MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
Date & Time : 11 April 2025, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams
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ATTENDEES

	Name	Designation/Position	Department/ Company
1.	Rachel Angela P. Anosan	Chairman, Independent	RCC
2.	Jesusito G. Morallos	Member, Independent	RCC
3.	Jordan Rel C. Orillaza	Member, Independent	RCC
4.	Emmanuel Genesis T. Andal	Member, Independent	RCC
5.	Dixie Anthony R. Banzon	Member (Principal), Generation Sector	RCC
6.	Jayson A. Francisco	Member (Principal), Generation Sector	RCC
7.	Michelle S. Tuazon	Member (Alternate), Generation Sector	RCC
8.	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
9.	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
10.	Virgilio C. Fortich Jr.	Member (Principal), Distribution Sector	RCC
11.	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
12.	Darryl Lon A. Ortiz	Member (Principal), Transmission Sector	RCC
13.	Gian Karla C. Gutierrez	Member (Principal), Supply Sector	RCC
14.	Bryan Alvin A. Calasanz	Member (Alternate), Supply Sector	RCC
15.	Kristoffer Monico S. Ng	Member (Alternate), Market Operator	RCC
16.	John Paulo O. Castro	DOE Observer	DOE
17.	Chrizmah Joy D. Quinones	DOE Observer	DOE
18.	Jane May M. Mea	DOE Observer	DOE
19.	Karen A. Varquez	Secretariat	PEMC
20.	Divine Gayle C. Cruz	Secretariat	PEMC
21.	John Eisendel M. Labay	Secretariat	PEMC
22.	Mary Rose L. Bisnar	Secretariat	PEMC
23.	Bienvenido C. Mendoza Jr.	Chief Market Assessment Officer	PEMC
24.	Dece Marwil B. Falar	MAG	PEMC
25.	Aldjon Kenneth M. Yap	MAG	PEMC
26.	Kevin John Y. Dela Cuesta	MAG	PEMC
27.	Ira Lee P. Corectico	MAG	PEMC
28.	Aldrin W. Reyes	MAG	PEMC
29.	Jake Jerald M. Gines	MAG	PEMC
30.	Marlo S. Delizo	MAG	PEMC
31.	Pamela Denise B. Cañete	MAG	PEMC

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	Name	Designation/Position	Department/ Company
32.	Gabriel R. Marmeto	Legal	PEMC
33.	Ma. Hazel M. Gubaton-Lopez	Chief Enforcement and Compliance Officer	PEMC
34.	Hilary Romeli C. Florendo	Enforcement and Compliance Office (ECO)	PEMC
35.	Mark Anthony C. Andrada	ECO	PEMC
36.	Paolo C. Alegre	ECO	PEMC
37.	Josephine C. Corpuz	ECO	PEMC
38.	Marie Liezelle E. Macabenta	ECO	PEMC
39.	Anthony Jose P. Asprer	ECO	PEMC
40.	Angelica G. Alejan	ECO	PEMC
41.	Alyssa Isabella R. Punzalan	ECO	PEMC
42.	Darlene C. Dublar	ECO	PEMC
43.	Carl Angelo B. Dela Cruz	ECO	PEMC
44.	Nylle Gregory P. Bague	ECO	PEMC
45.	Dianne Kate C. Langit	ECO	PEMC
46.	Jeffrey B. Torejo	ECO	PEMC
47.	Marvin Jay A. Masanda	ECO	PEMC
48.	Vince Luigi B. Maliwanag	ECO	PEMC
49.	Gabriel Macky A. Cadang	ECO	PEMC
50.	Jace A. Tesaluna	ECO	PEMC
51.	Richard Wayne C. De Chavez	ECO	PEMC
52.	Jhezreel John G. Caramat	ECO	PEMC
53.	John Patrick D. Yanga	ECO	PEMC
54.	Ma. Pauline S. Figueroa	ECO	PEMC
55.	Rhocen M. Camonggol	ECO	PEMC
56.	Nofernex B. Raymundo	ECO	PEMC
57.	Cedric Xian Mico L. Uy	Office of the President and WESM Governance Officer	PEMC
58.	Dianne L. De Guzman	Presenter	PEMC
59.	Mariel E. Peji	Presenter	PEMC
60.	Edsel Y. Evasco	Presenter	IEMOP
61.	Kenneth Franz Quieta	Presenter	IEMOP
62.	Carl Lemmor D. Leviste	Presenter	IEMOP

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	Name	Designation/Position	Department/ Company
63.	Joshua Joseph O. Espiritu	Presenter	IEMOP
64.	Ermelindo R. Bugaoisan Jr.	Presenter	NGCP
65.	Joselito C. Quilala	Presenter	NGCP
66.	Christian J. Del Rosario	Presenter	NGCP

1.0 Call to Order

The meeting was called to order at 9:02 AM.

2.0 Determination of Quorum

The quorum was determined with twelve (12) principal members and three (3) alternate members present during the morning session and twelve (12) principal members and two (2) alternate during the afternoon session. Three DOE Observers were also present.

3.0 Adoption of Agenda

The RCC adopted the agenda, as presented by Ms. Mary Rose L. Bisnar (Secretariat).

4.0 Draft Minutes of Previous Meetings

Ms. Bisnar presented the draft minutes of the 244th RCC (Regular) Meeting held on 14 March 2025. The draft minutes was circulated to the RCC on 08 April 2025 and subsequently revised based on the comments received from the RCC Members.

The draft minutes was provisionally approved by the RCC and shall be routed by the Secretariat via Adobe Sign for RCC's signature.

5.0 Matters Arising from Previous Meeting

5.1 Proposed Revision to Urgent Amendments to the Ancillary Services Monitoring Manual (ASMM) regarding Reserve Conformance Standards and Related Enforcement Actions

- Presenter/s: Mr. John Eisendel M. Labay (Secretariat)
  Ms. Rachel Angela P. Anosan (Chairperson)
- Action Requested: For discussion and approval
- Material/s: Annex A – Presentation Material of 245th RCC (Regular) Meeting
  Annex B – Matrix of the subject proposal

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Proceedings:

❖ **Implementation Updates of the Urgent Amendment**

Mr. John Eisendel M. Labay (Secretariat) presented the summary of the Assessment Report (see Annex A, pages 28 to 39) regarding the implementation of the corresponding Urgent Amendment of the subject agenda. This includes the overview of the timeline of activities, purpose and contents of the urgent amendment, and the recommendations from Market Assessment Group (MAG).

Mr. Virgilio C. Fortich Jr. (RCC-Distribution Sector) asked whether the reserve rate adjustment (RRA) included a cap or minimum penalty for a non-breach. Ms. Rachel Angela P. Anosan (RCC-Chairperson) responded that the proposed adjustments relate to the settlement amount and are distinct from penalties. In the event of an RRA for an unjustified breach, payment for that interval would be withheld. She further explained that penalties are handled through a separate process.

Mr. Jordan Rel C. Orillaza (RCC-Independent) asked how this Assessment Report may affect RCC rules change deliberations Ms. Anosan explained that the feasibility of a proposed rule change is a key criterion. If the MAG assessment indicates implementation challenges, the proposed amendments could be revised. She further stated that she did not recall any prior instances in RCC meetings where the presentation of implementation reports resulted in a change of the committee's decision based on a conclusion that the amendments cannot be properly implemented. Mr. Labay added that the implementation report also informs the decision to endorse an extension of the urgent amendment's effectivity.

Mr. Orillaza asked if this report will go up to the PEM Board and the DOE. Mr. Labay responded that the report is attached to the RCC Resolution which is submitted to the PEM Board and DOE.

Given that the report would be presented to the PEM Board, Mr. Orillaza asked what might be the report’s key insights for the RCC Ms. Anosan replied that if the report was relevant to the RCC's ongoing discussions on rules change proposals, then it would warrant discussion. However, Mr. Orillaza opined that the report was inconclusive and advised caution in its use to support rules change proposals.

On the topic of the System Operator’s delayed SCADA file submissions, Mr. Jayson A. Francisco (RCC-Generation Sector) observed that Non-Compliance Notice (NCN) flagging tends to cover multiple days, as much as seven (7) days. He emphasized that the ASMM rules are designed for daily NCN issuance from PEMC and for responses by Ancillary Services Providers (ASP). Non-adherence to PEMC’s original flagging design would result in bulk

flagging by the ECO and consequently, increasing the ASPs' workload, requiring them to provide responses with the same deadline as for daily issuances. He noted that the ECO attributed this to data unavailability from the SO, a point corroborated by the implementation report presented, which mentioned delays in SCADA information submission and ongoing communication between ECO and SO. Consequently, Mr. Francisco proposed presenting specific data to illustrate the proposal's significance in of the effectiveness of ASMM implementation. He stressed the importance for ASPs to understand the NCN-related challenges arising from SO data.

Ms. Darlene C. Dublar (PEMC) responded that the ECO regularly checks the completeness and data quality of the files they receive from the SO. Missing SCADA data files are immediately reported to the SO. The SO also responds promptly to these reports, sometimes within a day, and at other times it takes several days. This is followed by the ECO's re-verification of the SO's response, where missing data are occasionally found (such as an ASP's data for a given day), leading to another request by ECO to the SO. Despite this iterative process (see figure below), data from August 2024 to February 2025 indicate improvement in SCADA file submission.

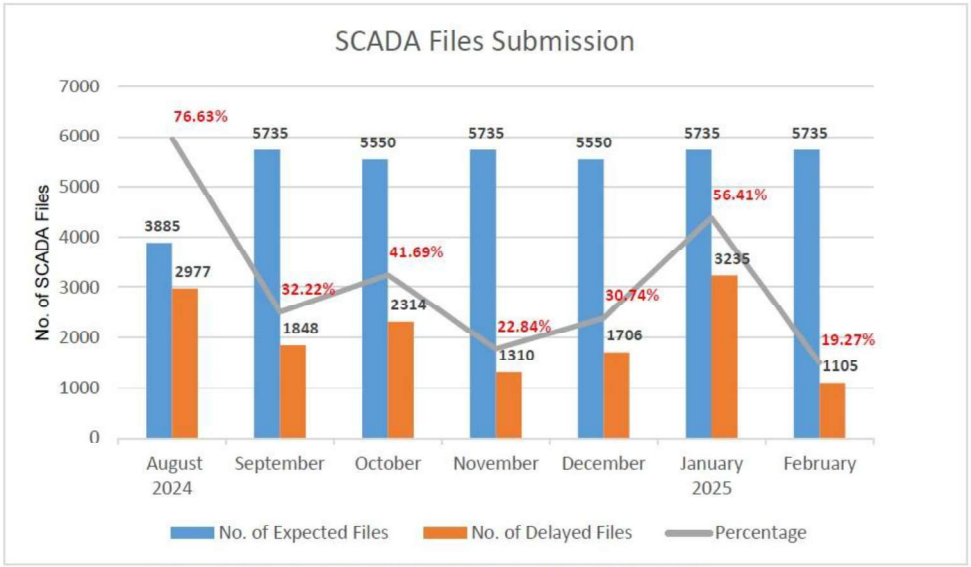


Figure 1. Submission of SCADA Files by SO to PEMC-ECO

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Philippine Electricity Market Corporation

Mr. Francisco also noted the absence in the ASMM of any requirement for the SO to commit to a submission timeline for these data. In light of the current discussion on the timeliness within the billing and settlement procedure, he proposed that establishing a corresponding timeline for the SO's submission process might be beneficial. The Secretariat noted, through the Meeting Chat, that the provision of the real-time data from the System Operator is stipulated in Sections

5.1.3 (Market Infrastructure Background) and 9.5 (Data Inputs/Information Requirements) of the Dispatch Protocol Manual.

Mr. Fortich pointed out that the discussion involved system-generated files and asked whether (1) the SO's preparation and transmission of the files were not automated, and (2) if the system has the capability to automatically prepare and send the files according to the defined timeline. According to him, if the process involves human intervention, this could potentially result in delays in submitting the files. Mr. Joselito Quilala (NGCP) responded that the data transmission flows from the SO to the MO and then is received by the ECO. He also confirmed that the data preparation and transmission are automated and scheduled based on the timeline. However, he noted that there were instances where data could not be collected immediately from the ASP.

Ms. Anosan asked if the data transmission from the ASPs caused the delays. Mr. Quilala confirmed this and noted that transmission delays occasionally caused data being excluded during processing.

Ms. Anosan reiterated that the RCC wanted to determine the cause of the data submission delays because of their impact on NCN flagging. The RCC aimed to ascertain if the current timelines were implementable or if adjustments were needed to address the issue. Understanding the reasons for the delay was crucial for the RCC to find appropriate solutions.

❖ **Summary of the Proposed Amendment**

Ms. Anosan presented the summary of the amendment, which was divided into four topics, as follows: (see annex A, pages 40 to 53)

1. Timeline and responsibilities for provision of data to the Enforcement and Compliance Office
2. Reserve Conformance Standards
3. Procedures and timeline for compliance monitoring
4. Penalty Provisions

Ms. Anosan added that the summary being presented is the consolidation of proposed amendments including the amendments that were carried over from the superseded urgent amendment approved and implemented in August 2024.

Matters raised during the presentation of the Summary of the Proposed Amendment:

➢ ***Definition of Rated Capacity***

Mr. Francisco pointed out that the current definition of Rated Capacity in Section 2.1(j) of ASMM 1.2 is calculated from the electric generator nameplate and the rated power factor. He then noted that the proposed amendment bases it on the declared or tested capacity. He inquired

whether this amendment would necessitate a revision of the Rated Capacity definition within Section 2.1(j) of ASMM 1.2. Ms. Anosan confirmed that the Rated Capacity definition is part of the amendment. She also mentioned a related proposed change where the rated capacity data provided by the SO, which is based on declared or tested capacity, is also utilized in the RCS calculation. For the purpose of monitoring, the source of data regarding Rated Capacity is also proposed to be defined under Section 5.2 of the ASMM.

Mr. Darryl Lon A. Ortiz (RCC-System Operator) suggested the following revision to avoid confusion:

"5.2 Provision of Data for Monitoring and Reporting

5.2.1 xxx

Data	***Timeline***	***Source***
xxx	*xxx*	*xxx*
Rated Capacity ~~***(Based on declared/tested capacity)***~~	***As necessary***	***System Operator***

Although Ms. Anosan concurred with Mr. Ortiz's suggestion to make it clearer, she emphasized that this only refers to the data for ECO's RCS monitoring.

Mr. Francisco also raised the issue that the RCS calculation should be based on the generator's nameplate rating. Ms. Anosan explained that while it is still based on this rating, the data can be sourced either from the ASP's registration details or the System Operator's certification testing results. To address potential inconsistencies between these two data sources, the proposal suggests that the SO's data will prevail.

Regarding Mr. Ortiz's suggestion and the use of Rated Capacity under Section 5.6.2 of the ASMM, Mr. Francisco also raised that the proposed source of the rated capacity in Section 5.2.1 of the ASMM should be the Market Operator. This is because it refers to the rated capacity that appears in the WESM Registration record or the declared capacity from which the reserve facility was tested during the ancillary services certification.

Mr. Ortiz added that it appears that there have been 3 sources of data or values which are (1) rated capacity based on the nameplate rating, (2) declared capacity that is equivalent to the Pmax and could be different from the rated capacity, and (3) declared capacity from which the reserve facility was tested during the certification. However, for the purposes of computing the static gain, the rated capacity should be used.

Mr. Paolo C. Alegre (PEMC) explained where the proposed amendment on the data source of rated capacity emanated. He said that there were ASPs that raised their concerns regarding the

rated capacity that is being used by the ECO in computing the static gain. The ASPs raised that it is different from the declared capacity when they were tested, which they think should be the one to be used in computing the static gain. With that, the ECO asked NGCP regarding such data, to which the NGCP confirmed that the declared capacity is different when the reserve facility is tested and certified.

Mr. Jesusito G. Morallos shared that the Rated Capacity based on the nameplate rating of the generating unit is theoretical and under ideal conditions while (the declared) capacity during the testing is the actual capacity of the generating unit. The Rated Capacity could be determined by the nameplate rating multiplied to the capacity factor. Where the capacity factor is the ratio of the actual and rated capacity. He suggested to use the Rated Capacity based on the nameplate rating.

Mr. Ortiz added that the Rated Capacity on the nameplate is not expressed in MW; therefore, it must be multiplied by the power factor to obtain the generating unit's MW Capacity. However, the reserve facility also submits its declared capacity, which can be either higher or lower than the rated capacity. This declared capacity is the SO's basis for testing the generating unit's sustainable capacity. Nevertheless, for the purpose of static gain computation, the Rated Capacity should be used.

Mr. Francisco concurred with Mr. Ortiz's statement. He added that, according to IEEE standards, static gain is anchored to the maximum steady-state potential, which refers to the nameplate rating. Regarding the argument that the capacity factor could be factored in, he stated that it should be based on the universal definition.

Mr. Morallos added that the power factor and the capacity factor are different. He concurred with Mr. Ortiz that the rated capacity must be multiplied by the power factor, where the power factor refers to the efficiency, while the capacity factor is the efficiency relative to a particular plant's maximum possible output.

Following the discussion, Ms. Anosan concluded the following:

1. The committee agreed that the rated capacity must be used in static gain computation.
2. The rated capacity is interpreted as universally defined.
3. The data source of the rated capacity will be based on the WESM registration record from the Market Operator.

Therefore, Sections 5.2.1 and 5.6.2 of the ASMM will be revised as follows:

"Section 5.2.1 xxx

Data	*Timeline*	*Source*
xxx	*xxx*	*xxx*
Rated Capacity ~~***(Based on declared/tested capacity)***~~	***As necessary***	~~***System Operator Market Operator***~~

"Section 5.6.2 xxx
For purposes of computing static gain, the determination of rated capacity shall be established by reference to ~~***: (a)***~~ ***the rated capacity as appearing in WESM registration records*** ~~***; or (b) the declared capacity from which the reserve facility was tested during the ancillary services certification. In the event of any discrepancy, the latter shall prevail for this purpose***~~***.***
xxx"

- ***Sustainability Requirement for Contingency Reserves***

Mr. Ortiz suggested revisiting the requirement regarding the Sustainability of the Contingency Reserves, stating that if the dispatch interval pertains to a 5-minute interval, this might be too short for the Contingency Reserves. Further to this, Ms. Anosan asked whether the schedules of Contingency Reserves were per dispatch interval, which Mr. Ortiz confirmed, adding that Contingency Reserves are used for multiple dispatch intervals.

Ms. Anosan then asked what the basis for sustainability should be. Mr. Ortiz proposed 30 minutes, explaining that this aligns with the time required for the Dispatchable Reserve to become operational and reach its rated capacity, thereby replacing the Contingency Reserve. He explained that while an ASP scheduled for the next 5-minute interval could provide contingency reserve capacity, if dispatched under GCM or AGC, its maximum sustainability as a contingency reserve provider should be its full 30-minute availability. He also mentioned the automatic response of the contingency reserve, stating that an ASP responding to a frequency variation should sustain its generation level for a minimum of 30 minutes in a worst-case scenario, although recovery usually occurs within 5 minutes.

Regarding the concept of sustainability in the context of AGC and GCM, Mr. Carl Angelo B. Dela Cruz (PEMC) explained that it is anchored to response accuracy and response time, which ASPs must consistently uphold. He pointed out that Dispatchable Reserve sustainability involves adhering to SO Instructions. However, for Contingency Reserve and Regulating Reserve, it will be considered sustained if the ASP maintains at least 80% of the required response accuracy or achieves a response time of no more than 5 or 25 seconds for a dispatch interval, respectively.

- ***Sustainability Requirement for Dispatchable Reserve***

Mr. Orillaza reiterated the same query that Mr. Ortiz had raised regarding sustainability requirements. He asked what specific aspect was being measured in relation to sustainability. While he agreed that it was determined per dispatch interval, he echoed Mr. Ortiz's point that a reserve facility has an expected performance duration of up to 30 minutes from its dispatched schedule. He pointed out that the current provision under Sustainability does not effectively measure sustainability

Mr. Ortiz concurred with Mr. Orillaza. He stated that the provision must specify a period from the time the reserve facility synchronizes to the grid until it has delivered its scheduled capacity. The reserve facility should sustain its operation in delivering the desired generation for a duration until it receives a dispatch instruction from the System Operator to lower its output. He also confirmed that the dispatch instruction will remain the same until the reserve facility receives a new dispatch instruction from the System Operator.

Mr. Alegre confirmed that this was also how the ECO applied their assessment. However, if the reserve facility exceeds the prescribed threshold, then it is deemed non-compliant. Section 5.5.3 of the ASMM already addresses the comment, as follows:

> *"After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within fifteen (15) minutes from synchronization* ***and shall generate within the upper and lower dispatch thresholds of +/-1% of the dispatch instruction, or +/- 0.5 MW, whichever is higher. The facility shall sustain and maintain generation in accordance with the active instruction and any succeeding instructions from the System Operator until instructed to shut down."***

Following the foregoing discussion, Ms. Anosan suggested harmonizing Section 5.8 of the ASMM, specifically under the Sustainability Requirement for Dispatchable Reserves, with the highlighted phrase in the above provision.

Mr. Francisco also asked the basis of the +/- 0.5 MW threshold. Mr. Alegre responded that the threshold was adopted from the SO's standard practice of monitoring contracted reserves.

- ***Response Accuracy on AGC Mode for Regulating and Contingency Reserve***

Regarding the condition under which a reserve facility is considered compliant with an AGC command, Mr. Orillaza inquired about the consequences if the actual generation exceeds 130%.

Ms. Anosan responded that the comparison is between the actual generation and the desired generation, which is the scheduled output of the reserve facility. This implies that a reserve

facility should operate within the specified range; exceeding this range would be deemed non-compliant.

- ***New Provision – Failure to Comply with Dispatch Instructions Due to Outage/Unavailability***

Mr. Ortiz asked what constitutes acceptable proof for the ECO to confirm a reserve facility's availability. Additionally, Ms. Anosan asked if this availability is readily verifiable from the available data other than the reserve facility themselves.

Mr. Dela Cruz explained that the ECO assesses, on a case-by-case basis, a reserve facility's availability by checking its actual generation data. He stated that the ECO has access to data with per second granularity, which allows them to verify if the reserve facility has injected its capacity into the grid. However, he noted that there are some instances where the reserve facility experiences problems during a specific interval.

Ms. Anosan clarified that the discussion concerned the period before the dispatch interval. She assumed that the effort from the reserve facility would be evident when they were called upon but couldn't respond.

Following the foregoing discussion, Mr. Ortiz opined that it may be difficult to provide proof of a reserve facility's readiness to provide dispatchable reserve. He noted that a reserve facility is obligated to comply with SO's dispatch instruction to provide dispatchable reserve and failure to comply would be deemed a breach.

Mr. Orillaza suggested to delete the second condition, to which the RCC agreed. Section 5.5.4 of ASMM will now reads as:

> *"5.5.4 A dispatchable reserve facility that fails to comply with the real-time dispatch instruction of the System Operator based on the Reserve Schedule due to an outage or unavailability shall be considered in breach of the reserve conformance standards for the dispatch interval that the non-compliance occurs and in all preceding intervals of the same trading day that have ~~D~~**d**ispatchable Reserve Schedules~~.~~**, such that any breach of the reserve conformance standards for the preceding intervals shall only commence from the interval immediately following the last actual provision of energy or delivery of the dispatchable reserve as called by the System Operator on the same trading day, if applicable.***

➢ ***Procedures and Timeline for Compliance Monitoring***

- Mr. Ryan S. Morales (RCC-Distribution Sector) inquired if the discussed procedures and timeline applied to IEMOP's reserve billing. He presumed it would not impact NGCP's billing to its customers, a point that Mr. Ortiz confirmed, stating that the result would be an adjustment in NGCP's next billing cycle.

  Ms. Anosan further clarified that the presented timeline would affect WESM ASPs for spot reserves, as they would need to wait for the completion of the compliance monitoring process before settlement.

- Mr. Francisco agreed with the proposed joint review, where the results would be final, and no further requests for reconsideration could be filed. He shared that there are times when, even after the RRA resolution results, ASPs still have disputes with the ECO's decision. Since ASPs are barred from filing another request for consideration, the proposed joint review is their final opportunity to present further arguments. Therefore, it would be beneficial for the joint review to be conducted as a reconciliation meeting, allowing ASPs to further explain their perspectives on the disputed results from the RRA.

  In reference to Section 7.5.2, Mr. Francisco asked the reckoning date of the 3 business days from the receipt of the results. Mr. Alegre responded that this would reckon from the 21st of the month.

➢ ***Clerical Amendments WESM Penalty Manual***

Ms. Anosan stated that the ASMM already includes penalty provisions for breaches of the Ancillary Services rules, resulting in the proposed deletion of references relating to reserve and Rule 3.5.7.2.

Mr. Francisco noted that IEMOP collects penalties for the energy market, and there is a pending rule change proposal for the appropriation of these collected penalties. With this in mind, he opined that there should be a mirrored rule for the appropriation of penalties collected under the reserve market, especially within the ASMM, where PEMC is the collecting entity.

Mr. Alegre confirmed that a proposal on the Penalty Manual, specifying PEMC as the collecting entity, had been submitted prior to the promulgation of the ASMM. In the ASMM, the collecting entity for penalties in the reserve market is PEMC through the Finance Unit. However, Section 1.2.4 of the ASMM states that the penalty mechanisms outlined within it will be suppletory to the WESM Penalty Manual.

➢ **Presentation of the Matrix of the Proposal and the Draft RCC Resolution No. 2025-02**

Mr. Labay facilitated the presentation of the proposal's matrix (see Annex B, page 73). The line-by-line discussion of the proposal concluded during the 243rd and 244th RCC Meetings[1] held on 21 February 2025 and 14 March 2025, respectively. He noted that agreements reached during the discussion of the proposal's summary would be incorporated into the matrix and the resolution.

Mr. Labay likewise presented the draft RCC Resolution No. 2025-02 for the RCC's review and approval. He highlighted that the discussions and agreements from this meeting would also be incorporated into the draft, after which the Secretariat would finalize the resolution and circulate it to the RCC via email for final review and via Adobe Sign for signature.

Agreement/s:

- ✓ The RCC approved the proposed amendment, subject to editorial corrections.
- ✓ The Secretariat to finalize the draft RCC Resolution No. 2025-02 and to circulate the same to the RCC for final review and approval.

5.2 Proposed Amendments to the WESM Manual on Dispatch Protocol on Issuance and Coverage of Dispatch Schedule below Minimum Stable Load

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For discussion and approval
- Material/s: Annex A – Presentation Material of 245th RCC (Regular) Meeting

Proceedings:

Ms. Bisnar presented the updates on the subject agenda during the 82nd PEM Board meeting on March 26, 2025, as follows:

1. The PEM Board approved the extension of the effectivity of the corresponding urgent amendment for another six months, or until October 25, 2025.
2. The PEM Board approved the general amendment, subject to the PEM Board's comment on the definition of "in service."

Regarding item number 2, the PEM Board commented that the definition of generating units considered to be "in service" in the proposed amendments to Section 2.1 of the Dispatch Protocol Manual should be clarified to harmonize it with the definition of the amended rules on "availability."

[1] Minutes of the 234th and 244th RCC Meeting

Following the PEM Board's directive, Ms. Bisnar presented the following definitions:

1. Per RCC Resolution No. 2025-01, "In Service" is defined as the state where a unit is electrically connected to the system and performing generation functions.
2. Per ERC Resolution No. 21, Series of 2016, "In service" is defined as the state in which a unit is electrically connected to the Grid.
3. Per the WESM Rules Glossary, "Availability" is defined as the duration of time over a specified period that a plant is ready to be in service or operational.

Based on these definitions, the Secretariat suggested that there is no need to revise the proposed definition.

In addition to the update, Ms. Anosan affirmed that the proposal was approved by the PEM Board. She added that the issue had been raised because, prior to the presentation of the RCC's rules change proposal, there was an agenda item regarding the compliance report which mentioned the definition of availability, leading to confusion about the definition of the two terms. Ms. Anosan agreed that there is no need to revise the definition since they are two different terms altogether.

Agreement/s:

- ✓ The RCC agreed to retain the definition of "in service" from the original proposal.
- ✓ The Secretariat will inform the PEM Board of the RCC's response either through email or letter, if necessary.

