



Philippine Electricity
Market Corporation

MEETING MINUTES

Subject/Purpose : 227th RCC (Regular) Meeting No. 2024-01
 Date & Time : 19 January 2024, 9:00 AM to 10:00 AM
 Venue : Microsoft Teams
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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
6	Mark D. Habana	Member (Principal), Generation Sector	RCC
7	Carlito C. Claudio	Member (Principal), Generation Sector	RCC
8	Jessie B. Victorio	Member (Alternate), Generation Sector	RCC
9	Angeli Abad-Parcia	Member (Alternate), Generation Sector	RCC
10	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
11	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
12	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
13	Virgilio C. Fortich, Jr.	Member (Principal), Distribution Sector	RCC
14	Alfredo C. Sanaga	Member (Alternate), Distribution Sector	RCC
15	Darryl Lon Ortiz	Member (Principal), Transmission Sector	RCC
16	Kristoffer S. Ng	Member (Alternate), Market Operator	RCC
17	Leo John A. Juguilon	OCGO	PEMC
18	Bienvenido C. Mendoza, Jr.	MAG Head	PEMC
19	Karen A. Varquez	RCC Secretariat	PEMC
20	Divine Gayle C. Cruz	RCC Secretariat	PEMC
21	Mary Rose L. Bisnar	RCC Secretariat	PEMC
22	John Eisendel M. Labay	RCC Secretariat	PEMC
23	Gabriel R. Marmeto	Legal	PEMC
24	Neil Patrick Perez	MAG	PEMC
25	Hilary Romeli C. Florendo	ECO	PEMC
26	Vince Luigi B. Maliwanag	ECO	PEMC
27	Marcelo L. Gemalan	Corporate Communication	PEMC
28	Melanie Papa	Observer	DOE
29	John Paulo O. Castro	Observer	DOE
30	Lex J. Magtalas		APC



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Agenda	Remarks/Agreements
I. Call to Order	The meeting was called to order at 9:03 AM.
II. Determination of Quorum	The quorum was determined with twelve (12) principal members, four (4) alternate members, and two (2) DOE observers present.
III. Adoption of Agenda	<p>The agenda was adopted with the following modifications.</p> <ul style="list-style-type: none"> Removed agenda item 5.1 <i>Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints</i> due to the absence of response despite the persistent effort of the Secretariat to coordinate with PSALM. The RCC instructed the Secretariat to communicate with the Dam Management Division of National Power Corporation (NPC-DMD) to discuss the potential withdrawal of the proposal. The RCC will consider NPC's response in its decision on the proposal in the next RCC (Regular) Meeting on 16 February 2024.
IV. Draft Minutes of Previous Meetings: <ul style="list-style-type: none"> 226th RCC (Special) Meeting, 14 December 2023 	<ul style="list-style-type: none"> Mr. John Eisendel M. Labay (RCC Secretariat) presented the draft Minutes of the 226th RCC (Regular) Meeting, with comments received from Mr. Jordan Rel C. Orillaza (Independent). <p><u>Agreement:</u></p> <p>The RCC approved the draft minutes of the 226th RCC (Regular) Meeting. The Secretariat will circulate the minutes via Adobe Sign for signature.</p>
V. New Business	
6.1. Extension of Effectivity of the 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 Generating Units) <ul style="list-style-type: none"> Draft RCC Resolution No. 2024-01 	<p><u>Presenter:</u> Ms. Divine Gayle C. Cruz (RCC Secretariat/PEMC)</p> <p><u>Action Requested:</u> For endorsement to the PEM Board</p>



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Proceedings:

Ms. Cruz presented the draft RCC Resolution 2024-01 on the Extension of Effectivity of the 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 Generating Units), emphasizing the need for such extension.

a.) The effectiveness of RCC Resolution No. 2023-07 will lapse on 26 January 2024

- Mr. Virgilio C. Fortich, Jr. (Distribution) raised a query regarding whether this is the sole occurrence to date where an urgent amendment was requested to be extended for another 6 months. Additionally, Mr. Darryl Lon Ortiz (Transmission) stated a supplementary question regarding the number of extensions allowed. Ms. Cruz emphasized that this is not the first instance of an extension and stated that Clause 7.4. (g) of the WESM Rules Change Manual allows the PEM Board to extend the effectivity of urgent amendments only once for up to six (6) months. However, she highlighted that there have been instances where second extensions were allowed when DOE's approval of the proposed amendments was delayed.
- Ms. Melanie Papa (DOE) informed the RCC that the Department Circular on the subject proposal was already signed last 12 January 2024.

b.) On the promulgation of the proposal, stated on Clause 8.6.4. of the WESM Rules is as follows.

