



MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 1 of 76

ATTENDEES

No.	Name	Designation/Position	Department/ Company
1	Jesusito G. Morillos	Chairman, Independent	RCC
2	Jose Roderick F. Fernando	Member, Independent	RCC
3	Rachel Angela P. Anosan	Member, Independent	RCC
4	Jordan Rel C. Orillaza	Member, Independent	RCC
5	Dixie Anthony R. Banzon	Member (Principal), Generation Sector	RCC
7	Carlito C. Claudio	Member (Principal), Generation Sector	RCC
8	Cherry A. Javier	Member (Principal), Generation Sector	RCC
9	Mark D. Habana	Member (Principal), Generation Sector	RCC
10	Michelle S. Tuazon	Member (Alternate), Generation Sector	RCC
11	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
12	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
13	Virgilio C. Fortich, Jr.	Member (Principal), Distribution Sector	RCC
14	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
16	Gian Karla C. Gutierrez	Member (Principal), Supply Sector	RCC
17	Dennis R. Paragas	Member (Alternate), Supply Sector	RCC
18	Darryl Lon A. Ortiz	Member (Principal), Transmission Sector	RCC
19	Kristoffer S. Ng	Member (Alternate), Market Operator	RCC
20	Bienvenido C. Mendoza, Jr.	MAG Head	PEMC
21	Karen A. Varquez	RCC Secretariat	PEMC
22	Divine Gayle C. Cruz	RCC Secretariat	PEMC
23	Dianne L. De Guzman	RCC Secretariat	PEMC
24	Mari Josephine C. Enriquez	RCC Secretariat	PEMC
25	Mary Rose L. Bisnar	RCC Secretariat	PEMC
26	Fortunato C. Leynes	Chief Governance Officer	PEMC
27	Leo John A. Juguilon	Office of the CGO	PEMC
28	Aldjon Kenneth M. Yap	MSC Secretariat	PEMC
30	Ira Lee P. Corectico	MSC Secretariat	PEMC
31	Jake Jerald M. Gines	MSC Secretariat	PEMC
32	Ruben L. Sibayan	MSC Secretariat	PEMC
33	Marcelo L. Gemalan	Office of the President	PEMC
34	Marvin Jay A. Masanda	Observer	DOE
35	Jhannelyn D. Marasigan	Observer	DOE
36	Lex J. Magtalas	Observer	APC
37	Sheryll M. Dy	Proponent	IEMOP
38	Edward I. Olmedo	Proponent	IEMOP

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 2 of 76

ATTENDEES

No.	Name	Designation/Position	Department/ Company
39	Lilibeth Grace L. Vetus-Magtalas	Proponent	IEMOP
40	Shadee Rose Love A. Tomas	Proponent	IEMOP
41	Katrina A. Garcia-Amuyot	Proponent	IEMOP
42	Ermelindo R. Bugaoisan, Jr.	Proponent	NGCP
43	Gelli Anna D. Santiago	Proponent	NGCP

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 3 of 76

Agenda	Discussion/Agreements
I. Call to Order	The meeting was called to order at 9:02 AM.
II. Determination of Quorum	The quorum was determined with eleven (11) principal and two (2) alternate members present.
III. Adoption of Agenda	<p>The agenda was adopted with the following modifications:</p> <ul style="list-style-type: none"> Removed item 5.3 <i>Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints</i> due to the unavailability of resource persons from the National Power Corporation (proponent). Added item 7.1 under Other Matters for the presentation of the Draft Terms of Reference for Market Design and Operation Review (MDOR).
IV. Draft Minutes of Previous Meetings: <ul style="list-style-type: none"> 218th (Regular) Meeting, 21 July 2023 	<p>Ms. Dianne L. De Guzman (Secretariat) presented the draft Minutes of the 218th (Regular) Meeting held last 21 July 2023, with the following matters for clarification in relation to the previous discussions on the proposal regarding Interruptible Load Program (ILP):</p> <p>Mr. Jordan Rel C. Orillaza (Independent) requested clarification from MERALCO regarding the capacity de-loaded by customers. The Secretariat shall request MERALCO to address Mr. Orillaza's comment.</p> <p>The Secretariat requested confirmation from IEMOP regarding its response related to Section 9.5.2 of the WESM Registration Manual, stating that wholesale or retail contracts, as applicable, are required to facilitate BCQ declaration in the CRSS. The Secretariat's review of said Manual found that contracts were no longer required except in cases of Replacement Power Agreements. IEMOP thus requested the Secretariat to revise the minutes in accordance</p>

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 4 of 76

Agenda	Discussion/Agreements
	<p>with the prevailing registration rules, i.e., provision of copy of contracts.</p> <p>The RCC provisionally approved the minutes of the 218th (Regular) Meeting, subject to further changes based on the clarifications.</p>

Agenda	Discussion/Agreements
V. Matters Arising from Previous Meeting	
5.1. Continuation of Deliberation on the Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load Program Implementation <ul style="list-style-type: none"> Draft RCC Resolution No. 2023-09 	<p><u>Presenter:</u> Dianne L. De Guzman (RCC Secretariat)</p> <p><u>Action Requested:</u> For approval to endorse to PEM Board</p>

Proceedings:

- Ms. De Guzman provided an update on the IEMOP-MERALCO meeting held last 02 August 2023, which was a meeting directed by the RCC during its 218th meeting on 21 July 2023 for both to sort out the issues raised on the process of BCQ re-declaration. During the August 2nd meeting, IEMOP and MERALCO agreed to defer to the RCC the decision on the proposed new Section 9.5.12 of the Billing and Settlement Manual, which reads:

9.5.12 Re-declarations approved after the 28th day of the calendar month shall not be included in the computation of the preliminary settlement statement and instead shall be included in the final settlement statements for that billing month.

Mr. Ryan S. Morales (RCC-DU, MERALCO) apprised of the new proposal of MERALCO that emerged during the special meeting, which is for the Market Operator to likewise include corrections to ILP-related BCQ re-declaration in the final settlement statement. MERALCO's proposed revision to the subject provision is as follows:

9.5.12 Re-declarations approved after the 28th day of the calendar month shall not be included in the computation of the preliminary settlement statement and instead shall be included in the final settlement statements for that billing

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 5 of 76

month. Necessary adjustments in erroneous re-declarations reflected in the preliminary statement shall be allowed, provided that it is made, prior to the issuance of the final settlement statement.

With the proposed additional sentence, Mr. Morales explained that if the DU discovers based on the preliminary statement (issued around end of the month) that there is an error in the ILP BCQ re-declared by the generator, the DU shall coordinate with the RES about the error. The RES then would need to communicate with the generator, who then must coordinate with the Market Operator to implement the correction to the re-declared BCQ.

Atty. Lilibeth Grace L. Vetus (IEMOP) maintained the recommendation to adopt IEMOP's original proposal that all ILP-related BCQ re-declarations or adjustments should be made within the 7 day-period to be considered in the Final Settlement.

- Mr. Morales stated that MERALCO could comply with the prescribed 7-day period if the concerned generator is MERALCO's counterparty; otherwise, MERALCO cannot comply. In relation to the simulated walk through, Mr. Morales (MERALCO) informed that their concern is not only about the timeline but also on the quality of the data since errors in the declaration or re-declaration are possible. If its generator counterparty sometimes commit error in BCQ re-declaration, then errors are even more possible if the re-declaration is done by a generator that is not MERALCO's counterparty. Just as corrections in meter data is allowed after issuance of preliminary statements, corrections to BCQ re-declarations prior final settlement issuance should be allowed as well. He stated if there is a third party to certify ILP-related corrections to BCQ, then correct settlements may be done outside the WESM.
- Atty. Sheryll M. Dy (IEMOP) insisted IEMOP's position on the re-declaration timeline. She highlighted that the objective of their proposal is to have finality in the submissions, which is within the 7-day period for ILP BCQ transactions. The MO deems that 7 days is sufficient for the DU to coordinate with its supplier in order to submit accurate and final BCQ re-declaration. This is also the current timeline under the interim ILP protocol. She also added that the adoption of MERALCO's proposed process will not only result to difficulty on the part of MO, but will have a significant impact on the billing and settlement process considering that it is constrained to follow the strict timelines prescribed in the WESM Rules and WESM Manual on Billing and Settlement. She emphasized the high risk of delay in the issuance of settlement statements as a consequence of adopting the proposed provision.

Atty. Morillos (Independent) commented, to which Atty. Dy agreed, that a possible relief of DUs in cases when ILP BCQ re-declaration needs to be corrected beyond the 7-day timeline is to go through the WESM dispute resolution process to attempt to resolve the resulting error in the final settlement statement.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 6 of 76

- Atty. Jose Roderick F. Fernando (Independent) inquired if MERALCO is proposing another option on the number of days within which to re-declare. Mr. Morales responded that the proposed 7-day period is acceptable. What MERALCO is requesting is to account corrections to re-declared BCQs in the final settlement of the same billing period instead of considering it in the following month, as currently proposed. He explained that errors to BCQ re-declaration could only be determined upon the MO's issuance of the preliminary settlement statement or after the 7 days (e.g., BCQ re-declared by generator does not match the re-declared BCQ as coordinated by the DU with the RES). MERALCO thus proposed to consider the correction of the said error in the Final Settlement.

Atty. Dy, however, explained that the MO has to strictly follow its timelines for settlement runs and cannot consider corrections to the BCQ re-declaration if it is submitted very near the issuance of the final settlement statement since the MO conducts settlement runs at specified times for all Trading Participants. A separate settlement run cannot be done for a specific Trading Participant. The MO, therefore, needs to have definitive values for all inputs in order to process and issue accurate settlement statements. Mere system enhancements would not address MERALCO's specific case since the latter's proposal would affect not only the MO's entire settlement process, but other parties as well. Should there be an error in the re-declared BCQ and it is already beyond the 7 days, then the settlement arising from the discrepancy would be considered foregone.

- Atty. Rachel Angela P. Anosan (Independent) stated that settlement timelines are already very tight and the objective is to avoid many adjustments in the billing statements as much as possible. She commented that all participants in the ILP would also have to make adjustments on their end to implement the program, not just the market, especially for specific situations. The ILP policy should be the basis for all relevant participants, whether they have contracts with each other or not, for them to come up with their own protocols on how to address the timing issues. Finally, BCQ re-declarations are normally not allowed, but is now allowed by policy provided that they arose from ILP implementation. Thus, if a second re-declaration will be allowed, it should be driven by policy rather than only by rules change.
- Mr. Orillaza (Independent) opined that allowing ILP participants to submit adjustments to the final settlement statement up to the last minute would be risky, so participants need to provide the MO with a proper workflow. MERALCO's proposal to allow adjustments to the BCQ re-declaration would indeed change the MO's timeline even if MERALCO is amenable to the initial 7-day period. He added further that rules should be established for general or normal cases but not for specific or exceptional cases, which could be resolved through specific measures.
- Considering that IEMOP and MERALCO maintained their position on Clause 9.5.12 of Billing and Settlement Manual, Atty. Jesusito Morillos (Chairperson) initiated a poll on whether to add MERALCO's suggested paragraph, as revised, in Clause 9.5.12 or not.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 7 of 76

- The RCC casted a vote of 8 to 5¹ in favor of the addition of MERALCO's suggested paragraph, as revised, in Section 9.5.12:

9.5.12 Re-declarations approved after the 28th day of the calendar month shall not be included in the computation of the preliminary settlement statement and instead shall be included in the final settlement statements for that billing month. Necessary adjustments in erroneous re-declarations reflected in the preliminary statement shall be allowed, provided that it is made, prior to the issuance of the final settlement statement.