6.0 New Business

6.1 Proposed Amendments to the WESM Manual on Dispatch Protocol relative to the Validation Process of Reported Discrepancies in Dispatch Instruction Report (DIR)

- Presenter/s: Mr. Carl Lemmor D. Laviste (IEMOP)
  Mr. Christian J. Del Rosario (NGCP)
- Action Requested: For information
- Material/s: Annex C – Presentation Material of Market Operator's process on reported discrepancies in DIR
  Annex D – Presentation Material of System Operator's process on reported discrepancies in DIR

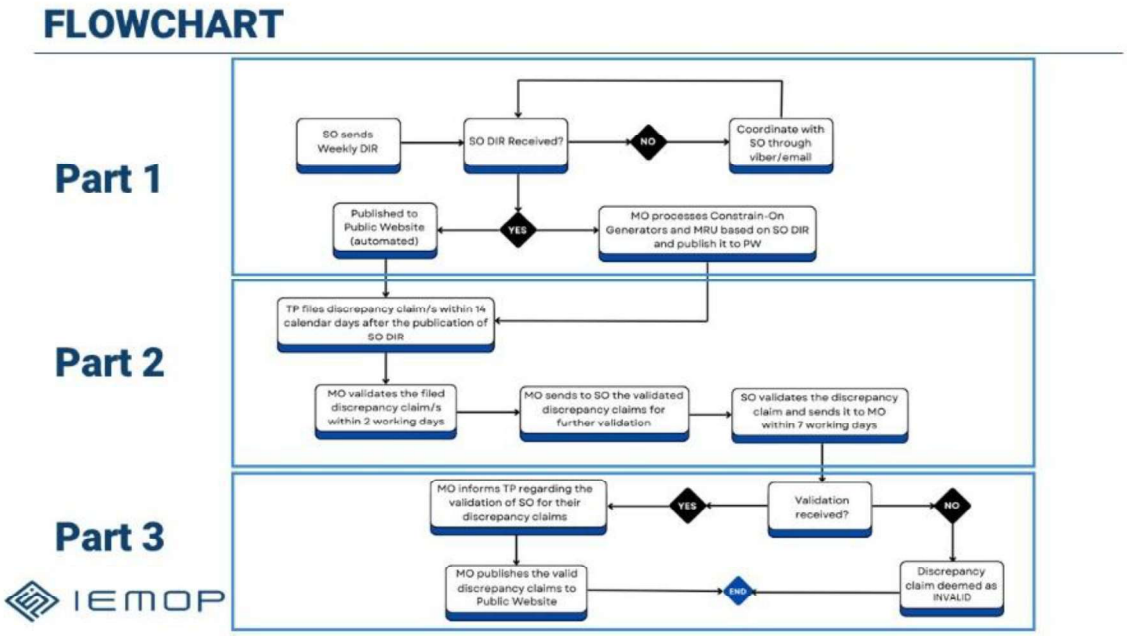
Proceedings:

During the 244th RCC Meeting on 14 March 2025, the RCC agreed to request a presentation from the Market Operator (MO) and System Operator (SO) regarding their processes on reconciliation of DIR discrepancies.

MEETING MINUTES

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- ***Market Operator's Process on Reconciliation of Discrepancies in DIR***
  Mr. Carl Lemmor D. Laviste (IEMOP) presented the MO's process flowchart outlining the process.



Part 1
The SO submits the Weekly DIR every Monday (e.g., the April 7th DIR covers March 31st to April 6th), with a processing deadline of Tuesday. Once the MO receives the weekly DIRs for Luzon, Visayas, and Mindanao, it processes the data, categorizing the Must Run-Up (MRU) and Merit Order Table (MOT)-Raise, and breaking down the DIR into 5-minute intervals. This processed information is then published on the IEMOP website. The MO handles this processing on the same day that they receive the DIRs for all three regions.

Part 2
Following the publication of the MRU and MOT event list, the Trading Participant (TP) has a 14-calendar day window to submit a discrepancy claim based on the DIR. This claim is filed via the IEMOP Central Ticketing System, after which the MO has two working days to validate it. Once a claim is submitted, the MO processes the discrepancy data, classifying it as either a missing record, an incorrect MW instruction, or an incorrect category (compared to the original DIR). This processed information is then forwarded to the SO for validation, who in turn will send results to the MO within seven working days.

Part 3

Upon receiving the SO's validation result, the MO informs the TP about the outcome of their discrepancy claim. The validated claims are then uploaded to the website.

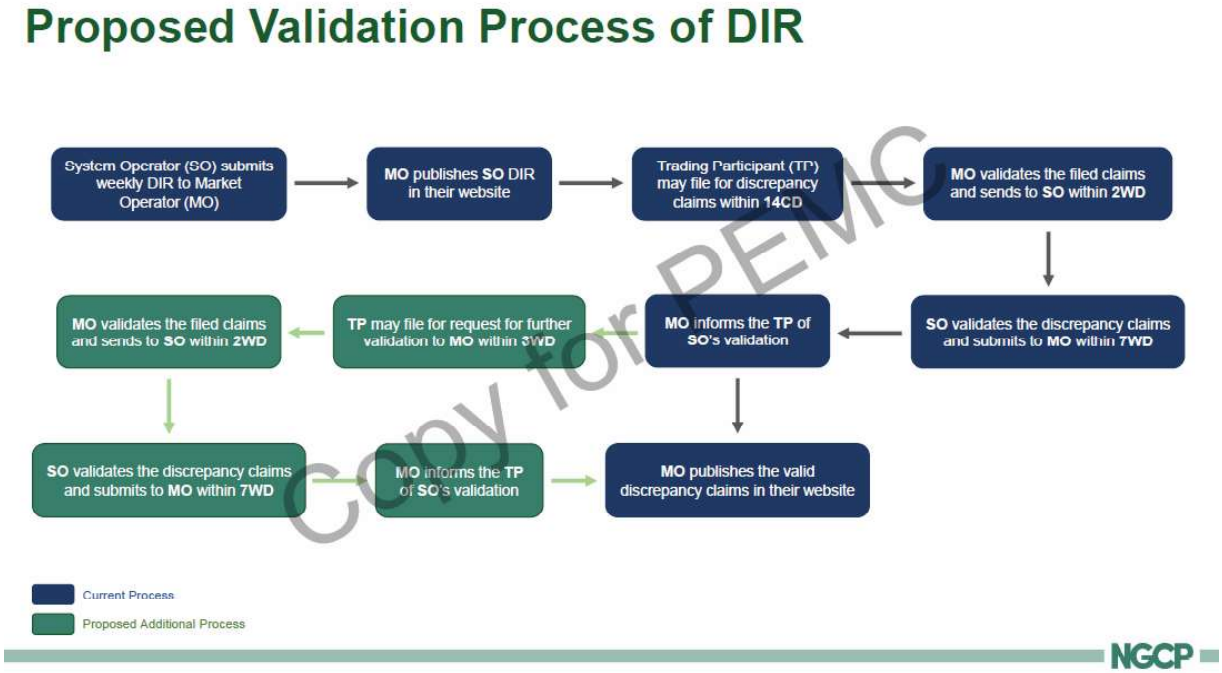
Following the presentation, Ms. Divine Gayle C. Cruz (Secretariat) inquired whether the TP would only receive the validated discrepancy information through the published data on the IEMOP website.

Mr. Leviste clarified that once the SO has responded with the claims, including both valid and invalid ones, this information will also be forwarded directly to the TP. In addition to this, the final list of validated discrepancies will be published on the IEMOP website.

- ***System Operator's Process on Reconciliation of Discrepancies in DIR***

Mr. Christian J. Del Rosario (NGCP) presented the SO's process. Upon receiving DIR discrepancy claims from the MO, the SO undertakes processing within a 7-working-day timeframe. This involves verifying claims against existing e-log records and investigating missing logs by examining (1) manual logs kept by SO dispatchers and (2) voice recordings of instructions given to plants. The SO also coordinates with the TP as needed. The SO's validation report includes key information for each 5-minute interval of the claim, specifically the assessment, category, remarks, and MW target instruction, before being submitted to the MO.

Mr. Del Rosario also presented the proposed timeline of SO in the validation of the DIR discrepancy, as shown in the flowchart below:



Copy for PEMC

Following the presentation, Mr. Kristoffer Monico S. Ng (RCC-Market Operator) noted that the proposed validation process omitted the 2-working day timeline for the MO to validate and forward filed claims to the SO. He inquired whether the SO would revise the submitted proposal to include this timeframe. Mr. Del Rosario confirmed that the prescribed timeline would be incorporated into the proposal.

Regarding the proposed amendment, Ms. Anosan inquired whether the publication would occur after the second review. Mr. Leviste responded that there would be two publications: the first being the weekly DIR submitted by the SO, as indicated in the rules, and the second being the reprocessed DIR.

Ms. Cruz affirmed that the presentation was for the information of the RCC and that deliberation would take place on 16 May 2025.

Agreement/s:

✓ The RCC noted the MO and SO processes, as presented.

7.0 Other Matters

7.1 Corporate Strategic Plan 2024-2026 Review

- Presenter/s: Ms. Dianne L. De Guzman (PEMC-Strategy Management)
- Action Requested: For information
- Material/s: Annex A – Presentation Material of 245th RCC (Regular) Meeting

Proceedings:

Ms. Dianne L. De Guzman (PEMC) presented the PEMC's Corporate Strategic Plan (CSP) for 2024-2026. She informed the body that the PEM Board approved the CSP for the period 2024-2026 through PEM Board Resolution No. 2024-69-06 on 28 February 2024. Subsequently, in March 2025, PEMC reviewed the targets and expected outputs of the approved CSP. Ms. De Guzman also noted that the RCC had already approved its 2025 Work Plan.

During her presentation, she highlighted that PEMC is focusing on the following strategic goals:

- Goal 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance.

- Goal 2: Support Initiatives and Programs for the Energy Sector through Compliance with Policy and Regulatory Directives.
- Goal 3: Achieve Organizational Excellence and Operational Efficiency.

Ms. De Guzman then presented the PEMC strategies alongside RCC-related activities under these goals.

Goal 1: Reliale and Transparent WESM and REM Governance

PEMC Strategies	Target	RCC Activities
Develop guidelines, procedure, and penalty mechanisms and implement compliance monitoring		Facilitation of rules change proposals, as necessary.
• Battery Energy Storage Systems (BESS) including plants with Hybrid Systems (VREs + ESS)	2025-2026	
• Metering Service Provider (MSP) Obligations and Compliance	2025-2026	
Enhance and update compliance-related rules changes	2024-2026	
Trainings for Market Participants and Stakeholders	Approved timeline	Attendance to the trainings, as necessary.
Continuing support to PEMB and its committees	Based on prescribed timeline	Conduct of meetings and presentation to PEM Board
Submit regular reports to the PEMB, DOE and ERC	Based on prescribed timeline	Submit status of rules change proposals, RCC resolutions, Semestral Reports, and others.
Participate in WESM-related events		Attend to WESM-related events, as requested.
• Annual General Membership Meeting (AGMM)	Jun 2025	
• WCO Summit	Oct 2025	
Submit rules change proposals	Based on prescribed timeline	• Proposed changes to the Rules Change Manual and Internal Rules • Participate in the public consultation of the proposed rules changes • Assess and process the proposed amendments
Submit comments to DOE Circulars, ERC issuances, as requested		
Facilitate the processing of rules change proposals		

Goal 3: Organizational Excellence and Operational Efficiency

PEMC Strategies	Target	RCC Activities
Achieve at least satisfactory rating in WGC support	Based on prescribed timeline	Accomplish the WGC Survey
Maintain IMS Certification		Comply with the IMS policies and internal business processes
Ensure commitment to PEMC's IMS requirements and the International Standards		

Agreement/s:

✓ The RCC noted the CSP 2024-2025 and has no further comments noting that the presentation is consistent with the 2025 RCC Work Plan.

7.2 Update on Proposed Amendments

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For information
- Material/s: Annex A – Presentation Material of 245th RCC (Regular) Meeting

Proceedings:

Ms. Bisnar provided the status of the following rules change proposals:

Status	Topic
Proposed Amendment's awaiting DOE's Approval	1. Interruptible Load Program 2. Enforcement and Compliance Manual in Alignment with Penalty Manual 3. Rules Change Process
General Amendments under RCC Evaluation or Finalization	1. Dispatch Schedules below Minimum Stable Load 2. Further revision to the Urgent Amendment to the Ancillary Service Monitoring Manual 3. Validation Process of Reported Discrepancies in the Dispatch Instruction Report (DIR)
Urgent Amendment Approved by the PEM Board	1. Dispatch Schedules below Minimum Stable Load 2. Further revision to the Urgent Amendment on the Ancillary Service Monitoring Manual
Deferred Proposals	1. No Outstanding Balance

Status	Topic
	2. Electric Retail Aggregation Program 3. Energy Storage Systems (ESS) 4. Must-Offer Rule (MOR)

Considering the rules change proposals that were deferred by the RCC and are awaiting approval from the DOE, Mr. Ortiz inquired whether these would be factored into the Committee's performance assessment. He further asked if these proposals would be considered withdrawn, or if the proponent would need to resubmit new rules change proposals.

Ms. Anosan clarified that the proposals pending DOE approval had already been approved by both the RCC and the PEM Board. Therefore, the RCC's processing of these proposals is complete, except for their pending promulgation. Ms. Cruz added that all proposals processed by the RCC, including those deferred and those pending DOE approval, are included in the RCC's Semestral Report. Regarding the RCC's performance, she noted an exception for the deferred proposals because there were valid reasons for their deferral. She added that a written report detailing the status of proposals—those under processing by the RCC, completed, deferred, and those submitted to the DOE—is submitted to the PEM Board monthly for their information. She confirmed that while there are specified timelines for processing proposals, intervening circumstances can sometimes prevent timely completion, but these circumstances are justified in the report.

Agreement/s:

✓ The RCC noted updates on the proposed amendments.

7.3 DOE Updates

- Presenter/s: Mr. John Paulo O. Castro (DOE Observer)
- Action Requested: For information
- Material/s: None

Proceedings:

Due to technical issues preventing his participation on the online platform, Mr. John Paulo O. Castro (DOE) provided updates on the rules change proposals submitted to the DOE via Meeting Chat Room, as follows:

Status	Topic	DOE Updates
Proposed Amendment's awaiting DOE's Approval	1. Interruptible Load Program	For approval and signature of DOE Secretary

	2. Enforcement and Compliance Manual in Alignment with Penalty Manual	The DOE will provide an official response through a letter.
	3. Rules Change Process	

Agreement/s:

✓ The RCC noted the updates.

7.4 Schedule of Activities

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For information
- Material/s: Annex A – Presentation Material of 245th RCC (Regular) Meeting

Proceedings:

Ms. Bisnar presented the following schedule of activities, for RCC's information:

Meetings	Schedule
RCC Meeting	16 May 2025
	20 June 2025
BRC Meeting	21 April 2025
PEM Board Meeting	30 April 2025

Given the aforementioned schedule, she informed the RCC that there are no RCC agenda items scheduled for the April BRC and PEM Board meetings.

She also presented the proposed schedule for the RCC's face-to-face meetings on 20 June 2025 and 19 December 2025, highlighting that the December 2025 RCC meeting schedule is tentative. In relation to this, she also informed the Committee that the Robinsons Equitable Tower (RET) Building Management, where the PEMC office is located, has released a new guideline for entering and exiting the building. The RET Building will now utilize a turnstile system accessible via either QR Code or facial recognition technology, with registration available through the GoWork Application. She highlighted that the Committee members may register on the GoWork Application for ease of access to the building. Should they prefer not to register, they may present their ID at the building's reception area upon entry. Further guidelines and instructions regarding this matter will be provided to the RCC via email and Viber after the meeting.

Agreement/s:

- ✓ The RCC approved to hold a face-to-face meeting on 20 June 2025 and tentatively, on 19 December 2025.
- ✓ The RCC noted the schedule of activities.

8.0 Adjournment

The meeting was adjourned at 2:19 PM.

Prepared by:

[redacted]

MARY ROSE L. BISNAR
Rules Review Sr. Analyst
Market Assessment Group

Reviewed by:

[redacted]

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

Noted by:

[redacted]

BIENVENIDO C. MENDOZA, JR.
Chief Market Assessment Officer

[redacted]

MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
Date & Time : 11 April 2025, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams

Approved by:

[redacted]
RACHEL ANGELA P. ANOSAN
Chairperson, Independent

[redacted]
JESUSITO G. MORALLOS
Member, Independent

[redacted]
JORDAN REL C. ORILLAZA
Member, Independent

[redacted]
EMMANUEL GENESIS T. ANDAL
Member, Independent

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

[redacted]
JAYSON A. FRANCISCO
Member, Generation Sector
Aboitiz Power Corp. (APC)

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

[redacted]
(Attended by Ms. Michelle S. Tuazon)
MARK D. HABANA
Member, Generation Sector
Vivant Corporation – Philippines (Vivant)

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

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

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

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

[redacted]

MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
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[redacted]
GIAN KARLA C. GUTIERREZ
Member, Supply Sector
First Gen Corporation (FGEN)

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

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

[redacted]

MEETING MINUTES

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God our Father, we gather as your faithful servants and stewards of the resources you have given our nation.

We pray for wisdom that our deliberations in our RCC meeting will consistently be based on the best interest of WESM (in particular) and the government and the Filipino nation (in general), we are sworn to serve.

Philippine Electricity Market Corporation

We pray for courage and boldness to face the challenges that we may meet in the course of performing our task, that calls for the highest standards of honesty, integrity and competence, in order to preserve the trust and confidence given to us by our people.

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Philippine Electricity Market Corporation

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We pray that this nation will be able to achieve transparent and reasonable prices of electricity, in a regime of free and fair competition and full public accountability, to achieve greater operational and economic efficiency.

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Philippine Electricity Market Corporation

We call on you Heavenly Father to remind us that you can see through our hearts and know our innermost thoughts and intentions.

Guide us every step of the way as we strive to contribute our part for honest and efficient governance so deserved by our people.

These we ask in the name of Jesus Christ, your Son. Amen.

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DETERMINATION OF QUORUM

Representation/ Sector	Principal Member / Alternate Member		Attendance	
Independent	Rachel Angela P. Anosan			
	Jesusito G. Morallos			
	Jordan Rel C. Orillaza			
	Emmanuel Genesis T. Andal			
Generation	Dixie Anthony R. Banzon	Michael Valer G. Mariano		
	Jayson A. Francisco	Charm Krizia L. Medina		
	Carlito C. Claudio	Jessie B. Victorio		
	Mark D. Habana	Michelle S. Tuazon		
Distribution	Ryan S. Morales	Manuel Luis Zagala		
	Russel S. Alabado	Alfredo C. Sanaga, Jr.		
	Virgilio C. Fortich, Jr.	Getulio Z. Crodua		
	Nelson M. Dela Cruz	Darwin T. Daymiel		
Supply	Gian Karla C. Gutierrez	Bryan Alvin A. Calasanz		
Transmission	Darryl Lon A. Ortiz	Clark N. Agustin		
Market Operator	Isidro E. Cacho, Jr.	Kristoffer Monico S. Ng		

Philippine Electricity Market Corporation



ADOPTION OF THE AGENDA

Philippine Electricity Market Corporation

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ADOPTION OF THE AGENDA

Proposed Agenda	Presenter	Action Required
I. Call to Order		
II. Determination of Quorum		
III. Adoption of Agenda	Secretariat	For approval
IV. Draft Minutes of Previous Meetings • 244th RCC (Regular) Meeting, 14 March 2025	Secretariat	For approval
V. Matters Arising from Previous Meeting		
5.1 Proposed Revision to Urgent Amendments to the Ancillary Services Monitoring Manual regarding Reserve Conformance Standards and Related Enforcement Actions • *Assessment Report* • *Summary of Deliberation* • *Line-by-Line Discussion* • *Draft RCC Resolution No. 2025-02*	Secretariat	For discussion and approval
5.2 Proposed Amendment to the WESM Manual on Dispatch Protocol on Issuance and Coverage of Dispatch Schedule below Minimum Stable Load • *Updates on PEM Board's decision*	Secretariat	For information
VI. New Business		
6.1 Proposed Amendments to the WESM Manual on Dispatch Protocol relative to the Validation Process of Reported Discrepancies in Dispatch Instruction Report • *Presentation of MO and SO processes on reconciliation of discrepancies in DIR*	Secretariat/Market Operator (IEMOP)/System Operator (NGCP)	For information

ADOPTION OF THE AGENDA

Proposed Agenda	Presenter	Action Required
VII. Other Matters		
7.1 Corporate Strategic Plan 2024-2026 Review	PEMC Strategy Management	For information
7.2 Update on Proposed Amendments	Secretariat	For information
7.3 DOE Updates	DOE Observers	For information
7.4 Schedule of Activities	Secretariat	For information
VIII. Adjournment		

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Philippine Electricity Market Corporation

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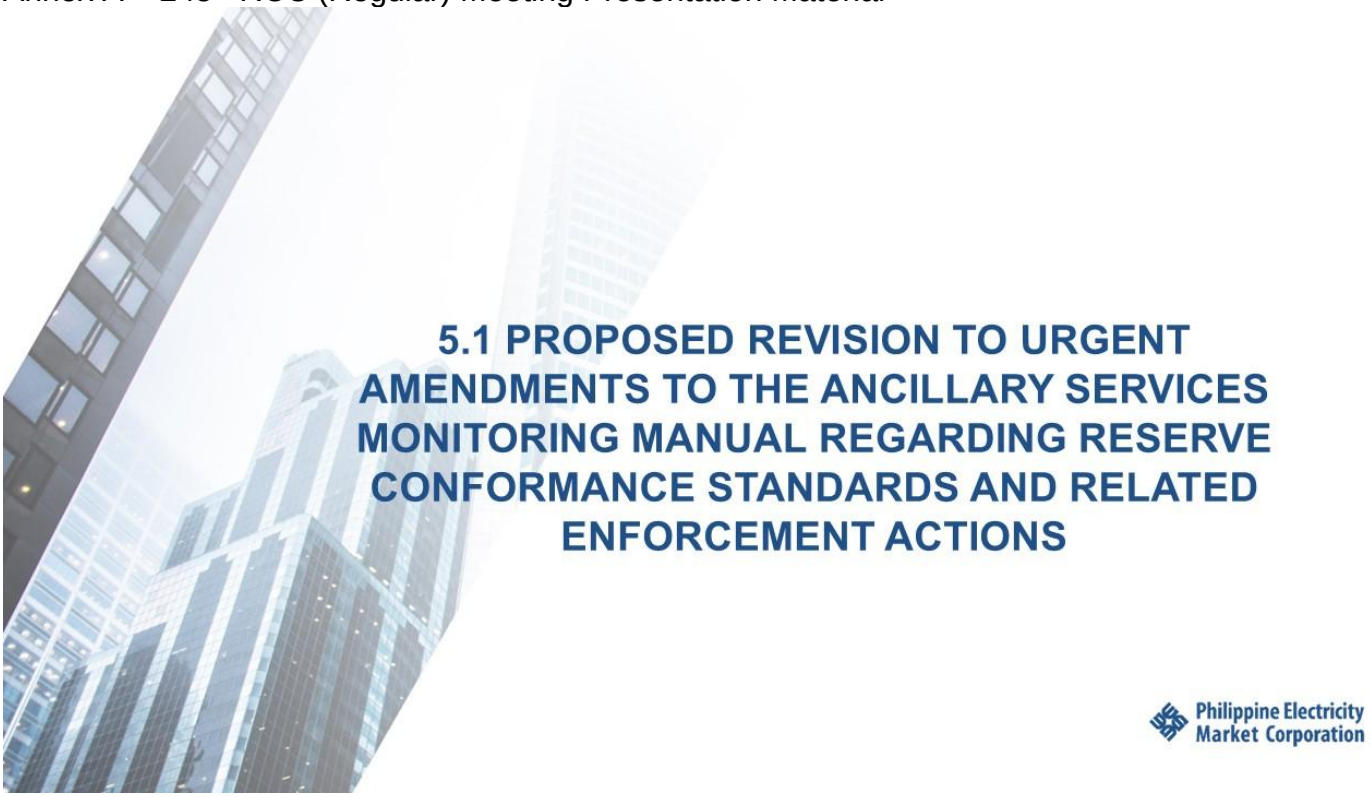




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ACTION REQUESTED

- For information
  - Summary of Assessment of the Implementation of the Urgent Proposal
- For deliberation and approval
  - Summary of Deliberation
  - Line-by-Line Discussion
  - Draft RCC Resolution No. 2025-02

Philippine Electricity Market Corporation

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IMPLEMENTATION OF URGENT AMENDMENTS ON RESERVE CONFORMANCE STANDARDS (RCS) – ASMM ISSUE 1.2

Assessment Report per Rules Change Manual Section 7.4 (f)

Market Assessment Group

OUTLINE

- Background
- Implementation Update
- Conclusion and Recommendation

Philippine Electricity Market Corporation

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Annex A – 245th RCC (Regular) Meeting Presentation Material

BACKGROUND
Reserve Market Rules and Implementation

DATE	ACTIVITIES
05 August 2024	Full Implementation – Reserve Market Resumption
13 August 2024	Submission of the 1st set of Urgent Amendments on Ancillary Services Monitoring Manual (ASMM)
30 August 2024	Effectivity of ASMM Issue 1.1
06 September to 18 October 2024	Posted corresponding General Amendments in the PEMC Website and received comments from: - APC, NGCP, SNAP, SPC/SIPC, ACEN, MSC, MEI/PEI, and MERALCO
19 November 2024	Submission of the 2nd set of Urgent Amendments on ASMM
12 December 2024	Effectivity of ASMM Issue 1.2

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BACKGROUND
Urgent Amendments (revisions to ASMM 1.1)

Topic	Amendments to certain provisions regarding the Reserve Conformance Standards and related Enforcement Actions
Original Proponent	Philippine Electricity Market Corporation
Date Submitted to RCC	19 November 2024
RCC Approval	RCC Resolution No. 2024-08 dated 09 December 2024
PEM Board Approval	PEM Board Resolution No. 2024-79-01 dated 10 December 2024
Documents Amended/Adopted	WESM Ancillary Services Monitoring Manual (ASMM) Issue 1.2
Date of Effectivity of Amendments	12 December 2024
Commenting Period of Corresponding General Amendments	16 December 2024 to 03 February 2025

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BACKGROUND
Urgent Amendments

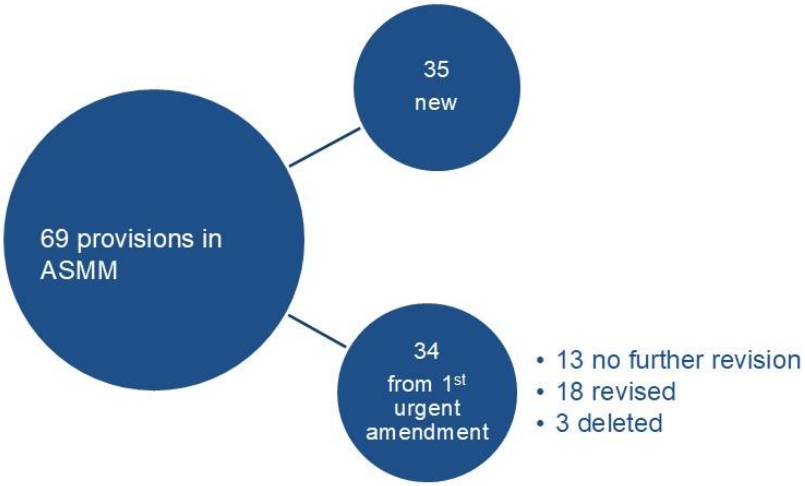
- Total Number of Provisions: 69 Provisions
  - Provisions from the 1st Urgent Amendment: 34 Provisions
    - Adopted as-is: 13 Provisions
    - Revised (Significant Changes and Clerical edits): 18 Provisions
    - Deleted: 3 Provisions
  - New Provisions: 35 Provisions

- Out of the 69 Provisions:
  - Major Changes: 57 Provisions
  - Clerical Changes: 12 Provisions

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BACKGROUND
Urgent Amendments – No. of revised provisions



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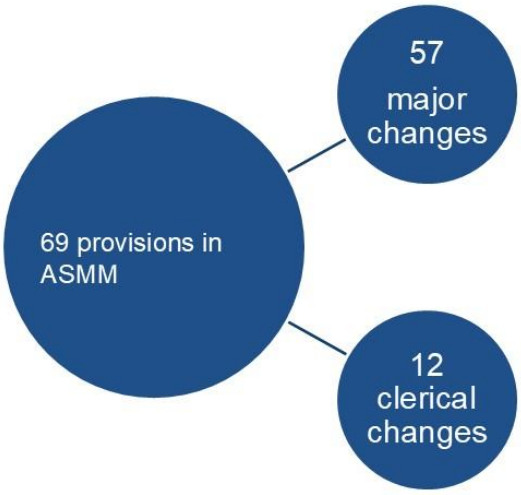
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BACKGROUND
Urgent Amendments - Contents



- 48 Timeline and Procedures
- 9 Standards

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IMPLEMENTATION UPDATE
Overview of Amendments

Area of Implementation	Amendment
I. Clarity in the Functions of the Market Operator, System Operator, and the WESM Governance Arm	**Changes to the timeline and procedure for monitoring compliance with the Reserve Conformance Standards and enforcement thereof:** • Reserve Trading Amounts (RTA) Adjustments due to Breach Findings • RCS Monitoring Results Generation • RCS Monitoring Results Submission • Impact of Initial RCS Monitoring Results of ECO • Filing and Resolution of RRA • Final RCS Monitoring Results (RCS Non-Compliance List)
II. Reserve Trading Amounts and Request for Reassessment	
III. Reserve Conformance Standards	**Additional technical considerations in monitoring response accuracy on GCM to provide more clarity on the RCS** • Measuring Reserve Response Compliance of Generators on GCM
IV. Correction in the Formula for Response Accuracy (On Governor Control Mode [GCM]) – Section 5.6.2	

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IMPLEMENTATION UPDATE

Updates per Area of Implementation

Area of Implementation	Amendments	Updates
I. Clarity in the Functions of the Market Operator, System Operator, and the WESM Governance Arm	Additional Data Provision from MO (Final Reserve Bilateral Contract Quantities, RBCQ) and SO (Rated Capacity)	• SO furnished the list of Rated Capacities for A/S certification testing of reserve facilities • MO transmits Final RBCQ regularly.
	The RCS results are no longer sent to the System Operator for any feedback or confirmation of the results or findings and no more consolidation of findings of ECO and SO, if any.	

