

WESM COMPLIANCE BULLETIN

Issue No.	Date Issued	Contents
4.00	28 May 2015	Non-Compliance Events Classification and Non-Compliance Report Form 2 – Possible Non-Compliance with Real Time Dispatch Schedules/Instructions by Scheduled Generating Units (Revision 1.0)

**Enforcement and Compliance Office
Philippine Electricity Market Corporation
28 May 2015**

This Wholesale Electricity Spot Market (WESM) Compliance Bulletin is an occasional publication that is prepared and published by the Enforcement and Compliance Office of the Philippine Electricity Market Corporation. The purpose of the WESM Compliance Bulletin is only to provide information and guidance to the participants of the WESM on their obligations in the WESM as well as on various matters relating to enforcement and compliance. This document is not intended as a source of obligation or as authority on relevant WESM Rules and market manuals, and as such, is not binding on the WESM participants or any other person or entity. While the ECO strives to make this document complete and accurate, the actual contents may be incomplete or inaccurate. WESM participants and other readers are encouraged to refer to the official issuance of the WESM Rules, and its amendments, and manuals for details.

Questions on this WESM Compliance Bulletin may be addressed to the Enforcement and Compliance Office, Philippine Electricity Market Corporation, 18th Floor Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City or by email at compliance@wesm.ph.

This issue of the WESM Compliance Bulletin sets out the classification of non-compliance events pertaining to possible non-compliance with real-time dispatch (RTD) schedules or instructions by scheduled generation companies and scheduled generating units. This Bulletin also sets out the general guidelines and description of **Non-Compliance Report Form 2 - Possible Non-Compliance with the Real-Time Dispatch Schedules/Instructions by Scheduled Generating Units**.

Guidelines

1. Non-compliance report forms are to be filled out and submitted to the Enforcement and Compliance Office (ECO) as part of replies to investigations for possible non-compliance with real-time dispatch schedules or instructions, including breach of the dispatch tolerance.
2. Please provide the information as described in the *Form Description* and *Non-Compliance Event Classification* below. The required information should be provided for each interval included in the Request for Investigation.
3. Please submit accomplished form in MS Excel, xls or xlsx, and in editable or un-protected format. You may submit a second copy in *pdf* or read-only formats and this can serve as the controlling document in case of conflict with the un-protected file. The accomplished forms are to be submitted in electronic format. No printed copies need to be submitted, but the submission must be accompanied by an affidavit of the authorized representative attesting to the accuracy of the information contained in the accomplished forms.
4. The report format is specified in order to facilitate processing and verification of the replies. For this reason, please strictly follow required format. If some items are not applicable, please indicate N/A instead of deleting column. If explanations or entries are the same across several adjacent rows, please copy entries and do not merge rows. If an explanation is lengthy, you may provide summary explanation/description in the Non-Compliance Report Form and provide the more detailed explanation in a separate document.
5. Filename should contain participant name, facility or resource name and case number. Use the participant short name, facility name and resource ID as appears in your MMS registration. If the Request for Investigation (RFI) includes more than one unit of the same facility, please prepare either separate files for each unit or one file but with separate worksheets for each unit. If preparing one file with multiple worksheet, the filename should indicate the facility name, e.g., 1590EC_Bauang_2015-0001 and the worksheet should bear the relevant resource ID, e.g., Bauang_G01. If preparing separate files for each unit, please indicate unit resource ID (instead of facility name) in the filename, e.g., 1590EC_Bauang_G01_2015-0001.
6. The supporting data and documents being submitted are also required to be listed in appropriate columns of the report form. Please make sure that all supporting data or documents listed are submitted together with the reply. Supporting documents may be submitted preferably in e-copies, but may also be submitted in printed (hard) copies.
7. The report forms and these guidelines may be revised and updated by the ECO from time to time. Each revision will be published in the Enforcement and Compliance page of the market information website at www.wesm.ph.