- Mr. Orillaza stated that while he recognized the vote of the majority, he was saddened that the RCC is about to codify an avenue to get away with an erroneous report. He hoped that this does not set a precedent for succeeding rules changes.
- After the casting of votes, Atty. Kristoffer Monico S. Ng (RCC-MO) manifested the following matters:
 - a. Technical infeasibility of adopting MERALCO's proposal; and
 - b. Absence of clear guidance or directions on how the Market Operator will implement MERALCO's proposal.

Agreement:

The RCC directed the Secretariat to incorporate proceedings in the draft resolution.

¹ Poll: "Add MERALCO's suggested paragraph, as revised, in Section 9.5.12?"
 (voted via Viber app)

- AGREE (8) – 3 Generation (CAJavier, DARBanzon, MDHabana), 4 Distribution (RSAlabado, NMDelaCruz, RSMorales, VCFortich, Jr.), 1 Transmission (DLAOrtiz)
- DISAGREE (5) – 3 Independent (RAPAnosan, JRFFernando, JRCorillaza), 1 Market Operator (IECacho, Jr.), 1 Generation (CCClaudio)

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 8 of 76

Agenda	Discussion/Agreements
5.2. Continuation of Deliberation on the Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Market Intervention (MI) and Market Suspension (MS)	<p><u>Presenter:</u> Aldjon Kenneth M. Yap - Market Surveillance Committee (MSC) Secretariat</p> <p><u>Action Requested:</u> For Deliberation</p> <p><u>Materials:</u></p> <ul style="list-style-type: none"> Annex A – MSC's Response to RCC Comments from 218th Meeting (23 June 2023) Annex B – Matrix of Proposed Amendments regarding MI and MS

Proceedings:

- Mr. Aldjon Kenneth M. Yap (MSC Secretariat) presented the MSC's response regarding the two major concerns raised during the 218th RCC Meeting held on 23 June 2023. Annex A provides the Market Surveillance Committee's (MSC) full response, summarized below:

- There are still instances when the authorized entity to declare Market Intervention is not clear and the division of responsibility is still vague in some occurrences. Thus, specifying events on when the MO and SO can individually declare MI may limit their respective authority.

MSC: The MSC further proposes allowing the MO to declare an MI when it determines that the output of the MMS may be unimplementable.

- Expecting the "impact and actual cost incurred by the WESM Members" as consequence of Market Intervention to originate/be sourced from MO and SO is hard to implement as both entities do not have the methodology in computing the impact and actual cost incurred by the WESM Members.

MSC: MSC maintains that its proposal is for the MO and SO to submit said analysis to the MSC as soon as practicable.

On item 2, Mr. Yap added that the intention of the proposal is to align the WESM Rules with the DOE-promulgated MSC Manual which already has existing provision on the requirement to undertake a cost impact analysis following an MI or MS. While the MSC acknowledges that it is the one obliged to submit a cost impact analysis to the PEM Board, the input information would all come from the MO and SO (e.g., when there is manual load dropping which could be quantified). The DOE, being aware of the MO and SO's

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 9 of 76

concerns, instead recommended that they still provide a cost impact analysis but only “as soon as practicable”.

- Mr. Yap continued the line-by-line deliberation starting from Clause 6.6.2.1 of the WESM Rules (see Annex B).
- On the matter of conducting cost impact analysis after the resumption of the market from MI (Section 6.6.2.2), Mr. Yap clarified that no cost impact analysis has been done so far as part of MI Reports. However, the MSC has in its work plan within the 4th quarter of 2023 the conduct of a study on the economic impact of declaring MI.
 - Given that there has been no cost impact analysis done so far, Atty. Morallos recommended that the MSC could initiate a simulation run for said analysis considering various scenarios triggering MI. Mr. Yap responded that a simulation on the cost impact analysis may be included in the said economic impact study.
 - Mr. Darryl Lon A. Ortiz (Transmission Sector) commented to provide a formula or methodology as reference for the Market Operator and the System Operator on computing the cost impact incurred by Market Intervention. Mr. Yap agreed with the comment and noted that this may be included in the said MSC’s study on the economic impact of MI/MS.
 - The RCC agreed to remove the requirement for the provision of cost impact analysis in the MI/MS reports by the MO or SO, since the MSC will still have to study the proper methodology to be used by the MO and SO and conduct a cost impact analysis simulation.
- Regarding Clause 6.6.5.2 which provides that the MO and SO shall prepare a market intervention report following market resumption, the following discussions arose:
 - Mr. Claudio inquired what report could MO be able to submit to the MSC if the MI was grid security-related and initiated by the SO. In those kinds of MI, the MO’s report might just be a duplication of what the SO will provide and may not be of much worth to the MSC. Further, will the MO and SO be using the same template in submitting their respective reports to the MSC? It would be better if the MSC already has a template that the MO or SO shall use to have a better appreciation on the information that will be submitted to the MSC.
 - Mr. Yap presented the MSC’s proposed MI/MS Report template to be used by both the MO and SO and is proposed to be included in the MSC Manual. The template is based on what the MO and SO are currently submitting to the MSC. Mr. Yap explained that the MSC finds it beneficial that both the MO and SO provide information on their respective sides during MI or MS, regardless of who initiated the MI or MS, so the MSC is able to

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 10 of 76

cross-reference the information. Both the MO and SO are actually currently submitting separate assessments, measures and recommendations to the MSC following a MI or MS. Both reports inform the MSC if the MO and SO are aligned with each other during these events. The MSC would have a full understanding of what happened from different points of view. Should there be inconsistency in the facts submitted by the MO and SO, the MSC would be able to reconcile the inconsistencies in consultation with both the MO and SO and is thus able to provide a more accurate report to the DOE and ERC.

- Mr. Orillaza opined that the RCC should leave the details of the template to the MSC since it is the MSC who have studied and assessed the information they need.
- Mr. Ortiz and Atty. Anosan suggested that whoever initiates the MI should be mandated to submit the report to the MSC, while the other entity (MO or SO) will be requested to provide a supplemental report and only fill in the applicable information in the template. Atty. Anosan remarked that it would be difficult for the other party to provide, say, mitigating measures if it is not the one who declared the MI.

Mr. Edward I. Olmedo (IEMOP) expounded that the MO and SO do a post-assessment to determine the root cause of a MI regardless of who initiated it, during which either the MO or SO requests the other to provide a report for clarification. As response to Atty. Morallos' query, he stated that the process of requesting a report to the other party could just be an internal process and need not be provided in the rules.

- Following the discussions, the RCC requested the MSC Secretariat to revise Clause 6.6.5.2 to reflect a general provision stating that only the entity that initiated the MI is mandated to submit a report to the MSC. Atty. Morallos stated that this shall not preclude the MSC from requesting the non-mandated entity to submit a separate supplemental report.
- On Clause 6.9.2.6 which pertains to the reporting requirements following a market suspension, the RCC noted and agreed with the proposal that all previous agreements regarding MI reporting (e.g., "grid security-related", cost impact analysis) will be applied to the MS process as well, except that both the MO and SO are mandated to separately submit reports to the MSC since MS is declared by the ERC and not by either one of the MO or SO. This was confirmed by Mr. Olmedo and stated that the reporting by both MO and SO is a directive from the ERC.
- Regarding Section 16.5.3 of the Dispatch Protocol Manual which pertains to regional declaration of MI or MS, Mr. Olmedo confirmed that it is still possible, although very rare, that MO-initiated MI/MS be declared for only one grid and not the others. Although MO-initiated MI would cover all regions (Luzon, Visayas, Mindanao) almost all the time since there is only one centralized MMS for the entire market, there is still a possibility for regional declaration of

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 11 of 76

MI. However, for the last 10 years, there has been only one instance that MI was declared in Luzon but not in Visayas.

- Ms. De Guzman raised the RCC's request during the 218th meeting for IEMOP to confirm on whether the simulation of the business continuity plan (BCP) and disaster recovery procedures (DRP) of the MO could be conducted without MI declaration. If so, IEMOP was requested to share some statistics, i.e., number of MIs that was declared due to BCP and DRP.

Mr. Olmedo responded that the BCP simulation done just the previous day did not require declaring MI, but this is only a case-to-case basis. For instance, if switch-over is conducted in the BCP drill, down time is expected, and MI would have to be declared.

Agreements:

- Atty. Morillos identified the following items for resolution in the next meeting:
 - The RCC to agree whether to have a unified or separate templates for MO and SO reports to the MSC.
 - MSC Secretariat to present the template; and
 - The MSC Secretariat to facilitate revisions in consideration of RCC's agreements.
- The Secretariat to draft resolution, for approval by the RCC next regular meeting.

Agenda	Discussion/Agreements
VI. New Business	
6.1. Revisions to the RCC Internal Rules	<u>Presenter:</u> Dianne L. De Guzman (Secretariat)

Proceedings:

- Ms. De Guzman (Secretariat) presented the revised RCC Internal Rules (forthcoming version 7).
- Ms. Cherry A. Javier (RCC-Generation, APC) requested clarification regarding the proposed revision stating that alternate members will have no voting rights when currently, alternate members in the RCC have. Ms. De Guzman (Secretariat) responded that the proposed deletion of voting rights of the alternate members is for consistency with the WGC Manual Clause 7.7 (g), which states that the RCC members cannot vote by proxy at RCC meetings.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 12 of 76

- For context, Mr. Fortunato C. Leynes (CGO, PEMC) explained that during the Interim RCC, there were no alternate members. He brought his alternate to the IRCC meetings who could represent in his stead during instances when there is conflict in schedule, and he needs to prioritize other meetings.
- Mr. Orillaza opined, to which Atty. Morillos concurred, that if the alternate member is acknowledged in the meeting and is considered in the quorum, he/she should be allowed to vote.
- Atty. Anosan commented that the subject provision in the WGC Manual was perhaps patterned in corporate boards where alternates do not have voting rights because membership in the board is personal to the person elected. However, in the specific case of the RCC, that rule may not be applicable since the principal and alternate members represent their sectors. Not granting the alternate members with voting rights may imply devaluing the vote of the sector they represent.
- Atty. Fernando stated that alternate members could not be considered as mere proxy since they were nominated by their sectors and appointed by the PEM Board, like the principal members. A proxy is someone whom the principal sends to cast their vote in their behalf, which is different from an alternate member who is officially qualified to sit in meetings.
- Atty. Morillos commented that there would be no violation of Section 7.7 (g) if the alternate members are given voting rights because 'proxy' and 'alternate' are different concepts. The overarching objective is to consider the interest of the sector. Not giving alternates voting rights may disenfranchise the sector they represent during the meetings. It should be noted as well that sectoral members in the RCC represent their sectors, not their companies.
- Ms. Javier pointed out that the eligibility for an independent member seems to be too stringent, specifically Section IV(a)(6)(ii):

xxx

6. ... a person is deemed to be independent of the Philippine electric power industry if he/she:

i. xxx

ii. Is not a spouse or relative of a person, within the fourth civil degree of consanguinity or affinity, of a director, officer, manager, shareholder of a WESM member, the Market Operator, or System Operator or an official or employee of Philippine government, its agencies or instrumentalities;

xxx

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 13 of 76

Ms. De Guzman, however, explained that the revisions to this particular section of the RCC Internal Rules merely reflects the similar provisions already embodied in the WESM Rules and the WGC Manual.