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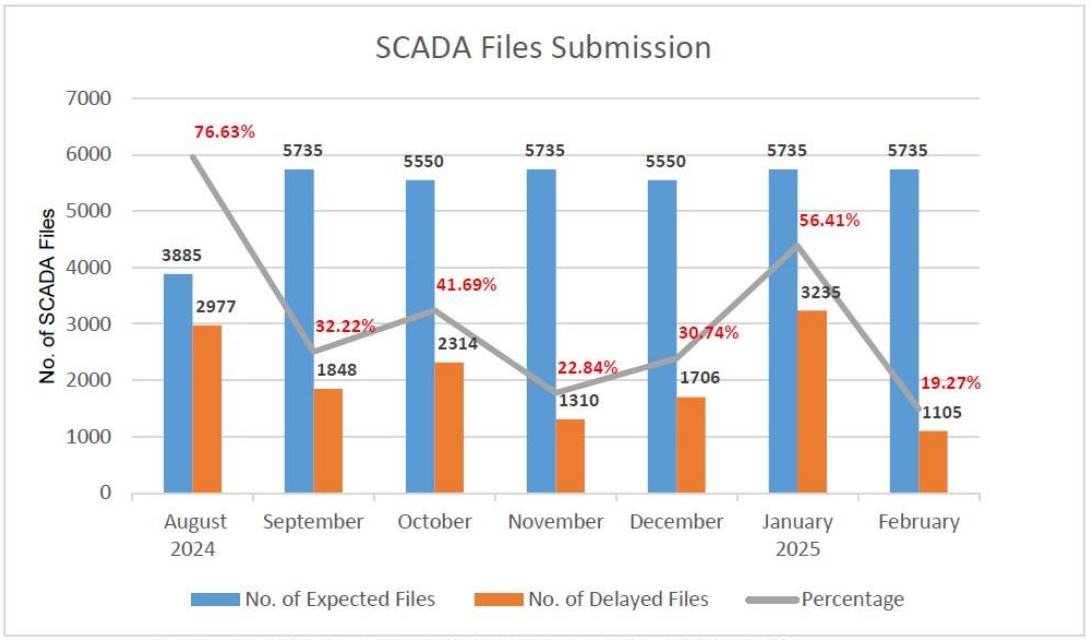


Figure 1. Submission of SCADA Files by SO to PEMC-ECO

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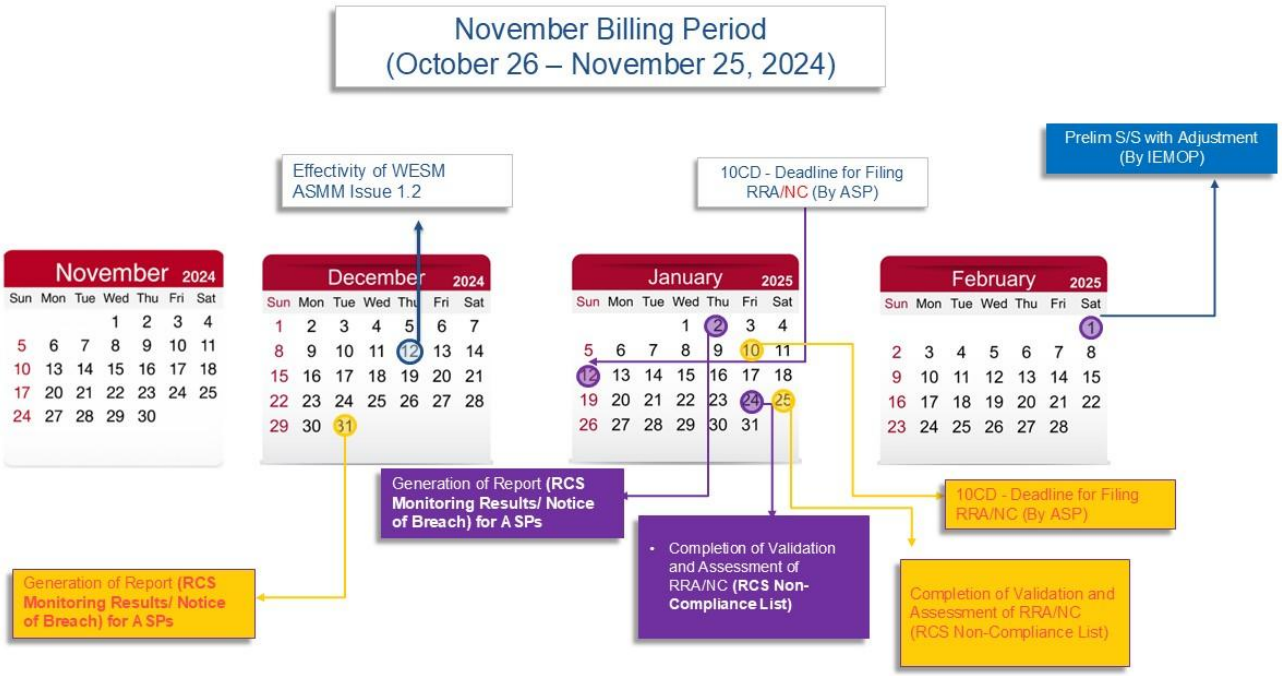
IMPLEMENTATION UPDATE

Updates per Area of Implementation

Area of Implementation	Amendments	Updates
II. Reserve Trading Amounts and Request for Reassessment	• No more notice of claim since there will be no financial adjustment that needs to be made in the settlement stated until reassessment (RRA) is resolved. • Only one adjustment in Reserve Trading Amounts (RTA) due to Breach Findings per billing period (i.e. reserve settlement adjustment)	The first RCS Non-Compliance List utilizing the single-layer settlement deduction or adjustment was applied to the November 2024 Billing Period.

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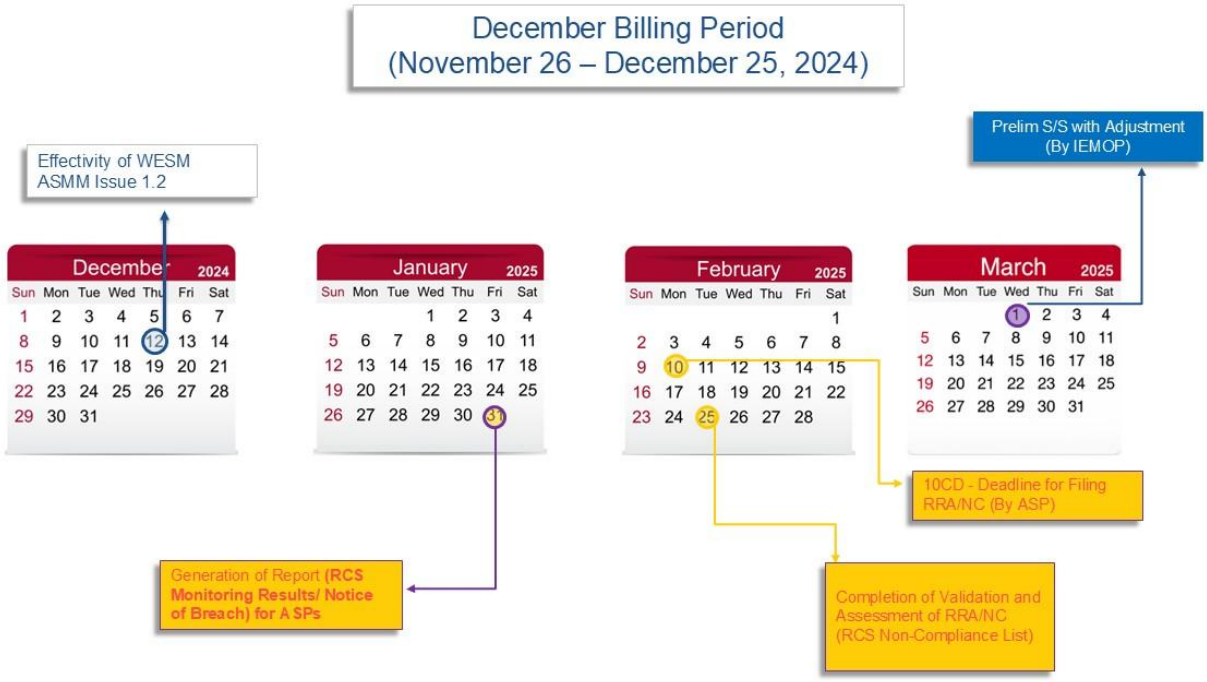
Philippine Electricity Market Corporation



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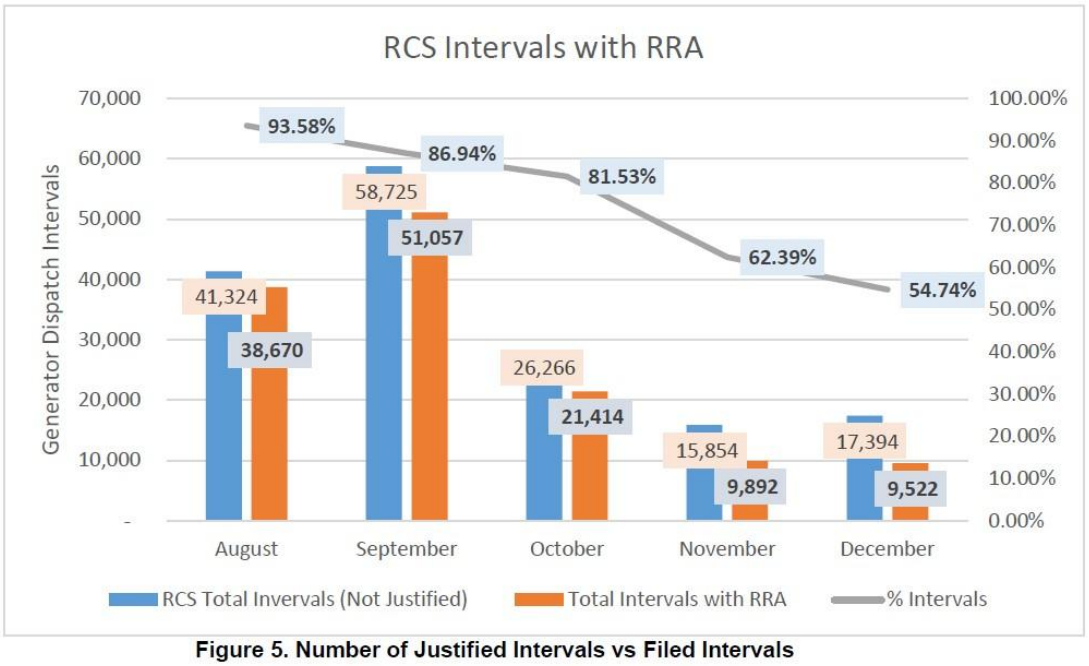


Figure 5. Number of Justified Intervals vs Filed Intervals

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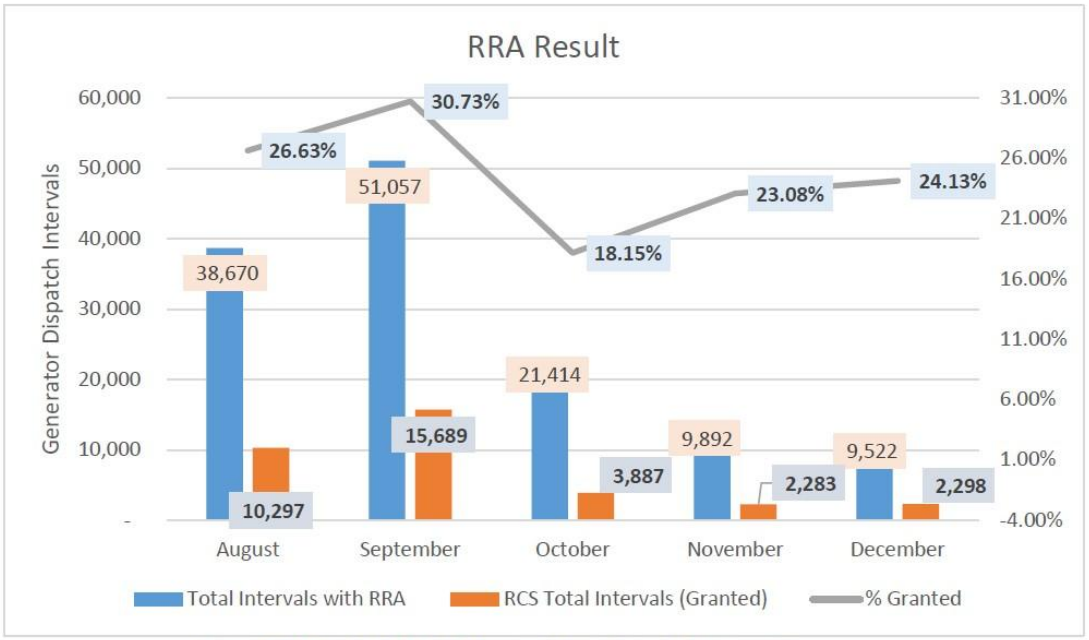
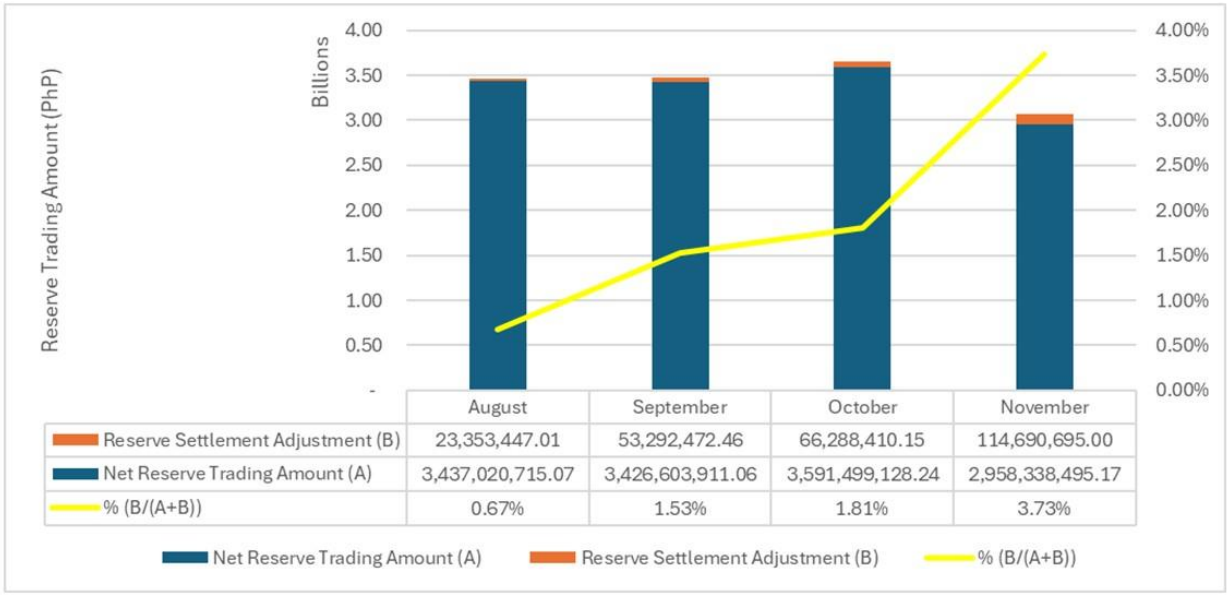


Figure 6. Number of Filed Intervals vs Granted Intervals

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RESERVE SETTLEMENT ADJUSTMENTS



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IMPLEMENTATION UPDATE

Updates per Area of Implementation

Area of Implementation	Amendments	Updates
III. Reserve Conformance Standards	**Additional technical considerations in monitoring response accuracy on GCM to provide more clarity on the RCS** • Rated Capacity Reference/Basis • Further information on the classification of an event to be a Frequency-Driven Event (FDE) • Criteria that when expected MW Response Capacity exceeds the Reserve Schedule • Hourly Averaging instead of monitoring period	• ECO obtained an official list from the System Operator of the declared rated capacities used for purposes of A/S certification / test. • RCS considerations were applied in the November 2024 billing period • Number of flagged intervals have decreased
IV. Correction in the Formula for Response Accuracy (On Governor Control Mode [GCM]) – Section 5.6.2		

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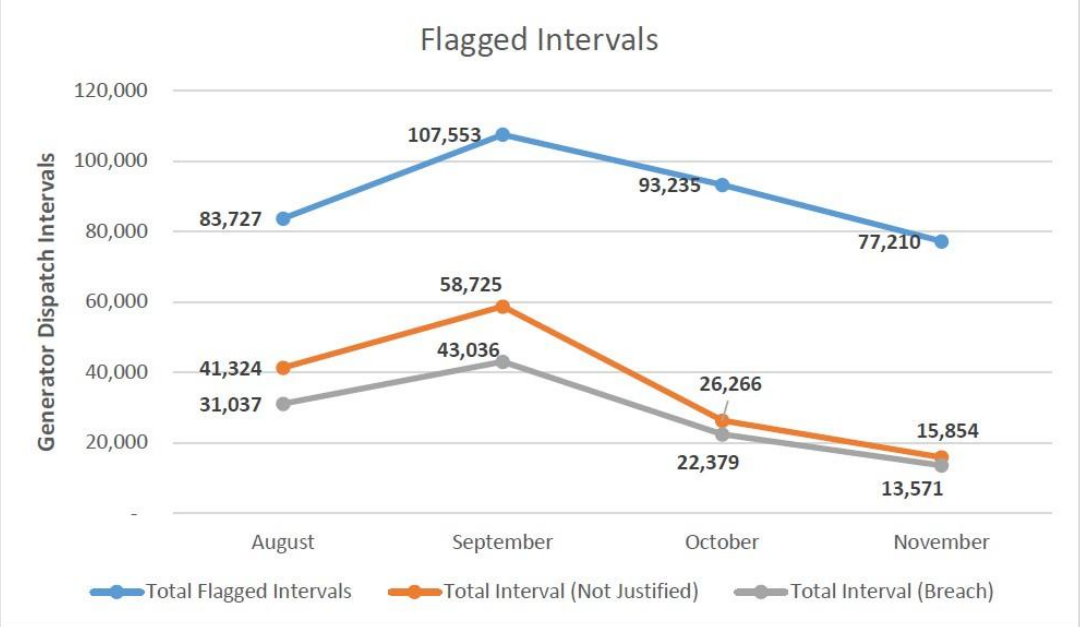


Figure 2. Generator-dispatch intervals flagged for RCS Non-Compliance

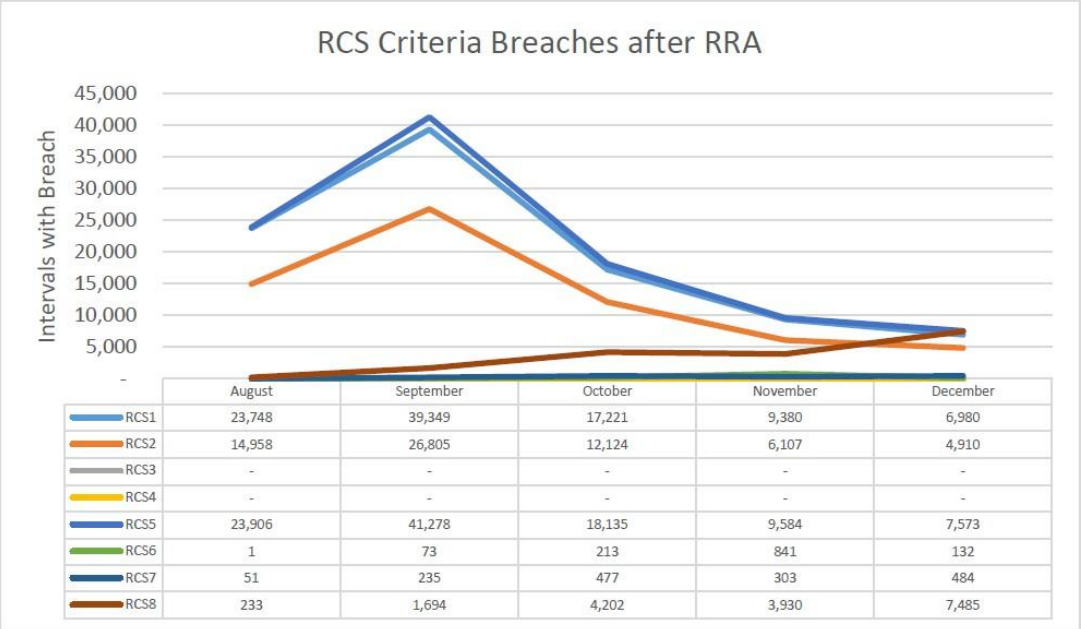
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	August	September	October	November	December
RCS1	23,748	39,349	17,221	9,380	6,980
RCS2	14,958	26,805	12,124	6,107	4,910
RCS3	-	-	-	-	-
RCS4	-	-	-	-	-
RCS5	23,906	41,278	18,135	9,584	7,573
RCS6	1	73	213	841	132
RCS7	51	235	477	303	484
RCS8	233	1,694	4,202	3,930	7,485

Figure 3. Flagged RCS Breaches (August 2024 to November 2024)

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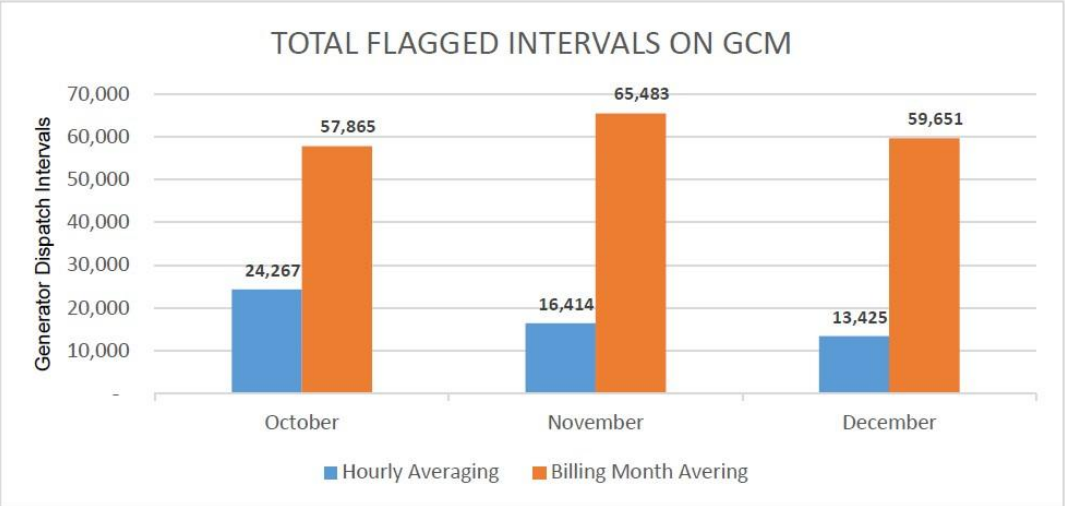


Figure 4. Flagged Intervals on GCM

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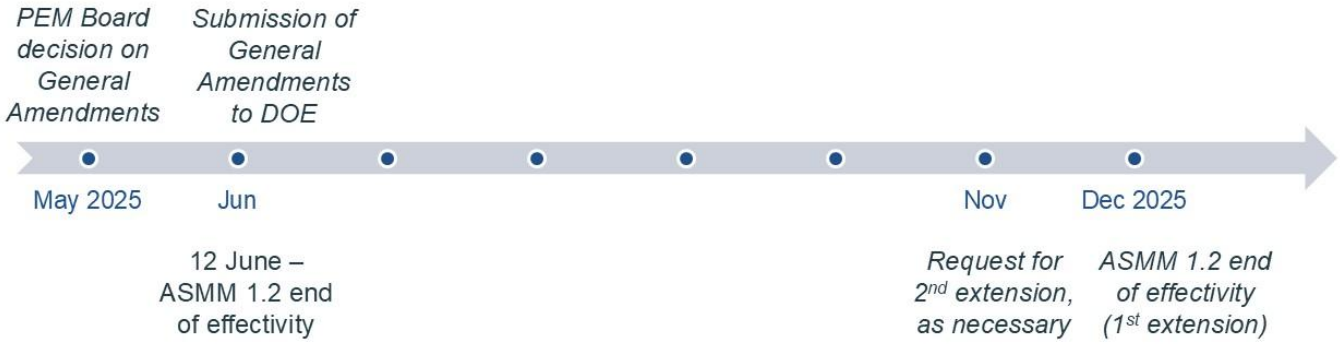
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IMPLEMENTATION UPDATE

Rules change process and urgent amendment implementation



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CONCLUSION AND RECOMMENDATION

- Implementation of the ASM Manual 1.2 has positively impacted the compliance monitoring framework and promoted compliance by ASPs in the Reserve Market
- Continue the implementation of the urgent amendments while simultaneously addressing the concerns raised by the stakeholders
- PEMC-ECO, SO and MO continue coordination efforts to ensure timely and complete data for RCS monitoring.
- RCC endorsement to the PEM Board of the extension of effectivity of the urgent amendment

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PROPOSED AMENDMENTS ON RESERVE CONFORMANCE STANDARDS AND RELATED ENFORCEMENT ACTIONS

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SUMMARY OF AMENDMENTS

AMENDMENTS	MANUAL AFFECTED
1. Timeline and responsibilities for provision of data to the Enforcement and Compliance Office	Ancillary Services Monitoring Manual
2. Reserve Conformance Standards	Ancillary Services Monitoring Manual Dispatch Protocol Manual
3. Procedures and timeline for compliance monitoring	Ancillary Services Monitoring Manual
4. Penalty provisions	Ancillary Services Monitoring Manual WESM Penalty Manual

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TIMELINE AND RESPONSIBILITIES FOR DATA PROVISION

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TIMELINE AND RESPONSIBILITIES FOR DATA PROVISION

DATA	TIMELINE	SOURCE
Generator mode of operation (e.g., Automatic Generation Control, Governor Control Mode, Manual Dispatch Instruction)	~~Real-Time~~ D+1	Market Operator
Dead band settings (Based on certification)	~~Real-Time~~ As necessary	Market Operator
Speed droop characteristic (Based on certification)	~~Real-Time~~ As necessary	Market Operator
Rated Capacity (Based on declared/tested capacity)	As necessary	System Operator
Generator Status	~~Real-Time~~ D+1	Market Operator
Dispatch instructions	~~By 1200H of the next day for all instructions of the current trading day~~ D+1	System Operator
Outages	~~By 1200H of the next day for all instructions of the current trading day~~ D+1	System Operator
Power System Frequency	~~Real-Time~~ D+1	System Operator

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TIMELINE AND RESPONSIBILITIES FOR DATA PROVISION

DAT A	TIMELINE	DATA PROVIDER
~~Control Dead band~~	~~Real-Time~~	
Desired MW/AGC Command	D+1	System Operator
Certified Capacity (Based on certification)	As necessary	Market Operator
Day-Ahead Ancillary Service Schedule (DAASS)	D-1	System Operator
BCQ-SO	D+1	System Operator
Final BCQ-MO	Every 15th of the following month	Market Operator
Actual MW Output	D+1	System Operator
Reserve Type (Based on certification)	As necessary	Market Operator

Footnotes: D = Day; D+1 = following day; D-1 = previous day

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RESERVE CONFORMANCE STANDARDS

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REGULATING RESERVES

REQUIREMENT	MODE OF OPERATION	ORIGINAL (ASMM 1.0)	PROPOSED (1.1 & 1.2)
Response Accuracy	On GCM	At least 80% average for the entire monitoring period.	At least 80% average for the **settlement interval** (i.e., one hour, on the hour)
	On AGC	At least 75% average for the entire monitoring period.	At least **90%** average for the **settlement interval**
Response Time	On GCM	Not more than 5 seconds	Not more than 5 seconds
	On AGC	Not more than 25 seconds	**At least 63% of the desired generation within 25 seconds; and at least 90% and not more than 130% of the desired generation or 0.5 MW tolerance whichever is higher within 32 seconds**
Deadband Setting	**On GCM**	0.15 Hz or lower	**0 Hz to +/-0.15Hz, or as certified**
Speed droop	**On GCM**	5% of lower	5% or lower**; and 1% or lower for BESS**
Sustainability		For the entire *dispatch interval*	For the entire *dispatch interval*

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CONTINGENCY RESERVES

REQUIREMENT	MODE OF OPERATION	ORIGINAL (ASMM 1.0)	PROPOSED (1.1 & 1.2)
Response Accuracy	On GCM	At least 80%	At least 80%
	On AGC	At least 75%	At least **90%**
Response Time	On GCM	Not more than 5 seconds	Not more than 5 seconds
	On AGC	Not more than 25 seconds	**At least 63% of the desired generation within 25 seconds; and at least 90% and not more than 130% of the desired generation or 0.5 MW tolerance whichever is higher within 32 seconds**
Dead band Setting	**On GCM**	Greater than 0.15 Hz but less than 0.30 Hz	**- 0.15 Hz to - 0.30 Hz, or as certified**
Speed droop	**On GCM**	5% or lower	5% or lower**; and 1% or lower (for BESS)**
Sustainability		for the entire *dispatch interval*	for the entire *dispatch interval*

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RESPONSE ACCURACY ON GOVERNOR CONTROL MODE

Regulating and Contingency Reserves

$$Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

a) **When System frequency falls below the lower deadband**:
   - Actual MW Response Capacity = Highest actual MW output – MW output prior to frequency driven event
     - **Highest actual MW output = highest MW output value obtained within the twenty-second period after the lowest frequency that occurred during the frequency driven event**.
   - Expected MW Response Capacity = Static Gain x Frequency Change
     - $Static\ Gain = \frac{\sout{Scheduled\ MW}\ \mathbf{Rated}\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$

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RESPONSE ACCURACY ON GOVERNOR CONTROL MODE

Regulating and Contingency Reserves

$$Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

a) **When System frequency falls below the lower deadband**:
- Expected MW Response Capacity = Static Gain x Frequency Change
  - Static Gain = $\frac{\textit{Scheduled MW } \textbf{Rated}\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$
    - **Rated capacity: as appearing in the WESM registration record or declared capacity from which the reserve facility was tested during the ancillary services certification; the latter prevails in case of inconsistency.**
  - Frequency Change = **Frequency prior to the FDE – Lowest frequency during FDE**
    - **Frequency prior to FDE = Nominal frequency – Deadband setting**

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RESPONSE ACCURACY ON GOVERNOR CONTROL MODE

Regulating and Contingency Reserves

$$Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

b) **When system frequency breaches the upper deadband**:
- Actual MW Response Capacity = Lowest actual MW output – MW output prior to frequency driven event
  - **Lowest actual MW output = lowest MW output value obtained within the twenty-second period after the highest frequency that occurred during the frequency driven event**.
- Expected MW Response Capacity = Static Gain x Frequency Change
  - $Static\ Gain = \frac{\textit{Scheduled MW } \textbf{Rated}\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$

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RESPONSE ACCURACY ON GOVERNOR CONTROL MODE

Regulating and Contingency Reserves

$$Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

b) When system frequency falls below the lower deadband:

- Expected MW Response Capacity = Static Gain x Frequency Change
  - Static Gain = $\frac{\sout{Scheduled\ MW}\ \textbf{Rated}\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$
    - **Rated capacity: as appearing in the WESM registration record, or declared capacity from which the reserve facility was tested during the ancillary services certification; the latter prevails in case of inconsistency.**
  - Frequency Change = **Frequency prior to the FDE – highest frequency during FDE**
    - **Frequency prior to FDE = Nominal frequency – Deadband setting**

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RESPONSE ACCURACY ON GOVERNOR CONTROL MODE

Regulating and Contingency Reserves

- Frequency driven event occurs when –
  1) Event lasts for more than five (5) seconds; and
  2) Frequency deviation exceeds the deadband setting of 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems.
- Response accuracy is measured as the average for each settlement interval. For purposes of averaging, the response accuracy for a dispatch interval shall be capped at 120%.
- Where the calculated expected MW response capacity exceeds the reserve schedule, the reserve facility shall operate within its reserve schedule.

