market Operator</i> and those <i>WESM Participants</i> who the <i>System Operator</i> considers would be required to take action or cease taking action if the threat to <i>system security</i> is not resolved without <i>intervention</i> of the following information:</p> <p>(i) the existence of the threat to <i>system security</i>; and</p> <p>(ii) the likely nature of any requirement of the <i>grid operator</i> if the <i>System Operator</i> determines that it should intervene.</p>	<p><u>considers would be required to take action or cease taking action.</u></p> <p>:(a) If it has not already done so, provide <i>WESM Participants</i> with the information set out under Clause 6.6.2.1; and</p> <p>(b) Advise the <i>Market Operator</i> and those <i>WESM Participants</i> who the <i>System Operator</i> considers would be required to take action or cease taking action if the threat to <i>system security</i> is not resolved without <i>intervention</i> of the following information:</p> <p>(i) the existence of the threat to <i>system security</i>; and</p> <p>(ii) the likely nature of any requirement of the <i>grid operator</i> if the <i>System Operator</i> determines that it should intervene.</p>	

Title	Section	Original Provision	Proposed Amendment	Rationale
	6.6.4.2	The action or cessation of action required under clause 6.6.4.1(b) may include, but is not limited to, changes by the <i>Market Operator</i> to the <i>pre-dispatch schedule</i> affecting <i>scheduled generating units, schedule network services</i> and/or <i>scheduled load</i> .	The action or cessation of action required under clause 6.6.4.1(b) may include, but is not limited to, changes by the <i>Market Operator</i> to the pre-dispatch schedule affecting scheduled generating units, schedule network services and/or scheduled load.	For correct referencing
Intervention Due to System Security Threat	6.6.5	Intervention Due to System Security Threat	Market Intervention Due to System Security Threat	General revision
	6.6.5.1	<p>If, in the best judgment of the <i>System Operator</i>, insufficient time exists for the <i>spot market</i> to address a threat to <i>system security</i>, the <i>System Operator</i> shall take any measures it considers to be reasonable and necessary to overcome the threat to <i>system security</i>, including without limitation:</p> <p>(a) Increase the <i>generation</i> or <i>supply capability</i> such as requesting available but not committed <i>generating units</i> to start-up, or recall <i>transmission</i> equipment outages;</p> <p>(b) <i>Disconnect</i> one or more <i>connection points</i> as considered by the <i>System Operator</i> to be necessary;</p>	<p>If, in the best judgment of the System Operator, determines that insufficient time exists for the <i>spot market</i> to address a threat to system security, the <i>System Operator</i> shall take any and all measures it considers to be reasonable and necessary to overcome the threat to <i>system security</i>, including but not limited to the following:</p> <p>(a) Increase or decrease the generation or supply capability such as requesting giving instructions to all available but not committed generating units to start-up, or to shut down, or recall <i>transmission</i> equipment outages;</p> <p>(b) xxx</p>	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
		(c) Direct, in accordance with Clause 6.5.1, a <i>Customer</i> to take such steps as is reasonable to immediately reduce its <i>load</i> ; (d) <i>Constrain-on or constrain-off a Generation Company</i> , and (e) Require <i>WESM Participants</i> to do any reasonable act or thing, which the <i>System Operator</i> believes necessary in the circumstances.	(c) xxx (d) xxx (e) xxx	
Intervention Due to System Security Threat	6.6.5.2	Thereafter, the <i>System Operator</i> shall report in detail to the <i>PEM Board</i> in detail regarding the actions and circumstances under which the intervention was made.	Thereafter, as specified in Clause 6.6.2 , the <i>System Operator</i> shall report prepare a Market Intervention Report to be submitted to the Market Surveillance Committee, PEMC, DOE and ERC in detail to the <i>PEM Board</i> regarding the actions and circumstances under which the market intervention was made.	For clarity
FORCE MAJEURE	6.7			
Force majeure event	6.7.1	A force majeure is the occurrence in a <i>trading interval</i> of an event or events not within the reasonable	A force majeure is the occurrence in a <i>trading interval</i> of an event or events in the grid where a trading interval is not	For clarity of the definition

Title	Section	Original Provision	Proposed Amendment	Rationale
		control, directly or indirectly, of the <i>Market Operator</i> and <i>WESM Member</i> , to the extent that such event, despite the exercise of the reasonable diligence, cannot be or be caused to be prevented, or removed and has resulted in a reduction in the normal capacity of part or all of the power <i>transmission system</i> during that <i>trading interval</i> and such reduction is likely to materially affect the operation of the <i>spot market</i> or materially threaten <i>system security</i> .	within the reasonable control, directly or indirectly, of the <i>System Operator</i> , <i>Market Operator</i> and <i>WESM Member</i> , to the extent that such event, despite the exercise of the reasonable diligence, cannot be or be caused to be prevented, or removed and has resulted in a reduction in the normal capacity of part or all of the power <i>transmission system</i> during that <i>trading interval</i> and such reduction is likely to materially affect the operation of the <i>spot market</i> or materially threaten <i>system security</i> .	
