

PEMC MARKET ASSESSMENT HIGHLIGHTS

- The average demand and the reserve schedule, recorded at 1,884 MW during the week of 19 - 25 Jun 2023, was higher than the previous week at 1,883 MW.
- The average effective supply during the week was 2,077 MW, higher than the 2,066 MW of the previous week. Ramping limitations were considered in the calculation of the effective supply.
 - The capacity on outage averaged at 206 MW, lower than last week's 293 MW. About 94% of the 206 MW involved Hydroelectric plants, while in terms of category, about 52% were Maintenance Outages.
- As a result, an average supply margin of 193 MW was observed during the week, which is higher by about 5% relative to the previous week. The thinnest supply margin was 118.18 MW on 19 June 2023 18:25. The average supply margin was 175.39 MW at peak intervals and 206.94 MW at off-peak intervals.
- Correspondingly, average GWAP was recorded at PHP 2,865/MWh from PHP 3,657/MWh last week..
 - No secondary price cap was imposed for this week
- The top 5 participant groups accounted for about 75% of the offered capacity. The Herfindahl-Hirschman Index (HHI) by participant group indicated moderately concentrated market based on the offered and registered capacities.
- The top 5 pivotal plants during the week were –
 1. MINDANAO CFTPP (about 67.36% of the time)
 2. GN POWER KAUSWAGAN CFTPP (about 60.68% of the time)
 3. THERMA SOUTH CFTPP (about 46.18% of the time)
 4. SARANGANI CFTPP (about 44.05% of the time)
 5. MALITA CFTPP (about 39.48% of the time)

- Coal plants recorded same maximum offered capacity and lower offer prices compared to the previous week. On the other hand, hydro plants recorded lower maximum offered capacity. Lastly, no significant changes with the offer pattern behavior of geothermal and oil-based plants.

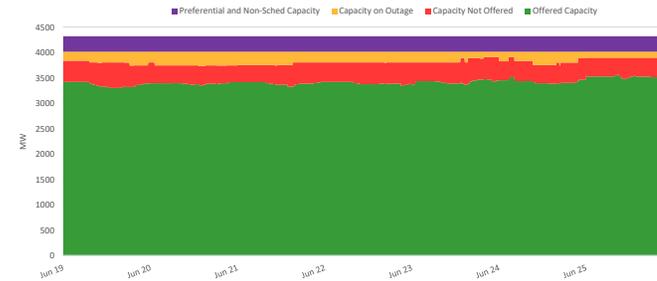
IEMOP MARKET SYSTEMS ADVISORY

- No IT-related issue was advised in IEMOP's market systems from 19 - 25 Jun 2023.

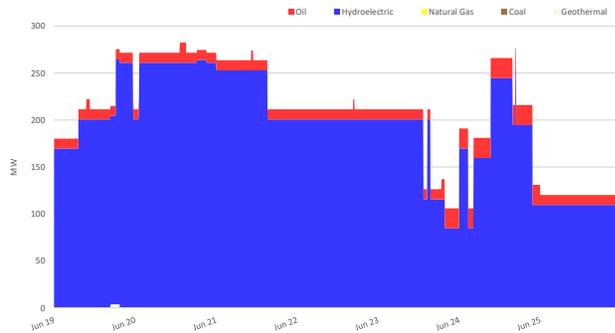
SUMMARY (PRICE, SUPPLY, DEMAND AND RESERVE SCHEDULE)

Particulars		19 - 25 Jun 2023	Previous Week (12 - 18 Jun 2023)	Percent Change
GWAP (PHP/MWh)	max	9,019.31	32,203.85	-71.99%
	min	-0.01	-10,043.35	100.00%
	ave	2,864.54	3,656.65	-21.66%
Effective Supply (MW)	max	2,469.00	2,438.03	1.27%
	min	1,717.20	1,667.50	2.98%
	ave	2,076.95	2,066.18	0.52%
System Demand (MW)	max	2,235.25	2,242.45	-0.32%
	min	1,395.24	1,380.94	1.04%
	ave	1,774.20	1,772.93	0.07%
Demand + Reserve Schedule (MW)	max	2,325.25	2,317.45	0.34%
	min	1,505.24	1,480.94	1.64%
	ave	1,883.91	1,882.55	0.07%
Supply Margin (MW)	max	345.49	383.54	-9.92%
	min	118.18	41.60	184.10%
	ave	193.04	183.63	5.13%