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WESM DISPATCH PROTOCOL

Deadband Setting

Section	ORIGINAL PROVISION	PROPOSED AMENDMENT
15.6	Deadband Settings	Deadband Settings **for Reserve Facilities Operating on Governor Control Mode**
15.6.1	Reserve facilities scheduled to provide Regulating Reserve shall ensure that their deadband is set within +/- 0.15 Hz.	Reserve facilities scheduled to provide Regulating Reserve shall ensure that their deadband is set **at 0Hz to +/- 0.15 Hz.**
15.6.2.	Reserve facilities scheduled to provide Contingency Reserve shall ensure that their deadband is set between -0.15 Hz and -0.30Hz.	Reserve facilities scheduled to provide Contingency Reserve shall ensure that their deadband is **at -0.15 Hz to -0.30Hz**.

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RESPONSE ACCURACY ON AGC MODE

Regulating and Contingency Reserves

$$\%\ Compliance = \frac{Number\ AGC\ Commands\ Complied}{Total\ Number\ of\ AGC\ Commands}\ x\ 100\%$$

- A reserve facility is considered compliant to an AGC command if –
  1) Actual generation reaches at least 63% of the desired generation within 25 seconds from the time the AGC command is issued; and
  2) Actual generation reaches at least 90% but shall not exceed 130% of the desired generation, or +/- 0.5MW from desired generation (whichever is the higher threshold) within 32 seconds from the time the AGC command is issued.
  3) The facility shall maintain generation within the specified range for the duration of the command.

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DISPATCHABLE RESERVES

REQUIREMENT	ORIGINAL (ASMM 1.0)	PROPOSED (1.1 & 1.2)
Status	Must be offline unless there is a *dispatch instruction* from the *System Operator,* or it was scheduled for energy *dispatch* in the *WESM*.	Must be offline unless there is a *dispatch instruction* from the *System Operator,* or it was scheduled for energy *dispatch* in the *WESM*.
Synchronization	Within 15 minutes upon advice from the *System Operator*	Within 15 minutes upon advice from the *System Operator*
Sustainability	After synchronization, the *dispatchable reserve facility* shall deliver the MW capacity instructed by the *System Operator* within 15 minutes	**Must sustain the upper and lower threshold of +/-1% of the dispatch instruction or +/-0.5 MW, whichever is higher, within 15 minutes from synchronization.**

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DISPATCHABLE RESERVES

New Provision – Failure to Comply with Dispatch Instructions Due to Outage/Unavailability

- **A dispatchable reserve facility is considered in breach due to non-compliance with dispatch instructions** –
  - Failure to comply with the real time dispatch instruction of the System Operator based on the *reserve schedule;* and
  - Failure to comply is due to outage or unavailability of the reserve facility.
- **Reserve facility is considered in breach** –
  - In the dispatch interval that the non-compliance occurs and in all prior trading intervals during that trading day. Except:
    - If reserve facility had actual provision of energy or delivery of dispatchable reserves as called by the System Operator at any of the prior intervals, breach is counted starting from the interval immediately following the last actual provision of energy or delivery of dispatchable reserve; or
    - ~~If AS Provider is able to prove that the reserve facility is actually available during the preceding intervals~~.

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TIMELINE AND PROCEDURES FOR COMPLIANCE MONITORING

Philippine Electricity Market Corporation

TIMELINE AND PROCEDURES FOR COMPLIANCE MONITORING

ITEM	SUMMARY OF CHANGES

1. Responsibilities of ECO, MO, and SO	• ECO will be responsible for:
	  • Flagging of breach
	  • Assessment and validation of compliances, including consolidation of data and findings
	  • Issuance of notices and reports to AS providers and to the Market Operator
	• Market Operator
	  • Provision of data to ECO
	  • Will no longer be responsible for flagging of breach to the AS provider, and for consolidation of data
	• System Operator
	  • Provision of data; no longer involved in consolidation and reconciliation of data and findings.

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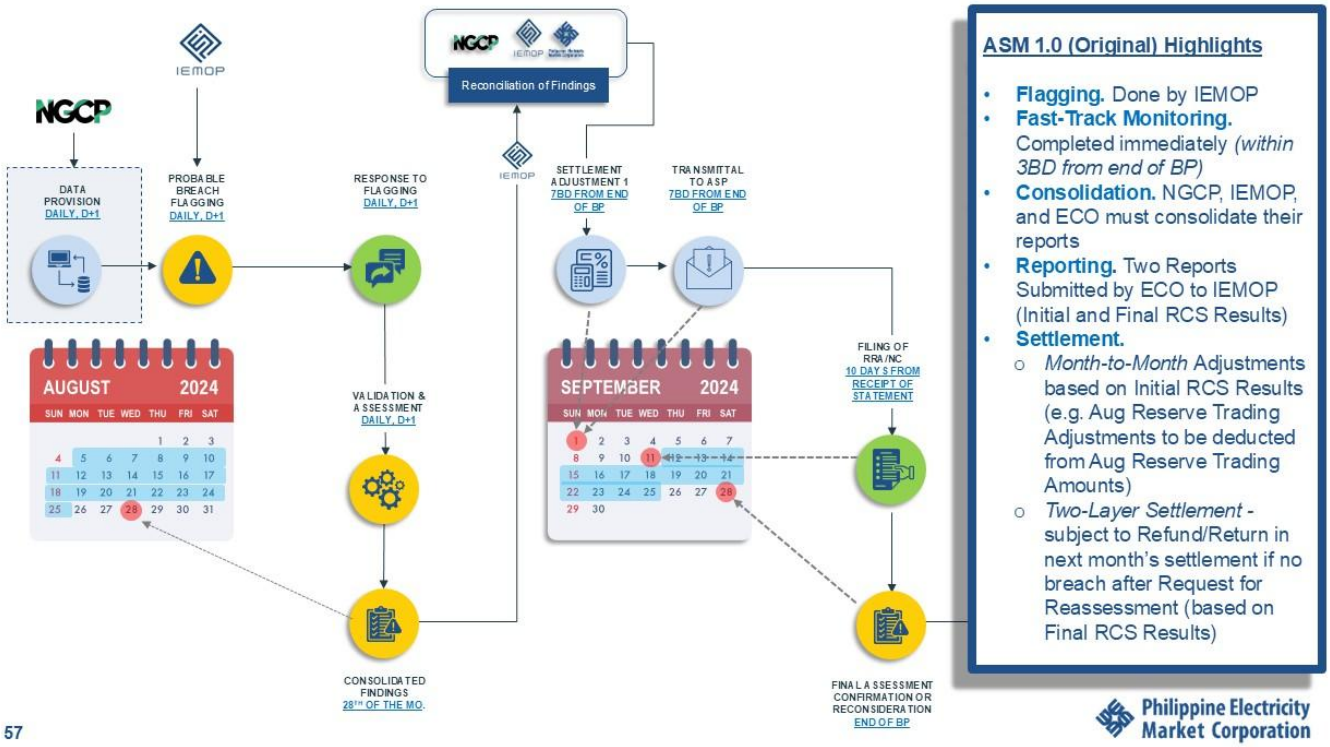
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TIMELINE AND PROCEDURES FOR COMPLIANCE MONITORING

ITEM	SUMMARY OF CHANGES
2. Timeline	• AS providers are given additional thirty calendar days within which to respond to ECO's flagging of breach, i.e., complete the data for verification and assessment of the findings, as a measure of due process. • Thereafter, the AS providers may request for re-assessment within 10 days from receipt of the first set of findings. • Settlement of reserve trading amounts will be done after completion of re-assessment by ECO, so that there will be no more second settlement adjustments in succeeding months. • With the additional 30-day period for replies, settlement will be done on the second month after the relevant billing month.
3. Assessment and validation process.	• *Proposal from comments – to allow requests for reconsideration.* • *Counter proposal from ECO – to provide for a second re-assessment period, within the original revised timeline so as not to unnecessarily extend settlement of reserve trading amounts.*

Market Corporation



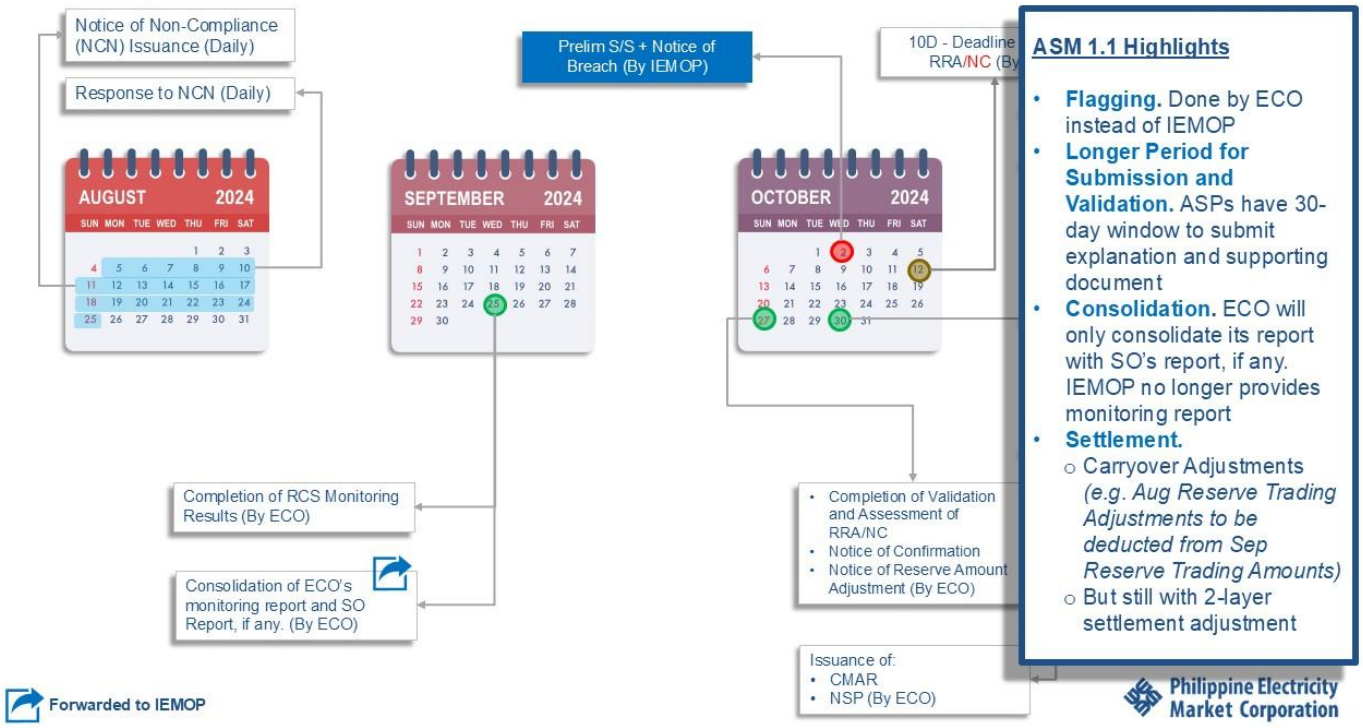
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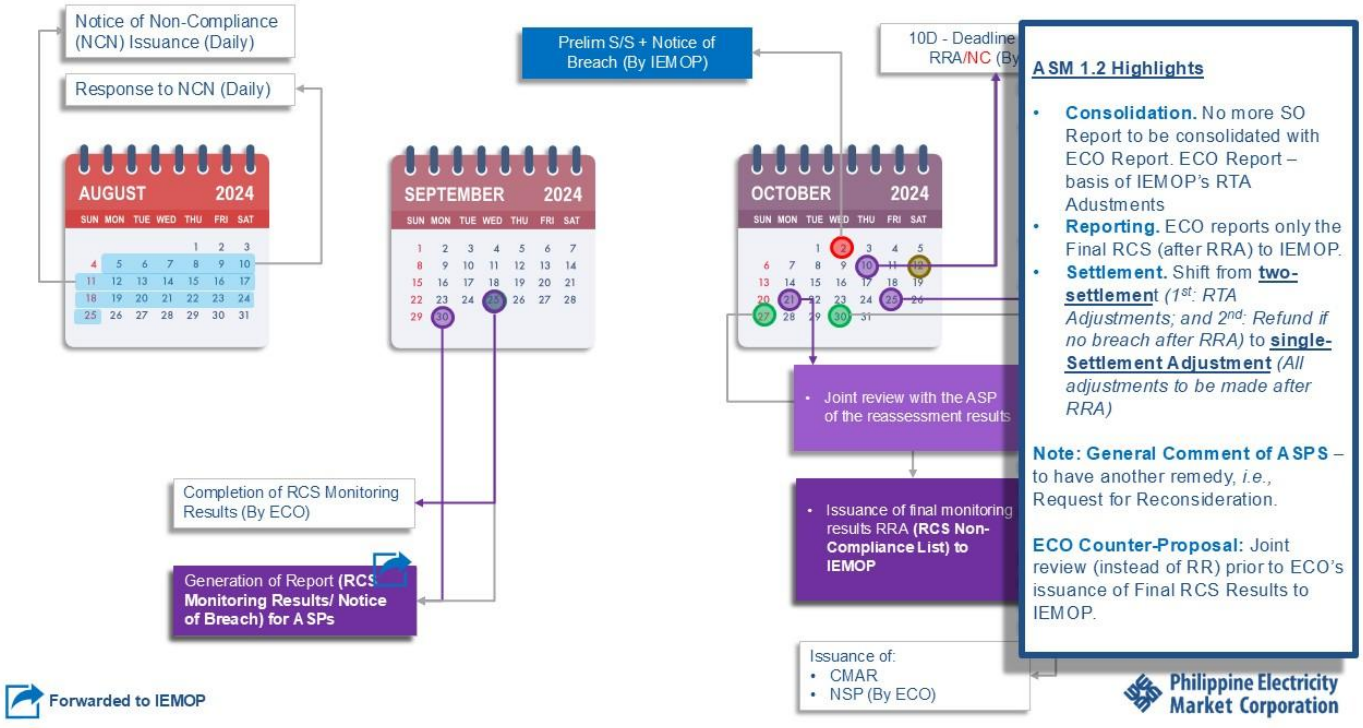
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Item	ASMM 1.0 19-Jul-2024	ASM 1.1 30-Aug-2024	ASM 1.2 11-Dec-2024
Flagging of Breach	Done by IEMOP (to be sent to ECO)	ECO	ECO
Assessment Period	Fast-tracked *(assessment to be completed 3BD from end of BP)*	With 30-day window	With 30-day window
Report Consolidation	NGCP-SO, IEMOP, and ECO reports to consolidated	NGCP-SO and ECO Reports to be consolidated	No more consolidation (ECO Report – only basis of IEMOP for RTA Adjustments)
Reporting Results	2 RCS Reports • Initial Results (Consolidated) – To IEMOP • Final Results (after RRA) – to IEMOP	2 RCS Reports • Initial Results (Consolidated) – To IEMOP • Final Results – to IEMOP	2 RCS Results • Initial Results – To ASP (instead of IEMOP; basis to file RRA) • Final Results – to IEMOP
Request for Reconsideration	No request for reconsideration or appeal from findings of ECO on compliance with reserve conformance standards.	**Commenters Proposal -** to allow request for reconsideration.	**ECO Counterproposal** – no request for reconsideration, but AS provider shall be allowed to make a second request for re-assessment within 3 days from receipt of the first RCS Results. *Final RCS results to be given to IEMOP will already include results from second re-assessment.*

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Item	ASMM 1.0 19-Jul-2024	ASM 1.1 30-Aug-2024	ASM 1.2 11-Dec-2024
Settlement Adjustment Timeline	Two-Layer Settlement • Month-to-Month RTA Adjustments (e.g., Aug-to-Aug Deduction based on initial results) • Refund/Return in the next settlement (if no breach after RRA based on final results)	Two-Layer Settlement • Carryover RTA Adjustments (e.g., Sep-to-Aug Deduction based on initial results) • Refund/Return in the next settlement (if no breach after RRA based on final results)	One-Layer Settlement • RTA Adjustments to be made only after the exhaustion of remedy (RRA) • 1 Report (Final RCS Result) – as basis of IEMOP for RTA Adjustments

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PENALTY PROVISIONS

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WESM PENALTY MANUAL

DELETE / REMOVE the following from Section 5, Item 1 of the Penalty Manual

(1) Term "reserve"

(2) Reference to Rule 3.5.7.2

Objective:

To **harmonize** the provisions of ASMM and Penalty Manual; and to **avoid confusion** as to penalty application.

Section 5, Item 1 of the Penalty Manual will refer to breach of rules concerning **generation/energy offer** only; while the breach of reserve offer will be governed by **ASM Manual.**

SECTION 5 SCHEDULE OF BREACH AND PENALTIES[4]

No.	Breach (1)	Market Rule Breached & Associated Market Manual (2)	Applicable Penalty	Level 2 - Financial Penalty	Level 3 - Escalated Financial Penalty
1	Failure of generation company to submit valid generation and/or reserve offers, or failure to submit valid generation and/or reserve offers that is equivalent to the registered maximum available capacity of their generating units at any dispatch interval; Valid generation or reserve offer refers to the offer that is considered in the real time dispatch optimization run for the relevant dispatch interval. There is failure to submit valid offer if there is no offer that is considered in the real time dispatch market run for the	WESM Rules • [illegible]; 3.5.5.2; Appendix A1.1 • 3.5.7.2 *In relation to 3.5.12.1& the WESM Dispatch Protocol*	• Level 1 - Reprimand • Level 2 - Financial Penalties • Level 3 – Escalated Financial Penalties • Suspension & Deregistration	PhP10,000.00/ *breach*	PhP20,000.00/ *breach*

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DETERMINATION OF QUORUM

Representation/ Sector	Principal Member / Alternate Member		Attendance	
Independent	Rachel Angela P. Anosan			
	Jesusito G. Morallos			
	Jordan Rel C. Orillaza			
	Emmanuel Genesis T. Andal			
Generation	Dixie Anthony R. Banzon	Michael Valer G. Mariano		
	Jayson A. Francisco	Charm Krizia L. Medina		
	Carlito C. Claudio	Jessie B. Victorio		
	Mark D. Habana	Michelle S. Tuazon		
Distribution	Ryan S. Morales	Manuel Luis Zagala		
	Russel S. Alabado	Alfredo C. Sanaga, Jr.		
	Virgilio C. Fortich, Jr.	Getulio Z. Crodua		
	Nelson M. Dela Cruz	Darwin T. Daymiel		
Supply	Gian Karla C. Gutierrez	Bryan Alvin A. Calasanz		
Transmission	Darryl Lon A. Ortiz	Clark N. Agustin		
Market Operator	Isidro E. Cacho, Jr.	Kristoffer Monico S. Ng		

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LINE-BY-LINE DISCUSSION

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RCC RESOLUTION 2025-02

Philippine Electricity Market Corporation

ACTION REQUESTED

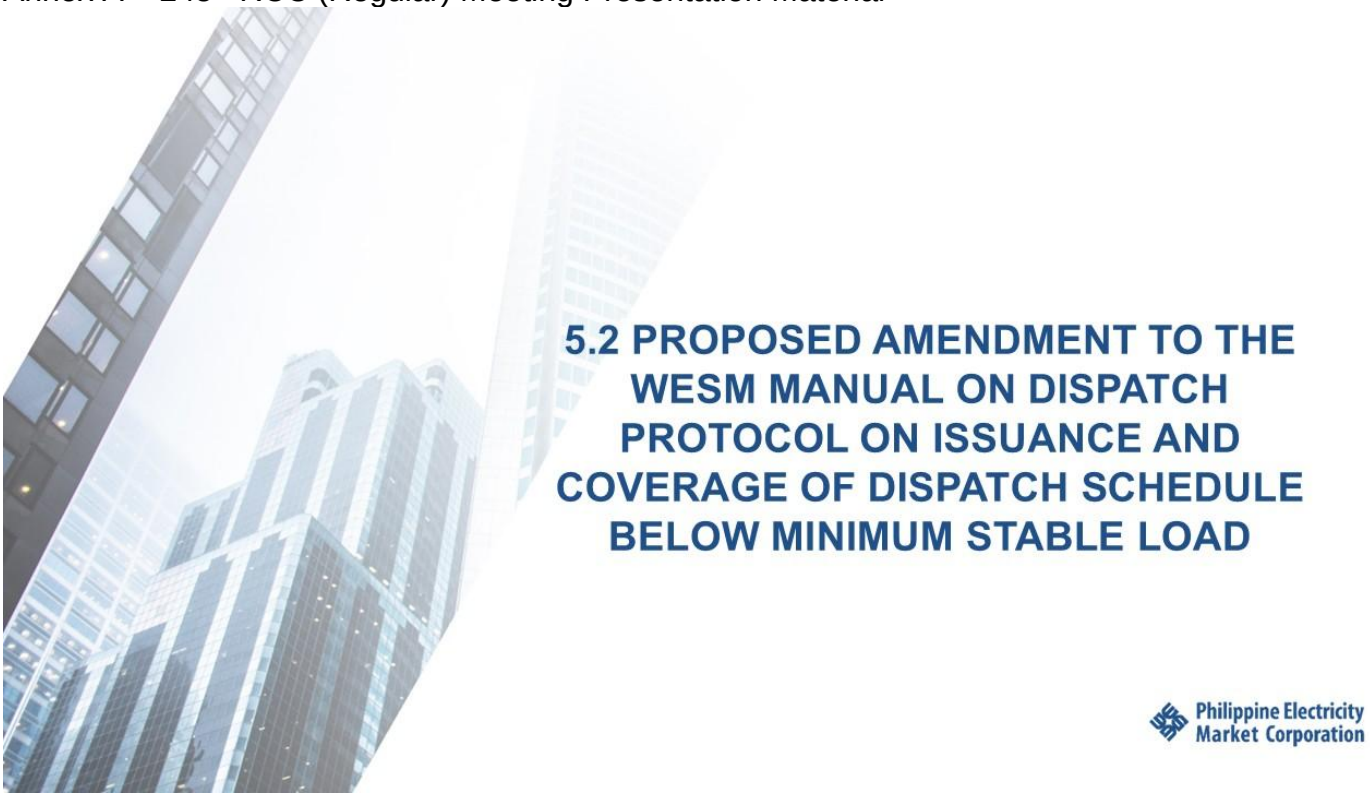
- For deliberation and approval
  - Draft RCC Resolution No. 2025-02
  - Extension of the effectivity of the PEM Board-approved Urgent Amendment for another six (6) months

Philippine Electricity Market Corporation

MEETING MINUTES

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STATUS OF PROPOSAL

- On 25 March 2025, the proposal was endorsed to the PEM Board through RCC Resolution No. 2025-01.
- The proposal was presented on Board Review Committee (BRC) Meeting on 17 March 2025 and 82nd PEM Board Meeting on 26 March 2025.
- During the 82nd PEM Board Meeting, the PEM Board approved the following:
  a. the extension of effectivity of the subject urgent proposal up to another six months or until 25 October 2025; and
  b. the corresponding general proposal, subject to the PEM Boards comment to the definition of "in service".

PEM Board's comment:

Clarify the definition of generating units considered to be ***"In service"*** in the proposed amendments to Section 2.1. of the Dispatch Protocol Manual to harmonize the same with the definition of ***"Availability"*** in the WESM Rules.

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STATUS OF PROPOSAL

As proposed in RCC Resolution No. 2025-01, **"*In service*"** is defined as **the in service state where a unit is electrically connected to the system and performing generation function**.

ERC Resolution 21, Series of 2016,
"*In service*" – The state in which a Unit is electrically connected to the Grid.

WESM Rules Glossary
"*Availability*" – the duration of time over a specified period that a plant unit is ready to be **in service** or operational.

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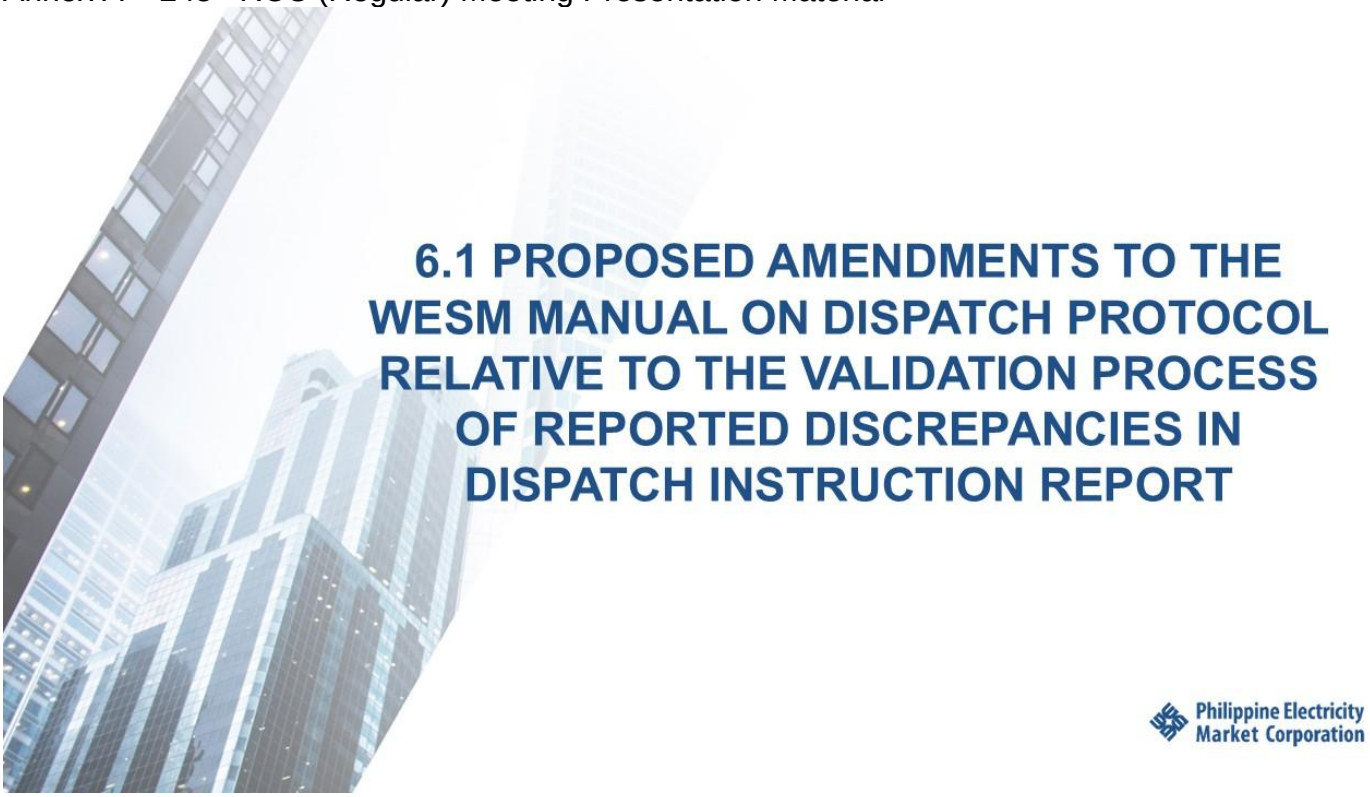
VI. NEW BUSINESS

Philippine Electricity Market Corporation

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REQUESTED ACTION

- For information and discussion of the committee

REVIEW FOR 2025 OF THE 2024-2026 CSP

Philippine Electricity Market Corporation

BACKGROUND

On 28 February 2024, the PEM Board, through its Resolution No. 2024-69-06, formally approved the Corporate Strategic Plan (CSP) for the period 2024–2026.