Agreements:

- The RCC retained the current provision on the voting rights of alternate members and approved the revised RCC Internal Rules.
- The Secretariat to submit a draft resolution for approval.

Agenda		Discussion/Agreements
VII.	Other Matters	
7.1.	Draft Terms of Reference for Market Design and Operation Review (MDOR)	<ul style="list-style-type: none"> • Ms. Divine Gayle G. Cruz (Secretariat) presented the draft Terms of Reference for Market Design and Operation Review (MDOR) for information and comments. • It was noted that the 2 study components of the project, (1) Enhanced WESM Design and Operations Implementation Review and (2) Feasibility Study on the Day-ahead Market, seem to be unrelated. Mr. Orillaza explained that during his membership in the Technical Committee, the TC undertook a review of the EWDO implementation (5-minute market). The opinion of the TC is that some market processes can be handled day-ahead through a day-ahead market, instead of dealing with them in real-time. • Mr. Morales commented that it would perhaps be better if the 2 components will be done sequentially, wherein the EWDO implementation is assessed first (whether it is working or not) before proceeding with looking at the feasibility of a day-ahead market.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 14 of 76

Agenda	Discussion/Agreements
	<ul style="list-style-type: none"> The Secretariat provided the link to the ongoing solicitation of comments of MDOR that will be due on 25 August 2023. The RCC noted the information. The Secretariat to request the Technical Committee's report on Day Ahead Market and Day Ahead BCQ Scheduling for provision to the RCC.
7.2. Updates on other Proposed Amendments	The Secretariat provided updates on the other proposed amendments. These updates were noted by the RCC (see Annex C).
7.3. DOE Updates <ul style="list-style-type: none"> Schedule of Public Consultations <ul style="list-style-type: none"> 23 August 2023 – Luzon 31 August 2023 – Mindanao 06 September 2023 – Visayas 	<p>Ms. Jhannelyn D. Marasigan (DOE) provided update on the two (2) DOE DC signed by Sec. Raphael P.M. Lotilla, as follows:</p> <ol style="list-style-type: none"> DOE DC 2023-07-0023 "Adopting further Amendments to the Wholesale Electricity Spot Market (WESM) Rules and Market Manuals – (<i>Provision on Penalty Framework for Test and Commissioning</i>). It was published on 31 July 2023 at Business World and Philippine Star. DOE DC 2023-08-0024 "Adopting further Amendments to the Wholesale Electricity Spot Market (WESM) Market Manual on Billing and Settlement – (<i>Provision on Additional Compensation Formula During Market Intervention/Suspension</i>). It was published on 14 August 2023 at Business World and Philippine Star. <p>DOE to provide the official transmittal of the signed DOE DC 2023-07-0023 and DOE DC 2023-08-0024.</p> <p>The Secretariat informed the RCC regarding the Schedule of Public Consultations, as follows:</p>



MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 15 of 76

Agenda	Discussion/Agreements
	<ul style="list-style-type: none"> 23 August 2023 – Luzon 31 August 2023 – Mindanao 06 September 2023 - Visayas <p>The RCC noted the information.</p>
<p>7.4. Schedule of Activities:</p> <p>a. RCC Meetings</p> <ul style="list-style-type: none"> 15 September 2023 20 October 2023 17 November 2023 <p>b. BRC Meeting</p> <ul style="list-style-type: none"> 23 August 2023 <p>c. PEM Board Meeting</p> <ul style="list-style-type: none"> 30 August 2023 	<p>The RCC noted the schedule of the next meetings.</p>
VIII. Adjournment	The meeting was adjourned at 2:44 PM.

Prepared by:

DIVINE GAYLE C. CRUZ
 Sr. Specialist, Rules Review Division
 Market Assessment Group

Reviewed by:

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

Noted by:

BIENVENIDO C. MENDOZA, JR.
 Chief Market Assessment Officer

Philippine Electricity
Market Corporation

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 16 of 76

Approved by:

JESUSITO G. MORALLOS
Chairman, Independent

JOSE RODERICK F. FERNANDO
Member, Independent

RACHEL M. ANOSAN
Member, Independent

JORDAN REL C. ORILLAZA
Member, Independent

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

CHERRY A. JAVIER
Member, Generation Sector
Aboitiz Power Corp. (APC)

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

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

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

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

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

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

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

[Attended by Mr. Kristoffer S. Ng (Alternate Member)]
ISIDRO E. CACHO, JR.
Member, Market Operator
Independent Electricity Market Operator of the
Philippines (IEMOP)

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 17 of 76



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



Philippine Electricity
Market Corporation

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 18 of 76



Philippine Electricity
Market Corporation

Annex A – MSC's Response to RCC Comments from 218th Meeting (23 June 2023)

RCC Discussion	MSC Response
<p>1. Despite the intention of the MSC's proposal to delineate the authorized entity to declare MI in cases of market system-related intervention and grid-related intervention, i.e., the Market Operator (MO) and System Operator (SO), respectively, there are still instances when the authorized entity to declare the MI is not clear.</p> <p>Even with the presence of "force majeure events", which already provide a catch-all statement for other instances, in both description of MI categories, the division of responsibility is still vague in some occurrences.</p> <p>For example, when the market operation software still works but its output is not implementable, based on the Dispatch Protocol Manual Section 16.13 it should be the SO to declare the MI. However, SO pointed out that the MO may already evaluate and determine that the output is not implementable. Hence, they may also declare MI, not only the SO. Thus, specifying events on when the MO and SO can individually declare MI may limit their respective authority (please refer to MSC's proposed amendments to WESM Rules Clauses 6.2.1.2 and 6.2.1.3 and current definition of "force majeure").</p>	<p>The proposal aims to clearly delineate the declarations that the MO and SO may implement under certain circumstances. As proposed by the Committee, SO is allowed to declare for grid security-related matters such as in case of emergency condition, threat to system security, or during an event of a force majeure. On the other hand, the MO has the capacity to declare interventions when there are interruptions to the market software or hardware used by the MO in managing the WESM such as in cases of issues during the implementation of simulation for business continuation and disaster recovery procedures, or in cases of force majeure.</p> <p>Force majeure events are further elaborated by Clause 6.7.1 which contemplates instances both related to the MO and SO to wit:</p> <p>6.7.1 Force Majeure Event</p> <p><i>A force majeure is the occurrence of an event or events in the grid and in a dispatch interval that is/are is not within the reasonable control, directly or indirectly, of the System Operator, Market Operator and WESM Member, 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 system during that dispatch interval and such reduction is likely to materially affect the operation of the spot market or materially threaten system security.</i></p> <p>Furthermore, in cases when the MO would determine that the error it has encountered would affect the security of the grid, the MSC likewise proposes for the inclusion of the provision which allows the MO to declare an MI during those instances:</p> <p><u>Similarly, in cases of force majeure events resulting in the occurrence of interruptions in the operations of market software</u></p>

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 19 of 76

Annex A – MSC’s Response to RCC Comments from 218th Meeting (23 June 2023)

RCC Discussion	MSC Response
	<p><u>affecting the system security of the grid, the Market Operator may likewise declare a market intervention.</u></p> <p>We agree that the MO should likewise be allowed to declare MI when it determines that the output of the MMS may be unimplementable.</p> <p>We likewise agree that the example will fall under force majeure category of the market-system related interventions.</p>
<p>2. The “impact and actual cost incurred by the WESM Members as a consequence of the event” is among the details required to be specified in the MI/MS Assessment Report by the MSC which will then be provided to the PEM Board, MO, ERC, DOE, WESM Participants and interested persons (based on the current rules). Likewise, in the MSC’s proposal, the same requirement was proposed to be contained in SO and MO respective MI/MS reports that will be submitted to the MSC, DOE and ERC.</p> <p>Expecting the said details to originate/be sourced from the MO and SO, representatives from both entities raised their concerns that they do not have the methodology in computing the impact and actual cost incurred by the WESM Members, thus, MSC’s proposal is hard to implement.</p>	<p>We understand that cost impact analyses from the MO and SO may not be readily available. This is the reason why the MSC revised its proposed amendment that the same may be submitted as soon as practicable. Furthermore, the purpose of this proposal is to align the Clauses of the WESM Rules with the DOE-promulgated MSC Manual.</p>

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 20 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
Note: Continuation of deliberation starts from WESM Rules Clause 6.6.2.1. This matrix of proposed amendments of is only a partial.								
Notice of Declaration of Market Intervention	6.6.2.1	Upon determination of the existence of an alert or emergency state, the System Operator, in coordination with the Market Operator, may declare market intervention. The Market Operator shall inform the WESM Participants of alert warning notice from the System Operator and/or declaration of market intervention.	Upon determination of the existence of an alert or emergency state, the System Operator, in coordination with the Market Operator, may declare market intervention. The Market Operator shall inform the WESM Participants of alert warning notice from the System Operator and/or declaration of market intervention. <u>Similarly, in cases of force majeure events or instances of failure in the market system affecting the system security of the grid, the Market Operator may likewise declare a market intervention.</u>	To reflect that the MO may likewise initiate market intervention related system security of the MMS.	MEI – PEI: A force majeure event that is not transmission-system related is described in Clause 6.7.2 of the WESM Rules as “market system hardware or software failure including that of the System Operator that makes it impossible to receive real-time status input data or process market offer/bid information to produce market schedules for real-time dispatch in accordance with the	MEI – PEI: Upon determination of the existence of an alert or emergency state, the System Operator, in coordination with the Market Operator, may declare market intervention. The Market Operator shall inform the WESM Participants of alert warning notice from the System Operator and/or declaration of market intervention. <u>Similarly, in cases of force majeure events or</u>	MEI – PEI: Amenable with the proposal with proposed further changes to Clause 6.2.1.3. Upon determination of the existence of an alert or emergency state, the System Operator, in coordination with the Market Operator, may declare market intervention. The Market Operator shall inform the WESM Participants of alert warning notice from the System	Adopt as revised