Force majeure event	6.7.2	<p>Force Majeure Event</p> <p>Events of <i>force majeure</i> shall include:</p> <p>(1) major <i>network</i> trouble that caused partial or system-wide blackout;</p> <p>(2) market system hardware or software failure that makes it impossible to receive or process <i>market offer/bid</i> information or produce market schedules due to erroneous real-time status input data or dispatch the system in accordance with the <i>WESM Rules</i>; and</p>	<p>Force Majeure Event</p> <p>Events of <i>force majeure</i> shall include:</p> <p>(1) major <i>network</i> trouble system disturbance that caused partial or system-wide blackout;</p> <p>(2) Market system hardware or software failure including that of the <i>System Operator</i> that makes it impossible to receive real-time status input data or process market offer/bid information or to produce market schedules due to erroneous or for real time dispatch the system in accordance with the <i>WESM Rules</i>; and</p>	<p>For deletion of title since this is the same with clause 6.7.1</p> <p>For clarity of the definition</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
		(3) any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing	(3) any other event, circumstance or occurrence in <u>the</u> nature of, or similar in effect to any of the foregoing.	
BUSINESS CONTINUITY PLAN AND DISASTER RECOVERY PROCEDURES OF THE MARKET OPERATOR	6.8			
Development of Business Continuity and Disaster Recovery Procedures	6.8.1	6.8.1 Development of Business Continuity and Disaster Recovery Procedures	Development, <u>Updating and Implementation of the</u> Business Continuity and Disaster Recovery Procedures	For revision since there is already an established procedure
	6.8.1.1	In consultation with the <i>System Operator</i> , the <i>Market Operator</i> shall develop and implement <i>business continuity plan</i> and <i>disaster recovery procedures</i> to ensure operational continuity of the <i>WESM</i> in cases of <i>emergencies</i> and <i>force majeure events</i> . Provided that, the said plan and procedures, shall be approved by the <i>PEM Board</i> .	In consultation with the <i>System Operator</i>, <i>the Market Operator</i>, in <u>coordination with the <i>System Operator</i></u> , shall develop, update and implement <u>the <i>business continuity plan</i></u> and <i>disaster recovery procedures</i> to ensure operational continuity of the <i>WESM</i> in cases of <i>emergencies</i> and <i>force majeure events</i> . Provided that, the said plan and procedures, shall be approved by the <i>PEM Board</i>.	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
			<u>Any changes to the Business Continuity Plan and Disaster Recovery Procedures as may be necessary shall be approved by the PEM Board.</u>	
	6.8.1.2	The <i>Market Operator</i> shall review and update the <i>business continuity plan</i> and <i>disaster recovery procedures</i> as may be necessary, provided that, any changes thereto shall be approved by the <i>PEM Board</i> .	The <i>Market Operator</i> shall review and update the <i>business continuity plan</i> and <i>disaster recovery procedures</i> as may be necessary, provided that, any changes thereto shall be approved by the <i>PEM Board</i>.	For deletion since this has been included in the previous Clause.