With the approval of the 2024–2026 CSP, PEMC is now focusing on the following strategic goals:

- Goal 1: Provide a Reliable and Transparent WESM and REM Through Effective and Efficient Governance
- Goal 2: Support Initiatives and Programs for the Energy Sector through Compliance with Policy and Regulatory Directives
- Goal 3: Achieve Organizational Excellence and Operational Efficiency

REVIEW FOR 2025 OF THE 2024-2026 CSP

Philippine Electricity Market Corporation

MEETING MINUTES

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BACKGROUND

28 Feb 2024

- PEM Board approved the three-year Corporate Strategic Plan (CSP) for 2024-2026

March 2025

- Requested the departments to review the targets and expected outputs on the approved CSP

78 REVIEW FOR 2025 OF THE 2024-2026 CSP Philippine Electricity Market Corporation

GOAL 1: RELIABLE AND TRANSPARENT WESM AND REM GOVERNANCE

PEMC Strategies	Target	RCC Activities
Develop guidelines, procedures, and penalty mechanisms and implement compliance monitoring		
❑ Battery Energy Storage Systems (BESS), including plants with Hybrid Systems (VREs + ESS)	2025–2026	Facilitation of rules change proposals, as necessary.
❑ Metering Service Provider (MSP) Obligations and Compliance	2025–2026	
Enhance and update compliance-related rules changes	2024–2026	
Trainings for Market Participants and Stakeholders	Approved timeline	Attendance to the trainings, as necessary.

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GOAL 1: RELIABLE AND TRANSPARENT WESM AND REM GOVERNANCE

PEMC Strategies	Target	RCC Activities
Continuing support to PEMB and its committees	Based on prescribed timeline	Conduct of meetings and presentation to PEM Board
Submit regular reports to the PEMB, DOE and ERC	Based on prescribed timeline	Submit status of rules change proposals, RCC resolutions, Semestral Reports, and others.
Participate in WESM-related events		Attend to WESM-related events, as requested
❑ Annual General Membership Meeting (AGMM)	Jun 2025	
❑ WCO Summit	Oct 2025	

80 REVIEW FOR 2025 OF THE 2024-2026 CSP Philippine Electricity Market Corporation

GOAL 1: RELIABLE AND TRANSPARENT WESM AND REM GOVERNANCE

PEMC Strategies	Target	RCC Activities
Submit rules change proposals	Based on prescribed timeline	• Proposed changes to the Rules Change Manual and Internal Rules • Participate in the public consultation of the proposed rules changes • Assess and process the proposed amendments
Submit comments to DOE Circulars, ERC issuances, as requested		
Facilitate the processing of rules changes proposals		

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GOAL 3: ORGANIZATIONAL EXCELLENCE AND OPERATIONAL EFFICIENCY

PEMC Strategies	Target	RCC Activities
Achieve at least satisfactory rating in WGC support	Based on prescribed timeline	Accomplish the WGC Survey
Maintain IMS Certification		Comply with the IMS policies and internal business processes
Ensure commitment to PEMC's IMS requirements and the International Standards		

Philippine Electricity Market Corporation

REQUESTED ACTION

- For information and discussion of the committee

REVIEW FOR 2025 OF THE 2024-2026 CSP

Philippine Electricity Market Corporation

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UPDATES ON THE PROPOSALS

Urgent Amendments

	Proposal	Proponent	Update/Status
1	Proposed Urgent Amendments on WESM Manual on Dispatch Protocol on Issuance and Coverage of Dispatch Schedules below **Minimum Stable Load**	PEMC	• 02 October 2024 – The RCC received PEMC's proposal • 10 October 2024 – 237th Special Meeting: The RCC provisionally approved the urgent amendment subject to the incorporation of the agreed-upon wordings • **23 October 2024 – PEM Board approved the urgent amendment by way of PEM Board Resolution No. 2024-77-05** • ***See corresponding General Amendment***
2	Proposed **Revision to the Urgent Amendments** to the Ancillary Services Monitoring Manual regarding **Reserve Conformance Standards** and related Enforcement Actions	PEMC	• 10 December 2024 - PEM Board approved the urgent amendment by way of PEM Board Resolution No.2024-79-01 • **12 December 2024 – Effectivity of the WESM ASMM Issue 1.2** • ***See corresponding General Amendment***

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation (3)

	Proposal	Proponent	Update/Status
1	Proposed General Amendments on WESM Manual on Dispatch Protocol on **Issuance and Coverage of Dispatch Schedules** regarding **Minimum Stable Load**	PEMC	• Published in PEMC Website to request for comments on 30 October 2024 until 11 December 2024. • Received comments from ACEN, MSC, and NGCP • Approved through RCC Resolution No. 2025-01 • **Approved by PEM Board, subject to comment**
2	Proposed General Amendments to the **Ancillary Services Monitoring Manual regarding Reserve Conformance Standards** and related Enforcement Actions	PEMC	• Published in PEMC Website to request for comments on 06 September 2024 until 18 October 2024. • Received comments from APC, ACEN, MERALCO, MEI/PEI, NGCP, SNAP, SPC/SIPC, and MSC • **Superseded by the 2nd Urgent Amendment** *(Commenters were informed on 20 December 2024)*

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UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation (3)

	Proposal	Proponent	Update/Status
3	Proposed **Revision** to the Urgent Amendments to the **Ancillary Services Monitoring Manual regarding Reserve Conformance Standards** and related Enforcement Actions	PEMC	• Comments received from ACEN, APC, MEI/PEI, MERALCO, MSC, SMGP, SNAP, SPC/SIPC, and NGCP • RCC deliberations: 21 Feb 2025; and 14 Mar 2025 • **For RCC's final approval**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – RCC Evaluation Deferred (4)

	Proposal	Proponent	Update/Status
1	Proposed Amendment to the WESM Rules and WESM Manual on Dispatch Protocol regarding **Must-Offer Rule**	GNPK	• 18 October 2024 – The RCC deferred the deliberation of the proposal, pending DOE's response to GNPK • 25 October 2024 – GNPK brought up issues and concerns to the DOE • **03 March 2025 – Letter to GNPK requesting for updates on the proposal**
2	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. • 28 August 2024 – ERC officially released the ERC Resolution No. 13, Series 2024. • 29 August 2024 – In relation to the ERC Resolution, the RCC sent a letter to IEMOP requesting for the updates on the proposals. • 05 September 2024 – IEMOP will provide an update to the RCC as soon as they have finalized their action plan. • **07 March 2025 – substitute consolidated proposal to be submitted**
3	Proposed General Amendments to the WESM Rules, Retail Rules and Market Manuals on the Implementation of **Electric Retail Aggregation Program**	IEMOP	

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UPDATES ON THE PROPOSALS

General Amendments – RCC Evaluation Deferred (4)

	Proposal	Proponent	Update/Status
4	Proposed General Amendments to the WESM Rules and various WESM Market Manuals regarding **Energy Storage Systems** in view of the DOE DC2023-04-0008	IEMOP	• Published in the PEMC Website to request for comments on 22 August 2024 until 07 October 2024. • Received comments from MERALCO, MEI/PEI, SPC/SIPC, MGEN, SNAP, APC, NGCP, ACEN, PEMC, and Technical Committee (TC) • Deferred (As requested by proponent) proposal pending the forthcoming issuance of the ERC Rules on Energy Storage Systems • **Deferral informed to Commenters on 04 Feb 2025**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – Open for Comments (1)

	Proposal	Proponent	Update/Status
1	Proposed Amendments to the WESM Manual on Dispatch Protocol relative to the **Validation Process of Reported Discrepancies** in the **Dispatch Instruction Report**	NGCP	• **Posted in PEMC Website on 25 February 2025, for comments until 11 April 2025**

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UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation (3)

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the **Interruptible Load Program Implementation**	IEMOP	• Jan 31, 2024: Approved by the PEM Board **PEM Board Resolution No. 2024-68-03** • DOE conducted Public Consultation: 3 April 2024, 17 April 2024 and 23 April 2024 • **For finalization of DOE**
2	Proposed Amendments to the WESM Rules and WESM Manuals on **Penalty, and Enforcement and Compliance**	PEMC	• Jan 31, 2024: Approved by the PEM Board **PEM Board Resolution No. 2024-68-06** • DOE conducted Public Consultation: 3 April 2024, 17 April 2024 and 23 April 2024 • **For finalization of DOE**
3	Proposed Amendments to the **Rules Change Process**	RCC	• 28 August 2024 – PEM Board approved the proposed amendments to the Rules Change Process (PEM Board Reso No. 2024-75-01) • **25 September 2024 – Endorsed to the DOE**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – For DOE's Response

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Manual on Dispatch Protocol regarding **Non-security Over-riding Constraints**	NPC	• 25 March 2024 – Per RCC advise, NPC elevated concerns to DOE • 17 May 2024 – RCC approved Reso on the conclusion of NPC's Proposal for endorsement to PEM Board • **31 July 2024 – PEM Board concurred with the RCC's decision to conclude the National Power Corporation's (NPC) proposed rules change**

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UPDATES ON THE PROPOSALS

General Amendments – Open for Comments (1)

	Proposal	Proponent	Update/Status
1	Proposed Amendments to the WESM Manual on Dispatch Protocol relative to the **Validation Process of Reported Discrepancies** in the **Dispatch Instruction Report**	NGCP	• **Posted in PEMC Website on 25 February 2025, for comments until 11 April 2025** • **RCC deliberation of comments on 16 May 2025**

Philippine Electricity Market Corporation



7.2 DOE UPDATES

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SCHEDULE OF ACTIVITIES

RCC Meetings	BRC Meeting	PEM Board Meeting
• 16 May 2025 • 20 June 2025	• 21 April 2025	• 30 April 2025

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OTHER MATTERS

Proposed Face-to-face RCC Meeting

- 20 June 2025
- 19 December 2025 (tentative)

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OTHER MATTERS

Robinsons Equitable Tower Building Access

- Access to RET Building via turnstiles through QR Code or facial recognition
- Registration through GoWork App
- For ease-of-access to the building, WGC member may register in the GoWork App
- If not registered, WGC member or any visitors shall present a valid ID and log their entry at the reception area of RET Building.

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Annex B – Matrix of the *Proposed Revision to the Urgent Amendments to the Ancillary Services Monitoring Manual*

WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[2] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
MSC: The MSC notes that the proposed amendments are running smoothly as per report by PEMC – Enforcement and Compliance Department. Furthermore, there is also an assurance that the proposed standards / metrics in the proposals are consistent with the Philippine Grid Code. With this, the MSC poses no objection to the proposal. While the proposed formulas and assumptions appear sound, the MSC strongly recommends conducting comprehensive testing (e.g., simulations, sensitivity analyses) under current market conditions to validate their robustness. This step is critical to ensuring the amendments do not inadvertently result in computational errors, misclassification of compliance statuses, or unjustified penalties.							ECO: We acknowledge the importance of conducting comprehensive testing, including simulations or further studies. The metrics and standards are aligned with and adopted from the System Operator's practices for monitoring its contracted reserves, ensuring consistency with established protocols for Grid Operations. Our current in-house flagging tool strictly adheres to the outlined formulas in the ASMM, and we have received no feedback from the Ancillary Services Providers (ASPs) regarding any discrepancies or	RCC's suggestion to consider the comments of the MSC regarding the regular review of the RCS standards.

[2] Mark-ups in black – proposed amendments approved in August 2024 *(ORCP-WM-24-06);* mark-ups in blue – proposed amendments approved in December 2024 *(ORCP-WM-24-06B)*

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Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[2] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
							erroneous flagging results. Additionally, a new and enhanced system, CPEMS 1.1, is being developed to streamline compliance monitoring processes, including flagging, communication with ASP, and penalty calculations, through a web interface, and reinforce/further ensure accuracy in flagging.	
APC: **General query:** Will this be applied retroactively? Will these proposed regulations be applied to batteries that already exist? **General comment:** The imposition of "penalty" for RCS breach should still consider the technical nature of the non-compliance as an exempting circumstance and should not be an automatic consequence parallel to the "non-payment" sanction. While we understand that PEMC does not consider the technical circumstances experienced by the Ancillary Services Provider (ASP) in the "non-payment" sanction because the very nature of compensating the ASPs is its availability, we strongly believe that the "penalty" portion of the RCS breach should not be evaluated using the same parameter for non-payment. If this practice of using the same parameters persists, during periods of unavailability, an ASP will be subjected to non-payment. The facility will not receive compensation, which is reasonable under these circumstances. However, if the very reason for this unavailability is due to technical issues beyond the control of the ASP, in the very same dispatch intervals, this uncompensated ASP will still be subjected to another deduction in the form of							ECO: The urgent amendments to ASMM 1.2 came into effect on 12 December 2024, and are generally applied prospectively, unless explicitly stated otherwise in the Manual. The Manual does not contain any	

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WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[2] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
penalty under a different compliance parameter. In effect, this will result in negative net receivables against the ASP, which is patently unfair. We maintain that the technical nature of the non-compliance should be an exempting circumstance. Penalties should not be automatic and must only be imposed if the unavailability is due to error or negligence on the part of the ASP.							retroactive provisions. Regarding the general comment on imposition of penalties for breaches of the Reserve Conformance Standards (RCS), we recognize that there may be instances where technical constraints, which are unforeseen and beyond the control of the unit, may lead to non-delivery of ancillary services. In such cases, while non-payment of RTA may still be warranted due to non-delivery of reserves, imposing penalties may not be reasonable in certain circumstances. ECO will need to assess technical constraints and penalties on a case-by-case basis to ensure fairness and impartiality.	

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WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[3] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 2 – Definition, References, and Interpretation 2.1 Definitions	g. Enforcement Related Notices -	Notice of Probable Breach – A notice issued by the Market Operator to the Enforcement and Compliance Office. It specifies the dispatch intervals in which a probable breach of Reserve Conformance Standards is identified. It also specifies the amount adjusted or to be adjusted from the reserve trading amounts due from the System Operator as a result of probable breach flagging.	Notice of ~~Probable~~ Breach – A notice issued by the ~~*Market Operator*~~ ***Enforcement and Compliance Office*** to the ***Ancillary Service Providers.*** It specifies the *dispatch intervals* in which a ~~probable~~ breach of *Reserve Conformance Standards* is identified. ~~It also specifies the amount adjusted or to be adjusted from the *reserve trading amounts* due from the *System Operator as a result of probable breach flagging*~~ **after due assessment and verification**~~.~~	The Notice of Breach, which used to be issued alongside IEMOP's Preliminary Settlement Statement, is proposed to be issued by ECO upon finding of breach of RCS, aligning it with the proposed elimination of outright deductions/adjustments after the RCS Monitoring Results. There will be no deductions/adjustments until the Request for Readjustment (RRA; as remedy of ASP) has been availed of and/or completed. The Notice of Breach, which serves as notification to the ASPs of the results, and as trigger, as well, for filing RRA, will retain its purpose. With the current proposal, the ECO will issue the Notice of Breach based on its RCS Monitoring Results.				
Section 2 – Definition, References, and Interpretation 2.1 Definitions	g. Enforcement Related Notices -	Notice of Reserve Amount Adjustment – A notice issued by the *WESM Governance Arm* to the *Market Operator,* the *System Operator,* and the *Ancillary Services Provider* that serves as a directive to, and basis of the *Market Operator* to cause the revision or adjustment in the settlement statement on account of the findings of the *Enforcement and Compliance Office* concerning compliance with the *Reserve Conformance Standards.*	~~Notice of Reserve Amount Adjustment –~~ ~~A notice issued by the *WESM Governance Arm* to the *Market Operator,* the *System Operator,* and the *Ancillary Services Provider* that serves as a directive to, and basis of the *Market Operator* to cause the revision or adjustment in the settlement statement on account of the findings of the *Enforcement and Compliance Office* concerning compliance with the *Reserve Conformance Standards.*~~	For deletion. As per the current proposal, no deductions or adjustments will be made until the RRA has been exhausted or completed. Thus, no notice of reserve amount adjustments will be necessary after revalidation/ reassessment, as initial RCS monitoring results did not trigger any deductions.				

[3] Mark-ups in black – proposed amendments approved in August 2024 *(ORCP-WM-24-06);* mark-ups in blue – proposed amendments approved in December 2024 *(ORCP-WM-24-06B)*

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WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[3] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 2 – Definition, References, and Interpretation 2.1 Definitions	g. Enforcement Related Notices -	Notice of Confirmation of Breach – A notice issued to the *Market Operator,* the *System Operator,* and the *Ancillary Services Provider* by the *WESM Governance Arm* after due assessment and verification by the *Enforcement and Compliance Office* which contains confirmation of the finding/s of breach as initially flagged by the *Market Operator.*	~~Notice of Confirmation of Breach –~~ ~~A notice issued to the *Market Operator,* the *System Operator,* and the *Ancillary Services Provider* by the *WESM Governance Arm* after due assessment and verification by the *Enforcement and Compliance Office* which contains confirmation of the finding/s of breach as initially flagged, **assessed, and reported by the *Enforcement and Compliance Office* to** the *Market Operator.*~~	For deletion. As per the current proposal, no deductions or adjustments will be made until the RRA has been exhausted or completed. Thus, no notice of breach confirmation will be necessary after revalidation/reassessment, as initial RCS monitoring results did not trigger any deductions.				
	i.	**(NEW)**	**i. Rated Capacity - The full-load continuous gross capacity of a unit under the specified conditions, as calculated from the electric generator nameplate based on the rated Power Factor.**	Reference: • PGC (2016 Ed.) • Resolution No. 17, Series of 2023 *"A Resolution Adopting the 2023 Revised Rules for the Issuance of Certificates of Compliance (COCs) For Generation Facilities"*				
Section 2 – Definition, References, and Interpretation 2.1 Definitions	i.	**i. Request for Reassessment with Notice of Claim** – refers to a request of an *Ancillary Service Provider* for an independent or separate evaluation, validation, and assessment of its claim relative to a finding of breach of *Reserve Conformance Standards,* accompanied by a request to recalculate and/or adjust the settlement amount on account of the reassessed findings.	~~i.~~ **j. Request for Reassessment ~~with Notice of Claim~~** – refers to a request of an *Ancillary Service Provider* for an independent or separate evaluation, validation, and assessment of its claim relative to a finding of breach of *Reserve Conformance Standards*~~, accompanied by a request to recalculate and/or adjust the settlement amount on account of the reassessed findings~~. ~~j.~~ **k.** Reserve - xxx	The proposed revision removes the phrase *'With Notice of Claim'* since deductions are deferred until the RRA process is completed. Consequently, ASPs seeking reassessment, under the current proposal, are merely requesting reconsideration of breach findings, without claiming payment adjustments or add-backs. Renumbering due to insertion of new term	**MEI&PEI:** Why is the requested action called "independent or separate" evaluation, validation, and assessment of the claim when the same will still be conducted by ECO as provided for in Section 7.5.1? We suggest to remove the words independent and separate.	**MEI&PEI:** **Request for Reassessment ~~with Notice of Claim –~~** refers to a request of an Ancillary Service Provider for ~~an independent or separate~~ **another round of** evaluation, validation, and assessment of its claim relative to a finding of breach of Reserve Conformance Standards,	ECO: We agree to remove the words "separate" and "independent" from the definition. Historically, the definition was based on the original ASMM version, where the System Operator (SO) should provide its own assessment to the Market Operator (MO) for consolidation. The term "independent evaluation" referred to ECO's separate assessment of the SO's	243rd Meeting: Approved the proposed wordings of ECO 245th Meeting:

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WESM Manual on ASM Issue 1.1								
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						~~accompanied by a request to recalculate and/or adjust the settlement amount on account of the reassessed findings~~. **based on supporting data, information, records and documents that it provided to ECO.**	findings, if reassessment was requested by ASP. However, following the revisions to the ASMM, the SO's initial findings are no longer submitted to MO, thereby rendering the concept of a separate and independent review obsolete/ inapplicable. Concur *with modification:* **Request for Reassessment** – refers to a request of an Ancillary Service Provider for ~~an independent or separate~~ **review, re**-evaluation, **re**validation, and **re-**assessment of ~~its claim relative to a~~ **the initial** finding of breach of *Reserve Conformance Standards.*	
Section 2 – Definition, References, and Interpretation	k.	**k. Reserve Amount Adjustment –** the amount to be debited or credited to/from a *WESM Member* as a line-item adjustment to the *reserve trading amount* in connection with the results of the monitoring and assessment of the compliance of the *Ancillary Services Providers* with the *reserve conformance standards.*	~~k~~ **l. Reserve Amount Adjustment –** the amount to be debited ~~or credited to/~~ from a *WESM Member* as a line-item adjustment to **or deduction from** the *reserve trading amount* in connection with the **final** results **or findings of breach** of the ~~monitoring and assessment of the compliance of the~~ ***Reserve Conformance Standards*** ~~the *Ancillary Services Providers* with the *reserve conformance standards*~~. ~~l.~~ **m.** Reserve Conformance Standards - xxx	The term "final" is added to signify that the proceedings have completed the initial RCS monitoring and assessment, as well as any subsequent revalidation or reassessment. Only thereafter will IEMOP apply the reserve amount adjustment in the Preliminary Settlement Statement, based on the finalized results. Renumbering due to insertion of new term.	**SPC/SIPC:** Are the results of the Request for Reassessment can be further elevated to Motion for Reconsideration or Notice of Dispute by the Ancillary Service Providers?	**SPC/SIPC:** **l. Reserve Amount Adjustment –** the amount to be debited ~~or credited to/~~ from a *WESM Member* as a line-item adjustment to **or deduction from** the *reserve trading amount* in connection with the **final** results **or findings of breach** of the ~~monitoring and assessment of the compliance of the~~ ***Reserve Conformance Standards*** ~~the *Ancillary Services Providers* with~~	Pursuant to ASMM Section 7.6.8, once a Reassessment has been conducted on RCS findings in response to the filing of RRA, no further requests for reconsideration or appeal will be entertained. Also, dispute resolution is a separate process, exclusively applicable to market transaction-related disputes. Allowing the Request for Reconsideration (RR)	243rd Meeting: RCC agreed with the proponent's comment to retain the definition since the concern is procedural Deliberation of the concern on the timeline will be on the correct provision 245th Meeting

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						~~the *reserve conformance standards*~~. **which can be further subjected to Motion for Reconsideration or Notice of Dispute by the Ancillary Service Providers.**	would have the following implications: • A 30-40 day delay in implementing the Reserve Trading Amount (RTA) Adjustment. • A reversion to the two-layer settlement mechanism, which could undermine the streamlined process introduced in the recent urgent ASMM amendment. Counterproposal: We propose incorporating a final review process where ECO and the Ancillary Service Provider (ASP) jointly review the results prior to release of the RRA results. As the subject provision (Sec. 2.1 [k]) pertains to a definition of terms, whereas the recommendation is procedural in nature, we alternatively suggest placing the proposed revision in **Section 7.5.2,** which reads: "7.5.2 The *Enforcement and Compliance Office,* during verification and assessment, may also consult the *Market Operator,* the *System Operator,* or the *Metering Service*	

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							Provider, as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate, **and facilitate a joint review with the *Ancillary Services Provider* of the reassessment results, prior to issuance of the final monitoring results to serve as the basis for the Reserve Trading Amount adjustments. Provided that, should no confirmation or feedback be received from the *Ancillary Services Provider* within three (3) *business days* from receipt of the results, the same shall be deemed confirmed, and the *Enforcement and Compliance Office* shall be authorized to submit *Reserve Conformance Standards Non-Compliance List* to the Market Operator pursuant to Section 7.6.7 of this Manual."**	
Section 2 – Definition, References,	n.	**(new)**	**n. Reserve Conformance Standards Non-Compliance List – contains a list of all intervals with breach of the *Reserve Conformance***	To include in the "Definition of Terms" the type of report required for				

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and Interpretation 2.1 Definitions			***Standards* occurring within a specified billing period, including date and dispatch interval with breach, affected resource unit, reserve type and other relevant details pertaining to the non-compliance.**	submission to IEMOP after considering RRA results and final RCS monitoring findings, serving as the basis for definitive one-time settlement adjustments.				
Section 2 – Definition, References, and Interpretation 2.1 Definitions		m. Reserve Facility - xxx n. Reserve Offer - xxx o. Reserve Offer Capacity Compliance - xxx p. Reserve Schedule - xxx q. WESM Reserve Market - xxx	~~m~~ o. Reserve Facility - xxx ~~n~~ p. Reserve Offer - xxx ~~o~~ q. Reserve Offer Capacity Compliance - xxx ~~p~~ r. Reserve Schedule - xxx ~~q~~ s. WESM Reserve Market - xxx	Renumbering of the succeeding terms in the "Definition of Terms" in view of the inserted / new defined term.				
Section 3 – Responsibilities 3.1 Market Operator	3.1.1	The *Market Operator* shall establish a procedure for the monitoring or flagging of *breach* in accordance with the *Reserve Conformance Standards* and the rule pertaining to *Reserve Offer Capacity Compliance* through the use of an appropriate facility.	The *Market Operator* shall establish a procedure for the **timely gathering and provision of available market data to the *WESM Governance Arm* that are necessary for the monitoring of compliance** ~~monitoring or flagging of *breach* in accordance~~ with the *Reserve Conformance Standards* and the rule pertaining to *Reserve Offer Capacity Compliance* ~~through the use of an appropriate facility~~.	In reference to revision in Section 7.2 where the responsibility of flagging the probable breach is removed from MO. ECO will flag the breach, validate, assess, and report the results to MO. MO will instead be in charge of the timely collection and gathering of data, and provision thereof to PEMC for the Reserve Market compliance monitoring purposes.				
Section 3 Responsibilities 3.4 Ancillary Services Provider	3.4.1	3.4.1 Ancillary Services Providers shall submit to the System Operator the following real-time data for purposes of monitoring compliance with the Reserve Conformance Standards. a. Generator mode of operations b. Dead band setting	3.4.1 Ancillary Services Providers shall submit to the System Operator the following ~~real-time~~ data for purposes of monitoring compliance with the Reserve Conformance Standards. a. Generator mode of operations b. Dead band setting **c. Speed droop characteristic**	Deletion of the term "real-time" to describe the required data of the System Operator from the Ancillary Services Providers that will be used for monitoring compliance with the Reserve Conformance Standards. Addition of Speed Droop characteristic to the required data from the Ancillary Services Providers (ASPs) in				

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<tr><td></td><td></td><td></td><td></td><td>reference to Section 5.3.3 and 5.4.4.</td><td></td><td></td><td></td><td></td></tr>
<tr><td>SECTION 5 – Reserve Conformance Standards

5.2 Provision of Data for Monitoring and Reporting</td><td>5.2.1</td><td>The System Operator shall submit to the Market Operator data and reports that may be necessary in initially determining probable breach, such as but not limited to the following:

<table><tr><th><u>Data</u></th><th><u>Timeline of Provision</u></th></tr><tr><td><u>Generator mode of operation (e.g., Automatic Generation Control, Governor Control Mode, Manual Dispatch Instruction)</u></td><td><u>Real-Time</u></td></tr><tr><td><u>Dead band settings</u></td><td><u>Real-Time</u></td></tr><tr><td><u>Speed droop</u></td><td><u>Real-Time</u></td></tr><tr><td><u>Generator Status</u></td><td><u>Real-Time</u></td></tr><tr><td><u>Dispatch instructions</u></td><td><u>By 1200H of the next day for all instructions of the current trading day</u></td></tr><tr><td><u>Outages</u></td><td><u>By 1200H of the next day for all instructions of the current trading day</u></td></tr><tr><td><u>Power System Frequency</u></td><td><u>Real-Time</u></td></tr><tr><td><u>Control Dead band</u></td><td><u>Real-Time</u></td></tr></table></td><td>The System Operator ~~shall submit to~~ <u>and</u> the Market Operator <u>shall submit to the WESM Governance Arm</u> data and reports that may be necessary in initially determining probable breach, such as but not limited to the following:

<table><tr><th>Data</th><th>Timeline of Provision</th><th><u>Source</u></th></tr><tr><td>Generator mode of operation (e.g., Automatic Generation Control, Governor Control Mode, Manual Dispatch Instruction)</td><td>~~Real-Time~~
<u>D+1</u></td><td><u>Market Operator</u></td></tr><tr><td>Deadband settings <u>(Based on certification)</u></td><td>~~Real-Time~~
<u>As necessary</u></td><td><u>Market Operator</u></td></tr><tr><td>Speed droop <u>characteristic (Based on certification)</u></td><td>~~Real-Time~~
<u>As necessary</u></td><td><u>Market Operator</u></td></tr><tr><td><u>Rated Capacity (Based on declared/tested capacity)</u></td><td><u>As necessary</u></td><td><u>System Operator</u></td></tr><tr><td>Generator Status</td><td>~~Real-Time~~
<u>D+1</u></td><td><u>System Operator</u></td></tr><tr><td>Dispatch instructions</td><td>~~By 1200H of the next day for all instructions of the current trading day~~

<u>D+1</u></td><td><u>System Operator</u></td></tr><tr><td>Outages</td><td>~~By 1200H of the next day for all instructions of~~</td><td><u>System Operator</u></td></tr></table></td><td>Ensuring all relevant data are considered to achieve more precise and reliable results, and to avoid any discrepancies. This approach also helps to effectively monitor and identify any potential breaches of regulations or market rules.