Form Description

Column	Header	Contents
A	Billing Month	Month Year - e.g., April 2015
B	Trading Date	mm/dd/yyyy e.g., 04/27/2015 (or as appears in RFI)
C	Trading Interval/Delivery Hour	Use 24-hour format – e.g., 2400
D	Ex-Ante (RTD) Schedule, MW	Dispatch target or target loading level, in MW, (as published in the MMS) for the interval
E	Actual Generation Level, MW	<ul style="list-style-type: none"> If there is a discrepancy between the data in the RFI and your own records, please flag by indicating data from your own records in red font and provide explanation in Column “K” (Data/Report Variances). Cite source and reference for your own data/readings in Column “L” and submit supporting data.
F	Deviation, MW	Difference between RTD schedule and Actual Generation Level (=D - E)
J	Deviation, %	
H	Non-Compliance Event - Category <i>Reason for deviation</i>	<ul style="list-style-type: none"> State the non-compliance event category which describes the cause of deviation. Select from applicable categories in the <i>Non-Compliance Event Classification</i>. The report template published in the WESM website contains a drop-down list. Please select from the list. If none of the categories apply or you are uncertain as to which category will apply, please classify as “Other Causes”.
I	Non-Compliance Event – Details <i>Summarized detail of reason for deviation</i>	<ul style="list-style-type: none"> Provide details of the non-compliance event that caused the deviation. <i>Please refer to Non-Compliance Event Classification for information that has to be provided for each event category.</i> If there are several causes, describe each cause and, if possible, quantify effect or contribution, in MW, to the deviation. Explain why the cause resulted in a deviation that is beyond the dispatch tolerance. If explanation is lengthy, a summary may be written in the report form and the detailed explanation be set out in a separate document which will be submitted together with the accomplished report form.
J	Supporting Documents	<ul style="list-style-type: none"> List all documents/data that will support explanation. <i>Please refer to Non-Compliance Event Classification for list of supporting documents that can be submitted.</i> If document consists of several pages, sections, worksheets, etc., indicate page number, worksheet, sections, etc.
K	Data/Report Variances	<ul style="list-style-type: none"> Describe and provide explanations for data variances, such as – <ul style="list-style-type: none"> Actual generation level, MW in RFI vs. own records. Report submitted to DOE, ERC-GMC, NGCP-SO, and reasons submitted to ECO
L	Supporting Documents	<ul style="list-style-type: none"> If appropriate, list data/documents to support explanation on variances, and indicate source of data/document being submitted.

		<ul style="list-style-type: none"> If document consists of several pages, sections, worksheets, etc., indicate page number, worksheet, sections, etc.
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Non-Compliance Events Classification

Event Category	Details of Explanation	Reference
Ancillary Services	<p>Application</p> <ul style="list-style-type: none"> This applies to ancillary services providers that were called by the System Operator to provide services or to respond in real-time or during an interval. <p>Explanation</p> <ul style="list-style-type: none"> State type of service provided. <p>Supporting Documents</p> <ul style="list-style-type: none"> Report on or confirmation from the System Operator on actual provision of services, indicating type and other details of service provided. <i>There is no need to submit day-ahead ancillary services schedules and ancillary services nominations.</i> 	WESM Rules 3.8.4
System Operator Instruction – Re-dispatch based on Merit Order Table	<p>Application</p> <ul style="list-style-type: none"> This applies to instances when the generating unit was re-dispatched by the System Operator based on the Merit Order Table, i.e., MOT re-dispatch. <p>Explanation</p> <ul style="list-style-type: none"> State whether the original dispatch target was changed or not. If changed, state new dispatch target. Describe instructions, indicating nature of instruction, MW target and time instruction was issued. If several instructions were given or were given in series, describe all instruction issued and time/s issued. State if the unit was able to comply with the new System Operator dispatch instructions. If not, state reason for non-compliance. <p>Supporting Documents</p> <ul style="list-style-type: none"> Record of communications to and from the System Operator Plant operator logs and other plant data showing System Operator instructions and compliance by the power plant with instructions. 	WESM Dispatch Protocol
System Operator Instructions – Emergency Direction	<p>Application</p> <ul style="list-style-type: none"> This applies to instances when the System Operator issued instructions during market intervention or suspension. If unit was re-dispatched based on MOT or was called to respond as an MRU, such should be reported under either “Re-dispatch based on MOT” or “Real-Time MRU Call”, as applicable, even if these were issued under emergency conditions. <p>Explanation</p> <ul style="list-style-type: none"> Describe instructions issued and time issued, indicating whether the original dispatch target was changed. To the extent known, describe the emergency condition that prompted the issuance of the instructions. 	<p>WESM Rules 3.8.4 and Chapter 6</p> <p>WESM Manual – Emergency Procedures</p> <p>WESM Manual – System Security and Reliability Guidelines</p>

