



## MEETING MINUTES

Subject/Purpose : 224<sup>th</sup> RCC (Caucus) Meeting No. 2023-17  
 Date & Time : 13 November 2023, 3:00 PM to 5:00 PM  
 Venue : Online via Microsoft Teams  
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### ATTENDEES

No.	Name	Designation/Position	Department/ Company
1	Jordan Rel C. Orillaza	Member, Independent	RCC
2	Rachel Angela P. Anosan	Member, Independent	RCC
3	Carlito C. Claudio	Member (Principal), Generation Sector	RCC
4	Cherry A. Javier	Member (Principal), Generation Sector	RCC
5	Michelle S. Tuazon	Member (Alternate), Generation Sector	RCC
6	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
7	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
8	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
9	Isidro E. Cacho, Jr.	Member (Principal), Market Operator	RCC
10	Kristoffer S. Ng	Member (Alternate), Market Operator	RCC
11	Leo John A. Juguilon	OCGO	PEMC
12	Karen A. Varquez	RCC Secretariat	PEMC
13	Divine Gayle C. Cruz	RCC Secretariat	PEMC
14	Mari Josephine C. Enriquez	RCC Secretariat	PEMC
15	Mary Rose L. Bisnar	RCC Secretariat	PEMC
16	Andrea J. Mendiola	Legal Head	PEMC
17	Alyssa Isabella R. Punzalan	ECO	PEMC
18	Anthony Jose P. Asprer	ECO	PEMC
19	Dianne Kate C. Langit	ECO	PEMC
20	Gabbor M. Dichoso	ECO	PEMC
21	Hilary Romeli C. Florendo	ECO	PEMC
22	Vince Luigi B. Maliwanag	ECO	PEMC
23	Rayan J. Genabe	ECO	PEMC
24	Edmin S. Arellano	Proponent	IEMOP
25	Mary Anne T. Santiago	Proponent	IEMOP
26	Lilibeth Grace L. Vetus	Proponent	IEMOP
27	Ruben Hans P. Duiguan, Jr.	Proponent	IEMOP
28	Sheryll M. Dy	Proponent	IEMOP
29	Lex J. Magtalas	Commenter	APC
30	John Paulo O. Castro	Observer	DOE

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Agenda	Discussion/Agreements
I. Call to Order	The meeting was called to order at 3:12 PM
II. Determination of Quorum	The proposed agenda was adopted.
III. Adoption of Agenda	
IV. Matters Arising from Previous Meeting	
Proposed Amendments to the WESM Rules and various WESM Manual on the Interruptible Load Program (ILP) Implementation <ul style="list-style-type: none"> <li>Discussions on BCQ re-declaration procedure specifically for the proposed Clauses 9.5.12 (adjustments to approved re-declarations) of the Billing and Settlement Manual.</li> </ul>	Presenter: Ms. Mary Rose L. Bisnar (RCC Secretariat/ PEMC)  Material: Annex A – Presentation Material of IEMOP on Interruptible Load Program Proposal Timeline and Highlights

### Proceedings:

- Ms. Bisnar presented the background of the ILP proposal, highlighting that the purpose of the meeting is to discuss the IEMOP's revised proposed timeline for processing the BCQ re-declaration corrections as presented by IEMOP during the 223<sup>rd</sup> RCC (Regular) Meeting.
- Highlights of the RCC's discussion are the following:
  - Mr. Ryan S. Morales (Distribution Sector) provided his comments on the revised proposed timeline, as follows:
    - MERALCO is affected by BCQ re-declaration due to the de-loading of contestable customers in the ILP program by Generation Companies (GenCo) and Retail Electricity Suppliers (RES) who are not MERALCO's Captive Customers.
    - ERC requires justifying any additional costs or refunds, as applicable, in the generation rate calculation for Captive Customers through submission of outside-market settlement documents. Hence, there is a need to correct any errors in BCQ re-declaration through the Market Operator (MO) because the fact that there is no existing contract among MERALCO, GenCo and RES would pose challenges when ILP-related adjustments are presented to the ERC.
    - The prompt resolution of some discrepancies in ILP-related information is not feasible, as it necessitates additional coordination with various parties.
    - All MERALCO settlements, especially related to BCQ re-declarations, are dependent on the preliminary invoices issued and BCQ declarations certified by the MO.
    - Initially satisfied with the revised proposal as discussed during the 221<sup>st</sup> RCC (Caucus) Meeting. The proposal presented by IEMOP during the 223<sup>rd</sup> RCC (Regular) Meeting reverted to the original proposal with only an extended time frame, which provides