Final BCQ-MO provision from monthly to every 15th of the month, as agreed with MO.

Additional data are added for clarity and consistency and to reflect current practice.</td><td><u>APC:</u>

The proposed additional data in the table found in Clause 5.2.1 should already be available to the Market Operator based on the submission of the Trading Participant to the Market Operator based on the Reserve Market Registration compliance particularly data indicated in the AS Certification.
In line with this, to avoid possible confusion, the prevailing source of this data should be the data from the MO (instead of the SO) having processed the WESM registration data based on the original and authentic records (i.e. COC - also reliant on NGCP dox such as the GUCT).
As observed at one instance, the data provided by the SO to PEMC is not consistent with the said available records.</td><td></td><td>ECO:

This provision is consistent with the additional requirement under Section 5.6.2, which specifies that the rated capacity may be based on: (a) WESM registration records; and (b) declared capacity during testing, which may differ from the plant's nameplate rating.

The primary source of information shall be MO, unless the ASP requests a change.

We recommend retaining this provision.</td><td>243rd Meeting: Approved to retain the provision

RCC approved the addition of "D-1" in the footnote</td></tr>
</table>

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<tr>
<td></td>
<td></td>
<td>For other data or reports not enumerated in the foregoing table, the Market Operator and the System Operator shall, from time to time, agree on the manner and schedule of submission.</td>
<td>
<table>
<tr><td></td><td><s>the current trading day</s>
<u>D+1</u></td><td></td></tr>
<tr><td>Power System Frequency</td><td><s>Real-Time</s>
<u>D+1</u></td><td><u>System Operator</u></td></tr>
<tr><td><s>Control Dead band</s></td><td><s>Real-Time</s></td><td></td></tr>
<tr><td><u>Desired MW/AGC Command</u></td><td><u>D+1</u></td><td><u>System Operator</u></td></tr>
<tr><td><u>Certified Capacity (Based on certification)</u></td><td><u>As necessary</u></td><td><u>Market Operator</u></td></tr>
<tr><td><u>Day-Ahead Ancillary Service Schedule (DAASS)</u></td><td><u>D-1</u></td><td><u>System Operator</u></td></tr>
<tr><td><u>BCQ-SO</u></td><td><u>D+1</u></td><td><u>System Operator</u></td></tr>
<tr><td><u>Final BCQ-MO</u></td><td><u>Every 15th of the following month</u></td><td><u>Market Operator</u></td></tr>
<tr><td><u>Actual MW Output</u></td><td><u>D+1</u></td><td><u>System Operator</u></td></tr>
<tr><td><u>Reserve Type (Based on certification)</u></td><td><u>As necessary</u></td><td><u>Market Operator</u></td></tr>
</table>
For other data or reports not enumerated in the foregoing table, the Market Operator<u>, the WESM Governance Arm</u>, and the System Operator shall, from time to time, agree on the manner and schedule of submission.

<u>[Add Footnote] "D" - Day; "D+1": Next Day</u>
</td>
<td>For clarity.</td>
<td>Suggestion to add "D-1" to mean day prior the concerned trading day.</td>
<td></td>
<td>ECO: We concur to include the notation "D-1" in the footnote, signifying the day preceding the relevant trading day.</td>
<td>243rd Meeting: RCC approved the addition of "D-1" in the footnote</td>
</tr>
<tr>
<td></td><td></td><td></td><td></td><td></td>
<td><u>SPC/SIPC:</u>

For clarity on the following Timeline of Provision:
1. D-1.
2. D.
3. D+1.</td>
<td><u>SPC/SIPC:</u>

<u>Add Footnote] "D-1" – Previous Day; "D" – Day; "D+1" – Next Day</u></td>
<td></td>
<td>243rd Meeting: RCC approved the addition of "D-1" in the footnote</td>
</tr>
<tr>
<td></td><td></td><td></td><td></td><td></td>
<td><u>MEI&PEI:</u>

Please clarify why the Market Operator is the source of data regarding generation mode of operation, deadband settings and speed droop characteristic, whereas these data are submitted by the Ancillary Services Providers to the System Operator in accordance with Section 3.4.1.</td>
<td></td>
<td>ECO:

The mode of operation data is one of the inputs provided by the ASP via the MMS during the reserve offer submission process. As part of the data exchange protocol, the MO shall submit reserve market data, including mode of operation data, to PEMC.

We propose retaining the original provision.</td>
<td></td>
</tr>
</table>

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							(Related Rule Section 3.4.1)	
					NGCP: Propose to designate the Market Operator as the source of generator status data, aligning with current practice.		ECO: We concur to designate the Market Operator as the source of generator status data, aligning with the current practice. For MO's confirmation.	244th Meeting: Approved to align with current practice Generator Status - Market Operator
SECTION 5 – Reserve Conformance Standards 5.3 Reserve Conformance Standards for Regulating Reserve	5.3.3	Reserve facilities scheduled to provide regulating reserve shall also ensure that they meet the following requirements during the relevant dispatch interval: a. Dead band is 0.15 Hz or lower if operating on GCM or AGC b. Speed-droop characteristic is 5% or lower; and c. Provision of reserve is sustainable for the entire dispatch interval.	Reserve facilities scheduled to provide regulating reserve shall also ensure that they meet the following requirements **based on the certified settings** during the relevant dispatch interval: a. Dead band is **0 Hz to +/- 0.15 Hz** ~~0.15 Hz or lower~~ if operating on GCM ~~or AGC~~**.** b. ~~Speed-droop~~ **Speed droop characteristic** is 5% or lower **and 1% or lower for *Battery Energy Storage System* if operating on GCM**; and c. Provision of reserve is sustainable for the entire dispatch interval.	To indicate the correct dead band settings for GCM mode and to delete "or AGC" as there is no dead band requirement for AGC operations. No speed droop characteristic requirement for AGC since it is automatically controlled by a Supervisory Control and Data Acquisition (SCADA) from the SO Control Center or manual adjustment of load with specific instructions from the SO. To include the speed droop characteristic for Battery Energy Storage System (BESS)	**MEI&PEI:** For consistency, Section 15.6.1 of the Dispatch Protocol Manual should also be revised to reflect the proposed amendment.		ECO: For SO's comment. Reference: From DPM Sec. 15.6.1 Reserve facilities scheduled to provide Regulating Reserve shall ensure that their deadband is set within +/- 0.15 Hz.	243rd Meeting: RCC approved the proposed amendment on Section 15.6 of the WESM DP (See amendment on WESM DPM)
SECTION 5 – Reserve Conformance Standards	5.3.4	A reserve facility providing regulating reserve that fails to maintain an average response accuracy as set out in Sections 5.6.1 and 5.7.1 or an average response time as set out in Sections 5.6.3 and 5.7.3 in any dispatch interval during the monitoring period shall be flagged as non-compliant. Once flagged as non-compliant,	A reserve facility providing regulating reserve that fails to maintain an average response accuracy as set out in Sections 5.6.1 ~~and 5.7.1~~ or an average response time as set out in Sections 5.6.3 ~~and 5.7.3~~ **or Percentage (%) of Compliance as set out in sections 5.7.1** in any dispatch interval during the ~~monitoring period~~ ***settlement interval*** shall be	To revise the averaging from a monthly period to hourly interval as this proposed approach would calculate the average response accuracy and response time for the				

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5.3 Reserve Conformance Standards for Regulating Reserve		a reserve facility will be assessed further based on the following: a) Compliance with the response accuracy for each dispatch interval; and b) Compliance with the response time for each dispatch interval.	flagged as non-compliant. Once flagged as non-compliant, a reserve facility will be assessed further based on the following: a) Compliance with the response accuracy for each dispatch interval; and b) Compliance with the response time for each dispatch interval.	reserve facility operating under GCM within each relevant hourly interval, providing a more balanced and granular assessment of compliance. To distinguish hourly averaging of response accuracy and response time (under GCM) from Percentage of Compliance (under AGC), in relation to the proposed revisions to Section 5.7 "Measuring Reserve Response Compliance of Generators on Automatic Generation Control".				
SECTION 5 – Reserve Conformance Standards 5.3 Reserve Conformance Standards for Regulating Reserve	5.3.5	Considering the provisions of Section 5.3.4, the relevant *reserve facility* that fails to meet either: (a) the required response accuracy of at least 80% or 75% or (b) the required response time of not more than five (5) or twenty-five (25) seconds, as applicable in accordance with Sections 5.6 and 5.7 at any *dispatch interval* will be considered breach of the *reserve conformance standards* for *regulating reserves* for that *dispatch interval.*	Considering the provisions of Section 5.3.4, the relevant *reserve facility* that fails to meet either: (a) the required response accuracy of at least 80% or ~~75~~ **90**% or (b) the required response time of not more than five (5) or twenty-five (25) seconds, as applicable in accordance with Sections 5.6 and 5.7 at any *dispatch interval* will be considered breach of the *reserve conformance standards* for *regulating reserves* for that *dispatch interval.*	To be consistent with Section 5.7 and 5.8 90% compliance is to be consistent with the standard practice of NGCP-SO in monitoring reserve facilities operating under AGC	**MERALCO:** We would like to seek clarification on considering 90% compliance as "standard" for the SO in monitoring reserve facilities under AGC. 1. Who and how was the figure determined? 2. Is it consistent with the Philippine Grid Code (PGC)?		ECO: The response accuracy metric is consistent with the standard practice by the System Operator in Ancillary Service (AS) testing, as well as in monitoring its contracted reserve facilities. While the ideal response is 100%, the 90% threshold is a practical benchmark that acknowledges operational realities while ensuring reliability in the grid. This requirement aligns with the Philippine Grid Code (PGC), which defines AGC as a system that adjusts generation to maintain dispatch schedule and its share of frequency regulation (through AGC	

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							command). Although the PGC does not specify a 90% compliance level, the SO's implementation reflects a commitment to effective grid operations. For confirmation by NGCP-SO.	
					APC: May we know the wisdom behind the lowering of the required response accuracy from 80% or 75% to 80% or 90%? Based on data, will there be enough capacity that can meet this lower threshold?		ECO: The required response accuracy of at least 80% for GCM and 90% for AGC is aligned with the current practices from the System Operator during AS capability testing. Reserve facilities must meet these thresholds to achieve certification. For AGC, the required response accuracy has actually been tightened from 75% to 90%. Stricter standards can contribute to improve reliability/stability of the grid.	
					MEI&PEI: For clarity, please specify that the required response accuracy of at least 80% is for GCM, while the required response accuracy of at least 90% is for AGC. Similarly, please indicate that the required response time of not more than five seconds is for GCM, while the required	**MEI&PEI:** Considering the provisions of Section 5.3.4, the relevant reserve facility that fails to meet either: (a) the required response accuracy of at least 80% **for GCM** or ~~75~~ **90% for AGC**, or (b) the required response time of not more than five (5) **seconds for GCM** or twenty-five (25) seconds	ECO: We concur. The revised wording accurately captures the intended meaning.	243rd Meeting: Approved the proposed wording from the commenter

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					response time of not more than twenty-five seconds is for AGC.	**for AGC**, as applicable in accordance with Sections 5.6 and 5.7 at any dispatch interval will be considered breach of the reserve conformance standards for regulating reserves for that dispatch interval.		
SECTION 5 – Reserve Conformance Standards 5.4 Reserve Conformance Standards for Contingency Reserve	5.4.4	Reserve facilities scheduled to provide contingency reserve shall also ensure that they meet the following requirements during the relevant dispatch interval: a. Dead band is greater than 0.15 Hz but less than 0.30 Hz if operating on GCM or AGC; b. Speed-droop characteristic is 5% or lower; and c. Provision of reserve is sustainable for the entire dispatch interval.	Reserve facilities scheduled to provide contingency reserve shall also ensure that they meet the following requirements **based on the certified settings** during the relevant dispatch interval: a. Dead band is ~~greater than 0.15 Hz~~ **~~0.16 Hz to 0.30 Hz~~** ~~but less than 0.30 Hz~~ **- 0.15 Hz to - 0.30 Hz** if operating on GCM ~~or AGC~~**.** b. ~~Speed-droop~~ **Speed droop characteristic** is 5% or lower **and 1% or lower for *Battery Energy Storage System*, if operating on GCM;** and c. Provision of reserve is sustainable for the entire dispatch interval.	To indicate the correct dead band settings for GCM mode and to delete "or AGC" as there is no dead band requirement for AGC operations. No speed droop characteristic requirement for AGC since it is automatically controlled by a Supervisory Control and Data Acquisition (SCADA) from the SO Control Center or manual adjustment of load with specific instructions from the SO. To include the speed droop characteristic for BESS.	**MEI&PEI:** For consistency, Section 15.6.2 of the Dispatch Protocol Manual should also be revised to reflect the proposed amendment.		ECO: For SO's comment. Reference: From DPM Sec. 15.6.2 Reserve facilities scheduled to provide Contingency Reserve shall ensure that their deadband is set between -0.15 Hz and -0.30 Hz.	243rd Meeting: Secretariat's Note: Check harmonization with DPM (the word in between) (See amendment on WESM DPM)
SECTION 5 – Reserve Conformance Standards 5.4 Reserve Conformance Standards for Contingency Reserve	5.4.5	A reserve facility providing contingency reserve that fails to maintain an average response accuracy as set out in Sections 5.6.1 and 5.7.1 or an average response time as set out in Sections 5.6.3 and 5.7.3 for the entire monitoring period shall be flagged as non-compliant. Once flagged as non-compliant, a reserve facility will be assessed further based on the following: a) Compliance with the response accuracy for each dispatch interval; and b) Compliance with the response time for each dispatch interval.	A reserve facility providing contingency reserve that fails to maintain an average response accuracy as set out in Sections 5.6.1 ~~and 5.7.1~~ or an average response time as set out in Sections 5.6.3 ~~and 5.7.3~~ **or Percentage (%) of Compliance as set out in sections 5.7.1** for the entire ~~monitoring period~~ ***settlement interval*** shall be flagged as non-compliant. Once flagged as non-compliant, a reserve facility will be assessed further based on the following: a) Compliance with the response accuracy for each dispatch interval; and b) Compliance with the response time for each dispatch interval.	To revise the averaging from a monthly period to hourly interval as this proposed approach would calculate the average response accuracy and response time for the reserve facility operating under GCM within each relevant hourly interval, providing a more balanced and granular assessment of compliance. To distinguish hourly averaging of response				

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				accuracy and response time (under GCM) from Percentage of Compliance (under AGC), in relation to the proposed revisions to Section 5.7 "Measuring Reserve Response Compliance of Generators on Automatic Generation Control".				
SECTION 5 – Reserve Conformance Standards 5.4 Reserve Conformance Standards for Contingency Reserve	5.4.6	Considering the provisions of Section 5.4.5, the relevant *reserve facility* that fails to meet either: (a) the required response accuracy of at least 80% or 75% or (b) the required response time of not more than five (5) or twenty-five (25) seconds, as applicable in accordance with Section 5.6 and Section 5.7 at any *dispatch interval* will be considered *breach* of the *reserve conformance standards* for *contingency reserves* for that *dispatch interval.*	Considering the provisions of Section 5.4.5, the relevant *reserve facility* that fails to meet either: (a) the required response accuracy of at least 80% or ~~75%~~ 90% or (b) the required response time of not more than five (5) or twenty-five (25) seconds, as applicable in accordance with Section 5.6 and Section 5.7 at any *dispatch interval* will be considered *breach* of the *reserve conformance standards* for *contingency reserves* for that *dispatch interval.*	To be consistent with Section 5.7 90% compliance is to be consistent with the standard practice of NGCP-SO in monitoring reserve facilities operating under AGC	**MERALCO:** Same as our comment in 5.3.5, we would like to seek clarification on considering 90% compliance as "standard" for the SO in monitoring reserve facilities under AGC. 1. Who and how was the figure determined? 2. Is it consistent with the PGC?		ECO: 1. The RCS criteria are derived from the NGCP's Ancillary Service Procurement Plan (ASPP), which, according to the System Operator, outlines the technical requirements for testing ancillary services. 2. Yes, the PGC establishes the basic rules, requirements, procedures and standards for grid operations, and mentions ASPP in the context of ancillary services.	
					APC: May we know the wisdom behind the lowering of the required response accuracy from 80% or 75% to 80% or 90%? Based on data, will there be enough capacity that can meet this lower threshold?		ECO: Same as previous response for Section 5.3.5	

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					MEI&PEI: For clarity, please specify that the required response accuracy of at least 80% is for GCM, while the required response accuracy of at least 90% is for AGC. Similarly, please indicate that the required response time of not more than five seconds is for GCM, while the required response time of not more than twenty-five seconds is for AGC.	**MEI&PEI:** Considering the provisions of Section 5.3.4, the relevant reserve facility that fails to meet either: (a) the required response accuracy of at least 80% **for GCM** or ~~75%~~ **90% for AGC**, or (b) the required response time of not more than five (5) **seconds for GCM** or twenty-five (25) seconds **for AGC**, as applicable in accordance with Sections 5.6 and 5.7 at any dispatch interval will be considered breach of the reserve conformance standards for regulating reserves for that dispatch interval.	ECO: We concur. The revised wording accurately captures the intended meaning.	243rd Meeting: Approved the proposed wording from the commenter
SECTION 5 – Reserve Conformance Standards 5.5 Reserve Conformance Standards for Dispatchable Reserve	5.5.3	After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within fifteen (15) minutes from synchronization.	After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within fifteen (15) minutes from synchronization **and shall generate within the upper and lower dispatch thresholds of +/-1% of the dispatch instruction, or +/- 0.5 MW, whichever is higher. The facility shall sustain and maintain generation in accordance with the active instruction and any succeeding instructions from the System Operator until instructed to shut down.** **Footnote: (See Illustration 1 of Appendix IV)**	To add a criterion that in addition to the requirement for DR to generate within 15 minutes from the SO instruction, the reserve facility must follow a dispatch tolerance of +/- 1% (based on SO's standard practice for monitoring) or +/- 0.5 MW (based on the survey results conducted with DR-ASPs) for the given period and to clearly establish that the facility must sustain/continue to generate to meet the SO instruction until it receives a specific directive to stop generating.	**APC:** We suggest that PEMC ECO's flagging process be aligned with the Dispatch Conformance Standards ("DCS") by introducing a tolerance period/probationary period. In the DCS framework, a Trading Participant is only flagged for potential breach after exceeding four intervals of non-compliance. However, under the current RCS, a single dispatch interval, despite meeting the other dispatch interval during the synchronization period, not meeting the dispatch	**APC:** Proposed additional provision, to wit: **For purposes of flagging the concerned Ancillary Services Provider, the generating unit shall be flagged for possible breach of the reserve conformance standards if the non-compliance count for a generating unit exceeds four (4) intervals for deviations beyond the error threshold.**	ECO: The DCS (for energy) and the RCS (for reserve) serve distinct purposes. While the DCS focuses on energy dispatch, the RCS prioritizes rapid response to frequency deviations in the grid, ensuring grid stability. Due to the time-sensitive nature of grid stability requirements, the RCS takes precedence over the DCS, emphasizing the critical importance of timely reserve response. This is why the rules for RCS are stricter, as the swift and accurate provision of reserve	243rd Meeting: Approved to retain the provision

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				(See Illustration 1 in Annex C) Clerical revision to specify reference to the relevant illustration in Appendix IV.	threshold is considered a potential breach and will be included in the flagging issued by PEMC ECO.. Given the integrated nature of the energy and reserve markets in the Philippines' co-optimization framework, we recommend applying similar or identical flagging standards to both. This is justified as both markets utilize the same generating units and are exposed to similar operational risks and technical challenges. Consistent standards will ensure fair treatment and competition.		capacity is crucial to maintaining grid reliability and preventing potential power disruptions. We propose retaining the original provision.	
					ACEN: Addition of paragraph In case the dispatch instruction is sustained even the reserve schedule is already lower than the active dispatch instruction, the MW in excess shall be tagged as an MOT run and shall be subject to Additional Compensation	**ACEN:** After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within fifteen (15) minutes from synchronization **and shall generate within the upper and lower dispatch thresholds of +/-1% of the dispatch instruction, or +/- 0.5 MW, whichever is higher. The facility shall sustain and maintain generation in accordance with the active instruction and any succeeding instructions from the**	ECO: The concerns and proposed rewording in the last paragraph regarding additional compensation are likely addressed by Sections 10.1 and 10.2 of the Billing and Settlement Manual, which provides separate guidelines on this matter.	243rd Meeting: Approved to retain the provision

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						System Operator until instructed to shut down. ***Any dispatch instruction higher that the Reserve Schedule, the capacity in excess of the Reserve Schedule shall be tag as MOT run and subject to to Additional Compensation***		
SECTION 5 – Reserve Conformance Standards 5.5 Reserve Conformance Standards for Dispatchable Reserve	5.5.4	**[NEW]**	**5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction of the *System Operator* based on the *Reserve Schedule* due to an outage or unavailability shall be considered in breach of the *reserve conformance standards* for the *dispatch interval* that the non-compliance occurs and in all preceding intervals of the same trading day that have Dispatchable *Reserve Schedules*.**	It covers instances where a facility (that is required to be offline) offers for DR but it is, in fact, not available when called to run. It will only be ascertained during the time that it is asked to run by SO. The dispatchable reserve facility that becomes non-dispatchable real-time or is unable to deliver the MW capacity in real-time due to an outage or other cause/s of unavailability presupposes that it is not also available in the prior intervals (while it was offline). By being unable to run as DR, it does not serve its purpose, i.e., assuring the grid that it is indeed readily available for dispatch (when needed) in order to replenish the CR whenever a generating	**SNAP:** We suggest aligning this provision with the current practice of NGCP. If there is an intra-day spot and AS operation (either, spot, RR, CR or DR utilized) utilization, the preceding intervals with DR should no longer be tagged as NCs. Furthemore, 1. It is a spot reserve market not a contractual obligation, NC's should be applicable only to the trading intervals that are affected by the outage. 2. It generalizes that whenever a generating unit trips, all preceding intervals of the same trading day that have DR schedules will be tagged as NC regardless if it is available or not.		ECO: ECO is currently implementing the suggested procedures during the validation and assessment process. This ensures that assessments consider any evidence of plant operation or availability during the previous intervals. Note that a reserve facility's unavailability during a specific interval is intended to create a presumption of unavailability in previous intervals, which can be disputed with credible evidence. To clarify this point, we propose the following rewording: "5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction	243rd Meeting: Review the appropriate wording.

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				unit trips or a loss of a single transmission interconnection occurs.	3. It includes the part of being unable to provide DR due to loss of a single transmission which is sometimes not a fault on the supplier's side. If it is indeed the supplier's side fault, it is unfair to assume that all preceding DR schedules are unable to be delivered. 4. It seems illogical to apply the NC retroactively, as we declare outages to NGCP and ERC whenever we are in an outage state, and a separate standard (reliability standard) applies in this case		of the *System Operator* based on the *Reserve Schedule* due to an outage or unavailability shall be considered in breach of the *reserve conformance standards* for the *dispatch interval* that the non-compliance occurs and in all preceding intervals of the same trading day that have Dispatchable *Reserve Schedules*, **unless proven otherwise by the concerned *Ancillary Service Provider*.**	
					MERALCO: In our 18 October 2024 submission, we inquired on the treatment of preceding intervals of the same trading day, wherein the dispatchable reserve facility was able to comply to the real-time dispatch instruction. In the proponent's response circulated by the Rules Review Division via email on 14 November 2024, PEMC-ECO responded that "[t]he facility will not be flagged in the preceding intervals". For clarity, we suggest that PEMC-ECO's	**MERALCO:** **5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction of the *System Operator* based on the *Reserve Schedule* due to an outage or unavailability shall be considered in breach of the *reserve conformance standards* for the *dispatch interval* that the non-compliance occurs and in all preceding intervals of the same trading day where the dispatchable reserve**	ECO: Same response as previous.	243rd Meeting: Review the appropriate wording.

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					response be reflected in the provision.	**facility has failed to comply with ~~that have~~ Dispatchable *Reserve Schedules*.**		
					SPC/SIPC: We can cluster the intervals that can be consider as breach of the reserve conformance standards, let us take the following scenario: Scenario 1: from Hour 0100H to 0300H (all the 5-minute dispatch intervals) had RDS (on its available, dependable or certified DR capacity). the dispatch call was given at 0240H (cut-in should be within 15 minutes or until 0255H), but the DR facility was not able to cut-in, thus non-payment of RTA for hour 0100H to 0300H. Scenario 2: from Hour 0100H to 0255H (all the 5-minute dispatch intervals) had RDS (on its available, dependable or certified DR capacity). the dispatch call was given at 0245H (cut-in should be within 15	**SPC/SIPC:** **5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction of the *System Operator* based on the *Reserve Schedule* due to an outage or unavailability shall be considered in breach of the *reserve conformance standards* for the *dispatch interval* that the non-compliance occurs and in all preceding intervals of the same trading day that have Dispatchable *Reserve Schedules*.** **No breach of the reserve conformance standards will be imposed on the following scenarios:** **1. Whenever the system operator had another dispatch instructions (i.e. cancel the cut-in/synchronization, etc.).** ECO: Propose to retain original provision: 1) This scenario is already addressed in Section 5.5.3 of the ASMM, which provides guidance on active or varying instructions issued by the System Operator (SO). Reference:		243rd Meeting: Review the appropriate wording.

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					minutes or until 0300H), however the SO gave another instructions at 0249H to cancel the cut-in/synchronization, with the above incident/instruction, we suggest that RTA for hour 0100H to 0255H should be paid. Scenario 3: from Hour 0100H to 0300H (all the 5-minute dispatch intervals) had RDS (on its available, dependable or certified capacity). Starting 0305H, the DR facility now has RTD (energy market) participation (on its available, dependable or certified DR capacity), and is able to deliver the RTD and its applicable compliances, thus Payment of RTA for hour 0100H to 0300H (reserve transaction) should be made since the facility is able to prove is availability. Also, RTD transaction should be paid. Scenario 4: Same scenario as Scenario 3 with another revised RDS for Scenario 1 starting at 0500H to 0700H, the dispatch call was given at 0640H (cut-in should be within 15 minutes or until 0755H), but the DR	**2. The preceding RDS is not dispatched and the succeeding dispatch intervals are RTD that is compliant with the applicable compliances on energy market.**	"5.5.3 After synchronization, the *dispatchable reserve facility* shall deliver the MW capacity instructed by the *System Operator* within fifteen (15) minutes from synchronization and shall generate within the upper and lower dispatch thresholds of +/-1% of the dispatch instruction, or +/- 0.5 MW, whichever is higher. The facility shall sustain and maintain generation in accordance with the active instruction and any succeeding instructions from the *System Operator* until instructed to shut down." 2) The proposed rewording suggested above may address this issue, as it provides a more comprehensive solution that would cover scenarios where evidence indicates the plant was operating or available, thereby challenging or disputing the presumption of unavailability in previous intervals. "5.5.4 A dispatchable *reserve facility* that fails	

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					facility this time was not able to cut-in, thus Payment of RTA for hour 0100H to 0300H (reserve transaction) should be made since the facility is able to prove is availability. Also, RTD transaction should be paid. But non-payment of RTA for hour 0500H to 0700H.		to comply with the real-time dispatch instruction "x x x **unless proven otherwise by the concerned *Ancillary Service Provider*."**	
					ACEN: Breach of the reserve conformance standards for the preceding intervals shall only start from the succeeding interval from the last compliant interval with Dispatchable reserve schedule and corresponding instruction from the System Operator. This is aligned with the Implementing Guidelines on our ASPA DR contract.	**ACEN:** **5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction of the *System Operator* based on the *Reserve Schedule* due to an outage or unavailability shall be considered in breach of the *reserve conformance standards* for the *dispatch interval* that the non-compliance occurs, as well as for all preceding intervals of the same trading day that have Dispatchable Reserve Schedules. The breach of reserve conformance standards for preceding intervals shall only begin from the interval immediately following the last compliant interval with a Dispatchable Reserve**	ECO: The proposed rewording suggested above may address this issue, as it provides a more comprehensive solution that would cover scenarios where evidence indicates the plant was operating or available, thereby challenging or disputing the presumption of unavailability in previous intervals. "5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction "x x x **unless proven otherwise by the concerned *Ancillary Service Provider*."**	243rd Meeting: Review the appropriate wording.