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 21 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					WESM Rule”. Such event does not necessarily and directly affect system security. We suggest to delete the phrase “affecting the system security of the grid” from the proposed amendment. In addition, we suggest to include the occurrence of interruptions in the operations of market software as specified under Clause 6.2.1.3.	<u>instances of failure in the market system, or occurrence of interruptions in the operations of market software as specified under Clause 6.2.1.3, the Market Operator may likewise declare a market intervention.</u>	Operator and/or declaration of market intervention. Similarly, in cases of force majeure events or instances of failure in the market system affecting the system security of the grid, the Market Operator may likewise declare a market intervention.	
Notice of Declaration of Market Intervention	6.6.2.2	The System Operator (for grid-related events) and Market Operator (for market-related events) shall submit a market intervention report, as soon as practicable, to the Market Surveillance Committee, Market	The System Operator (for grid <u>transmission system</u> -related events) and Market Operator (for market <u>system</u> -related events) shall submit a market intervention_report, <u>within</u>	The MO and SO will have the most accurate data on the cost impact of the MI/MS especially that some MI/MS affects their assets	NGCP: <ul style="list-style-type: none">Seek clarification if the Market Intervention Report will be a		NGCP: <p>The submission of reports will be done separately by both entities (MO for activities undertaken</p>	Adopt original proposal; amenable with the use of the phrase “grid security-related” events

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 22 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
		<p>Operator, DOE and ERC, after the resumption of the spot market. Said report shall include the details relative to the market intervention, as follows:</p> <p>(a) the reason for the declaration of market intervention; (b) the number of trading intervals affected by the intervention; (c) the actions done to address the threat in system security; and (d) the actual dispatch of all generating units per interval affected.</p>	<p><u>five (5) working days as soon as practicable</u>, to the Market Surveillance Committee, Market Operator, DOE and ERC, after the resumption of the spot market. Said report shall include the details relative to the market intervention, as follows:</p> <p>(a) the reason for the declaration of market intervention; (b) the number of trading intervals affected by the intervention; (c) the actions done to address the threat in system security; and (d) the actual dispatch of all generating units per interval affected; ; <u>(e) The impact and possible costs incurred by WESM Members as a consequence of the event; and</u></p>	<p>which are likewise collected from the end-users. Likewise recommendations from the Operators to address the issues which led to the implementation of these events are currently included in the monitoring of the MSC.</p> <p>The deletion of Market Operator as a recipient of Market Intervention Report is proposed for clarity and to reflect the current procedures where both the MO and SO submit their respective reports to the MSC, DOE, and the ERC.</p>	<p>joint report by the System Operator and Market Operator. If to be a joint report, propose to provide ten (10) working days for the preparation and submission of report.</p> <ul style="list-style-type: none">Propose to use grid security-related events instead of transmission system-related events.For the additional requirement (e) the impact and possible costs incurred by WESM Members as a consequence		<p>by the MO during an MI, and/or SO for activities undertaken by the SO during an MI).</p> <p>In terms of the requirement to provide the impact on prices, the System Operator would have the first-hand knowledge in determining equipment/items to be procured, as necessary, which would be recovered from the WESM members through collection of tariffs. These information shall form part of the Market Intervention Report.</p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 23 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
			<u>(f) recommendation(s) to avoid the recurrence of the event,</u> <u>For instances when the System Operator and Market Operator may not be able to submit a complete report within the prescribed timeline above, an initial report may be submitted while the final and complete report shall be submitted within fifteen (15) working days from market resumption.</u>		<p>of the event, the System Operator does not have the capacity for such evaluation. The Market Operator can provide instead.</p> <p>DOE:</p> <p>Request for further clarification on the intent of item (e).</p> <p>Maybe this can be pursued as part of separate studies or comprehensive reports related to various MI events since the computation of impact and possible costs incurred by WESM members as a consequence of the MI may not be completed within the</p>			
							<p>DOE:</p> <p>This was introduced during the promulgation of the WESM Manual on Market Surveillance.</p> <p>Upon further discussion with the DOE, the MSC agreed to adopt the following provisions</p> <p>The System Operator (for <u>grid transmission and grid system</u>-related</p>	Adopt as revised subject to previous agreements

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 24 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					deadline and may require more time to complete given its broader scope compared with the other details.		events) and Market Operator (for market system -related events) shall submit a market intervention report, within five (5) working days soon as practicable, to the Market Surveillance Committee, Market Operator, DOE and ERC, after the resumption of the spot market. Said report shall include the details relative to the market intervention, as follows: (a) the reason for the declaration of market intervention; (b) the number of trading intervals affected by the intervention;	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 25 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							(c) the actions done to address the threat in system security; and (d) the actual dispatch of all generating units per interval affected; <u>; and</u> <u>(f) recommendation(s) to avoid the recurrence of the event,</u> <u>In the eventFor instances when the System Operator orand Market Operator, as the case may be, canmay not be able to submit a final and complete report within the above prescribed 5-day periodtimeline above, an initial</u>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 26 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							<p><u>report mustay still be submitted while the final and complete report shall be submitted within the said period, provided that the final and complete report must be submitted within fifteen (15) working days from market resumption.</u></p> <p><u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by WESM Members as a consequence of the event, within a reasonable period</u></p>	<p>218th RCC Meeting</p> <p>SO: No methodology in computing the impact and actual cost incurred by WESM Members. Hard to implement.</p> <p>MO concurs with SO’s sentiments.</p>

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 27 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							<u>of time from the market resumption</u>	<p>Park to revise the wordings.</p> <p><u>219th Meeting</u></p> <p>SO: Formula/ methodology on computing cost-impact should be provided for MO and SO’s reference.</p> <p>RCC:</p> <p>Recommend MSC to conduct simulation on the cost impact analysis of MI from MO or SO.</p> <p>Park discussions on “cost impact”</p>

A handwritten signature in black ink, appearing to read 'dgcc', is located in the bottom right corner of the page.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 28 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
System Security	6.6.2.5	The System Operator, in coordination with the Market Operator, shall recommend for market resumption if the emergency condition or threat in system security has ended. The Market Operator shall inform the WESM Participants of the market resumption.	The System Operator or the Market Operator , in coordination with the Market Operator , shall <u>initiate</u> therecommend for market resumption if the emergency condition or threat in system security has ended. The Market Operator shall inform the WESM Participants of the market resumption	To reflect the current practice that the MO may also initiate MI events.	MEI – PEI: It is the System Operator that solely determines if the emergency condition or threat in system security has ended, in accordance with its mandate under the Philippine Grid Code. Hence, the subsequent market resumption should be initiated by the System Operator, in coordination with the Market Operator. The Market Operator can initiate market resumption only for market system-related MI events. This should	MEI – PEI: The System Operator, in coordination with the Market Operator, shall initiate market resumption if the emergency condition or threat in system security has ended. The Market Operator shall inform the WESM Participants of the market resumption.	MEI – PEI: Agree with the observation of the MEI-PEI and thus recommends the following provision: The System Operator, in coordination with the Market Operator, shall <u>initiate</u> recommend for market resumption if the emergency condition or threat in system security has ended. The Market Operator shall inform the WESM Participants of the market resumption.	Adopt MEI/PEI comment

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 29 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					be the defining line between the two entities.			
Market Intervention Due to System Security Threat	6.6.5.2	Thereafter, as specified in Clause 6.6.2, the System Operator shall prepare a market intervention report to be submitted to the Market Surveillance Committee, Market Operator, DOE and ERC regarding the actions and circumstances under which the market intervention was made.	<u>Within five (5) working days after market resumption</u> Thereafter, as specified in Clause 6.6.2, the System Operator <u>and the Market Operator</u> shall prepare a market intervention report to be submitted to the Market Surveillance Committee, Market Operator , DOE and ERC regarding the actions and circumstances under which the market intervention was made. <u>For instances when the System Operator or Market Operator is not able to submit a complete report within the prescribed timeline above, an initial report may be submitted while the final and complete report shall be submitted within fifteen</u>	In consideration of the MO and SO’s concerns as regards prioritizing the market resumption, the MSC proposes to allow a 5-working-day timeline for submission of reports to the identified agencies. The inclusion of the MO as an entity required to submit a market intervention report is to reflect the current practice in the WESM. Similar rationale for the deletion of MO in the recipients of the report as provided in Clause 6.6.2.2.	MEI – PEI: Inasmuch as the declaration of market intervention and the necessary actions to address the threat to system security were instigated by the System Operator, we would like to inquire on what the Market Operator will report to the MSC. Can all relevant information be contained in the SO report, with inputs from MO, thereby eliminating the need		MEI – PEI: In all instances of Market Intervention, both the MO and SO will have responsibilities required of them by the WESM Rules and Market Manuals. The requirement for MO to likewise submit a report to the MSC, would not just confirm their compliance with their responsibilities under the Rules but would likewise welcome any	Adopt as revised Only the entity that initiated the MI shall be mandated to submit the report but the other entity (MO/SO) may be requested by the MSC to submit a supplemental report (the provision of supplemental report could just be an internal procedure).

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 30 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
			<u>(15) working days from market resumption.</u>		for a separate MO report?		observation that the MO may have during the event. <u>Within five (5) working days after market resumption</u> Thereaf ter, as specified in Clause 6.6.2, the System Operator <u>and the Market Operator</u> shall prepare a market intervention report to be submitted to the Market Surveillance Committee, Market Operator , DOE and ERC regarding the actions and circumstances under which the market intervention was made.	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 31 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							<u>In the event</u> For instances when <u>the System Operator</u> and <u>Market Operator,</u> <u>as the case may be, can</u> may not be able to <u>submit a final and complete</u> <u>report within the above</u> <u>prescribed 5-day period</u> timeline <u>above, an initial</u> <u>report must</u> stay still <u>be submitted while</u> <u>the final and complete report</u> <u>shall be submitted within the said</u> <u>period, provided that the final and</u> <u>complete report must be submitted</u> <u>within fifteen (15) working days from</u> <u>market resumption.</u>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 32 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
Force Majeure Event	6.7.1	A force majeure is the occurrence of an event or events in the grid and in a dispatch interval that is/are is not within the reasonable control, directly or indirectly, of the System Operator, Market Operator and WESM Member, 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 system during that dispatch interval and such reduction is likely to materially affect the operation of the spot market or materially threaten system security.	A force majeure is the occurrence of an event or events in the grid and in a dispatch interval that is/are is not within the reasonable control, directly or indirectly, of the System Operator, Market Operator and WESM Member, 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 system during that dispatch interval and such reduction is likely to materially affect the operation of the spot market or materially threaten system security.	Clerical revision.				Adopt
Force Majeure Event	6.7.2	Events of force majeure shall include: (1) Major system disturbance that caused partial or system-wide blackout;						