"xxx The proposal approved by the DOE will take effect within fifteen (15) working days from its publication or on such later date as the DOE, determines or upon such time that the amendment may be implemented. (As amended by DOE DC No. 2005-11-010 dated 11 November 2005 and further amended by DOE DC No. DC2015-07-0013 dated 29 June 2015)."

c.) On the Rules regarding the effectivity of Urgent Amendment

- Ms. Angeli Abad-Patricia (Generation) suggested that the RCC review the existing provisions governing the effectivity of urgent amendments.

Agreement:

- Considering the expiry date of effectivity and the effectivity date of the approved amendments by DOE, the RCC approved the proposal for the extension of effectivity of the proposed urgent amendment pertaining to preferential dispatch.
- Secretariat to initiate review on the provisions related to the effectivity of amendments.

VI. Other Matters

7.1 Draft of RCC Semestral Report and Work Plan (July-December 2023)
 • Updates on 2023 RCC Work Plan

Presenter: Ms. Divine Gayle C. Cruz (RCC Secretariat/PEMC)

Action Requested: For information

Proceedings:



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Ms. Cruz presented the draft of RCC Semestral Report and Work Plan for July to December 2023, highlighting the following:

- 1.) The RCC held nine (9) meetings – six (6) meetings, one (1) special meeting, and two (2) caucuses.
- 2.) The RCC approved and completed the processing of 5 proposals – three (3) general proposals, one (1) urgent proposal, and one (1) remanded proposal by DOE.
- 3.) The RCC completed the processing of twelve (12) amendments to the Market Rules and Manuals including one (1) new WESM Manual on Ancillary Service Monitoring.

Agreement:

The RCC noted the Semestral Report and Work Plan, which will be deemed final unless any comments are submitted by 24 January 2024. Subsequently, it will be circulated for signature.

VI. Other Matters

7.2 Updates on Other Proposed Amendments

Presenter: Mr. John Eisendel M. Labay (RCC Secretariat/PEMC)

Action Requested: For information

Material: Annex A – Presentation Material on Updates regarding Other Proposed Amendments

Mr. Labay presented the status updates on other proposed amendments, summarized below:

Status	Topic
Urgent Amendments ongoing Implementation	1. Forecast Accuracy Standards 2. Preferential Dispatch
General amendments under RCC evaluation or finalization	1. Non-security Overriding Constraints
General amendments deferred awaiting ERC's issuance of the Omnibus Retail Rules	1. No Outstanding Balance as requirement for Switching 2. Electric Retail Aggregation Program
Proposed amendments awaiting DOE approval	1. System Operator Procedures on MI/MS 2. Preferential Dispatch 3. Maximum Available Capacity 4. Dispute Resolution 5. Ancillary Services Monitoring
Proposed Amendment for PEM Board's Approval	1. Interruptible Load Program 2. Market Intervention and Suspension 3. Penalty and Enforcement

Mr. Labay also discussed the following administrative matters:



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Other Matters	Remarks
Request for Submission of Certificate	<ul style="list-style-type: none"> Emailed last 18 January 2024 Deadline: on or before the next RCC Meeting (16 February 2024)
Schedule of possible on-site meetings	<ul style="list-style-type: none"> Poll will be circulated via Viber

VI. Other Matters	
7.3 DOE Updates	<p>Four (4) proposal were already signed last 12 January 2024.</p> <ol style="list-style-type: none"> 1.) Preferential Dispatch 2.) Maximum Available Capacity 3.) Dispute Resolution 4.) Forecast Accuracy Standards
<p>7.4 Schedule of Activities:</p> <ol style="list-style-type: none"> a) RCC Meetings <ul style="list-style-type: none"> • 16 February 2024 • 15 March 2024 • 19 April 2024 b) BRC Meetings <ul style="list-style-type: none"> • 22 January 2024 c) PEM Board Meeting <ul style="list-style-type: none"> • 31 January 2024 	The RCC noted the schedule of the next meetings.
VII. Adjournment	The meeting was adjourned at 9:59 AM

Prepared by:

(signed)

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

Reviewed by:

(signed)

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

Noted by:

(signed)