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						Schedule and corresponding instruction from the System Operator.		
					MEI&PEI: Considering the dispatch reserve facility to be outright in breach of the reserve conformance standards in all preceding intervals of the same trading day that have Dispatchable Reserve Schedules may not be valid in some cases. Suppose a reserve facility has RTD DR schedules for intervals 0005H to 1300H. Because of a generator tripping, it was dispatched by SO to provide DR service for intervals 0805H to 0900H. It successfully synchronized to the grid, ramped up to its DR schedule within the allowable time, and maintained its output until ordered by SO to shut down. Again, the reserve facility was called upon by SO to provide DR service for interval 1205H, but this time, it failed to start up and was declared on forced outage due to plant equipment problem. In this instance, the reserve	**MEI&PEI:** **A dispatchable reserve facility that fails to comply with the real-time dispatch instruction of the System Operator based on the Reserve Schedule due to an outage or unavailability shall be considered in breach of the reserve conformance standards for the dispatch interval that the non-compliance occurs and in all preceding intervals of the same trading day that have Dispatchable Reserve Schedules, following the last successful provision of dispatchable reserve service on the same trading day, if any.**	ECO: The proposed rewording suggested above may address this issue, as it provides a more comprehensive solution that would cover scenarios where evidence indicates the plant was operating or available, thereby challenging or disputing the presumption of unavailability in previous intervals. "5.5.4 A dispatchable *reserve facility* that fails to comply with the real-time dispatch instruction "x x x **unless proven otherwise by the concerned *Ancillary Service Provider*."**	243rd Meeting: Review the appropriate wording.

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					facility can rightfully be considered in breach of the RCS for interval 1205H and in the preceding intervals 0905H to 1200H. However, the reserve facility should not be considered in breach of the RCS for intervals 0005H to 0900H, and should be compensated accordingly.			
							ECO: "5.5.4 A dispatchable reserve facility that fails to comply with the real-time dispatch instruction of the System Operator based on the Reserve Schedule due to an outage or unavailability shall be considered in breach of the reserve conformance standards for the dispatch interval that the non-compliance occurs and in all preceding intervals of the same trading day that have ~~D~~**d**ispatchable Reserve Schedules~~.~~**, subject to the following conditions:** **a. Any breach of the reserve conformance standards for the preceding intervals shall only commence from the interval immediately following the last actual provision of energy or delivery of the**	244th Meeting: Approved the wordings from ECO Consider using "continuous preceding interval"

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							dispatchable reserve as called by the System Operator on the same trading day, if applicable. **b. The Ancillary Services Provider shall not be considered in breach if it can prove that its reserve facility was actually available during the preceding intervals prior to being called to run as dispatchable reserve.**	
SECTION 5 – Reserve Conformance Standards 5.5 Reserve Conformance Standards for Dispatchable Reserve	5.5.4	A *reserve facility* that fails to comply with the provisions set out in Sections 5.5.1, 5.5.2, or 5.5.3 at any *dispatch interval* shall be considered in breach of the *reserve conformance standards* for *dispatchable reserves* for that *dispatch interval*.	~~5.5.4~~ **5.5.5** A *reserve facility* that fails to comply with the provisions set out in Sections 5.5.1, 5.5.2, or 5.5.3 at any *dispatch interval* shall be considered in breach of the *reserve conformance standards* for *dispatchable reserves* for that *dispatch interval*.	Renumbered to 5.5.5 due to inserted new provision *(see above Sec. 5.5.4)*				
Section 5 – Reserve Conformance Standards 5.6 Measuring Reserve Response Compliance of Generators on Governor Control Mode	5.6.1	A *reserve facility* responding to a *frequency-driven event* through GCM shall maintain a response accuracy of at least 80% for the entire monitoring period.	A *reserve facility* responding to a *frequency-driven event* through GCM shall maintain **an average** response accuracy of at least 80% for the ~~entire monitoring period~~ **relevant *settlement interval*.** **For purposes of averaging under Sections 5.3.4 and 5.4.5, the response accuracy for a dispatch interval shall be capped at 120%.**	To revise the requirement from being measured over the entire monitoring period, to being measured within relevant settlement interval. This provides for a more granular and balanced assessment. Rationale for Capping at 120%: The 120% capping on the average response accuracy is intended to manage outliers (e.g. overshoot in response accuracy by 200-300%) and setting an upper limit	**SNAP:** We suggest aligning the proposed cap with the current practice of NGCP in which response accuracy for a dispatch interval is being capped at 130%	**SNAP:** A *reserve facility* responding to a *frequency-driven event* through GCM shall maintain **an average** response accuracy of at least 80% for the ~~entire monitoring period~~ **relevant *settlement interval*.** **For purposes of averaging under Sections 5.3.4 and 5.4.5, the response accuracy for a dispatch interval shall**	ECO: To clarify, there are distinct differences between "capping" and "tolerance" in this context. Specifically, the 120% capping limit applies to the hourly averaging of response accuracy for GCM. This means that if the actual response exceeds 120%, it shall be capped at 120% when calculating the hourly average. In contrast, the 130% tolerance level	243rd Meeting: Approved to retain the provision

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				or fixed threshold value of 120% as the reasonable metric in determining accuracy within a settlement interval.		**be capped at ~~120~~ 130%.**	mentioned in Section 5.7.2.2 refers to the allowable range for actual generation of a reserve facility in response to an AGC command. This tolerance level requires the facility to generate within ±0.5 MW or 130% of the Desired Generation (whichever is higher) within 32 seconds. The said 130% tolerance is specific to AGC responses and serves a different purpose than the 120% capping, which is used to limit response accuracy for dispatch intervals on GCM.	
					MERALCO: 1. In our 18 October 2024 submission, we inquired on the RCS compliance of the reserve facility if it was called to provide energy in the WESM. In the proponent's response circulated on 14 November 2024, PEMC-ECO stated that "[w]hile ASP may be flagged for DCS non-compliance, the provision of ancillary service will be considered an exempt circumstance, taking precedence over DCS requirements". We would like to reiterate our request for clarification on the impact on RCS		ECO: 1. Operating in accordance with the energy schedule has no impact on RCS because the energy schedule effectively serves as the reference setpoint from which the plant – operating under GCM – is expected to automatically respond. However, if a plant has reserve schedules that need to be utilized, its compliance with the energy schedule may be affected, potentially resulting in non-compliance flagging by the	

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					compliance if the reserve facility was called to provide energy in the WESM. 2. We would like to seek clarification on the basis for considering 120% as a "reasonable metric in determining accuracy within a settlement interval". a. Who and how was the figure determined? b. Why was the cap not set, for example, at 110%?		DCS. In such cases, prioritizing reserve market compliance provides a valid justification for any energy-related non-compliance issues flagged by the DCS. *2.* The RCS criteria are derived from the NGCP's Ancillary Service Procurement Plan (ASPP) which, according to the System Operator, outlines the technical requirements for testing ancillary services. *For confirmation by SO	
Section 5 – Reserve Conformance Standards 5.6 Measuring Reserve Response Compliance of Generators on Governor Control Mode	5.6.2	A reserve facility's response accuracy via GCM shall be calculated as follows. $Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$ Where: Actual MW Response Capacity = Highest Actual MW Output – MW Output Prior to Frequency-Driven Event Expected MW Response Capacity = Static Gain x Frequency Change	A reserve facility's response accuracy via GCM shall be calculated as follows. $Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$ **Footnote: (See Illustration 2 of Appendix IV)** **a. When System Frequency falls below the lower deadband:** Actual MW Response Capacity = Highest Actual MW Output – MW Output Prior to Frequency-Driven Event **Where: The Highest Actual MW Output is the value obtained 20 seconds after the Lowest frequency that occurred during the Frequency-Driven Event** **Frequency Change**	Clerical revision to specify reference to the relevant illustration in Illustration 2 of Appendix IV in Annex C. Modification of the formula (i.e., addition of the "lowest" Actual MW output on the formula) for Actual MW Response Capacity to use both the highest and lowest actual MW output values, in order to reflect the correct response accuracy for any given Frequency Driven-Event, whether it requires an upward or downward response from Ancillary	**SMGP:** We observed FDEs that lasted for more than 30 minutes, and our AS provider facility has varying quantities of reserve schedules during that period. This affects the response accuracy for specific intervals.		ECO: We recognize that this may impact response accuracy, but the recent revision in this section provides a potential solution. Specifically, it allows reserve facilities to operate within their scheduled reserves for ancillary service provision when the Expected MW Response Capacity exceeds the Reserve Schedule, subject to the System Operator's re-dispatch instructions. *"In cases where the Expected MW*	

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		Frequency Change = Worst Frequency Highest/Lowest – Frequency Prior to Frequency-Driven Event Frequency Prior to Frequency-Driven Event = Nominal Frequency ± Dead band Setting $Static\ Gain = \frac{Scheduled\ MW\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$	**= Frequency Prior to Frequency-Driven Event - Lowest Frequency During Frequency-Driven Event** **Frequency Prior to Frequency-Driven Event** **= Nominal Frequency - Dead band Setting** **b. When System Frequency breaches the upper deadband:** **Actual MW Response Capacity** **= Lowest Actual MW Output – MW Output Prior to Frequency-Driven Event** **Where: The Lowest Actual MW Output is the value obtained 20 seconds after the highest frequency that occurred during the Frequency-Driven Event** **Frequency Change** **= Frequency Prior to Frequency-Driven Event - Highest Frequency During Frequency-Driven Event** Expected MW Response Capacity = Static Gain x Frequency Change ~~Frequency Change~~ ~~= Worst Frequency Highest/Lowest – Frequency Prior to Frequency-Driven Event~~ ~~Frequency Prior to Frequency-Driven Event~~ ~~= Nominal Frequency ± Dead band Setting~~	Services Providers (ASPs). Rationale for the 20 seconds time reference: 20 seconds is a time frame that is typically critical for a reserve facility to respond to control signals being sent from SO's energy management system (EMS). NGCP-SO suggested retaining this practice *(20-second horizon)* for the Reserve Market to maintain consistency with the assessment of the ASPA based on current practice. NGCP may study this further and consider it for inclusion in another amendment, *if warranted.* Transposition in the formula for Frequency Change. This is to ensure consistency with the sign of the resulting Expected Response with the Actual MW Output and to have a non-negative Response Accuracy. Addition of the word "during" to clarify that the frequency referenced should be the value observed during the frequency-driven event. **(See Illustration 2 of Appendix IV in Annex C)**			*Response Capacity, as calculated based on the formula, exceeds the Reserve Schedule, reserve facilities are authorized to operate within their scheduled reserves for ancillary service provision, subject to System Operator's re-dispatch instructions. In such instances, the System Operator shall include details of re-dispatch instructions in its dispatch instruction report."* During assessment, ECD will evaluate this on a case-by-case basis, considering the specific facts and circumstances.	

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			$Static\ Gain = \frac{\sout{Scheduled\ MW}\ \boldsymbol{Rated}\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$ **For purposes of computing static gain, the determination of rated capacity shall be established by reference to: (a) the rated capacity as appearing in WESM registration records; or (b) the declared capacity from which the reserve facility was tested during the ancillary services certification. In the event of any discrepancy, the latter shall prevail for this purpose.** **If the system frequency breaches the upper deadband threshold, the reserve facility needs to react by decreasing generation to correct the frequency and *vice versa*. In this case, the Actual MW Response Capacity shall be calculated as the difference between the Highest or Lowest Actual MW Output, as the case may be, and the MW Output prior to the Frequency-Driven Event.** **The event will qualify as *Frequency-Driven Event*, for this purpose, if** **(a) the event lasts for more than five (5) seconds; and** **(b) the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems.** **In cases where the Expected MW Response Capacity, as calculated based on the formula, exceeds the Reserve Schedule, reserve facilities are authorized to operate within their scheduled reserves for ancillary service provision, subject to System Operator's re-dispatch instructions. In such instances, the System Operator shall include details of re-dispatch instructions in its dispatch instruction report.** **Footnote: (See Illustration 3 of Appendix IV)**	Added for clarity the basis or "reference" in obtaining the rated capacity to be used in the formula for static gain. Given that the *Expected MW Response Capacity* can sometimes exceed both the Certified Capacity and the Reserve Schedule, it is crucial that the *Response Accuracy* should be calculated using the Reserve Schedule as reference in such cases, acknowledging that the reserve facilities are only required to operate within their reserve schedule when providing ancillary service. **(See Illustration 3 of Appendix IV in Annex C)**	Since all AS providers, regardless of technology, share the common purpose of ensuring grid stability, it is suggested to standardize the frequency deviation at 0.02 Hz **APC:** 1. For clarity, highest/lowest Actual MW should constitute the highest/lowest MW output value. 2. The proposed wording is to make it clear that the monitoring duration is **within the 20 seconds** from the lowest freq and not just	**APC:** A reserve facility's response accuracy via GCM shall be calculated as follows. Response Accuracy= (Actual MW Response Capacity)/(Expected MW Response Capacity) x 100%	This approach (0.01 Hz for BESS) aligns with the SO's existing practices and is especially well-suited for BESS due to the intrinsic characteristics of batteries, which allow them to respond swiftly to fluctuations in grid conditions. ECO: We concur. The revised wording accurately captures the intended meaning of the provision. This is consistent with the current practice and implementation of the rules. Additionally, the proposed re-wording is	244th Meeting: Approved the revised rewording

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					the actual MW output at exactly after 20 seconds.	Footnote: (See Illustration 2 of Appendix IV) **a. When System Frequency falls below the lower deadband:** Actual MW Response Capacity = Highest Actual MW Output – MW Output Prior to Frequency-Driven Event **Where: The Highest Actual MW Output is the highest MW output value obtained within 20 seconds after the Lowest frequency that occurred during the Frequency-Driven Event** **Frequency Change** **= Frequency Prior to Frequency-Driven Event - Lowest Frequency During Frequency-Driven Event** **Frequency Prior to Frequency-Driven Event** **= Nominal Frequency - Dead band Setting** **b. When System Frequency breaches the upper deadband:** **Actual MW Response Capacity**	supported by the illustrative scenarios presented in Appendix IV (2), specifically Scenarios 1 and 2, which demonstrate the practical application of the proposed revised wordings of the rule.	

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						= Lowest Actual MW Output – MW Output Prior to Frequency-Driven Event **Where: The Lowest Actual MW Output is the lowest MW output value obtained within 20 seconds after the highest frequency that occurred during the Frequency-Driven Event**		
					SPC/SIPC: The Static gain formula should have a numerator equal to Reserve Dispatch Schedule (RDS) since the RDS is the basis of Ancillary Service and one of the parameters for the Reserve Trading Amount (RTA) aside from Reserve Dispatch Price (RDP).	**SPC/SIPC:** Static gain = [~~Scheduled MW~~ **Rated ~~Capacity~~ (RDS)** / (Droop Setting x Nominal Frequency)] x (100%)	ECO: We suggest retaining the original provision. This provision follows extensive discussion during RCC deliberations regarding the use of *rated capacity* in calculating static gain. As previously explained by SO, the use of rated capacity in static gain calculations aligns with international best practices. For confirmation and comments of SO.	244th Meeting: Agree to retain the original provision
					ACEN: Annex A is not aligned with the proposed amendment stated. **On Static Gain Calculation,** The Scheduled MW Capacity should be considered and not the Rated Capacity in the	**ACEN:** XXX **For purposes of computing static gain, the determination of rated capacity shall be established by reference to: (a) the rated capacity as appearing in WESM registration records; or (b) the AS-certified capacity as stated in**	ECO: We suggest retaining the original provision. This provision follows extensive discussion during RCC deliberations regarding the use of *rated capacity* in calculating static gain. As previously explained by SO, the use of rated capacity in static gain	

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					formula of static gain. Reserve market is a volatile market, thus it is inherent that a plant is may possibly e to have varying MW schedule and initial loading for every dispatch interval, which can be lower than its rated capacity and could affect its capability to comply with the Expected MW Response Capacity. In addition, a plant is only compensated based on its RM scheduled MW, thus it will be unfair to expect a response based on the plant rated capacity. This consideration should also be in parallel with the calculation of the response accuracy which also considers capping with respect to the scheduled capacity (as indicated in Illustration 3). However, if not accepted, another option is replacing the rated capacity with the certified capacity stated in the AS Certification of the plant given by NGCP. It will be more logical to put the accredited capacity since this shows the actual level of MW capability of the plant to provide an ancillary service, unlike the rated capacity that just shows	**the AS certificate. In the event of any discrepancy, the latter shall prevail for this purpose.** xxx **In cases where the Expected MW Response Capacity, as calculated based on the formula, exceeds the Reserve Schedule, reserve facilities are authorized to operate within their scheduled reserves for ancillary service provision, subject to System Operator's re-dispatch instructions. In such instances, the System Operator shall include details of re-dispatch instructions in its dispatch instruction report.** **Any dispatch instruction higher that the Reserve Schedule, the capacity in excess of the Reserve Schedule shall be tag as MOT run and subject to to Additional Compensation**	calculations aligns with international best practices. For confirmation and comments of SO. Per ECO's observation during the assessment, it is noted that the SO's DIR includes remarks such as "MOT". The SO's detailed reporting of instances where plants are directed to operate beyond reserve schedules is already accounted for in this existing provision. "x x x subject to System Operator's re-dispatch instructions. In such instances, the	

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					the plant's installed capacity but not necessarily equal to the MW capability that the plant can provide as an ancillary service. In cases where Expected Response > Reserve Schedule and SO give a dispatch instruction > Reserve Schedule, capacity beyond the reserve schedule shall be tagged as MOT run and subject to additional compensation		System Operator shall include details of re-dispatch instructions in its dispatch instruction report." Furthermore, concerns regarding additional compensation, as mentioned above, are likely addressed by Sections 10.1 and 10.2 of the Billing and Settlement Manual, which provide separate rule on this matter.	
					MEI&PEI: In Appendix IV, Illustration 2, Scenario 1, the Highest Actual MW Output is the value corresponding to the lowest frequency that occurred during the frequency-driven event, not the value obtained exactly 20 seconds after. Similarly, in Scenario 2, the Lowest Actual MW Output is the value corresponding to the highest frequency that occurred during the frequency-driven event, not the value obtained exactly 20 seconds after. The actual MW output instead should be the highest/lowest value obtained **within a 20-second period** after the lowest/highest frequency, respectively, that occurred.	**MEI&PEI:** *xxx* **Where: The Highest Actual MW Output is the value obtained within a 20- second period after the Lowest frequency that occurred during the Frequency-Driven Event** xxx **Where: The Lowest Actual MW Output is the value obtained within a 20-second period after the highest frequency that occurred during the Frequency-Driven Event**	ECO: Same response as above under APC.	244th Meeting: Approved the revised rewording

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Section 5 – Reserve Conformance Standards 5.6 Measuring Reserve Response Compliance of Generators on Governor Control Mode	5.6.3	A reserve facility responding to a frequency-driven event or to a dispatch instruction, while on GCM shall have an average response time of not more than five (5) seconds for the entire monitoring period.	A reserve facility responding to a frequency-driven event or to a dispatch instruction, while on GCM shall have an average response time of not more than five (5) seconds for the ~~entire monitoring period~~ **relevant *settlement interval***.	Evaluating the response time during the relevant settlement interval, rather than an entire monitoring period, provides a more accurate and representative assessment of the facility's performance during the provision of Ancillary Service (AS).				
Section 5 – Reserve Conformance Standards 5.7 Measuring Reserve Response Compliance of Generators on Automatic Generation Control	5.7.1	A reserve facility responding to a frequency-driven event or to dispatch instructions, through commands received from the System Operator's Energy Management System (EMS) via AGC shall comply to at least 75% of such AGC commands for the entire monitoring period.	A reserve facility responding to a frequency-driven event or to dispatch instructions, through commands received from the System Operator's Energy Management System (EMS) via AGC shall comply to at least ~~75%~~ **90%** of such AGC commands for the ~~entire monitoring period~~ **relevant *settlement interval***. **Percentage (%) of Compliance of a reserve facility/unit operating on AGC is given below:** $\%\ \boldsymbol{Compliance} = \frac{\boldsymbol{No.\ of\ Compliant\ AGC\ Commands}}{\boldsymbol{No.\ of\ AGC\ Commands}}\ \boldsymbol{x}\ 100\%$ **Footnote: (See Illustration 4 of Appendix IV)**	Clerical revision to specify reference to the relevant illustration in Appendix IV. 90% compliance is to be consistent with the standard practice of NGCP-SO in monitoring reserve facilities operating under AGC. To reflect, for clarity, the formula in getting Percentage *(%) of Compliance*. To revise the requirement from being measured over the entire monitoring period, to being measured within each relevant settlement interval. This provides for a more granular and balanced	**MERALCO:** Similar with our comment in 5.3.5 and 5.4.6, we would like to seek clarification on considering 90% compliance as "standard" for the SO in monitoring reserve facilities under AGC. 1. Who and how was the figure determined? 2. Is it consistent with the PGC? We note that in the proponent's response circulated on 14 November 2024, PEMC-ECO stated that it "[d]efer[s] to SO for further discussion". We would like to seek SO's response to our inquiry.		ECO: ECO: The response accuracy metric is consistent with the standard practice by the System Operator in Ancillary Service (AS) testing, as well as in monitoring its contracted reserve facilities. While the ideal response is 100%, the 90% threshold is a practical benchmark that acknowledges operational realities while ensuring reliability in the grid. This requirement aligns with the Philippine Grid Code (PGC), which defines AGC as a system that adjusts	

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				assessment, as proposed in Sections 5.3.4 and 5.4.5. **(See Illustration 4** of Appendix IV **in Annex C)**			generation to maintain dispatch schedule and its share of frequency regulation (through AGC command). Although the PGC does not specify a 90% compliance level, the SO's implementation reflects a commitment to effective grid operations. For confirmation by NGCP-SO.	
Section 5 – Reserve Conformance Standards 5.7 Measuring Reserve Response Compliance of Generators on Automatic Generation Control	5.7.2	A reserve facility is deemed compliant to an AGC command if: Actual MW Generation > (Desired MW Generation – Control Dead band); and Actual MW Generation < (Desired MW Generation + Control Dead band).	A reserve facility is deemed compliant to an AGC command if **the following conditions are met**: ~~Actual MW Generation > (Desired MW Generation – Control Dead band); and~~ ~~Actual MW Generation < (Desired MW Generation + Control Dead band).~~ **5.7.2.1 The Actual Generation of the reserve facility shall reach at least 63% of the Desired Generation within 25 seconds from the time the AGC command is issued.** **5.7.2.2 Additionally, the Actual Generation of the reserve facility shall reach at least 90% but shall not exceed 130% of the Desired Generation or ± 0.5 MW from the Desired Generation, (whichever requirement is the higher threshold) within 32 seconds from the time AGC command is issued. The facility shall sustain and maintain generation throughout the command in such range set out herein.**	Adopted from the System Operator's standard practice for monitoring the compliance of their contracted AS Providers with the AGC commands.	**MERALCO:** In our 18 October 2024 submission, we inquired on the basis for setting: (1) a minimum at 63% of Desired Generation in Section 5.7.2.1, and (2) a range of 90%-130% of Desired Generation or +/- 0.5MW from Desired Generation in Section 5.7.2.2. In the proponent's response circulated on 14 November 2024, PEMC-ECO stated that it "[d]efer[s] to SO for further discussion" and that "[a]s mentioned by SO during consultation, these standard practices and parameters may be found in their ASPP". We would like to seek further clarification on the following: 1. How were the figures determined? 2. Are these standards for compliance monitoring also consistent with the PGC?		ECO: Same response as above. For SO's confirmation and response.	

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					ACEN: In case of sustain instruction due to continuous AGC setpoint, SOC technical limitation of BESS shall be considered in calculating the response accuracy. We suggest including the facility SOC limitations as part of the IEMOP registration. Batteries that have already reached its SOC limitation during an actual dispatch instruction shall not be considered as non-compliant since SOC limitation is inherent to the batteries. If the non-compliance is given during this scenario, the SOC data shall suffice as supporting document in disputing the said non-compliance, or determining whether a non-compliance occurred at all.	**ACEN:** **5.7.2.1 The Actual Generation of the reserve facility shall reach at least 63% of the Desired Generation within 25 seconds from the time the AGC command is issued.** **5.7.2.2 Additionally, the Actual Generation of the reserve facility shall reach at least 90% but shall not exceed 130% of the Desired Generation or ± 0.5 MW from the Desired Generation, (whichever requirement is the higher threshold) within 32 seconds from the time AGC command is issued. The facility shall sustain and maintain generation throughout the command in such range set out herein.** **5.7.2.3 For BESS, intervals where SOC limitation were reached shall not be included in the AGC compliance calculation**	ECO: We suggest retaining the original provision. Rather than granting a blanket exemption or exclusion, the ECO will consider the SOC limitations of BESS on a case-by-case basis. As currently being practiced by ECO, this assessment will involve evaluating: 1. SOC limitations during actual dispatch instructions 2. The impact of these limitations on the facility's compliance Ideally, SOC limitations should not result in a reserve schedule. However, if a reserve schedule is issued despite SOC limitations, the ECO will take these limitations into account during the assessment. This would require a thorough and in-depth evaluation during the monitoring and assessment.	244th Meeting: Agree to retain

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<tr><td>Section 5 – Reserve Conformance Standards

5.7 Measuring Reserve Response Compliance of Generators on Automatic Generation Control</td><td>5.7.3</td><td>A reserve facility responding to a frequency-driven event, or dispatch instructions, through AGC commands shall also have an average response time of not more than twenty-five (25) seconds for the entire monitoring period.</td><td>~~A reserve facility responding to a frequency-driven event, or dispatch instructions, through AGC commands shall also have an average response time of not more than twenty-five (25) seconds for the entire monitoring period.~~</td><td>No longer applicable in view of the proposed revision in 5.7.2.</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Section 5 – Reserve Conformance Standards

5.7 Measuring Reserve Response Compliance of Generators on Automatic Generation Control</td><td>5.7.4</td><td>A reserve facility's response time is computed from the time of the AGC command until the actual generation reaches control dead band (i.e., desired generation + the dead band).</td><td>~~A reserve facility's response time is computed from the time of the AGC command until the actual generation reaches control dead band (i.e., desired generation + the dead band).~~</td><td>No longer applicable in view of the proposed revision in 5.7.2.</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Section 5 – Reserve Conformance Standards

5.8 Summary Table of</td><td>5.8</td><td><u>5.8 Summary Table of Reserve Conformance Standards for Each Reserve Type</u>

<table><tr><th colspan="3">For Regulating Reserves</th></tr><tr><td rowspan="2">Response Accuracy</td><td>On GCM</td><td>At least 80%</td></tr><tr><td>On AGC</td><td>At least 75%</td></tr></table></td><td><u>5.8 Summary Table of Reserve Conformance Standards for Each Reserve Type</u>

<table><tr><th colspan="3">For Regulating Reserves</th></tr><tr><td rowspan="2">Response Accuracy</td><td>On GCM</td><td>At least 80%</td></tr><tr><td>On AGC</td><td>At least ~~75%~~ <u>90%</u></td></tr></table></td><td>To align the reserve conformance standards for each type of reserves set out in Sections 5.3.3 5.4.4, 5.5.3., 5.6.1 and 5.7.</td><td><u>APC:</u>

May we know the wisdom behind the lowering of the required response accuracy from 80% or 75% to 80% or 90%?</td><td></td><td>ECO

Same response as above.</td><td></td></tr>
</table>

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<tr>
<td>Reserve Conformance Standards for Each Reserve Type</td>
<td></td>
<td>
<table>
<tr><td rowspan="2">Response Time</td><td>On GCM</td><td>not more than 5 seconds</td></tr>
<tr><td>On AGC</td><td>not more than 25 seconds</td></tr>
<tr><td>Dead band Setting</td><td colspan="2">0.15 Hz or lower</td></tr>
<tr><td>Speed droop</td><td colspan="2">5% or lower</td></tr>
<tr><td>Sustainability</td><td colspan="2">for the entire dispatch interval</td></tr>
</table>
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<tr><td rowspan="2">Response Time</td><td>On GCM</td><td>not more than 5 seconds</td></tr>
<tr><td>On AGC</td><td>not more than 25 seconds</td></tr>
<tr><td>Dead band Setting</td><td colspan="2">greater than 0.15 Hz but less than 0.30 Hz</td></tr>
<tr><td>Speed droop</td><td colspan="2">5% or lower</td></tr>
<tr><td>Sustainability</td><td colspan="2">for the entire dispatch interval</td></tr>
</table>
<table>
<tr><th colspan="2">For Dispatchable Reserves</th></tr>
<tr><td>Status</td><td>must be offline unless there is a dispatch instruction from the System Operator, or it was scheduled for energy dispatch in the WESM.</td></tr>
<tr><td>Synchronization</td><td>Within 15 minutes upon advice from the System Operator</td></tr>
</table>
</td>
<td>
<table>
<tr><td>Response Time</td><td>On GCM</td><td>not more than 5 seconds</td></tr>
<tr><td>On AGC</td><td><s>not more than 25 seconds</s> <u>At least 63% of the desired generation within 25 seconds; and at least 90% and not more than 130% of the desired generation or 0.5 MW tolerance whichever is higher within 32 seconds</u></td></tr>
<tr><td>Deadband Setting <u>on GCM</u></td><td colspan="2"><u>0 Hz to +/-0.15Hz or as per certification</u></td></tr>
<tr><td><u>Speed droop characteristic on GCM</u></td><td colspan="2">5% or lower; <u>and 1% or lower for BESS</u></td></tr>
<tr><td>Sustainability</td><td colspan="2">for the entire dispatch interval</td></tr>
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<tr><td>On AGC</td><td><s>not more than 25 seconds</s> <u>At least 63% of the desired generation within 25 seconds; and at least 90% and not</u></td></tr>
</table>
</td>
<td></td>
<td><u>ACEN:</u>

BESS should be allowed of State-of-Charge Management (SOcM) in case of sustain dispatch due to continuous AGC setpoint, aligned with ASPA implementing guidelines.</td>
<td><u>ACEN:</u>

Insertion of one row in the existing table:

<table>
<tr><td>SoCM (for BESS)</td><td>On AGC</td><td>0 Hz to +/- 0.05Hz</td></tr>
</table>

To be aligned with ASPA implementing Guidelines</td>
<td>ECO:

This section (Summary Table) only aims to consolidate the key parameters outlined in the narrative sections of this Manual for ease of reference. Introducing new parameters, such as the one proposed, would necessitate a comprehensive review and evaluation to ensure accuracy, alignment, and consistency.