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 33 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
		(2) Market system hardware or software failure including that of the System Operator that makes it impossible to receive real-time status input data or process market offer/bid information to produce market schedules for real-time dispatch in accordance with the WESM Rules; and (3) Any other event, circumstance or occurrence in the nature of, or similar in effect to any of the foregoing.						
Force Majeure	6.7.3.3	<u>NEW</u>	<u>In cases of Market Intervention declarations under an event of force majeure, the recurrence of similar force majeure event/s shall be subject to further assessment and evaluation of the Market Surveillance Committee on its validity depending on the impact that the intervention has caused in the market.</u>	This shall require the MSC to undertake further assessment of a recurring MI event whenever it has an impact to the WESM.	NGCP: Market should be resilient in the face of “credible contingency events,” including recurring force majeure events, such that market intervention would be minimized. The corresponding rules or procedures may be crafted such		NGCP: We agree.	Adopt

A handwritten signature in black ink, appearing to read "dgcc", is located in the bottom right corner of the page.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 34 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					that market intervention would not have to be initiated.			
Development, Updating and Implementation of the Business Continuity and Disaster Recovery Procedures	6.8.1.1	The Market Operator, in coordination with the System Operator, shall develop, update and implement the business continuity plan and disaster recovery procedures to ensure operational continuity of the WESM in cases of emergencies and force majeure events. Any changes to the business continuity plan and disaster recovery procedures as may be necessary shall be approved by the PEM Board.						Adopt
Simulations	6.8.2.2	The Market Operator shall coordinate with the System Operator and inform the Trading Participants of the simulations at least thirty (30) days prior to the conduct of the same.	The Market Operator shall coordinate with the System Operator and inform the Trading Participants, <u>the DOE, the ERC, the Market Surveillance Committee, and the PEM Board,</u> of the simulations at least thirty (30) days prior to the conduct of the same.					Adopt, subject to revision to state that notification to the PEM Board will be done through the MSC

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 35 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
Simulations	6.8.2.3	The Market Operator shall also notify all Trading Participants and the System Operator as soon as reasonably possible if the simulation or implementation of its Business Continuity Plan and Disaster Recovery Procedures may interrupt the operations of market software used by the Market Operator to support various processes in the WESM. The Market Operator shall use all efforts to minimize any possible market interruption in the conduct of the simulation or implementation of the Business Continuity Plan and Disaster Recovery Procedures.	The Market Operator shall also notify all Trading Participants, <u>the DOE, the ERC, the Market Surveillance Committee, and the PEM Board</u> , and the System Operator as soon as reasonably possible if the simulation or implementation of its Business Continuity Plan and Disaster Recovery Procedures may interrupt the operations of market software used by the Market Operator to support various processes in the WESM. The Market Operator shall use all efforts to minimize any possible market interruption in the conduct of the simulation or implementation of the Business Continuity Plan and Disaster Recovery Procedures.					Adopt, subject to revision to state that notification to the PEM Board will be done through the MSC

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 36 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
	6.9.2	Declaration of Market Suspension	Declaration and Lifting of Market Suspension	For clarity				Adopt
	6.9.2.6	<u>NEW</u>	<u>The System Operator (for transmission system-related information) and Market Operator (for market system-related information) shall submit a market suspension report, within five (5) working days to the Market Surveillance Committee, Market Operator, DOE and ERC, after the resumption of the spot market. Said report shall include the details relative to the market intervention, as follows: (a) the reason for the declaration of market suspension; (b) the number of trading intervals affected by the suspension;</u>	To provide for a similar provision with MI events on the preparation of MS reports.	MEI – PEI: Clerical error	MEI – PEI: <u>The System Operator (for transmission system-related information) and Market Operator (for market system-related information) shall submit a market suspension report, within five (5) working days to the Market Surveillance Committee, Market Operator, DOE and ERC, after the resumption of the</u>	MEI – PEI: Propose to adopt correction and apply global change in the use of the term “transmission and grid-system related intervention”: <u>The System Operator (for transmission and grid system-related information) and Market Operator (for market system-related information) shall submit a market suspension report, within five (5)</u>	Adopt, subject to applicable revisions based on previous agreements related to MI process

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 37 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
			<p><u>(c) the actions done to address the threat in system security;</u></p> <p><u>(d) the actual dispatch of all generating units per interval affected; and</u></p> <p><u>(e) The impact and possible costs incurred by WESM Members as a consequence of the event.</u></p> <p><u>For instances when the System Operator and Market Operator may not be able to submit a complete report within the prescribed timeline above, an initial report may be submitted while the final and complete report shall be submitted within fifteen (15) working days from market resumption.</u></p>			<p><u>spot market. Said report shall include the details relative to the market suspension, as follows:</u></p> <p>Xxx</p>	<p><u>working days to the Market Surveillance Committee, Market Operator, DOE and ERC, after the resumption of the spot market. Said report shall include the details relative to the market suspensintervention, as follows:</u></p> <p><u>(a) the reason for the declaration of market suspension;</u></p> <p><u>(b) the number of trading intervals affected by the suspension;</u></p> <p><u>(c) the actions done to address the threat in system security;</u></p> <p><u>(d) the actual dispatch of all generating units</u></p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 38 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							<p><u>per interval affected; and</u> (e) The impact and possible costs incurred by WESM Members as a consequence of the event.</p> <p><u>In the eventFor instances when the System Operator orand Market Operator, as the case may be, canmay-not be able-to-submit a final and complete report within the above prescribed 5-day periodtimeline above, an initial report mustay still be submitted while the final and complete report shall be submitted within the said</u></p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 39 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							<p><u>period, provided that the final and complete report must be submitted within fifteen (15) working days from market resumption.</u></p> <p><u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by WESM Members as a consequence of the event, within a reasonable period of time from the market resumption.</u></p>	

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 40 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					MEI – PEI: We would like to inquire on what transmission system-related information and market system-related information will be required from the System Operator and Market Operator, respectively, considering the nature of the market suspension trigger events.		MEI – PEI: Both the SO and the MO are required to submit any actions undertaken during the implementation of the Market Suspension (e.g. application of Administered Prices, issuance of dispatch instructions, etc.)	Noted.
					NGCP: Likewise, if the intervention is initiated by the Market Operator, shouldn’t the System Operator	NGCP: The <u>System Operator (for grid security-related information)</u> and <u>Market Operator (for market system-</u>	NGCP: Both the MO and SO are entities governed by the DOE, ERC, and the PEMC through its WESM Governance	Submission of MI report is mandated only to whoever initiates it, but the other entity may be requested to submit supplemental

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 41 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
					also be provided a copy of the report (presumably prepared by the MO)? Or, is it the intention that all MI reports be prepared jointly by the SO & MO?	<u>related information) shall submit a market suspension report, within five (5) working days to the Market Surveillance Committee, Market Operator or System Operator (as applicable), DOE and ERC, after the resumption of the spot market ...</u> Xxx For instances when the System Operator and/or Market Operator may not be able to submit a complete report ...	Committees and thus these are the entities identified by the Rules to be recipient of the reports. There is no need for the NGCP to be submitted with a copy of the MO's MI report since the purpose of these reports are to be evaluated by the appropriate bodies vis-à-vis the compliance and appropriateness of the actions with the WESM Rules.	information or report.

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 42 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
					<p>DOE:</p> <p>Request for further clarification on the intent of item (e).</p> <p>Maybe this can be pursued as part of separate studies or comprehensive reports related to various MI events since the computation of impact and possible costs incurred by WESM members as a consequence of the MI may not be completed within the deadline and may require more time to complete given its broader scope</p>		<p>DOE:</p> <p>See response above.</p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 43 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
					compared with the other details.			
	6.10	<u>NEW</u>	<u>Market Intervention and Market Suspension Reportorial Requirements</u>					
Market Intervention Report	6.9.4.1	<p>Upon the concurrence of one or more of the following events:</p> <p>(a) A market intervention; (b) An event which, in the System operator's reasonable opinion, is or may be a threat to system security; (c) A force majeure event; or (d) An emergency,</p> <p>the PEM Board shall, within ten days thereof, direct the Market Surveillance Committee to investigate the circumstances of that event and prepare a report to assess:</p>	<p><u>6.10.9-4.1 Market Intervention Report</u></p> <p><u>6.10.1.1</u> Upon the concurrence of one or more of the following events:</p> <p>(a) A market intervention/suspension; (b) An event which, in the System operator's reasonable opinion, is or may be a threat to system security; (c) A force majeure event; or (d) An emergency,</p> <p>the PEM Board shall, within ten days thereof, direct the</p>	The Market Surveillance Committee's report shall be submitted to the PEM Board upon its completion for review and approval. Similarly, the PEM Board has likewise released its Resolution No. 2011-62 ordering the MSC to commence with its investigations on MI reports, motu proprio.	NGCP: <ul style="list-style-type: none">Propose for the System Operator to have the option/opportunity to correct or comment on the report prepared by the Market Surveillance Committee.Propose to use grid security-related events instead of transmission system-related events.		NGCP: <p>NGCP, having a representation at the PEM Board to which the MSC is answerable, would have an avenue to raise any concerns with the output of the MSC.</p>	Cost impact analysis requirement to be removed

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 44 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
		(a) The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred; (b) The appropriateness of actions taken by the System operator and the Market Operator in relation to the event or events which occurred; (c) The costs incurred by WESM members as a consequence of responding to the event or events; and (d) Any finding of potential, fault of any WESM Participant including a preliminary recommendation for further evaluation by the PEM Auditor.	Market Surveillance Committee, <u>upon receipt of the System Operator (for transmission system-related events) and Market Operator (for market-related events) reports</u> , shall investigate the circumstances of that event and prepare a report to assess: (a) The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred; (b) The appropriateness of actions taken by the System operator and the Market Operator in relation to the event or events which occurred; (c) The costs incurred by WESM members as a consequence of responding to the event or events; and (d) Any finding of potential, fault of any WESM	Furthermore, the deletion of item (a) is for clarity, as the provision enumerates instances referring to the occurrence of an MI.	DOE: It is recommended to rationalize the timelines for MSC reports on MI and MS since the MSC can start investigating even before the receipt of the final report from the MO or SO regarding MI and MS. It may be better if the MSC can submit their MI Review Reports to the DOE earlier than their usual submission so that the DOE can promptly act on MI events when needed. Indicating an achievable but	DOE: xxx <u>upon receipt of the System Operator (for transmission system-related events) or Market Operator (for market-related events) reports</u> xxx	DOE: Agree with the proposal. 6.10.9-4.1 <u>Market Intervention Report</u> <u>6.10.1.1</u> Upon the concurrence of one or more of the following events: (a) A market intervention/suspension; (b) An event which, in the System operator's reasonable opinion, is or may be a threat to system security; (c) A force majeure event; or (d) An emergency,	Adopt as revised subject to above agreements

