



## PEMCO MARKET ASSESSMENT HIGHLIGHTS

- The average demand and reserve schedule, recorded at 2,153 MW during the week of 22 - 28 Jan 2024, was similar to that of the previous week.
- The average effective supply during the week was 2,526 MW, higher than the 2,461 MW of the previous week. Ramping limitations were considered in the calculation of the effective supply.
  - The capacity on outage averaged at 399 MW, higher than last week's 396 MW. In terms of capacity on outage by plant type, about 81% of the 399 MW involved Coal Plants, while in terms of outage by category, about 59% were Forced Outages.
- As a result, an average supply margin of 373 MW was observed during the week, which is higher by about 21% relative to the previous week. The thinnest supply margin based on MMS solution was 49.28 MW on 24 January 2024 11:25. The average supply margin was 351.55 MW at peak intervals and 389.98 MW at off-peak intervals.
- Correspondingly, average GWAP was recorded at PHP 3,359/MWh from PHP 3,479/MWh last week.
  - No secondary price cap was imposed for this week.
- The top 5 participant groups accounted for about 79% of the offered capacity. The Herfindahl-Hirschman Index (HHI) by participant group indicated moderately concentrated market based on the offered and registered capacities.
- The top 5 pivotal plants during the week were –
  - FDC MISAMIS CFTPP (about 37% of the time)
  - GN POWER KAUSWAGAN CFTPP (about 6% of the time)
  - THERMA SOUTH CFTPP (about 5.9% of the time)
  - AGUS HEPP 6 (about 0.2% of the time)
  - SARANGANI CFTPP (about 0.2% of the time)
- Based on the MMS Solution, Zamboanga\_Transformer 2 was the congested equipment during the week (about 9.5% of the time).
- OPA ANALYSIS
  - The capacity offered by coal plants decreased compared to the preceding week, attributed to increased outages.
  - The capacity offered by geothermal was comparable to the previous week. However, there was a sudden decrease in the off-peak morning on January 23 due to a low offer in Mt Apo U2. It was also observed that prices were offered at only Php 0/MWh and below for the entire week.
  - Hydro plants slightly increased the offered capacity starting in the evening of January 27 due to the resumption of Agus HEPP6
  - There was also an observed offered capacity of around 4.8MW, with prices ranging from Php 25,000/MWh to Php 30,000/MWh starting on January 27.
  - Solar plants recorded their highest nomination on January 24 and their lowest on January 28.

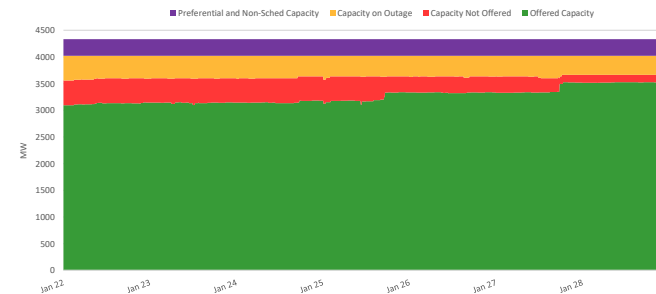
### ITEMOP MARKET SYSTEMS ADVISORY

- No IT-related issue was advised in ITEMOP's market systems from 22 - 28 Jan 2024.

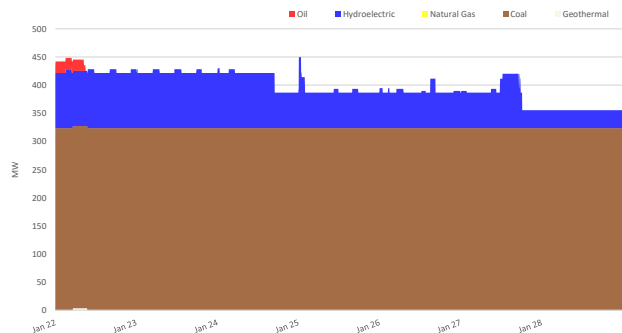
## SUMMARY (PRICE, SUPPLY, DEMAND AND RESERVE SCHEDULE)

Particulars		22 - 28 Jan 2024	Previous Week (15 - 21 Jan 2024)	Percent Change
GWAP (PHP/MWh)	max	32,310.493	25,147.612	28.483%
	min	-1,021.394	-1,073.642	4.866%
	ave	3,358.606	3,478.702	-3.452%
Effective Supply (MW)	max	3,023.842	2,868.903	5.401%
	min	2,114.840	2,051.700	3.077%
	ave	2,525.582	2,460.695	2.637%
System Demand (MW)	max	2,359.580	2,253.780	4.694%
	min	1,366.920	1,387.050	-1.451%
	ave	1,812.671	1,770.279	2.395%
Demand + Reserve Schedule (MW)	max	2,830.390	2,586.580	9.426%
	min	1,607.440	1,715.280	-6.287%
	ave	2,152.530	2,152.907	-0.018%
Supply Margin (MW)	max	638.812	470.123	35.882%
	min	49.283	150.165	-67.181%
	ave	373.052	307.788	21.204%