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> State if the unit was able to comply with the System Operator emergency directions. If not, state reason for non-compliance. <p>Supporting Documents</p> <ul style="list-style-type: none"> Record of communications to and from the System Operator. Plant operator logs and other plant data showing System Operator instructions and compliance by the power plant with instructions. 	
System Operator Instructions – Real-time MRU call	<p>Application</p> <ul style="list-style-type: none"> This applies to instances when the generating unit was dispatched by the System Operator in <u>real-time or during an interval</u> as a must run unit. This does not apply to cases where the designation of the unit as MRU was made in the schedules or through imposition of security limits, i.e., scheduled MRUs. <p>Explanation</p> <ul style="list-style-type: none"> Describe instructions issued and time issued, indicating whether original dispatch target was changed. To the extent known, describe the reasons for and the actual conditions that prompted the MRU call. State if the unit was able to comply with the System Operator directions. If not, state reason for non-compliance. <p>Supporting Documents</p> <ul style="list-style-type: none"> If the unit is not included in the Weekly MRU Report of the System Operator that is published in the WESM website, provide – <ul style="list-style-type: none"> Record of communications to and from the System Operator of the MRU call Plant records showing System Operator instructions and compliance by the power plant. 	WESM Management of Must Run and Must Stop Units
System Operator Instructions – Other Instructions	<p>Application</p> <ul style="list-style-type: none"> This applies to instances when the System Operator issued instructions – not falling in other categories of System Operator Instructions – that directly caused the generating unit to deviate from its dispatch schedule or to generate even if not scheduled. <p>Explanation</p> <ul style="list-style-type: none"> Describe instructions issued and time issued, indicating whether original dispatch target was changed. To the extent known, describe the reasons for and the actual conditions that prompted the issuance of the instruction. State if the unit was able to comply with the new System Operator directions. If not, state reason for non-compliance. <p>Supporting Documents</p> <ul style="list-style-type: none"> Record of communications to and from the System Operator. Plant operator logs and other plant data showing System Operator instructions and compliance by the power plant with instructions. 	
Automatic Governor Response	<p>Application</p> <ul style="list-style-type: none"> This applies to generating units that were operating in AGC or free governor mode. 	

Event Category	Details of Explanation	Reference
	<p>Explanation</p> <ul style="list-style-type: none"> • State reason for operating on AGC or free governor mode, e.g., provision of regulating reserve, conditions under power supply contracts, etc. • If not scheduled to provide reserves, protocols or procedure governing operations at AGC or free governor mode. <p>Supporting Documents</p> <ul style="list-style-type: none"> • If scheduled to provide reserves, data or document showing or confirming that the unit was providing such service during the interval in question. • If not scheduled to provide regulating reserve, copy of protocol governing the operation of the unit on AGC or free governor mode. 	
Forced Outage	<p>Application</p> <ul style="list-style-type: none"> • This applies to situations when the generating unit went on forced outage during an interval because of a failure affecting the unit itself, and applies whether the unit tripped automatically or was manually tripped. • This also applies in situations where the forced outage occurred in a prior interval but the unit was nonetheless scheduled as it had a standing offer that was not cancelled and the outage was not considered in the scheduling process. • If the unit tripped because of failure in a transmission equipment, this should be reported as “Transmission Constraint” event instead. <p>Explanation</p> <ul style="list-style-type: none"> • Describe the outage event, including cause and equipment or unit affected, time it occurred, time unit went offline and re-synchronized, and activities undertaken. Indicate whether tripping was automatic or manually carried out by plant operator. • For aggregated units/blocks or units with multiple engines and outage affected a component unit/engine only, state the unit/engine affected and, if determinable, the resulting reduction in generation output. • If the outage occurred in a prior interval but the unit was scheduled as it had standing offers, state why offers were not cancelled or adjusted. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Notices to and from the System Operator on the occurrence of the outage • Plant operator logs, incident reports and other plant data or documents showing occurrence of the outage, and activities undertaken. • Significant event reports submitted to relevant government agencies. 	
Resource Constraints – Hydro	<p>Application</p> <ul style="list-style-type: none"> • <i>This may not be an exempting circumstance.</i> • This applies to constraints affecting the water resources utilized by hydro-electric power plants that directly affected their ability to comply with their dispatch schedules. 	