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 45 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
			Participant including a preliminary recommendation for further evaluation by the PEM Auditor.		prompt deadline may be better for MSC for prompt action, response, or feedback from the recipients of the said reports when needed.		<p>the PEM Board shall, within ten days thereof, direct the Market Surveillance Committee, <u>upon receipt of the System Operator (for transmission and grid system-related events) and Market Operator (for market-related events) reports</u>, shall investigate the circumstances of that event and prepare a report to assess:</p> <p>(a) The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred; (b) The appropriateness of</p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 46 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
							actions taken by the System operator and the Market Operator in relation to the event or events which occurred; (c) The costs incurred by WESM members as a consequence of responding to the event or events; and (d) Any finding of potential, fault of any WESM Participant including a preliminary recommendation for further evaluation by the PEM Auditor.	
Market Intervention Report	6.9.4.2	A copy of the report prepared under Clause 6.9.4.1 shall be provided to: (a) the PEM Board; (b) the Market Operator/ <u>System Operator</u> ;	A copy of the report prepared under Clause 6.10.1.4 6.10.1.1 shall be provided to: (a) the PEM Board;	For clarity on the recipients and inclusion of IDC as a reference in the provision of the	NGCP: Propose for separate addition of the System Operator in the recipients of	NGCP: A copy of the report prepared under Clause 6.10.1.1 shall be provided to:	NGCP: Amenable with the proposal.	Adopt as revised

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 47 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
		(c) the ERC and the DOE; and (c) WESM Participants and interested persons on request.	(b) the Market Operator/ <u>System Operator</u> ; © the ERC and the DOE; and (c) WESM Participants and interested persons <u>upon request and in accordance with the Market Manual on Information Disclosure and Confidentiality</u> .	report to the requesting party.	the Market Surveillance Committee's report.	(a) the PEM Board; (b) the Market Operator; (c) <u>the System Operator</u> ; (d) the ERC and the DOE; and (e) WESM Participants and interested persons upon request and in accordance with the Market Manual on Information Disclosure and Confidentiality.		
Market Suspension Report	6.9.5.1	Within ten (10) business days following a declaration by the ERC under Clause 6.9.1.1, the Market Surveillance Committee, upon directive from the PEM Board, shall investigate the circumstances of that event and prepare a report to assess:	<u>6.10.2 Market Suspension Report</u> <u>6.10.2.9.5.1 Upon receipt of the Market Suspension Report from the Market Operator and The System Operator</u> Within ten (10) business days following a	Re-numbering and for clarity on the timeline for MSC's preparation of MS report	NGCP: Seek clarification if the Market Suspension Report will be a joint report by the System Operator and Market Operator.		NGCP: The MO and the SO would have to submit separate reports.	Adopt original proposal

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 48 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent's Response	RCC Decision
		(a) The adequacy of the provisions of the WESM Rules relevant to the event or events which occurred; (b) appropriateness of actions taken by the Market Operator or the System Operator in relation to the event or events which occurred; and (c) The costs incurred by the WESM members as a consequence of responding to the event or events.	declaration by the ERC under Clause 6.9.1.1, the Market Surveillance Committee, upon directive from the PEM Board , shall investigate the circumstances of that event and prepare a report to assess: (a) The adequacy of the provisions of the WESM Rules relevant to the event or events which occurred; (b) appropriateness of actions taken by the Market Operator or the System Operator in relation to the event or events which occurred; and (c) The costs incurred by the WESM members as a consequence of responding to the event or events.		DOE: It is recommended to rationalize the timelines for MSC reports on MI and MS since the MSC can start investigating even before the receipt of the final report from the MO or SO regarding MI and MS. It may be better if the MSC can submit their MI Review Reports to the DOE earlier than their usual submission so that the DOE can promptly act on MI events when needed.		DOE: See response above.	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 49 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Rules								
Title	Clause	Original Provision	Proposed Amendment	Rationale	Comment	Proposed Re-wording based on Comment	Proponent’s Response	RCC Decision
Market Suspension Report	6.9.5.2	A copy of the report prepared under clause 6.9.5.1 shall be provided to: (a) The PEM Board; (b) The ERC and the DOE on completion of the report; and (c) WESM Participants and interested persons on request.	6. 10.2.9.5.2 A copy of the report prepared under clause 6.9.5.1 shall be provided to: (a) The PEM Board; (b) The ERC and the DOE on completion of the report; and (c) WESM Participants and interested persons on request.	Re-numbering				Adopt
Glossary – Force Majeure Event		An event arising from major network trouble that caused partial or system-wide blackout, market system software failure, and any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing.	An event arising from major network trouble that caused partial or system-wide blackout, market system software failure, and any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing.	For deletion. Force majeure is exhaustively defined in WESM Rules Clauses 6.7.1 and 6.7.2				Adopt

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 50 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
[Please write general comments here, if any.]								
Grounds for Market Intervention and Suspension	16.4.2	Grounds for Market Intervention. Market intervention by the System Operator is permitted in WESM Rules Clause 6.2.1.2 when the grid is in Alert or Emergency state arising from (a) an emergency; or (b) a threat to system security, or (c) an event of force majeure. Market intervention is also warranted if there is an interruption in the workflows of the Market Management System occurring during the simulation by the Market Operator of its Business Continuity Plan.	Grounds for Market Intervention. <u>Transmission System-related</u> Market intervention by the System Operator is permitted in WESM Rules Clause 6.2.1.2 when the grid is in Alert or Emergency state arising from (a) an emergency; or (b) a threat to system security, or (c) an event of force majeure. <u>Market System-related</u> Market intervention <u>may</u> also <u>be</u> warranted if there <u>are</u> is an interruptions in the <u>operations</u> workflows of the <u>market software used by the Market Operator to support various processes in the WESM arising from:</u> (a) an event of force majeure; or (b) Market Management System occurring during the		NGCP: Propose to use Grid Security-related Intervention instead of Transmission System-related Intervention. What is the difference between “(c) an event of force majeure” under transmission-related events and “(a) an event of force majeure” in market system-related events. Wouldn’t there be an overlap or common event?		NGCP: As contemplated in the WESM Rules, force majeure events refer to any event unforeseen and are not within the control of the SO and the MO. The difference is that when it is under transmission-related it can be those instances of natural disaster affecting the Grid but did not lead to a suspension. Meanwhile, for market system-related force majeure, this refers to uncontrollable instances within the	For revision based on applicable agreements in the WESM Rules

dgc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 51 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
			simulation of the business continuity plan and disaster recovery procedures ofby the Market Operator developed under WESM Rules Clause 6.8.1.1of its Business Continuity Plan.				premise of the MO, such as sudden time out in the processes of the MMS. rounds for Market Intervention. <u>Transmission and Grid System-related</u> Market intervention by the System Operator is permitted in WESM Rules Clause 6.2.1.2 when the grid is in Alert or Emergency state arising from (a) an emergency; or (b) a threat to system security, or (c) an event of force majeure. <u>Market System-related</u> Market intervention may is also be warranted if there are is an interruptions in the operations workflows	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 52 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							of the <u>market software used by the Market Operator to support various processes in the WESM arising from:</u> (a) an event of force majeure; or (b) Market Management System occurring during the simulation of the business continuity plan and disaster recovery procedures of by the Market Operator developed under WESM Rules Clause 6.8.1.1of its Business Continuity Plan.	
Declaration of Market Suspension or	16.5.2	Declaration of Market Intervention. Market intervention is declared by the System Operator, regardless of the source of	Declaration of Market Intervention. Market intervention <u>may be</u> is declared by the System Operator <u>or the Market</u>	To reflect the current practice that the MO may also declare an MI event as	NGCP: Propose for the notification to the	NGCP: xxx	NGCP: Amenable with the proposal.	For revision based on applicable agreements in the WESM Rules

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 53 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
Market Intervention		<p>the event that gave rise to such market intervention.</p> <p>a. Where the event that may result to intervention originates from market operations or is due to market failure, the Market Operator shall assess the situation and immediately advise the System Operator of the need to intervene in the WESM.</p> <p>b. Where the event that may result to market intervention originates from the operation of the System Operator or pertains to the grid, the System Operator shall assess the situation and immediately advise the Market Operator of the need for market intervention.</p> <p>c. The Market Operator or the System Operator shall notify the ERC and the DOE that an emergency or force majeure event has</p>	<p><u>Operator, in accordance with the relevant Clauses of Chapter 6 of the WESM Rules, regardless of the source of the event that gave rise to such market intervention.</u></p> <p>a. Where the event that may result to intervention originates from market operations or is due to market failure, the Market Operator shall assess the situation and immediately advise the System Operator of the need to intervene in the WESM.</p> <p>b. Where the event that may result to market intervention originates from the operation of the System Operator or pertains to the grid, the System Operator shall assess the situation and immediately advise the Market Operator of the need for market intervention.</p>	permitted by the WESM Rules and to include the MSC and PEM Board in the list of recipients.	PEM Board be through the Market Surveillance Committee.	<p>c. The Market Operator or the System Operator shall notify <u>each other</u>, the Market Surveillance Committee, the PEM Board <u>through the Market Surveillance Committee</u>, the ERC and the DOE that an emergency or force majeure event has occurred that may lead to market intervention, and if possible, the notice shall indicate the expected duration of the same. The responsibility for giving such notice shall depend on the source or origin of the event.</p>		

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 54 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		occurred that may lead to market intervention, and if possible, the notice shall indicate the expected duration of the same. The responsibility for giving such notice shall depend on the source or origin of the event.	c. The Market Operator or the System Operator shall notify, <u>the Market Surveillance Committee, the PEM Board,</u> the ERC and the DOE that an emergency or force majeure event has occurred that may lead to market intervention, and if possible, the notice shall indicate the expected duration of the same. The responsibility for giving such notice shall depend on the source or origin of the event.					
Declaration of Market Suspension or Market Intervention	16.5.3	Regional Declaration of Market Intervention and Market Suspension. Where the event that gives rise to the declaration of market intervention occurs in one grid and does not affect the other grid/s, the System Operator shall declare market intervention in the affected grid only (i.e., regional declaration).	Regional Declaration of Market Intervention and Market Suspension. Where the event that gives rise to the declaration of market intervention occurs in one grid and does not affect the other grid/s, the System Operator <u>or the Market Operator</u> shall declare market intervention in the affected grid only (i.e., regional declaration).	Same rationale above	MEI – PEI: Can the Market Operator declare market intervention in one region or grid only on the basis of market software system failure? Is it possible for market software system failure to be affecting		MEI – PEI: Yes. The MMS is capable of placing a certain region under MI/MS. The most recent occurrence happened when Typhoon Odette devastated the Visayas region which firstly caused by the	Adopt

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 55 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
					only one region or grid considering that there is only a single Market Management System for WESM?		whole Visayas region to be under MS and was later on lifted leaving only the Bohol region under MS.	
					NGCP: NGCP would like to clarify who is responsible for lifting the MI. Preferably, it should always be the MO with SO clearance in case of SO-initiated MI.		NGCP: Based on the current provisions of the Dispatch Protocol Manual Section 16, both the MO and SO may declare and lift an MI declaration. Based on these, the entity who declared the MI should also be the one to lift the same having direct information on the occurrence that lead for the MI declaration.	
Market Resumption	16.8.2	Market Resumption after Market Intervention. Once	Market Resumption after Market Intervention. Once the	To clarify that the MO and SO both may				Adopt

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 56 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		the conditions that triggered the market intervention has been resolved, the market intervention shall be lifted by the System Operator. a. If the event that gave rise to the market intervention pertains to market failure or market operations, the Market Operator shall immediately notify the System Operator that the condition has already been resolved and that the declaration of market intervention can already be lifted. Immediately upon being notified, the System Operator shall declare the lifting of the declaration of market intervention. b. If the event that gave rise to the market intervention pertains to the grid or the operations of the System Operator, the System Operator shall immediately notify the Market Operator that the condition has already been resolved and	conditions that triggered the market intervention has been resolved, the market intervention shall be lifted by the System Operator <u>or the Market Operator</u> . a. If the event that gave rise to the market intervention pertains to market failure or market operations, the Market Operator shall immediately notify the System Operator that the condition has already been resolved <u>and initiate the lifting of the intervention</u> and that the declaration of market intervention can already be lifted. Immediately upon being notified, the System Operator shall declare the lifting of the declaration of market intervention. b. If the event that gave rise to the market intervention pertains to the grid or the operations of the System Operator, the System Operator shall immediately	declare and lift Market Intervention events.				