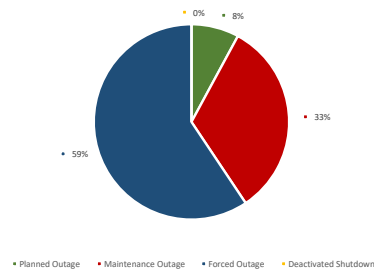
## CAPACITY PROFILE



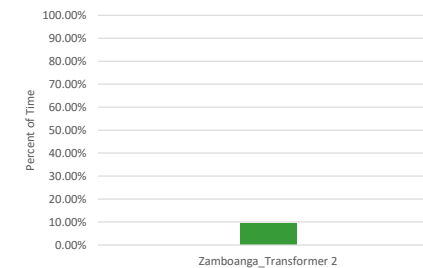
## CAPACITY ON OUTAGE BY PLANT TYPE



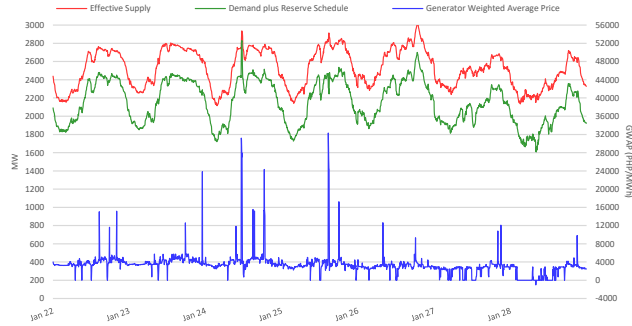
## CAPACITY ON OUTAGE BY OUTAGE CATEGORY