BIENVENIDO C. MENDOZA, JR.
 Chief Market Assessment Officer

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Approved by:

(signed)

JESUSITO G. MORALLOS
Chairman, Independent

(signed)

JOSE RODERICK F. FERNANDO
Member, Independent

(signed)

RACHEL ANGELA P. ANOSAN
Member, Independent

(signed)

JORDAN REL C. ORILLAZA
Member, Independent

(signed)

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

(signed)

(Attended by: Angeli Abad-Parcia (Alternate Member))
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)

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

(signed)

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

(signed)

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)

(signed)

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

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

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(signed)

DARRYL LON A. ORTIZ

Member, System Operator

National Grid Corporation of the Philippines (NGCP)



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Annex A – Update on other Proposed Amendments

UPDATES ON THE PROPOSALS

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: 23 May 2024 or until the DOE approves General Amendments Extended implementation per PEM Board Resolution No. 2023-66-04 January 12 - Signed
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	Extended implementation per PEM Board Resolution No. 2023-62-03 <ul style="list-style-type: none"> Expiration of Effectivity: 26 January 2024 January 12 - Signed
3	Request for Extension of Effectivity of Urgent Amendments to the WESM Rules and WESM Registration Manual in view of DOE DC2022-10-0031 (Declaring All RE Resources as Preferential Dispatch)	PEMC	<ul style="list-style-type: none"> Jan 19, 2024: Deliberation by the RCC during the 227th Meeting

UPDATES ON THE PROPOSALS

Urgent Amendments

	Proposal	Proponent	Update/Status
4	Proposed New WESM Manual on Ancillary Services Monitoring (Urgent Proposal)	PEMC	Transmitted to the DOE in a letter dated 09 November 2023 DOE conducted virtual Public Consultation on 05 December 2023

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Annex A – Update on other Proposed Amendments

UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding Non-security Over-riding Constraints	NPC	<ul style="list-style-type: none"> Proponent submitted revised proposal on 12 September 2023 Oct 20 (223rd): NPC-DMD and GenCo TPs to coordinate
2	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Interruptible Load Program Implementation	IEMOP	<ul style="list-style-type: none"> Remanded by the PEM Board (30 August 2023) Re-deliberated by the RCC during 220th, 221st, 223rd and 224th Meetings Dec 14 (226th): Provisionally approved; For endorsement to PEM Board Jan 8, 2024: Endorsed to PEM Board, for approval
3	Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Market Intervention and Suspension	MSC	<ul style="list-style-type: none"> For continuation of deliberation in 220th RCC meeting Dec 14 (226th): Provisionally approved; For endorsement to PEM Board Jan 8, 2024: Endorsed to PEM Board, for approval

UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation

	Proposal	Proponent	Update/Status
4	Proposed Amendments to the WESM Rules and WESM Manuals on Penalty, and Enforcement and Compliance	PEMC	<ul style="list-style-type: none"> Nov 07: End of commenting period Nov 17 (225th): Line-by-line deliberation Dec 14 (226th): Provisionally approved; For endorsement to PEM Board Jan 8, 2024: Endorsed to PEM Board, for approval



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Annex A – Update on other Proposed Amendments

UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation

	Proposal	Proponent	Update/Status
4	Proposed General Amendments to the Retail Rules and Retail Manual on Market Transaction Procedures on No Outstanding Balance (Harmonization with ERC Resolution No. 01, Series of 2023)	IEMOP	Deferred deliberation pending ERC's issuance of Omnibus Retail Electricity Market Rules
5	Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of Electric Retail Aggregation Program	IEMOP	

UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

	Proposal	Proponent	Update/Status
1	Proposed Amendments to the WESM Rules and the Dispatch Protocol Manual regarding the Maximum Available Capacity	PEMC	Under DOE finalization stage Concluded 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)
2	Proposed General Amendments to the WESM Rules and Forecast Accuracy Standards Manual on Matters Relating to Enforcement Proceedings and Actions	PEMC	
3	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	
4	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)	

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Annex A – Update on other Proposed Amendments

UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation

	Proposal	Proponent	Update/Status
5	Proposed Amendments to the WESM Rules and WESM Manual on Dispute Resolution Administration (based on RCC Resolution No. 2021-07)	PEMC (DRA)	Under DOE finalization stage Concluded 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) January 12 - Signed

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Connect with PEMC

pemc.info@wesm.ph

+63 2 8631 8734

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

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