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 57 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		that it is lifting the declaration of market intervention.	notify the Market Operator that the condition has already been resolved and that it is lifting the declaration of market intervention.					
Market Resumption	16.8.3	Upon being notified of the lifting of the declaration of market intervention or market suspension, the Market Operator shall immediately notify the Trading Participants of the resumption of the market and the specific dispatch interval at which trading in the WESM shall resume. The notice to Trading Participants shall include a notice to submit initial bids or offers.						Adopt
Report on Market Intervention or Market Suspension	16.10.1	Upon market resumption, the System Operator and the Market Operator shall prepare and submit to the PEM Board, the ERC and the DOE a detailed report containing, as minimum, the following information:	<u>Within five (5) working days from the</u> Upon market resumption, the System Operator and the Market Operator shall prepare and submit to the PEM Board <u>through the Market Surveillance Committee</u> , the ERC and the DOE a	The submission of the report is essential for the MSC to undertake its assessment on the completeness and effectiveness of the implemented	NGCP: <ul style="list-style-type: none">Seek clarification if the Market Intervention Report will be a joint report by the System Operator and Market		NGCP: Both entities should submit separate reports which refers to actions undertaken by that entity in times of MI event. These	For revision based on applicable agreements in the WESM Rules

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 58 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		a. Description of the circumstances that gave rise to the market intervention or market suspension; b. Steps taken to maintain operations and, in case of intervention, the steps taken to correct the situation; and c. Conclusions and recommendations for avoiding similar market intervention in the future.	detailed report containing, as minimum, the following information: a. Description of the circumstances that gave rise to the market intervention or market suspension; b. Steps taken to maintain operations and, in case of intervention, the steps taken to correct the situation; and <u>c. The impact and possible costs incurred by WESM Members as a consequence of the event; and</u> d. <u>de. Conclusions and recommendations for avoiding similar market intervention in the future. For instances when the System Operator and Market Operator may not be able to submit a complete report within the prescribed timeline above, an initial report may be submitted while the final and complete report shall</u>	actions of the MO and SO. The MO and SO will have the most accurate data on the cost impact of the MI/MS especially that some MI/MS affects their assets which are likewise collected from the end-users. The deletion of the PEM Board as a recipient of the MI reports from the SO and the MO is in line with the provision of the WESM Rules Clause 6.6.2.2	Operator. If to be a joint report, propose to provide ten (10) working days for the preparation and submission of report. • For the additional requirement (c) the impact and possible costs incurred by WESM Members as a consequence of the event , the System Operator does not have the capacity for such evaluation. The Market Operator can provide instead.		reports shall form part of MSC’s evaluation on the actions undertaken by either the MO or the SO during an MI event. For item (c), in cases of transmission restoration or any equipment affected by an MI, the SO would have the best position to determine these information. These are likewise contemplated in the WESM. This is also an addition provided by the DOE in its promulgation of the	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 59 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
			<u>be submitted within fifteen (15) working days from market resumption.</u>				WESM Market Surveillance Manual.	
					DOE: Request for further clarification on the intent of item (c). Maybe this can be pursued as part of separate studies or comprehensive reports related to various MI events since the computation of impact and possible costs incurred by WESM members as a consequence of the MI may not be completed within the deadline and may require more time to complete given its		DOE: See response above. <u>Within five (5) working days from the</u> Upon market resumption, the System Operator and the Market Operator shall prepare and submit to the PEM Board <u>through the Market Surveillance Committee</u> , the ERC and the DOE a detailed report containing, as minimum, the following information: a. Description of the circumstances that gave rise to the market intervention	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 60 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
					broader scope compared with the other details.		or market suspension; b. Steps taken to maintain operations and, in case of intervention, the steps taken to correct the situation; and c. The impact and possible costs incurred by WESM Members as a consequence of the event; and dc. Conclusions and recommendations for avoiding similar market intervention in the future. In the eventFor instances when the System Operator and Market Operator, as the case may be, canmay not be able to submit a final and complete	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 61 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							<p><u>report within the above prescribed 5-day period</u>timeline above, an initial report must<u>stay still</u> be submitted while the final and complete report shall be submitted within the said period, provided that the final and complete report must be submitted within fifteen (15) working days from market resumption.</p> <p><u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by WESM Members as</u></p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 62 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							<u>a consequence of the event, within a reasonable period of time from the market resumption.</u>	
Report on Market Intervention or Market Suspension	16.10.2	In accordance with WESM Rules Clauses 6.9.4 and 6.9.5, the Market Surveillance Committee shall render to the PEM Board, DOE and the ERC a report on the market intervention or market suspension containing its assessment of the following: a. The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred; b. The appropriateness of the actions taken by the System Operator and the Market Operator in relation to the event or events that occurred; and c. The costs incurred by the WESM Members as a	In accordance with WESM Rules Clauses 6. 109.4 and 6.9.5 , the Market Surveillance Committee shall render to the PEM Board, DOE and the ERC a report on the market intervention or market suspension containing its assessment of the following: a. The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred; b. The appropriateness of the actions taken by the System Operator and the Market Operator in relation to the event or events that occurred; and c. The costs incurred by the WESM Members as a				Further revisions based on the agreement with DOE: In accordance with WESM Rules Clauses 6. 109.4 and 6.9.5 , the Market Surveillance Committee shall render to the PEM Board, DOE and the ERC a report on the market intervention or market suspension containing its assessment of the following: a. The adequacy of the relevant provisions of the	For revision based on applicable agreements in the WESM Rules

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 63 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		consequence of responding to the event or events.	consequence of responding to the event or events.				WESM Rules in relation to the event or events which occurred; b. The appropriateness of the actions taken by the System Operator and the Market Operator in relation to the event or events that occurred; and c. The costs incurred by the WESM Members as a consequence of responding to the event or events. <u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by</u>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 64 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Dispatch Protocol								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							<u>WESM Members as a consequence of the event, within a reasonable period of time from the market resumption.</u>	
Report on Market Intervention or Market Suspension	16.10.3	<u>NEW</u>	<u>The Market Operator and the System Operator shall use Appendix H. Market Intervention/Suspension Report Template for the submission of their respective complete report(s) to the Market Surveillance Committee.</u>	For uniformity and easier assessment on the submissions.				MSC to present in the next meeting the current templates used by MO/SO and the proposed revised template for better appreciation/ contemplation of the RDD. RCC is to decide if it is better to have a unified or separate template for the MO and SO.

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 65 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
<i>[Please write general comments here, if any.]</i> DOE: It is recommended that the MSC rationalize the timelines of their submission of MSC reports on MI and MS so that their Review Reports on MI and MS can be released and submitted earlier than their usual submissions, which can help the DOE provide timely feedback and prompt actions when needed.							DOE: See response above.	Adopt agreements above
REVIEW OF MARKET INTERVENTION	5.3.1	The <i>Market Surveillance Committee</i> shall conduct a review upon the occurrence of any of the following events: a) An Intervention declared by the <i>System Operator</i> as established in the Grid Code, due to: (i) An emergency; (ii) A threat to system security; or (iii) An event of force majeure; b) An intervention declared by the <i>Market Operator</i> due to force majeure, which includes: (i) Market system hardware or software failure that makes it impossible to receive or process market offer/bid	The <i>Market Surveillance Committee</i> shall conduct a review upon the occurrence of any of the following events: a) An Intervention declared by the <i>System Operator</i> as established in the Grid Code, due to: (i) An emergency; (ii) A threat to system security; or (iii) An event of force majeure; b) An intervention declared by the <i>Market Operator</i> due to force majeure, which includes: (i) Market system hardware or software failure that makes it impossible to receive or process market offer/bid information or	The Market Surveillance Committee has recorded 21 instances of MI imposition by the MO relating to the same market software issues. While the Civil Code of the Philippines contemplates force majeure as those which may be foreseen but are inevitable, advanced technologies				Adopt agreements above

A handwritten signature in black ink is located in the bottom right corner of the page.

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 66 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		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 (ii) Interruption in the operations of market software used by the <i>Market Operator</i> to support various processes in the <i>WESM</i> during the simulation of the business continuity plan and disaster recovery procedures, or any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing.	produce market schedules due to erroneous real-time status input data or dispatch the system in accordance with the <i>WESM Rules</i> ; and (ii) Interruption in the operations of market software used by the <i>Market Operator</i> to support various processes in the <i>WESM</i> during the simulation of the business continuity plan and disaster recovery procedures, or any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing. <u>In cases of Market Intervention declarations under an event of force majeure, the recurrence of similar force majeure event/s shall be subject to further assessment and evaluation of the Market Surveillance Committee on its validity depending on the impact that the intervention has caused in the market.</u>	may already address these occurrences in order to mitigate the imposition of an MI. The MSC has likewise noted that in some of MI impositions, administered prices were higher than the prevailing market prices which may be detrimental to spot exposed participants.				