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> • This can also apply to constraints attributable to failure or maintenance of equipment pertaining to the production, storage or conveyance of the water resource <u>but not</u> not pertaining to the generating unit itself. • This can also apply to changes in instructions from relevant agencies – NIA, NWRB, NPC – regarding the utilization of water resources. <p>Explanation</p> <ul style="list-style-type: none"> • For run-of-river power plants, state if the deviation is attributable to forecast error. <ul style="list-style-type: none"> ○ Explain factors contributing or causing significant variation between forecast and actual conditions. ○ If variation is attributable to sudden weather changes, please describe actual vs. forecasted weather conditions. • For other types of hydro power plants – <ul style="list-style-type: none"> ○ Describe the constraint on the water resource that caused the deviation and its effect on the actual generation of the affected unit. ○ If constraint pertains to availability of water resource and offers were already managed or adjusted to account for forecasted or expected availability of water resource, explain why the unit was still unable to comply with the schedule within the dispatch tolerance and cite factors causing or contributing to deviation. ○ If variation is attributable to errors or variations in forecast, explain factors contributing to the variations in the forecast. • If deviation was caused by a failure or trouble affecting an equipment, describe the failure, its causes, time of occurrence, effect on the actual generation of the power plant and measures taken to resolve the situation. • If deviation is attributable to changes in instructions from relevant agencies, describe the instruction and its effect on the actual generation of the affected unit. If applicable, state why the offers were not adjusted to respond to changes in instructions. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Plant operator logs, data and reports showing resource constraints or supply conditions during the interval, variations in forecast and actual conditions of water resource, and changes in instructions from relevant agencies. • Communications to and from the System Operator on constraints affecting the generating unit. • Communications to and from or protocols with relevant agencies – NIA, NWRB or NPC. • Significant event reports to relevant government agencies. 	
Resource Constraints – Geothermal	<p>Application</p> <ul style="list-style-type: none"> • <i>This may not be an exempting circumstance.</i> 	

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> This applies to constraints affecting steam supply to the power plant that directly affected its ability to comply with its dispatch schedule. This can also apply to constraints attributable to failure or maintenance of equipment pertaining to the extraction or conveyance of the resource <u>but not</u> pertaining to the generating unit itself. <p>Explanation</p> <ul style="list-style-type: none"> Describe the constraint that caused the deviation and its effect on the actual generation of the affected unit, e.g. load curtailment or load fluctuation. If deviation is attributed to low or inadequate steam supply, show actual steam supply and variation from expected or forecast supply. If constraint pertains to steam availability but the offer was already managed or adjusted to account for forecasted or expected steam supply, explain why the unit was still unable to comply with the schedule within the dispatch tolerance and cite factors causing or contributing to deviation. If deviation was caused by a failure or trouble affecting an equipment, describe the failure, its causes, time of occurrence, effect on the actual generation of the power plant and measures taken to resolve the situation. <p>Supporting Documents</p> <ul style="list-style-type: none"> Plant operator logs, data and reports showing resource constraints or supply conditions during the interval, variations in forecast and actual conditions of steam supply, and other relevant information Communications to and from the System Operator on constraints affecting the generating unit. Report to the DOE on steam supply availability and utilization. Significant event reports to relevant government agencies. 	
Load Stabilization/ Normalization or Fluctuation or Transitions	<p>Application</p> <ul style="list-style-type: none"> <i>This may not be an exempting circumstance.</i> This applies to situations when the generating unit was in the process of load stabilization or normalization or is experiencing load fluctuations while undergoing procedures or activity when it may not be reasonably expected to be operating normally. This may include, but is not limited to, – <ul style="list-style-type: none"> Load normalization or stabilization following start-up of a generating unit Start-up or shutdown procedure Fuel change-over procedure Testing and commissioning activities Load fluctuations arising from variations in fuel supply quality Load transitions arising from normal shifts or changes in operations (e.g., mill operations of coal plants) <p>Explanation</p>	WESM Manual – Procedures for Start-up and Shutdown of Generating Units