Simulations	6.8.2.1	The <i>Market Operator</i> shall regularly simulate the procedures set forth in the <i>business continuity plan</i> as well as the <i>disaster recovery procedures</i> to ensure the preparedness of the <i>Market Operator, System Operator</i> and <i>Trading Participants</i> in the event of <i>emergencies</i> affecting market operations. The <i>Market Operator</i> shall evaluate the results of the simulation exercise and shall identify deficiencies in the procedures, if any. In cases of deficiencies in the procedures, the <i>Market Operator</i> shall recommend corrective measures for approval of the <i>PEM Board</i> . Thereafter, the <i>Market Operator</i> shall provide a report to the <i>PEM Board, DOE, and ERC</i> on the result of the simulation and the	The <i>Market Operator</i> shall regularly <u>conduct an emergency drill to</u> simulate the procedures set forth in the <i>business continuity plan</i> as well as the <i>disaster recovery procedures</i> to ensure the preparedness of the <i>Market Operator, System Operator</i> and <i>Trading Participants</i> in the event of emergencies affecting market operations. The <i>Market Operator, in coordination with the System Operator</i> , shall evaluate the results of the simulation exercise and shall identify deficiencies in the procedures, if any. In cases of deficiencies in the procedures, the <i>Market Operator</i> shall recommend corrective measures for approval of the <i>PEM Board</i> . Thereafter, the <i>Market Operator</i> shall provide a report to the <i>PEM Board, DOE,</i>	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
		implementation of the <i>business continuity</i> plan and <i>disaster recovery</i> procedures.	and <i>ERC</i> on the result of the simulation and the implementation of the <i>business continuity</i> plan and <i>disaster recovery</i> procedures.	
Simulations	6.8.2.2	The <i>Market Operator</i> shall inform the <i>Trading Participants</i> and the <i>System Operator</i> of the simulations at least thirty (30) days prior to the conduct of the same.	6.8.2.2 The <i>Market Operator</i> shall inform coordinate with the <i>System Operator</i> and shall inform the <i>Trading Participants</i> of the simulations at least thirty (30) days prior to the conduct of the same.	For clarity
Conditions for Suspension of the Market	6.9.1.1	Pursuant to Section 30 of the <i>Act</i> , the <i>ERC</i> shall suspend the operation of the <i>spot market</i> or declare a temporary wholesale electricity <i>spot market</i> failure in cases of: (a) natural calamities; or (b) following official declaration of a national and international security emergency by the President of the Republic.	6.9.1.1 Pursuant to Section 30 of the <i>Act</i> , the <i>ERC</i> shall suspend the operation of the <i>spot market</i> or declare a temporary wholesale electricity <i>spot market</i> failure in cases of: (a) natural calamities; or (b) following official declaration of a national and international security emergency by the President of the Republic. The ERC may also issue a market suspension in case of a System-wide Blackout occurrence.	For clarity
Declaration of Market Suspension	6.9.2.1	The <i>spot market</i> can only be suspended by a declaration by the <i>ERC</i> under clause 6.9.1.1 and if the <i>spot market</i> is suspended: (a) The <i>ERC</i> shall notify the <i>Market Operator</i> , and	The <i>spot market</i> can only be suspended by a declaration by the <i>ERC</i> under clause 6.9.1.1 and if the <i>spot market</i> is suspended: (a) The <i>ERC</i> shall notify the <i>Market Operator</i> and the System Operator , and	For clarity



Title	Section	Original Provision	Proposed Amendment	Rationale
		(b) The <i>Market Operator</i> shall notify all <i>WESM Participants</i> , as soon as possible.	(b) The <i>Market Operator</i> shall notify all <i>WESM Participants</i> , as soon as possible..	