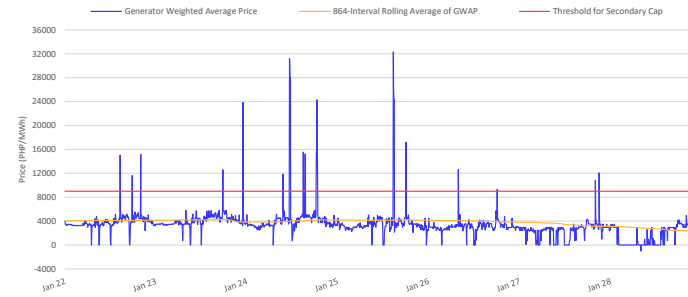
## RTD CONGESTION



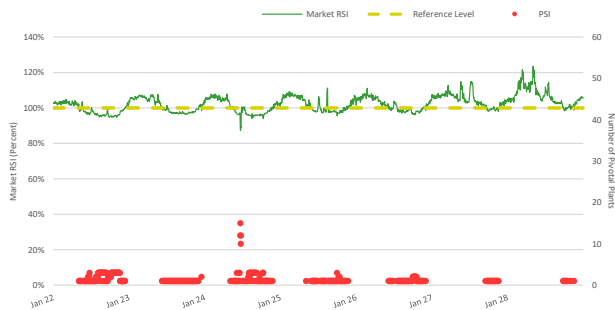
## SUPPLY, DEMAND AND PRICE



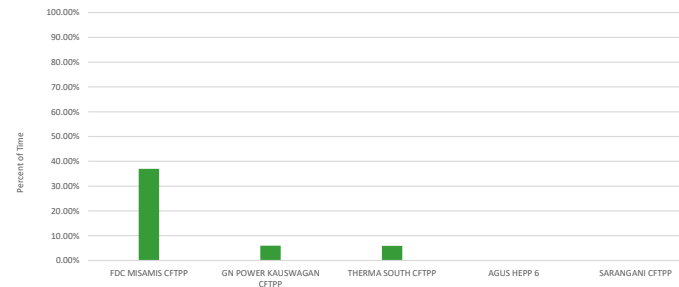
## GENERATOR WEIGHTED AVERAGE PRICE



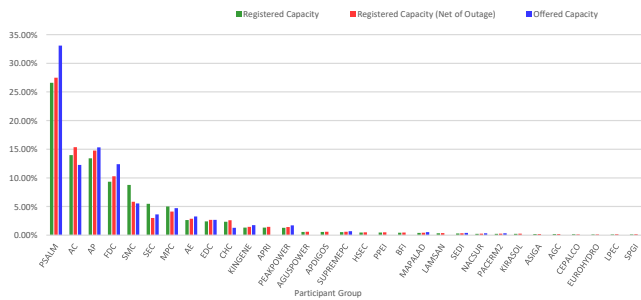
## MARKET RSI VS PIVOTAL PLANTS



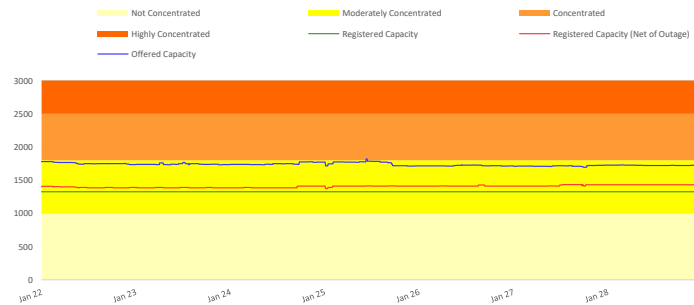
## PSI



## MARKET SHARE

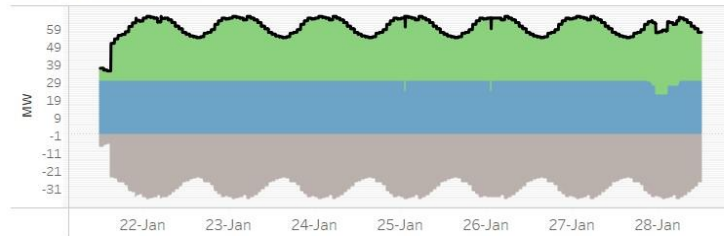


## HERFINDAHL-HIRSCHMAN INDEX

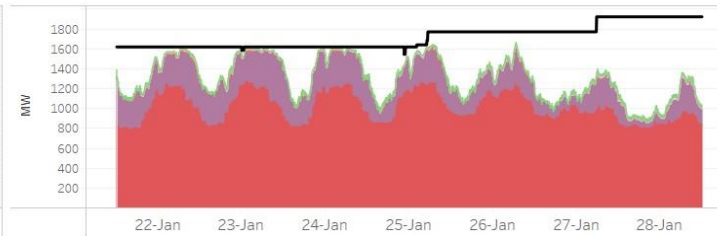


**OFFER PATTERN ANALYSIS**

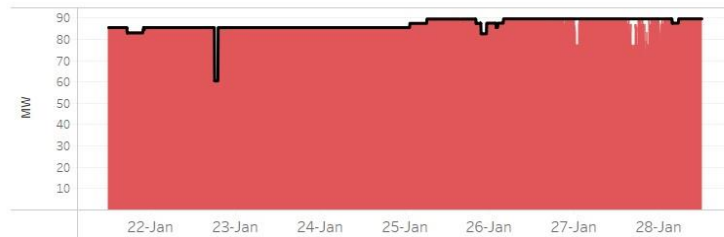
**BATTERY AND BIOFUEL**



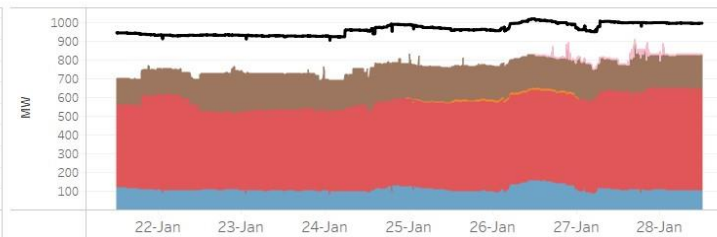
**COAL**



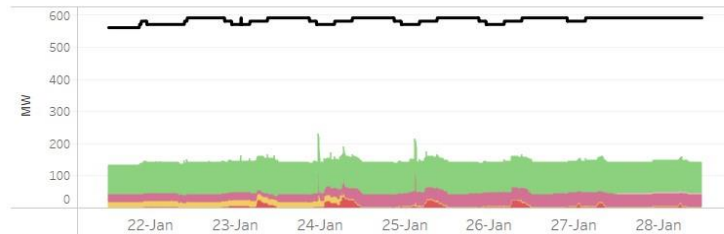
**GEOHERMAL**



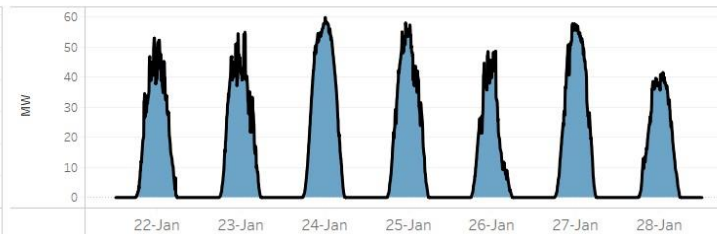
**HYDRO**



**OIL-BASED**



**SOLAR**



**Offer Price**



**Notes:**

1. In Php (X, Y], it includes offer price greater than Php X but less than or equal to Php Y.
2. Reflected capacity includes offered capacity of all scheduled generators, nominated loading level of nonscheduled generators and projected output of preferential dispatch generators, adjusted based on submitted ramp rate limitations.

**GLOSSARY OF TERMS**

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

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

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

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

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

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

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

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

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

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

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