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> • If load fluctuation is normally expected from the procedure or activity, explain why the deviation went beyond the 3% dispatch tolerance. Take into consideration that the dispatch tolerance should already cover fluctuations and transitions occurring in the normal course of operations of the power plant. • If offers were already managed or adjusted to account for possible fluctuations, explain why the unit was still unable to comply with the schedule within the dispatch tolerance and cite factors causing or contributing to deviation. • If fluctuation was caused by a failure or trouble affecting the power plant, describe the failure, its causes and measures taken to resolve the situation. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Plant operator logs, data and reports showing conduct of procedure or activity, or showing fluctuations experienced, and if applicable, activities taken to resolve the situation. • Communications to and from the System Operator on conduct of procedure or activity, e.g., start-up/shutdown, fuel change-over, etc. • Significant event reports to relevant government agencies. 	
Station Service, House Load or Industrial Load	<p>Application</p> <ul style="list-style-type: none"> • This applies to generating units which are monitored at gross capacity (inclusive of own loads) and are also offered and scheduled at gross. This does not apply when own loads are netted out of the generation offers. <p>Explanation</p> <ul style="list-style-type: none"> • Provide monitoring data on actual station use, house or industrial load and on gross generation. Data should be in MW. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Monitoring data, in MW, on actual station use, house or industrial load. 	
Transmission Constraint	<p>Application</p> <ul style="list-style-type: none"> • This applies to grid or sub-station failures or activities that affected the operations of the generating unit, such as when the unit tripped or was curtailed as a direct result of the transmission equipment failure. • This also applies in situations where the System Operator issued dispatch instructions specifically to address transmission constraints or problems, other than when re-dispatch is based on MOT or unit was called as MRU. <p>Explanation</p> <ul style="list-style-type: none"> • State the transmission equipment affected, nature of failure or activity, and time of occurrence. • Describe System Operator instructions, if any, and time issued. • State effect on the generation or operations of the generating unit, e.g., tripping, shutdown or partial curtailment. If partial curtailment, extent or level of curtailment. <p>Supporting Documents</p>	

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> • Communications to and from the System Operator • Plant operator logs, incident reports and other plant data and document showing occurrence of transmission failure or issuance of instructions, procedures carried out in the power plant to respond to failure or instructions. • Significant event report submitted to relevant government agencies. 	
Legal or Regulatory Compliances	<p>Application</p> <ul style="list-style-type: none"> • <i>This is not necessarily an exempting circumstance.</i> • This refers to orders, writs, decisions or resolutions issued by judicial tribunals, administrative or regulatory agencies and other authorities with jurisdiction over the participant or the power plant and which effectively requires cessation or suspension of operations, or directly affects availability or actual generation of the power plant. • This may also refer to compliances under rules, regulations and standards issued by government agencies where compliance would effectively results in curtailment in the operations of the power plant. • This does not apply to compliances or obligations under power supply contracts, IPP contracts and other commercial contracts. If compliance with obligations of said commercial contracts affects the ability of the power plant to generate according to its dispatch schedule to operate its business, please report under “Other Causes” or “Force Majeure Events”, as applicable. <p>Explanation</p> <ul style="list-style-type: none"> • State order, writ, rule, regulation or standard being complied with and the issuing agency. • Explain effect on actual generation of the affected unit, such as full or partial curtailment, suspension or cessation of operations. • If compliance was expected to result only in partial curtailment and offers were already adjusted to address the situation, explain why the deviation occurred nonetheless. • If curtailment became necessary to prevent breach of rule, regulation or standard, explain cause or condition that was expected to result to a possible breach of the requirement, e.g., emission levels, and which prompted the curtailment. • Measures undertaken to resolve problem or possible breach of standards. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Certified copy of order, writ, decision or resolution, if applicable • Copy of rule, regulation or standard, if applicable • Plant operator logs, incident reports and other plant document showing curtailment, cause of curtailment and activities undertaken • Significant event reports submitted to relevant government agencies 	