	6.9.2.3	Following a declaration by the <i>ERC</i> under Clause 6.9.1.1, the <i>spot market</i> is to remain suspended until the <i>ERC</i> notifies the <i>Market Operator</i> that <i>spot market</i> operation is to resume.	Following a declaration by the <i>ERC</i> under clause 6.9.1.1, the <i>spot market</i> is to remain suspended until the <i>ERC</i> notifies the <i>Market Operator</i> that spot market operation is to resume. <u>The Market Operator shall then coordinate with the System Operator in resuming spot market operation.</u>	For clarity
	6.9.2.5	Notwithstanding a suspension of the <i>spot market</i> , the <i>Market Operator</i> may issue emergency directions to <i>WESM Participants</i> in accordance with clause 6.5.1.	Notwithstanding a suspension of the <i>spot market</i> , the <i>System Operator</i> , <u>in coordination with the Market Operator</u> , may issue emergency directions <u>instructions</u> to <i>WESM Participants</i> in accordance with clause 6.5.1.	For clarity
	6.9.4	Intervention Report	<u>Market Intervention Report</u>	General revision
Intervention Report	6.9.4.1	Upon the concurrence of one (1) or more of the following events: (a) an <i>intervention</i> ; (b) an event which, in the <i>System Operator's</i> reasonable opinion, is or may be a threat to <i>system security</i> ; (c) a <i>force majeure event</i> ; or	Upon the concurrence <u>occurrence</u> of one or more of the following events: (a) an <u>a market intervention</u> ; (b) xxx (b) xxx; (c) xxx; (d) xxx;	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>(d) an <i>emergency</i>,</p> <p>the <i>PEM Board</i> shall, within ten (10) days thereof, direct the <i>Market Surveillance Committee</i> to investigate the circumstances of that event and prepare a report to assess:</p> <p>(i) the adequacy of the relevant provisions of the <i>WESM Rules</i> in relation to the event or events which occurred;</p> <p>(ii) the appropriateness of actions taken by the <i>System Operator</i> and the <i>Market Operator</i> in relation to the event or events which occurred;</p> <p>(iii) the costs incurred by <i>WESM Members</i> as a consequence of responding to the event or events; and</p> <p>(iv) any finding of potential, fault of any <i>WESM Participant</i> including a preliminary recommendation for</p>	<p>the <i>PEM Board</i> shall, within ten (10) days thereof, direct the <i>Market Surveillance Committee</i> to investigate the circumstances of that event and prepare a report to assess:</p> <p>(i) xxx</p> <p>(ii) xxx</p> <p>(iii) xxx</p> <p>(iv) xxx</p>	

Title	Section	Original Provision	Proposed Amendment	Rationale
		further evaluation by the <i>PEM Auditor</i> .		
Intervention Report	6.9.4.2	A copy of the report prepared under Clause 6.9.4.1 shall be provided to: <ul style="list-style-type: none"> (a) the <i>PEM Board</i>; (b) the <i>ERC</i> and the <i>DOE</i>; and (c) <i>WESM Participants</i> and interested persons on request. 	A copy of the report prepared under clause 6.9.4.1 shall be provided to: <ul style="list-style-type: none"> (a) the <i>PEM Board</i>; (b) the <i>Market Operator</i>; (c) (b) the <i>ERC</i> and the <i>DOE</i> ; and (d) (c) <i>WESM Participants</i> and interested persons, on request. 	For clarity and to specify that MO should also be a recipient of the report
Market Suspension Report	6.9.5			
Market Suspension Report	6.9.5.1	Within ten (10) <i>business days</i> following a declaration by the <i>ERC</i> under Clause 6.9.1.1, the <i>Market Surveillance Committee</i> shall investigate the circumstances of that event and prepare a report to assess the: <ul style="list-style-type: none"> (a) adequacy of the provisions of the <i>WESM Rules</i> relevant to the event or events which occurred; 	Within ten (10) <i>business days</i> following a declaration by the <i>ERC</i> under clause 6.9.1.1, the <i>Market Surveillance Committee</i> , upon directive from the <i>PEM Board</i> , shall investigate the circumstances of that event and prepare a report to assess the : <ul style="list-style-type: none"> (a) xxx; (b) appropriateness of actions taken by the <i>Market Operator</i> or <i>the System Operator</i> in relation to the event or events which occurred; and 	For clarity