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- 32 settlement information that is still not official due to the possible absence of the  
33 preliminary bill.
- 34
- 35 b) Mr. Isidro E. Cacho, Jr. (Market Operator) mentioned that the proposed timeline was  
36 presented to their Management which deemed the proposal more appropriate.
- 37 - Ms. Lilibeth Grace L. Vetus (IEMOP) additionally elaborated that currently, there are  
38 no corrections allowed for a previously approved re-declaration associated with BCQ  
39 re-declaration due to ILP. Additionally, addressing MERALCO's concern, IEMOP  
40 proposed a workaround suggesting a rolling timeline that allows the Generator to re-  
41 declare BCQ and to have corrections to the re-declared BCQ. She also highlighted  
42 that, according to the DOE policy, BCQ re-declaration is generally discouraged and  
43 may only be considered in cases of inaccessibility to the CRSS or Market System.  
44 Additionally, extending the submission of BCQ re-declaration corrections for ILP  
45 close to the issuance of the final settlement statement would be inconsistent with  
46 this policy.
- 47
- 48 c) Mr. Morales provided an example in which the ILP event occurred on November 13, 2023  
49 (D). In this scenario, GenCo could re-declare their BCQ until November 20, 2023 (D+7).  
50 According to the revised proposed timeline, corrections to the re-declared BCQ can be  
51 made until November 23, 2023 (D+10).
- 52 - Ms. Vetus confirmed that the example aligns with the condition in the second  
53 scenario outlined in their revised proposed timeline, specifically related to an ILP  
54 event occurring at the beginning or in the middle of the billing period.
- 55
- 56 d) Mr. Morales also inquired about the possibility of correcting the BCQ in a situation when  
57 there is no submitted BCQ re-declaration due to misunderstanding. A possible scenario  
58 could be that the RES reported to the GenCo that there is no ILP re-declaration, however  
59 upon reviewing the metering data, a de-loading occurred.
- 60 - Ms. Vetus explained that BCQ re-declaration should be submitted within D+7,  
61 consistent with DOE policy.
- 62 - Ms. Rachel Angela P. Anosan (Independent) highlighted that in the provided  
63 example, the assumption was that a BCQ declaration was made, thereby fulfilling  
64 the first requirement. She also verified if a zero BCQ declaration is considered a  
65 BCQ declaration that can be corrected. Ms. Vetus replied that IEMOP will consider  
66 the scenario of a GenCo's non-submission of BCQ re-declaration and will propose  
67 revised wordings.
- 68
- 69 e) Mr. Morales asked the possibility of notifying the concerned DU if a BCQ re-declaration was  
70 made for ILP since they are only notified once the issuance of the preliminary billing  
71 statement.
- 72 - Ms. Vetus mentioned that Trading Participants are notified thru CRSS, which is  
73 affirmed by Mr. Edmin Arellano (IEMOP). Additionally, he stated that the concerned  
74 Trading Participants would receive a prompt notification as soon as IEMOP finishes  
75 the manual uploading of the GenCo's BCQ re-declaration.
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77 f) Ms. Cherry A. Javier (Generation) emphasized that the essential elements for BCQ re-  
 78 declaration involve appropriately managing metering data and ensuring coordination among  
 79 GenCo, DU, RES, and the contestable customer.  
 80

81 Agreement:

- 82
- 83 a) IEMOP and MERALCO agreed on the revised proposed timeline of processing the BCQ re-  
 84 declaration corrections, i.e., within D+10.
  - 85 b) Noting their agreement, IEMOP and MERALCO will no longer submit position papers.
  - 86 c) The proposal will be finalized on the 225<sup>th</sup> RCC (Regular) Meeting on 17 November 2023.
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Agenda	Discussion/Agreements
V. Adjournment	The meeting was adjourned at 3:44 PM.

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Prepared by:

(signed)  
 JOHN EISENDEL M. LABAY  
 Specialist, Rules Review Division  
 Market Assessment Group

Reviewed by:

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

Noted by:

(signed)  
 BIENVENIDO C. MENDOZA, JR.  
 Chief Market Assessment Officer

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Approved by:

JESUSITO G. MORALLOS  
Chairman, Independent

JOSE RODERICK F. FERNANDO  
Member, Independent

(signed)  
RACHEL ANGELA P. ANOSAN  
Member, Independent

(signed)  
JORDAN REL C. ORILLAZA  
Member, Independent

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

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

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

(signed)  
(Attended by: Ms. Michelle S. Tuazon (Alternate Member))  
MARK D. HABANA  
Member, Generation Sector  
Vivant Corporation – Philippines (Vivant)