Event Category	Details of Explanation	Reference
Force Majeure Events	<p>Application</p> <ul style="list-style-type: none"> <i>This is not necessarily an exempting circumstance.</i> This pertains to events beyond the reasonable control of the participant, which effectively prevented it from complying with its obligations in the WESM or which resulted in cessation or suspension of its operations, and which does not fall under any other event category. <p>Explanation</p> <ul style="list-style-type: none"> Identify and describe the force majeure event, and when (date and time) it was made known to the participant. Describe effect on ability of the generating unit to comply with its dispatch schedules. Explain why the generation offers were not adjusted in response to the event. If offers were already adjusted in response to the event, explain why deviation nonetheless occurred. Measures taken to resolve situation, or to prevent or mitigate adverse impact. <p>Supporting Documents</p> <ul style="list-style-type: none"> Plant operator logs, incident reports and other plant documents that will show occurrence of event, effect on power plant and activities undertaken As applicable, notices to and from System Operator, PEMC, DOE, ERC and other relevant agencies regarding occurrence of events and measures undertaken. Significant event reports to relevant government agencies. 	
Other Causes	<p>Application</p> <ul style="list-style-type: none"> <i>This is not necessarily an exempting circumstance.</i> This applies to all other events or circumstances that directly affected the generating unit's ability to comply with its dispatch schedules, but do not fall under any other non-compliance event category. <p>Explanation</p> <ul style="list-style-type: none"> Describe event or cause, time of occurrence and effect on ability of the power plant or the trading participant to comply with dispatch schedules. Measures taken to resolve the situation, or to prevent or mitigate adverse impact of the event. <p>Supporting Documents</p> <ul style="list-style-type: none"> Communications to and from the System Operator Plant operator logs, incident reports and other plant data and document showing occurrence of transmission failure or issuance of instructions, procedures carried out 	
Data Variances	<p>Application</p> <ul style="list-style-type: none"> This applies to situations when the unit was actually compliant with its dispatch schedules (within 3% dispatch tolerance) but reflected as non-compliant because of erroneous data. As dispatch compliance is determined initially from comparison of real-time dispatch schedule and actual generation level by the end of the interval, the data error can only pertain to either of these two sets of data. <p>Explanation</p>	

Event Category	Details of Explanation	Reference
	<ul style="list-style-type: none"> • RTD schedule – if the variance is between RTD schedule indicated in the Request for Investigation and the participant's own data of dispatch target communicated by the System Operator, provide record of communications to and from the System Operator on the dispatch target. • Actual generation - If the erroneous data pertains to the actual generation attained by the affected unit, provide alternative monitoring data. Cite source, location and time of measurement and compare the same with data provided in the Request for Investigation. • If known, provide explanation for data discrepancy. <p>Supporting Documents</p> <ul style="list-style-type: none"> • Records of communications from the System Operator of the dispatch target. • Monitoring data, which should be in MW and clearly shows the time and location of measurement. • If applicable, communications to and from System Operator and PEMC regarding data error (for PEMC, this should be communications other than the reply to investigation). 	

This Non-Compliance Bulletin and the Non-Compliance Report Form 2 may be viewed or downloaded from the market information website at www.wesm.ph. Click on the Enforcement and Compliance page at the Downloads section of the website.