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 67 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
REVIEW OF MARKET INTERVENTION	5.3.2	When any of the events occurs as described above, the <i>Market Operator</i> or the <i>System Operator</i> , as the case may be, shall forthwith notify the <i>Market Surveillance Committee</i> through the <i>Market Assessment Group</i> of such event in writing.						
		<p>Upon receipt of the notification from the <i>Market Operator</i> or the <i>System Operator</i>, the <i>Market Surveillance Committee</i> shall conduct a review and shall prepare a Market Intervention Report, which shall include:</p> <p>a. All data and information regarding the event, including those provided by the <i>System Operator</i> or the <i>Market Operator</i>;</p> <p>b. Assessment and recommendations, as applicable, on:</p> <p>i. The adequacy of the provisions of the <i>WESM Rules</i></p>	<p>Upon receipt of the <u>final report</u> notification from the <i>Market Operator</i> or the <i>System Operator</i>, the <i>Market Surveillance Committee</i> shall conduct a review and shall prepare a Market Intervention Report, which shall include:</p> <p>a. All data and information regarding the event, including those provided by the <i>System Operator</i> or the <i>Market Operator</i>;</p> <p>b. Assessment and recommendations, as applicable, on:</p> <p>i. The adequacy of the provisions of the <i>WESM Rules</i></p>	<p>The Market Surveillance Committee requires the complete submission of the reports from the MO and SO in order to proceed with its assessment report. Mere notification may not be sufficient for the Committee to undertake what is required of the WESM Manual.</p>	<p>DOE:</p> <p>Retain original provision since the MSC can start its review and preparation of MI report once it is notified of the MI event. They can finalize their report upon receipt of the final report from the MO or SO.</p>	<p>DOE:</p> <p>Upon receipt of the <u>final report</u> notification from the <i>Market Operator</i> or the <i>System Operator</i>, the <i>Market Surveillance Committee</i> shall conduct a review and shall prepare a Market Intervention Report, which shall include:</p> <p>a. All data and information regarding the event, including those provided by the <i>System Operator</i> or the <i>Market Operator</i>;</p>	<p>Adopt as revised to align with the agreements in the WESM Rules</p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 68 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		relevant to the event, and its proposed amendments, if any; ii.The appropriateness of actions taken by the <i>System Operator</i> and/or <i>Market Operator</i> in relation to the event; iii.The impact and possible costs incurred by <i>WESM Members</i> as a consequence of the event; and iv.Potential breaches by <i>WESM Members</i> .	relevant to the event, and its proposed amendments, if any; ii.The appropriateness of actions taken by the <i>System Operator</i> and/or <i>Market Operator</i> in relation to the event; iii.The impact and possible costs incurred by <i>WESM Members</i> as a consequence of the event; and iv.Potential breaches by <i>WESM Members</i> .				b. Assessment and recommendations, as applicable, on: i. The adequacy of the provisions of the <i>WESM Rules</i> relevant to the event, and its proposed amendments, if any; ii. The appropriateness of actions taken by the <i>System Operator</i> and/or <i>Market Operator</i> in relation to the event; iii. The impact and possible costs incurred by <i>WESM Members</i> as a consequence of the event; and iv. Potential breaches by	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 69 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							<i>WESM Members.</i> <u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by WESM Members as a consequence of the event, within a reasonable period of time from the market resumption.</u>	
		The <i>Market Surveillance Committee’s</i> Market Intervention Report shall be submitted to the <i>PEM Board</i> for review and approval, within a reasonable period, provided that the initial report shall be submitted within thirty (30) working days after the <i>MSC</i> has received the notification from the <i>Market Operator</i> or the <i>System Operator</i> .	The <i>Market Surveillance Committee’s</i> Market Intervention Report shall be submitted to the <i>PEM Board</i> for review and approval, within a reasonable period, provided that the initial report shall be submitted within thirty (30) working days after the <i>MSC</i> has received the final report notification from the <i>Market Operator</i> or the <i>System Operator</i> .	Upon receipt of the complete report, the Market Surveillance Committee may already undertake an initial report of the event. The complete assessment shall be	DOE: Retain the original provision since the MSC can start its review and preparation of the MI report once it is notified of the MI event. They		DOE: See response above.	Adopt as revised

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 70 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
				submitted afterwards following the activities to be accomplished by the Committee (e.g. conference with the involved parties)	can finalize their report upon receipt of the final report from the MO or SO.			
		A copy of the approved Market Intervention Report shall be transmitted by the <i>PEM Board</i> to the <i>ERC</i> and <i>DOE</i> , and be furnished to any interested persons upon request, in accordance with Section 8 of this Manual.						
REVIEW OF MARKET SUSPENSION	5.4.1	Within ten (10) business days following a notice by the <i>Market Operator</i> of a declaration of Market Suspension by the <i>ERC</i> under Clause 6.9.1.1 of the <i>WESM Rules</i> , the <i>Market Surveillance Committee</i> shall convene and review such declaration and prepare a report to assess:	<u>Upon receipt of the Market Suspension Report from the Market Operator and System Operator</u> Within ten (10) business days following a notice by the Market Operator of a declaration of Market Suspension by the ERC under Clause 6.9.1.1 of the WESM Rules, the Market Surveillance			NGCP: Upon receipt of the Market Suspension Report from the Market Operator and or System Operator	NGCP: Amenable with the proposal.	Adopt as revised subject to the agreements above, and NGCP comments

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 71 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
			<p>Committee shall convene and review such declaration and prepare a report to assess:</p> <p>a. The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred;</p> <p>b. 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>c. The costs incurred by <i>WESM Members</i> as a consequence of responding to the event or events; and</p> <p>d. Any finding of potential, fault of any <i>WESM Participant</i> including a preliminary</p>			<p>b. The appropriateness of actions taken by the <i>System Operator</i> and/or the <i>Market Operator</i> in relation to the event or events which occurred;</p>		
					<p>DOE:</p> <p>It is recommended for the MSC to rationalize the timelines for their reports on MI and MS and provide an achievable</p>		<p>DOE:</p> <p>See response above. Thus, the provision shall be revised as follows:</p> <p><u>Upon receipt of the Market Suspension Report separately prepared by the Market Operator and System Operator</u> Within ten</p>	<p>Adopt as revised subject to align with the agreements in the WESM Rules</p>

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 72 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
		recommendation for further evaluation by the PEM Auditor.			deadline since the MSC can start investigating even before the receipt of the final report from the MO or SO regarding MI and MS. It may be better if the MSC can submit their MI Review Reports to the DOE earlier than their usual submissions so that the DOE can promptly act or provide feedback on MI events when needed.		<p>(10) business days following a notice by the Market Operator of a declaration of Market Suspension by the ERC under Clause 6.9.1.1 of the WESM Rules, the Market Surveillance Committee shall convene and review such declaration and prepare a report to assess:</p> <p>a. The adequacy of the relevant provisions of the WESM Rules in relation to the event or events which occurred;</p> <p>b. The appropriateness of actions taken by the System Operator and the Market Operator in relation to the event or events which occurred;</p> <p>c. The costs incurred by WESM Members as a consequence of responding to the event or events; and</p> <p>c. Any finding of potential, fault of any WESM</p>	

dgcc

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
Page : 73 of 76



Annex B – Matrix of Proposed Amendments regarding MI and MS

WESM Manual on Market Surveillance								
Title	Section	Original Provision	Proposed Amendment	Rationale	Comment	Propose Re-wording based on Comment	Proponent’s Response	RCC Decision
							<p><i>Participant</i> including a preliminary recommendation for further evaluation by the PEM Auditor.</p> <p><u>The System Operator or the Market Operator, as the case may be, shall submit a report on the impact and actual costs incurred by WESM Members as a consequence of the event, within a reasonable period of time from the market resumption.</u></p>	



MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 74 of 76

Annex C – Updates on other Proposed Amendments

Updates on the Proposals



UPDATES ON Presentation last modified: 18 August 2023 Urgent Amendments

	Proposal	Proponent	Update/Status
1	Proposed Urgent Amendments to the WESM Rules and Forecast Accuracy Standards Manual on Matters Relating to Enforcement Proceedings and Actions	PEMC	Expiration of Effectivity: 22 November 2023 Extended implementation per PEM Board Resolution No. 2023-03
2	Proposed Urgent Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch)	IEMOP	Expiration of Effectivity: 26 July 2023 RCC to request PEM Board to extend effectivity for another six (6) months (July Board meeting)





MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 75 of 76

Annex C – Updates on other Proposed Amendments

UPDATES ON THE PROPOSALS

General Amendments

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints	NPC	Conducted meeting with the proponent on 14 June 2023. Proponent to submit revised proposal per RCC's comments provided on 19 May 2023.
2	Proposed Amendments to the WESM Rules and the Dispatch Protocol Manual regarding the Maximum Available Capacity	PEMC	Scheduled for DOE Public Consultation: <ul style="list-style-type: none"> 23 Aug 2023 – Luzon (BGC) 31 Aug 2023 – Mindanao (General Santos) 06 Sept 2023 – Visayas (Cebu)
3	Proposed General Amendments to the WESM Rules and Forecast Accuracy Standards Manual on Matters Relating to Enforcement Proceedings and Actions	PEMC	Scheduled for DOE Public Consultation: <ul style="list-style-type: none"> 23 Aug 2023 – Luzon (BGC) 31 Aug 2023 – Mindanao (General Santos) 06 Sept 2023 – Visayas (Cebu)

UPDATES ON THE PROPOSALS

General Amendments

	Proposal	Proponent	Update/Status
4	Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Enhancements and Updating of the System Operator's Re-Dispatching, Reporting and Market Intervention/Suspension Procedures	NGCP	Scheduled for DOE Public Consultation: <ul style="list-style-type: none"> 23 Aug 2023 – Luzon (BGC) 31 Aug 2023 – Mindanao (General Santos) 06 Sept 2023 – Visayas (Cebu)
5	Proposed General Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch)	IEMOP (as amended by RCC)	Scheduled for DOE Public Consultation: <ul style="list-style-type: none"> 23 Aug 2023 – Luzon (BGC) 31 Aug 2023 – Mindanao (General Santos) 06 Sept 2023 – Visayas (Cebu)
6	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load Program Implementation	IEMOP	For finalization
7	Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Market Intervention and Suspension	MSC	For continuation of deliberation in 219 th meeting

MEETING MINUTES

Subject/Purpose : 219th RCC (Regular) Meeting No. 2023-12
 Date & Time : 18 August 2023, 9:00 AM to 3:00 PM
 Venue : Online via Microsoft Teams
 Page : 76 of 76



Philippine Electricity
Market Corporation

Annex C – Updates on other Proposed Amendments

UPDATES ON THE PROPOSALS

General Amendments

	Proposal	Proponent	Update/Status
8	Proposed Amendments to the WESM Rules and WESM Manual on Dispute Resolution Administration (based on RCC Resolution No. 2021-07)	PEMC	Scheduled for DOE Public Consultation: • 23 Aug 2023 – Luzon (BGC) • 31 Aug 2023 – Mindanao (General Santos) • 06 Sept 2023 – Visayas (Cebu)
9	Proposed Amendments to the WESM Manual on Registration, Suspension and De-registration Criteria and Procedures regarding Test and Commissioning Penalty Framework	PEMC	Signed by DOE Secretary
10	Proposed Amendments to the WESM Manual on Billing and Settlement regarding Additional Compensation	IEMOP	Signed by DOE Secretary

 Philippine Electricity
Market Corporation



 **Philippine Electricity
Market Corporation**

Connect with PEMC

 pemc.info@wesm.ph

 +63 2 8631 8734

 18F Robinsons Equitable Tower, ADB Avenue
Ortigas Center, Pasig City 1600, Philippines

 [pemcinfo](#)

 [pemcinfo](#)

 [PEMC_Info](#)

 [PEMC Info](#)

14