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

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

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

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

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(signed)

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

ISIDRO E. CACHO, JR.  
Member, Market Operator  
Independent Electricity Market Operator of the  
Philippines (IEMOP)

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

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### Annex A – Presentation Material of Interruptible Load Program Proposal Timeline and Highlights



## Interruptible Load Program



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### BACKGROUND

- ❑ **30 August 2023** (63<sup>rd</sup> PEM Board Meeting)
  - PEM Board remanded the proposed amendments to the RCC.
- ❑ **15 September 2023** (220<sup>th</sup> RCC (Regular) Meeting)
  - RCC approved IEMOP's proposal to discuss revisions with MERALCO in a Caucus Meeting
- ❑ **26 September 2023** (221<sup>st</sup> RCC (Caucus) Meeting)
  - IEMOP presented a proposed timeline of processing BCQ re -declarations and corrections.
- ❑ **20 October 2023** (223<sup>rd</sup> RCC (Regular) Meeting)
  - IEMOP presented their revised proposed timeline of processing BCQ re -declarations and corrections.
  - RCC suggested IEMOP and MERALCO to submit position papers regarding the BCQ re -declaration timeline prior to a possible second Caucus Meeting.

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#### BACKGROUND

##### □ 07 November 2023

- The Secretariat requested IEMOP and MERALCO a copy of their position papers regarding the BCQ re - declaration timeline.
- Both, IEMOP and MERALCO, suggested to discuss the said matter on a Caucus Meeting.

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#### HIGHLIGHTS OF THE MEETING

##### □ 221<sup>st</sup> RCC (Caucus) Meeting Highlights

1. The body agreed on IEMOP's proposed timeline of processing BCQ re -declarations and corrections, as follows:
  - a) The Trading Participants has D+7 timeline to process the submission of BCQ re - declaration from occurrence of said condition. Within said period, the Trading Participant may correct the submitted BCQ re -declaration.
  - b) To be accounted in the Preliminary Statement, the Trading Participant should re - declare their BCQ until the 28<sup>th</sup> day of the month.
  - c) The Trading Participant is allowed to correct the erroneous re -declaration within 5 days after the issuance of the Preliminary Statement.

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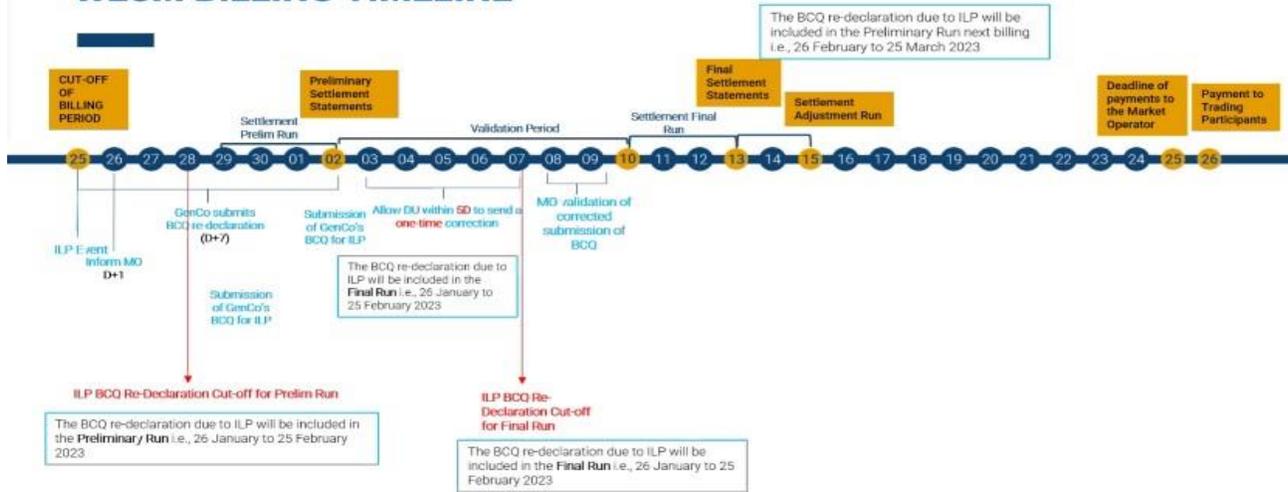
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## Annex A – Presentation Material of Interruptible Load Program Proposal Timeline and Highlights