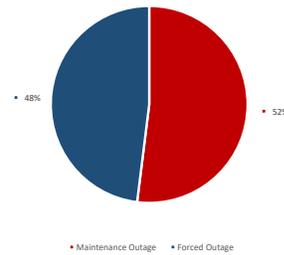
CAPACITY PROFILE



CAPACITY ON OUTAGE BY PLANT TYPE



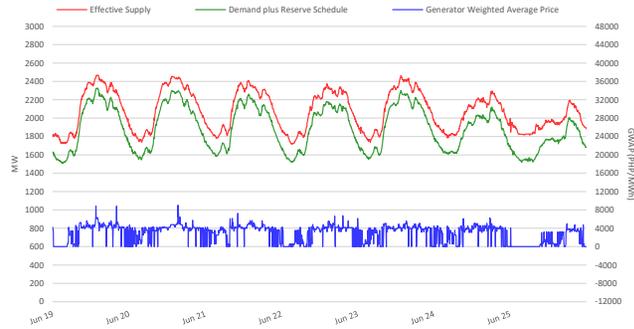
CAPACITY ON OUTAGE BY OUTAGE CATEGORY



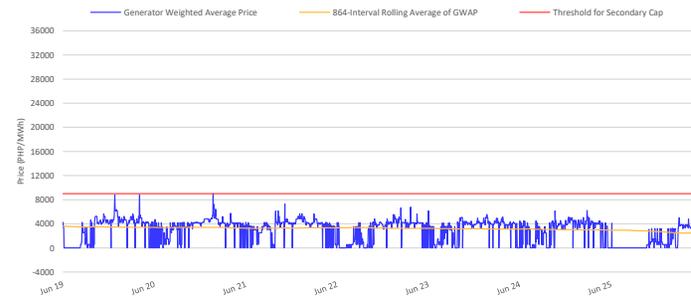
RTD CONGESTION



SUPPLY, DEMAND AND PRICE



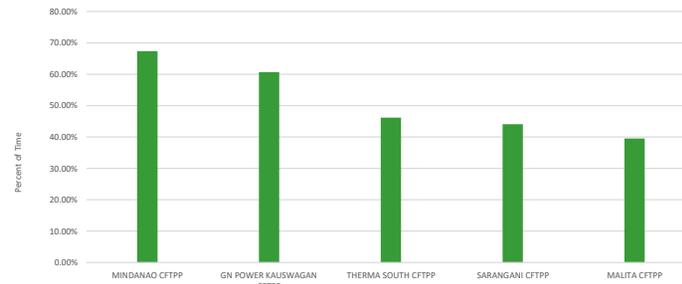
GENERATOR WEIGHTED AVERAGE PRICE



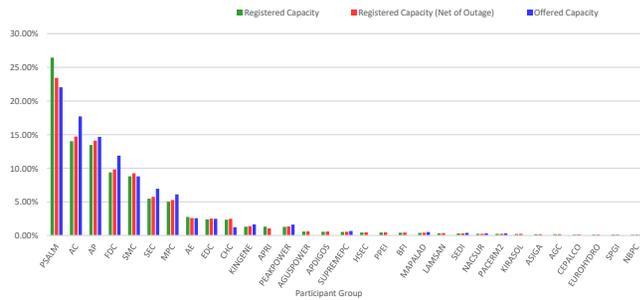
MARKET RSI VS PIVOTAL PLANTS



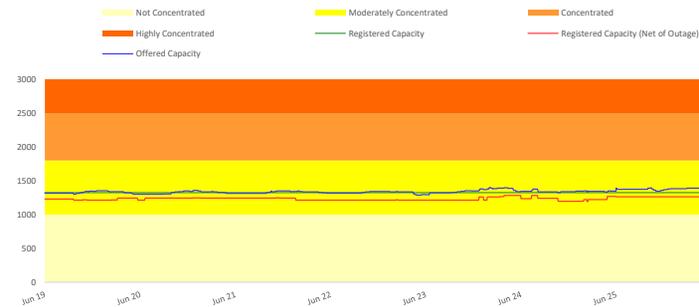
PSI



MARKET SHARE



HERFINDAHL-HIRSCHMAN INDEX

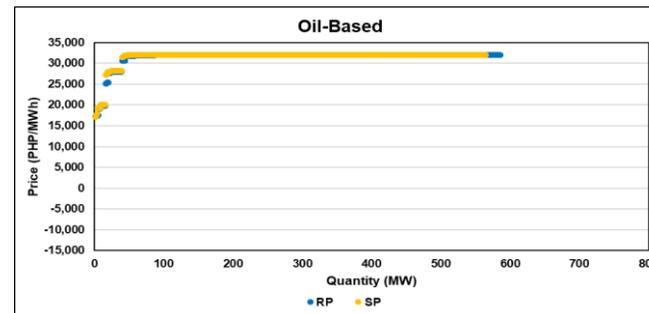
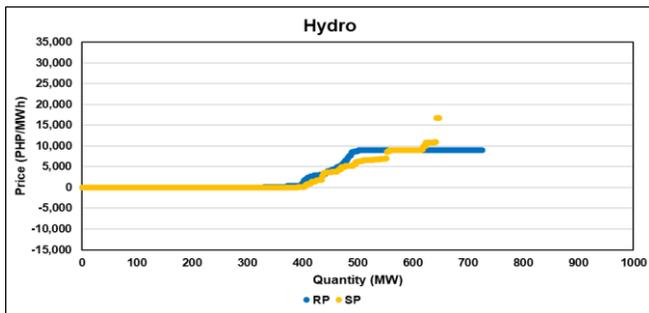
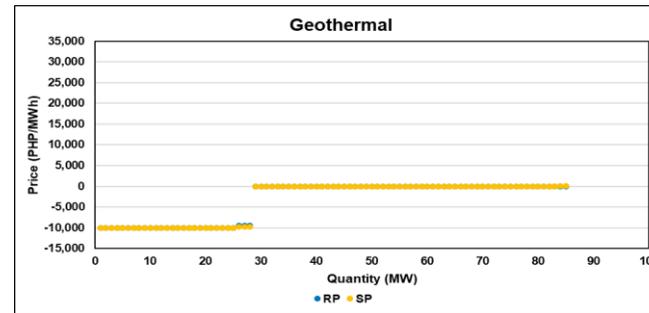
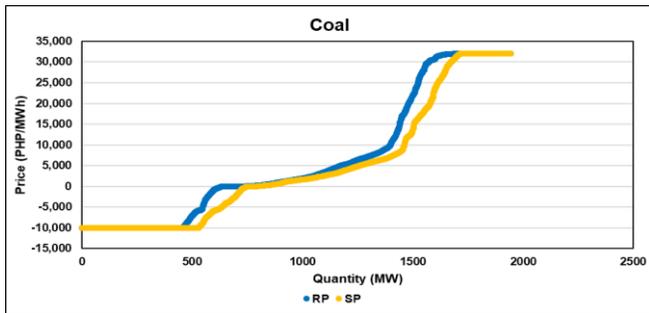


OFFER PATTERN ANALYSIS

Legend

RP: Reference Offer Price – the week of 12-18 Jun 2023 was used as a control for the comparison with the subject price

SP: Subject Offer Price – the week of 19-25 Jun 2023



GLOSSARY OF TERMS

EFFECTIVE SUPPLY - The effective supply is equal to the offered capacity of all scheduled generator resources, nominated loading level of non-scheduled generating units and projected output of preferential dispatch generating units, adjusted for any security limit provided by the System Operator and other constraints considered during MMS simulation such as generator offered ramp rates. Scheduled output of plants on testing and commissioning through the imposition of security limit by SO and scheduled output of Malaya plant when it is called to run as Must Run Unit (MRU) are likewise accounted for in the effective supply.

MARKET RESIDUAL SUPPLY INDEX (Market RSI) - The RSI is a dynamic continuous index measured as ratio of the available generation without a generator to the total generation required to supply the demand. The RSI is measured for each generator. The greater the RSI of a generator, the less will be its potential ability to exercise market power and manipulate prices, as there will be sufficient capacity from the other generators. In contrary, the lower the RSI, the greater the market power of a generator (and its potential benefit of exercising market power), as the market is strongly dependent on its availability to be able to fully supply the demand. In particular, a RSI greater than 100% for a generator means that the remaining generators can cover the demand, and in principle that generator cannot manipulate market price. On the other hand, a RSI less than 100% means that the generator is pivotal in supplying the demand.

