

2023 RULES CHANGE COMMITTEE WORK PLAN

The Rules Change Committee (RCC) strives to attain a timely resolution of all rules change proposals it receives and shall continuously direct its efforts to work on priority activities for further enhancements to the Market Rules and Manuals. The activities in the Work Plan are aligned with the 2023-2025 Corporate Strategic Plan of the Philippine Electricity Market Corporation (PEMC) and shall be updated as necessary as more contributions are received from industry sectors and stakeholders or as directed by the Department of Energy (DOE) or Energy Regulatory Commission (ERC).

Legend: Submission/Completion of Report/Inputs/Comments
 Regular Activity

ACTIVITIES		OUTPUTS	2023				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance							
Objective 4: Availability of Adequate Support to the PEM Board and its Committees							
1	Conduct of monthly and urgent meetings	Minutes of meetings					
Objective 5: Availability of Accurate and Updated Market Reports, Rules, Manuals, and Other Relevant Public Information About the WESM and REM							
2	Approve Annual Committee Work Plan aligned with PEMC Corporate Strategic Plan	2023 RCC Work Plan submitted to the PEM Board by March 2023					
3	Approve Semestral Reports	RCC Semestral Reports submitted to the PEM Board in January and July 2023					
4	Facilitate submission of Sectoral Certifications	Sectoral Certifications submitted to the RCC/PEM Board					

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ACTIVITIES		OUTPUTS	2023				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
Objective 6: Provision of Continuing Stakeholder Support and Engagement and Enhanced Market Awareness							
5	Participate in WESM events, as requested or scheduled	Attendance to the WESM events					
Objective 8: Responsive market rules and manuals							
6	Assess market rules and manuals and propose amendments ¹	RCC Resolutions on rules change proposals submitted to the PEM Board					
7		Presentation during the Board Review Committee (BRC) and PEM Board meetings					
8	Participate in DOE/ERC public consultations on market rules and manuals and propose amendments ¹	Attendance to the DOE/ERC public consultations					
9	Enhance rules change process	Updated RCC Internal Rules and proposed amendments to the Rules Change Manual					
10	Provide comments on PEMC rules change effectiveness study	Comments on rules change effectiveness study					

¹ See Annexes for the lists of rules change proposals

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ACTIVITIES		OUTPUTS	2023				REMARKS/STATUS
			Q1	Q2	Q3	Q4	
GOAL 3: Achieve Organizational Excellence and Operational Efficiency							
Objective 5: Clear Corporate Targets and Performance Measures							
11	Timely approval of Corporate and Departmental Strategic Plan by the PEM Board and PEMC Management, respectively	Inputs to Corporate and Departmental Strategic Plan					
Objective 6: Continuing Improvement in the Delivery of Service to Internal and External Clients							
12	Respond to survey on the provision of technical and administrative support to the RCC	Response to survey on WESM Governance Committee (WGC) Support by PEMC					
13	Participate in activities related to ISO 37000:2021 - Governance of Organizations Training / Certification	Attendance to trainings/discussions and provide inputs, as requested by PEMC					

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Annex A: Current Rules Change Proposals (As of 31 March 2023)

Status	Proposal	Proponent
For RCC Deliberation	1. Market Intervention- Market Suspension Procedures	Market Surveillance Committee (MSC)
	2. Enhancements to SO Procedures	National Grid Corporation of the Philippines (NGCP)
	3. Preferential Dispatch per DOE DC2022-10-0031	Independent Electricity Market Corporation of the Philippines (IEMOP)
	4. Dispatch Protocol regarding Non-security Over-riding Constraints	National Power Corporation (NPC)
	5. Dispute Resolution (portion on impleadable parties was remanded to PEMC)	Dispute Resolution Administrator (DRA)
	6. Maximum Available Capacity	MSC & Compliance Committee (CC)
	7. Implementation of Electric Retail Aggregation Program	IEMOP
	8. Forecast Accuracy Standards	PEMC
For PEM Board Approval	Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023)	IEMOP
	Interruptible Load Program Implementation	IEMOP
For DOE Approval	1. Pricing Error Notice as Criteria for Additional Compensation	Millennium Energy, Inc. (MEI) & Panasia Energy, Inc. (PEI)
	2. Additional Compensation	IEMOP
	3. Penalty Framework on Test and Commissioning	PEMC
For ERC Approval	Reserve Market Implementation	IEMOP