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>(b) appropriateness of actions taken by the <i>Market Operator</i> in relation to the event or events which occurred; and</p> <p>(c) costs incurred by the <i>WESM Members</i> as a consequence of responding to the event or events.</p> <p>Within ten <i>business days</i> following a declaration by the <i>ERC</i> under clause 6.9.1.1, the <i>Market Surveillance Committee</i> shall investigate the circumstances of that event and prepare a report to assess:</p> <p>(a) XXX;</p> <p>(b) The appropriateness of actions taken by the <i>Market Operator</i> in relation to the event or events which occurred; and</p> <p>(c) XXX.</p>	<p>(c) xxx.</p>	
GLOSSARY	Chapter 11	<p>Administered Price. A price imposed by the <i>Market Operator</i> to the <i>Trading Participants</i> during <i>market suspension</i> and <i>intervention</i> to be used for settlements, which price is determined in accordance with the methodology developed</p>	<p>Administered Price. A price imposed by the <i>Market Operator</i> to the <i>Trading Participants</i> during <i>market suspension</i> and market <i>intervention</i> to be used for settlements, which price is determined in accordance with the methodology</p>	General revision

Title	Section	Original Provision	Proposed Amendment	Rationale
		and published by the Market Operator and approved by the <i>ERC</i> . (new)	developed and published by the Market Operator and approved by the <i>ERC</i> . <u>Emergency State. The grid shall be considered in the Emergency State when:</u> a. <u>Single Outage Contingency (N-1) Criterion is not met. Imminent threat in system security would exist should a credible n-1 contingency occur that would result in the cascading outages of lines and equipment if not corrected immediately.</u> b. <u>There is generation deficiency or Operating Margin is zero;</u> c. <u>Grid transmission voltage is outside the limits of -10% or+10% of the nominal value;</u> d. <u>The loading levels of all transmission lines and substation Equipment are beyond the threshold as set by the PGC.</u> e. <u>The Grid Frequency is beyond the limits of 59.4Hz and 60.6Hz</u>	To provide for a definition in the WESM Rules aligned with the proposed provision in the WESM Manual on SSRG consistent with the PGC

Title	Section	Original Provision	Proposed Amendment	Rationale
		<p>Intervention. A measure taken by the <i>System Operator</i> when the <i>grid</i> is in extreme state condition as established in the <i>Grid Code</i> arising from a threat to <i>system security, force majeure event or emergency</i>, or by the <i>Market Operator</i> in relation to the simulation or implementation of the <i>business continuity or disaster recovery</i> procedures developed in accordance with Clause 6.8.1. During such event, the <i>administered price</i> shall be used for <i>settlements</i>.</p>	<p><u>Market Intervention</u></p> <p>A measure taken by the <i>System Operator</i> when the <i>grid</i> is in <u>the alert or emergency state</u> extreme state condition as established in the <i>Grid Code</i> arising from a threat to <i>system security, force majeure event or emergency</i>, or by the <i>Market Operator</i> in relation to the simulation or implementation of the <i>business continuity or disaster recovery</i> procedures developed in accordance with Clause 6.8.1. During such event, the <i>administered price</i> shall be used for <i>settlements</i>.</p>	<p>General revision and for consistency as to when a market intervention may be taken</p>
		(new)	<p><u>Normal State. The grid operating condition when :</u></p> <p><u>a. The operating margin is sufficient.</u></p> <p><u>b. System frequency is within the limits of 59.7 and 60.3 Hz.</u></p> <p><u>c. Voltages at all connection points are within the limits of 0.95 and 1.05 of the nominal value.</u></p> <p><u>d. The loading levels of all transmission lines and</u></p>	<p>To include definition of a Normal State aligned with the WESM Manual on SSRG consistent with the provisions of the PGC.</p>

Title	Section	Original Provision	Proposed Amendment	Rationale
			<p><u>transformers are below 90% of their maximum continuous ratings.</u></p> <p><u>e. The grid configuration is such that any potential fault current can be interrupted and the faulted equipment can be isolated from the grid.</u></p> <p><u>f. The static and dynamic stability of the power system is maintained.</u></p> <p><u>g. The Single Outage Contingency (N-1) Criterion is met.</u></p>	