The RSI for the whole market (Market RSI) is measured as the lowest RSI among all the generators in the market. A Market RSI less than 100% indicates the presence of pivotal generator/s.

MARKET SHARE - The fraction of the total capacity or energy that a company or related group owns or controls in the market.

MAJOR PARTICIPANT GROUP - The grouping of generators by ownership or control.

PIVOTAL SUPPLIER INDEX (PSI) - The pivotal supplier index is a binary variable (1 for pivotal and 0 for not pivotal) for each generator. The index identifies whether a generator is pivotal in supplying the demand. The PSI is calculated as the percentage of time that a generator is pivotal in a period (i.e. monthly).

HERFINDAHL-HIRSCHMAN INDEX (HHI) - is a commonly accepted measure of market concentration that takes into account the relative size and distribution of participants in the market. The HHI is a number between 0 and 10,000, which is calculated as the sum of squares of the participant's market share. The HHI approaches zero when the market has very large number of participants with each having a relatively small market share. In contrary, the HHI increases as the number of participants in the market decreases, and the disparity in the market shares among the participants increases. The following are the widely used HHI screening numbers: (1) less than 1,000 - not concentrated; (2) 1,000 to 1,800 - moderately concentrated; (3) greater than 1,800 - concentrated; and (4) greater than 2,500 - highly concentrated.

REGISTERED CAPACITY - The capacity registered by a generator with WESM.

REGISTERED CAPACITY (NET OF OUTAGE) - The capacity registered by a generator with WESM less capacity on outage.

OFFERED CAPACITY - The offer to supply electricity submitted by a generator.

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