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Annex B: PEMC/WGC Possible Rules Change Proposals

PEM Board-Approved Goals / Objectives (2023-2025 PEMC Corporate Strategic Plan)	Topic	Proponent	2023	2024	2025
GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance					
Objective 1: Promotion of a culture of compliance and enhanced compliance monitoring	Enforcement Manual & Penalty Manual	PEMC	✓		
	Reserve Conformance Standards	PEMC	✓		
	Metering Accuracy	PEMC	✓	✓	
	Dispatch Conformance Standards	PEMC		✓	
	Forecast Accuracy Standards				✓
	Proposed PTF for: Luzon and Visayas; Interim PTF for Mindanao; and Regional PTF Combinations in Compliance with ERC Order on PDM	Technical Committee (TC)	✓		
	Overhaul of WESM Manual on Market Network Model Development and Maintenance – Criteria and Procedures	TC		✓	
	EWDO-related changes based on Study	PEMC			✓
Objective 6: Provision of continuing stakeholder support and engagement and enhanced market awareness	Voting Rights of Participants	PEMC	✓		

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PEM Board-Approved Goals / Objectives (2023-2025 PEMC Corporate Strategic Plan)	Topic	Proponent	2023	2024	2025
Objective 8: Responsive market rules and manuals	Improvements to rules change process, e.g.: <ul style="list-style-type: none"> • Establish criteria on mechanism of rules change proposals that are for approval of ERC • Inclusion of rate impact/s as one of the standard process that will involve changes in the formula 	PEMC	✓		
G2: Support initiatives and programs for the energy sector through compliance with policy and regulatory directives					
Objective 1: Efficient operation of the Renewable Energy Market	Transfer of RE Registrar Functions to the Market Operator	PEMC	✓	✓	
Objective 2: Continuing Market Development Initiatives	Battery Energy Storage	PEMC	✓		

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Annex C: Electric Power Industry Possible Rules Change Proposals

Topic	Sub-topic	Proponent	2023	2024	2025
System Operations	Net Operating Margin - Harmonize basis of grid alerts based on SO practice and under the PGC and WESM Rules.	NGCP			
Scheduling and Dispatch	MRU Report & Dispatch Instruction Report - Proposed deletion of Section 17.5 (MRU Report) was not included in the DOE DC2022-06-0023	IEMOP	✓		
	Reserve Categories - Harmonize reserve categories in the PDM, subject to ERC directives on the proposed PDM for the reserve market <i>*Dependent on the ERC approval of PDM for Reserve Market.</i>	IEMOP	✓		
	Use and monitoring of VRE Aggregated Generation Forecasts	NGCP			
Billing and Settlements	Improvements on billing (i.e. application of interest, MQ validation)	Distribution			
	Extension of BCQ Declaration	Distribution			
Additional Compensation	Recovery of adjustments	MERALCO/RES	✓		
	Process of motion for reconsideration or appeal to consider other additional documents to support the claim in filing for additional compensation.	Generator/Distribution/ Customer			
	Allowable recoverable costs for MRUs on top of fuel and variable operating and maintenance costs	Generator/Distribution/ Customer			
	Possible compensation of Must Stop Units	Generator/Distribution/ Customer			
Mindanao	Recommendations of the WESM Mindanao Readiness TWG	IEMOP	✓		

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Topic	Sub-topic	Proponent	2023	2024	2025
Battery Energy Storage	Enhancements to participation in the WESM <i>*Dependent on the policy to be issued by DOE on ESS</i>	IEMOP/PEMC	✓		