### PROPOSED TIMELINE DURING 221<sup>ST</sup> RCC (CAUCUS) MEETING

#### PROPOSE TO ALLOW RE-DECLARATION OF RE-DECLARED BCQ WESM BILLING TIMELINE



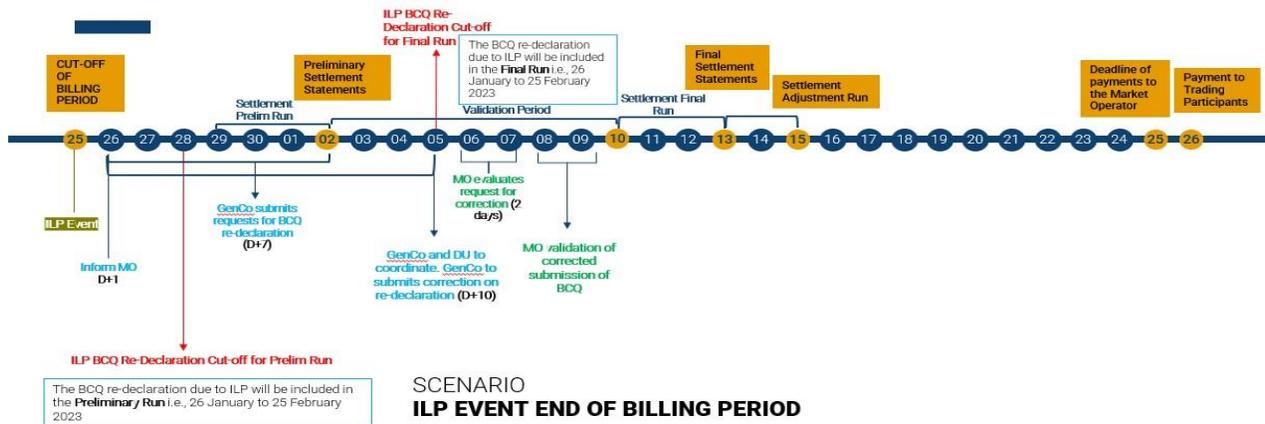
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### PROPOSED REVISED TIMELINE DURING 223<sup>RD</sup> RCC (REGULAR) MEETING

#### PROPOSE TO ALLOW CORRECTION OF RE-DECLARATION OF RE-DECLARED BCQ WESM BILLING TIMELINE



SCENARIO  
 ILP EVENT END OF BILLING PERIOD

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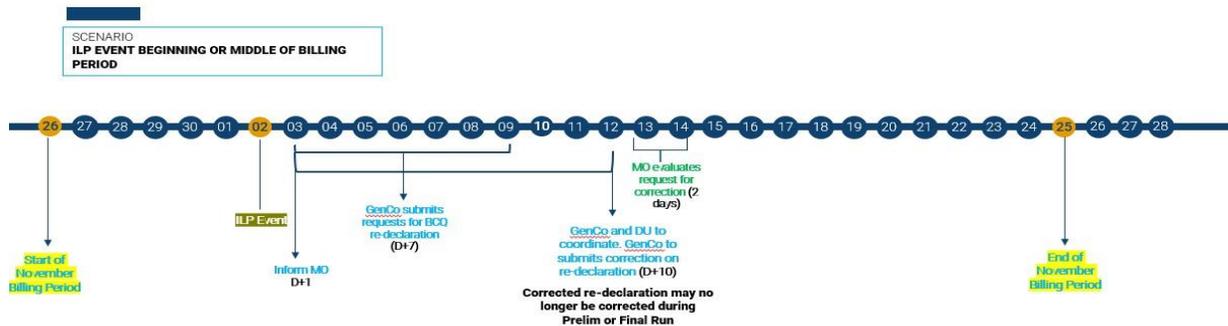
### HIGHLIGHTS OF THE MEETING

#### 223<sup>rd</sup> RCC (Regular) Meeting Highlights

1. IEMOP presented the revised proposal regarding the allowable timeline of correction of BCQ re-declaration. Proposed revisions are as follows:
  - a) The Trading Participant shall be given 10 days from the ILP event (D) within which to submit BCQ re-declaration (up to D+7) and correction on the re-declaration (D+10)
  - b) The Market Operator shall have two (2) days to evaluate on the request.

### PROPOSED REVISED TIMELINE DURING 223<sup>RD</sup> RCC (REGULAR) MEETING

#### PROPOSE TO ALLOW CORRECTION OF RE-DECLARATION OF RE-DECLARED BCQ WESM BILLING TIMELINE



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#### ACTION REQUESTED

- Further discussions on the proposed revised timeline on BCQ re-declaration and correction procedure.