For SO's comment on the proposed addition.</td>
<td>244th Meeting: Agree to retain</td>
</tr>
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<table>
<tr><td>Sustainability</td><td>After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within 15 minutes</td></tr>
</table>
</td><td>
<table>
<tr><td></td><td></td><td><u>more than 130% of the desired generation or 0.5 MW tolerance whichever is higher within 32 seconds</u></td></tr>
<tr><td><u>Deadband Setting on GCM</u></td><td colspan="2"><u>~~- 0.16~~ - 0.15</u> Hz to - 0.30 Hz <u>or as per certification</u></td></tr>
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<tr><td>Sustainability</td><td><u>~~After synchronization, the dispatchable reserve facility shall deliver the MW capacity instructed by the System Operator within 15 minutes~~</u>
<u>Must sustain the upper and lower threshold of +/-1% of the dispatch instruction or +/- 0.5 MW whichever is higher, within 15 minutes from synchronization</u></td></tr>
</table>
</td><td></td><td></td><td></td><td></td><td></td></tr>
</table>

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			[Add footnote in title: **Adopted from the parameters being implemented by the System Operator for its own compliance monitoring of contracted Ancillary Service Providers**]					
Section 6 Monitoring Compliance with Reserve Offer Capacity Compliance 6.3 Reply, Validation and Assessment	6.3.2	The *Enforcement and Compliance Office* shall assess, validate, and verify the responses and documents submitted by the *Ancillary Services Provider*. It may also consult the *Market Operator,* the *System Operator,* or the *Metering Service Provider,* as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate. The assessment, validation, and verification of the responses referred to in the preceding paragraph shall be consolidated to cover one *billing period*. It shall be completed within fifteen (15) *business days* from the end of the calendar month of the covered monitoring period regardless of whether a reply or confirmation is submitted by the concerned *Ancillary Services Provider*. For instance, the assessment for the August *Billing Period* shall be completed on or before 15 September.	The *Enforcement and Compliance Office* shall assess, validate, and verify the responses and documents submitted by the *Ancillary Services Provider*. It may also consult the *Market Operator,* the *System Operator,* or the *Metering Service Provider,* as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate. The assessment, validation, and verification of the responses referred to in the preceding paragraph shall be consolidated to cover one *billing period*. It shall be completed within fifteen (15) *business days* from the end of the calendar month of the covered monitoring period regardless of whether a reply or confirmation is submitted by the concerned *Ancillary Services Provider*. For instance, the assessment for the August *Billing Period* shall be completed on or before 15 September. **For this purpose, the term "monitoring period," as used throughout this Manual shall have the same meaning as "Billing Period," as defined in the**	Adopting the term "monitoring period" highlights its distinct focus on the covered period of monitoring review and evaluation, distinguishing it from the revenue settlement perspective. This terminology promotes consistency with the ongoing monitoring activities.				244th Meeting: Added from the agreement on Section 7.6.1

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			WESM Rules, unless explicitly stated otherwise."					
Section 7 Monitoring Compliance with Reserve Conformance Standards	7.2	7.2 Flagging of Breach of Reserve Conformance Standards	7.2 Flagging of **Probable** Breach of Reserve Conformance Standards	Change in Sub-section Title. To make a clear distinction between breach (as initially flagged by the system) and the breach (after due validation, verification, and assessment).				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.1	The *Market Operator* shall, through a dedicated monitoring facility, flag a breach of the *Reserve Conformance Standards* by the *Ancillary Services Provider* based on the parameters set in Section 5, and shall notify the *System Operator*, the *Ancillary Services Provider*, and the *Enforcement and Compliance Office* of the same.	The ~~*Market Operator*~~ ***Enforcement and Compliance Office*** shall, through a dedicated monitoring facility, flag a breach of the *Reserve Conformance Standards* by the *Ancillary Services Provider* based on the parameters set in Section 5, and shall notify the ~~*System Operator*~~, the *Ancillary Services Provider*~~, and the *Enforcement and Compliance Office*~~ of the same.	ECO to flag the probable breach of the RCS as essential part of the monitoring process. Related revision: See Section 3.1.1 above on the responsibility of the Market Operator				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.2	The *Market Operator* and the *System Operator* shall provide copies of the data and information to the *Enforcement and Compliance Office* which will be used by the latter as basis for the validation or confirmation of breach of the *Reserve Conformance* in accordance with the procedures set out in Section 7.5. The *Enforcement and Compliance Office* shall generate monitoring results for reconciliation with the results generated by the *Market Operator.*	~~The *Market Operator* and the *System Operator* shall provide copies of the data and information to the *Enforcement and Compliance Office* which will be used by the latter as basis for the~~ **shall conduct** ~~validation~~**, verification, and assessment** ~~or confirmation of breach of the *Reserve Conformance* **Standards*** in accordance with the procedures set out in Section 7.5. The *Enforcement and Compliance Office* shall generate monitoring results for reconciliation with the results generated by the *Market Operator*~~ **within twenty-five (25) business days after the end of the covered monitoring period. The *Reserve Conformance Standards* monitoring report shall include the specific**	For Deletion and Transfer with changes to Section 7.3.3 This section refers to flagging of probable breach. This should be covered by the subsequent procedure of validation, assessment, and reporting of results Transfer to Section 7.3.3 (with modification) for coherence. Further, we				

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			~~**intervals, resource unit/s, the type of reserve that is found in breach, and such other relevant information as may be appropriate.**~~ ~~**The *Enforcement and Compliance Office* shall furnish the *System Operator* a copy of the monitoring results for any feedback or confirmation of the results or findings.**~~	propose to delete the 2nd paragraph, in view of the NGCP's comment to remove its responsibility to submit its own RCS monitoring report for consolidation. *(See related comment on Section 7.2.3)* Consequently, there is no need to furnish SO with the copy of ECO's initial RCS monitoring results for feedback. Section 7.1 – Monitoring of RCS Section 7.2 – **Flagging of Probable Breach of RCS** Section 7.3 – Validation, Assessment, and Reporting Results Section 7.4 – Request for Reassessment by Ancillary Services Providers Section 7.5 – Revalidation and Reassessment Section 7.6 – Compliance Monitoring and Assessment Reports Section 7.7 – Action on Non-Compliance Report (a)				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.3	The *Market Operator* shall consolidate the initial monitoring results relating to compliance with the *Reserve Conformance Standards* for the relevant billing period on or before the end of the month of the covered billing period. It shall then confer with the *System Operator* and the *Enforcement and Compliance Office* its findings referred to in Section 7.2.1. They shall endeavor to reconcile and/or confirm the results of monitoring within five (5) calendar days after the end of the billing period.	~~The~~ ~~***Enforcement and Compliance Office***~~ ~~*Market Operator* shall consolidate~~ ~~**its own**~~ ~~the initial monitoring result~~ ~~**and the confirmation or report of the *System Operator*, if any,**~~ ~~relating to compliance with the *Reserve Conformance Standards* for the relevant billing period on or before the end of the month of the covered billing period. It shall then confer with the *System Operator* and the *Enforcement and Compliance Office* its findings referred to in Section 7.2.1. They shall endeavor to reconcile and/or confirm the results of monitoring within five (5) calendar days after the end of the billing period~~ ~~**not later than the 25th day of the month following the covered monitoring period. For instance, the results for August *Billing***~~	For deletion. Agreeing with NGCP-SO's proposal to remove this responsibility to submit its own monitoring results for consolidation by ECO. This would simplify the process and avoid discrepancies that may arise from any possible different findings.				

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			~~***Period* shall be consolidated on or before 25 September.~~					
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.4	If the performance of a reserve facility of an Ancillary Services Provider affects both its compliance under the Ancillary Services Procurement Agreement and the Reserve Market, the System Operator and the Market Operator shall jointly determine the extent of breach committed and be able to allocate or determine which part of the reserve amount adjustments and penalty corresponds to the contractual obligation and to the reserve market compliance.	~~7.2.4~~ **7.2.2** If the performance of a reserve facility of an Ancillary Services Provider affects both its compliance under the Ancillary Services Procurement Agreement and the Reserve Market, the System Operator and the Market Operator shall jointly determine the extent of breach committed and be able to allocate or determine which part of the reserve amount adjustments and penalty corresponds to the contractual obligation and to the reserve market compliance.	Renumbered as 7.2.2 due to changes in the preceding sections.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.5	If it becomes impossible to allocate the exact amount for settlement adjustments or penalty in accordance with the preceding paragraph, by reason of indivisibility of the breach committed by *Ancillary Services Provider,* the same shall be determined based on the scheduled capacity for reserves under the *Ancillary Services Procurement Agreement* and the *Reserve Market.*	~~7.2.5~~ **7.2.3** If it becomes impossible to allocate the exact amount for settlement adjustments or penalty in accordance with the preceding paragraph, by reason of indivisibility of the breach committed by *Ancillary Services Provider,* the same shall be determined based on the scheduled capacity for reserves under the *Ancillary Services Procurement Agreement* and the *Reserve Market.*	Renumbered as 7.2.3 due to changes in the preceding sections.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards	7.2.6	If no feedback or confirmation is received from the *System Operator* or no reconciliation is made after the lapse of the period set in Section 7.2.3, the *Market Operator* shall proceed with the finalization of the monitoring breach of the *reserve conformance standards.*	~~If no feedback, or confirmation,~~ **or report** ~~is received from the *System Operator* or no reconciliation is made after the lapse of the period set in Section 7.2.3, the~~ ***Enforcement and Compliance Office* shall submit to the *Market Operator* the monitoring results. The** ~~*Market Operator* shall~~ **thereafter** ~~proceed with the~~ **settlement adjustment as set out in Section 7.2.7 based on the monitoring report submitted by the *Enforcement and Compliance Office* on compliance of the**	For deletion in alignment with the proposal to: a) Remove the responsibility of NGCP-SO to provide feedback, confirmation, or report received from ECO or provide report based				

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7.2 Flagging of Breach of Reserve Conformance Standards			~~***Ancillary Services Providers* with the** finalization of the monitoring breach of the *reserve conformance standards.*~~	on its own monitoring of the RCS. b) defer the reporting to IEMOP until the RRA is resolved				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.2 Flagging of Breach of Reserve Conformance Standards	7.2.7	The finding of breach of *reserve conformance standards*, as determined in accordance with Section 7.2 hereof, shall have the effect of non-payment of the reserve amount to the *Ancillary Services Provider* for the intervals found in breach for which purpose, the *Market Operator* is herein authorized to automatically deduct the reserve amount for the intervals found in breach from the settlement amount specified in Section 7.3.1 (a).	~~The finding of breach of *reserve conformance standards*, as determined in accordance with Section 7.2 hereof, shall have the effect of non-payment of the reserve amount to the *Ancillary Services Provider* for the intervals found in breach for which purpose, the *Market Operator* is herein authorized to automatically deduct the reserve amount for the intervals found in breach from the settlement amount specified in Section 7.3.1 (a).~~	For deletion. Transferred with changes to Section 7.6.3 in alignment with the proposal to defer the reporting to IEMOP and the non-payment of reserve trading amounts until the RRA is resolved.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards	7.3	7.3 Settlement Amount Due from the System Operator After Monitoring	7.3 ~~Settlement Amount Due from the System Operator After Monitoring~~ **Validation, Assessment, and Reporting Results**	Change in Sub-Section Title This entire sub-section section is proposed to be removed, aligning with the deferred reporting to IEMOP and non-payment of reserve trading amount payments until RRA resolution. Instead, the section will be replaced with compliance monitoring procedures outlining validation, assessment, and reporting results to ensure coherence. Section 7.1 – Monitoring of RCS Section 7.2 – Flagging of Probable Breach of RCS				

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				Section 7.3 – **Validation, Assessment, and Reporting Results** Section 7.4 – Request for Reassessment by Ancillary Services Providers Section 7.5 – Revalidation and Reassessment Section 7.6 – Compliance Monitoring and Assessment Reports Section 7.7 – Action on Non-Compliance Report				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.3.1	7.3.1 Upon reconciliation or confirmation of the results of the monitoring of the Reserve Conformance Standards following the procedure referred to in Section 7.2, the Market Operator shall: a. calculate the settlement amount due from the System Operator taking into account the finding of breach of the *reserve conformance standards* on or before the due date for the issuance of preliminary settlement statements, as set in the Billing and Settlement Manual. For this purpose, the Market Operator is authorized to automatically deduct from the settlement amount the reserve amount to the Ancillary Services Provider pertaining to the intervals where an initial determination of breach was flagged; and b. send the Notice of Probable Breach to the Enforcement and Compliance Office, which shall perform the necessary validation and assessment and shall issue the Compliance Monitoring and Assessment Report, as set out in Section 7.5 and Section 7.6.	~~7.3.1 Upon~~ **~~receipt of the monitoring report of the *Enforcement and Compliance Office*,~~** ~~reconciliation or confirmation of the results of the monitoring of the Reserve Conformance Standards following the procedure referred to in Section 7.2~~ **~~7.2.6~~**~~, the *Market Operator* shall:~~ ~~a. calculate the settlement amount due from the System Operator taking into account the finding of breach of the *reserve conformance standards* on or before the due date for the issuance of preliminary settlement statements, as set in the Billing and Settlement Manual. For this purpose, the *Market Operator* is authorized to automatically deduct from the settlement amount the reserve amount to the Ancillary Services Provider pertaining~~ **~~corresponding~~** ~~to the~~ **~~number of~~** ~~intervals where an initial determination of breach was flagged~~ **~~with findings of breach of the *Reserve Conformance Standards*~~**~~; and~~ ~~b. send the Notice of Probable Breach to the Enforcement and Compliance Office, which shall perform the necessary validation and assessment and shall issue the Compliance Monitoring and Assessment Report, as set out in Section 7.5 and Section 7.6.~~ **~~send the preliminary settlement statement to the *Ancillary Services Providers* which shall include the *Notice of Breach* in accordance with the timeline provided in the Billing and Settlement Manual.~~**	For deletion. Transferred to Section 7.7.1, aligning with the deferred reporting to IEMOP and non-payment of reserve trading amount payments until RRA resolution.				

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Annex B – Matrix of the *Proposed Revision to the Urgent Amendments to the Ancillary Services Monitoring Manual*

WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[3] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.3.1	**(new)**	**7.3.1 The *Enforcement and Compliance Office* shall conduct daily validations, verifications, and assessments of *Ancillary Service Providers'* compliance, utilizing submissions from said *Ancillary Service Providers*, data and information from the *Market Operator*, *System Operator*, and other relevant agencies or entities.**	To add specific guidelines for validation, verification, assessment, and reporting of results to ASPs. 7.3.1 – daily verification and assessment 7.3.2 – request for additional documents from ASPs 7.3.3 – generation of the RCS monitoring results after due assessment and validation 7.3.4 – providing RCS monitoring results to ASPs				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.3.2	**(new)**	**7.3.2 The *Enforcement and Compliance Office* may also request additional documents or information from *Ancillary Service Providers*, to clarify or substantiate their explanations or reasons, as necessary. For this purpose, the *Enforcement and Compliance Office* may establish and require use of a designated reply format, template, or tool to ensure accuracy, completeness, and consistency of responses.**	To add specific guidelines for validation, verification, assessment, and reporting of results to ASPs. 7.3.1 – daily verification and assessment 7.3.2 – request for additional documents from ASPs 7.3.3 – generation of the RCS monitoring results after due assessment and validation 7.3.4 – providing RCS monitoring results to ASPs				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.2.2	7.2.2 The *Enforcement and Compliance Office* shall conduct validation, verification, and assessment of breach of the *Reserve Conformance Standards*. The *Enforcement and Compliance Office* shall generate monitoring results within twenty-five (25) business days after the end of the covered monitoring period. The *Reserve Conformance Standards* monitoring report shall include the specific intervals, resource unit/s, the type of reserve that is found in breach, and such other relevant information as may be appropriate. The *Enforcement and Compliance Office* shall furnish the *System Operator* a copy of the	~~7.2.2~~ **7.3.3** The *Enforcement and Compliance Office* shall ~~conduct~~ **complete its** validation~~, verification,~~ and assessment ~~of breach~~ **and shall generate the results of the monitoring** of the *Reserve Conformance Standards* **at the end of the calendar month following the covered monitoring period, unless force majeure events necessitate an extension to accomplish the monitoring results**. ~~The *Enforcement and Compliance Office* shall generate monitoring results within twenty-five (25) business days after the end of the covered monitoring period. The *Reserve Conformance Standards* monitoring report shall include the specific intervals, resource unit/s, the type of reserve that is found in breach, and such other relevant information as may be appropriate.~~	Transferred with changes from Section 7.2.2 To add specific guidelines for validation, verification, assessment, and reporting of results to ASPs. 7.3.1 – daily verification and assessment 7.3.2 – request for additional documents from ASPs 7.3.3 – generation of the RCS monitoring results after due assessment and validation	**MERALCO:** In our 18 October 2024 submission, we inquired if the ECO's failure to include an ASP's breach in the RCS monitoring results mean that the ASP can no longer be penalized, even if it was discovered subsequently to be non-compliant. In the proponent's response circulated on 14 November 2024,		ECO: Although this Manual does not specify a mechanism for revisiting past transactions or flagging, the Enforcement and Compliance (EC) Manual provides reference to address this concern. According to the EC Manual, the SO, MO, WESM Members, and WGCs can file a	244th Meeting: ECO to check the appropriate provisions in the ASMM where the provisions of EC Manual can be referred to

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		monitoring results for any feedback or confirmation of the results or findings **Transferred with changes from Section 7.2.2*	~~The *Enforcement and Compliance Office* shall furnish the *System Operator* a copy of the monitoring results for any feedback or confirmation of the results or findings~~	7.3.4 – providing RCS monitoring results to ASPs On the deadline for generating results (originally set under Section 7.2.2 every 25th of the month): Extending the deadline for generating the initial RCS monitoring results <u>until the end of the following month</u> will provide additional time for comprehensive assessment. This adjustment allows for a more detailed explanation on the part of ASPs during the monitoring activity, and thorough evaluation on the part ECO, as deductions/adjustments are, after all, deferred pending the RRA resolution by the ECO ensuring higher quality final RCS monitoring results. As recommended by IEMOP, used "force majeure" (instead of "extraordinary circumstances" as initially proposed by PEMC) as ground for extending the timeline to submit RCS Non-Compliance List to IEMOP.	PEMC-ECO stated that: "Yes. This is the reason why ECO endeavors to implement a more robust monitoring system, automating flagging through a system-based process to guarantee comprehensive breach detection, ensuring no flagging is overlooked or missed." If, despite PEMC-ECO's efforts to complete verification, validation, and assessment of breaches, there was still failure to flag a breach within the prescribed period, will the non-compliant ASP no longer be penalized, even if the resulting adjustment lowers the reserve trading amount eventually paid by consumers?		Request for Investigation (RFI) or ECO may initiate a *motu proprio* investigation, provided it is within the 2-year prescriptive period. We recommend utilizing the ECM manual's provision, which allows SO/MO/WESM Members to submit an RFI if any flagging issues are missed, but later discovered by any party: "7.1.1 Investigations under this Manual refer to investigations which emanate from the request for investigations or notice of probable breach filed by the *Market Operator*, the *System Operator*, or other *WESM Members*. These do not include any monitoring activities initiated by the *Enforcement and Compliance* itself which are already being dealt with under the preceding Section of this Manual. 7.1.2 Notwithstanding the provision of Sections 5.2.3 and	

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							7.1.1, the *Enforcement and Compliance Office* may, *motu proprio,* initiate investigation if it has reasonable grounds to believe that a particular act or omission by any *WESM Member, Market Operator,* or *System Operator* constitutes a probable breach of the *Market Rules*, and which is not otherwise included or covered by the compliance monitoring activities referred to in Chapter 6 of this Manual. 7.1.7 Investigations shall be initiated within two (2) years from occurrence of the act or omission constituting the probable *breach*. For example, investigation of an event occurring on 01 January 2014 shall be initiated not later than 01 January 2016 which is the end of the two-year period." (EC Manual)	

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Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.3.4	**(new)**	**7.3.4 The *Ancillary Service Providers* shall be notified within the period specified in Section 7.3.3 of any non-compliance with *Reserve Conformance Standards* for their respective reserve facilities through the issuance of a *Notice of Breach*.**	To add specific guidelines for validation, verification, assessment, and reporting of results to ASPs. 7.3.1 – daily verification and assessment 7.3.2 – request for additional documents from ASPs 7.3.3 – generation of the RCS monitoring results after due assessment and validation 7.3.4 – providing RCS monitoring results to ASPs				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.3 Settlement Amount Due from the System Operator after Monitoring	7.3.5	7.3.2 The Notice of Probable Breach of the Reserve Conformance Standards shall contain, at a minimum, the specific intervals, resource unit/s, the type of reserve that is found in breach and the amount that is not considered in determining the reserve amount due, and thus, not paid to the Ancillary Services Providers as a consequence of the breach.	~~7.3.2~~ **7.3.5** The *Notice of ~~Probable~~ Breach* of the *Reserve Conformance Standards* shall contain, at a minimum, the specific intervals, resource unit/s, the type of reserve that is found in breach**, and the grounds for breach determination.** ~~and the amount that is not considered in determining the reserve amount due, and thus, not paid to the *Ancillary Services Providers* as a consequence of the *breach*~~.	Related to proposed change in Section 2.1- Definition of Terms, Item (g) Notice of Breach where the notice is issued by ECO instead of IEMOP. Propose to delete the reference to the unpaid amount, as this information is not pertinent to the current stage of proceedings. Renumbered due to inserted (new) provisions.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards	7.4	Request for Reassessment with Notice of Claim by Ancillary Services Providers	Request for Reassessment ~~with Notice of Claim~~ by Ancillary Services Providers	Change in Sub-Section Title. The proposed revision removes the phrase *'With Notice of Claim'* since deductions are deferred until the RRA process is completed. Consequently, ASPs seeking reassessment, under the current proposal, are merely requesting reconsideration of breach findings, without claiming				

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				payment adjustments or add-backs.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.4. Request for Reassessment with Notice of Claim by Ancillary Services Providers	7.4.1	The Ancillary Service Provider may file a Request for Reassessment with Notice of Claim with the Enforcement and Compliance Office not later than ten (10) calendar days from receipt of the Preliminary Settlement Statement from the Market Operator. A copy thereof shall be furnished by the Ancillary Service Provider to the System Operator and the Market Operator. The *Request for Reassessment with Notice of Claim* shall be filed online or through a facility that may be developed by the *Enforcement and Compliance Office* for this purpose.	The *Ancillary Service Provider* may file a *Request for Reassessment* ~~*with Notice of Claim*~~ with the *Enforcement and Compliance Office* not later than ten (10) calendar days from receipt of the ~~*Preliminary Settlement Statement*~~ ***and Notice of Breach*** from the ~~*Market Operator.*~~ ***Enforcement and Compliance Office.*** ~~A copy thereof shall be furnished by the *Ancillary Service Provider* to the *System Operator* and the *Market Operator.*~~ The *Request for Reassessment* ~~*with Notice of Claim*~~ shall be filed online or through a facility that may be developed by the *Enforcement and Compliance Office* for this purpose.	Global change: RRA/NC to RRA only. To modify the trigger for filing RRA/NC, i.e., the Notice of Breach from ECO instead of the Preliminary Settlement Statement of IEMOP				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.4. Request for Reassessment with Notice of Claim by Ancillary Services Providers	7.4.2	The *Request for Reassessment with Notice of Claim* shall indicate the following: a. Date of receipt of the Preliminary Settlement Statement from the *Market Operator;* b. The specific intervals, resource unit/s, and the type of reserve covered by the request; c. The ground/s for reassessment; d. The correct data or value in case the ground for reassessment includes data variance or discrepancies, including the source of the data to be used in the recalculation; e. Data, information, records, or documents to support the request or claim; and f. The amount being claimed and sought to be adjusted in favor of the *Ancillary Service Provider.*	The *Request for Reassessment* ~~*with Notice of Claim*~~ shall indicate the following: a. Date of receipt of the ~~Preliminary Settlement Statement~~ ***Notice of Breach*** from the ~~*Market Operator*~~ ***Enforcement and Compliance Office****;* b. The specific intervals, resource unit/s, and the type of reserve covered by the request; c. The ground/s for reassessment; d. The correct data or value in case the ground for reassessment includes data variance or discrepancies, including the source of the data to be used in the recalculation; **and** e. Data, information, records, or documents to support the request or claim.~~;~~ ~~and~~ ~~f. The amount being claimed and sought to be adjusted in favor of the *Ancillary Service Provider.*~~	Global change: RRA/NC to RRA only. To modify the reckoning period for filing RRA/NC, i.e., from receipt of the Notice of Breach from ECO. Propose to delete the requirement to specify the amount claimed or sought to be adjusted as this information is no longer pertinent to the current stage of proceedings.				

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Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.4. Request for Reassessment with Notice of Claim by Ancillary Services Providers	7.4.3	The *Request for Reassessment with Notice of Claim* shall be accompanied by a certification under oath attesting to the authenticity of the documents submitted in relation thereto. A scanned copy of the notarized certification may be submitted in lieu of the printed copy as an integral part of the request. However, the *Enforcement and Compliance Office* may, as it deems necessary, request a printed copy of such notarized certification or any documents filed in relation thereto. The *Enforcement and Compliance Office* shall, for this purpose, establish or prescribe a format or template that may be accomplished by the *Ancillary Services Provider* in filing the said request.	The *Request for Reassessment* ~~*with Notice of Claim*~~ shall be accompanied by a certification under oath attesting to the authenticity of the documents submitted in relation thereto. A scanned copy of the notarized certification may be submitted in lieu of the printed copy as an integral part of the request. However, the *Enforcement and Compliance Office* may, as it deems necessary, request a printed copy of such notarized certification or any documents filed in relation thereto. The *Enforcement and Compliance Office* shall, for this purpose, establish or prescribe a format or template that may be accomplished by the *Ancillary Services Provider* in filing the said request.	Global change: RRA/NC to RRA only.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.4. Request for Reassessment with Notice of Claim by Ancillary Services Providers	7.4.4	The filing of *Request for Reassessment with Notice of Claim* beyond the period allowed under Section 7.4.1 or the failure to comply with the requirements set out in Section 7.4.2 and 7.4.3 shall cause the outright dismissal thereof	The filing of *Request for Reassessment* ~~*with Notice of Claim*~~ beyond the period allowed under Section 7.4.1 or the failure to comply with the requirements set out in Section 7.4.2 and 7.4.3 shall cause the outright dismissal thereof.	Global change: RRA/NC to RRA only.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards	7.5	Validation and Assessment	~~Validation and Assessment~~ **Revalidation and Reassessment**	Change in Sub-section title for coherence with the steps. Section 7.1 – Monitoring of RCS Section 7.2 – Flagging of Probable Breach of RCS Section 7.3 – Validation, Assessment, and Reporting Results				

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				Section 7.4 – Request for Reassessment by Ancillary Services Providers Section 7.5 – **Revalidation and Reassessment** Section 7.6 – Compliance Monitoring and Assessment Reports Section 7.7 – Action on Non-Compliance Report				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.5 Validation and Assessment	7.5.1	Upon receipt of the *Request for Reassessment with Notice of Claim*, the *Enforcement and Compliance Office* shall validate and assess the findings of breach or claim of *Ancillary Services Provider.*	Upon receipt of the *Request for Reassessment ~~with Notice of Claim,~~* the *Enforcement and Compliance Office* shall validate and assess the findings of breach or claim of *Ancillary Services Provider.*	Global change: RRA/NC to RRA only.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.5 Revalidation and Reassessment	7.5.2	The *Enforcement and Compliance Office,* during verification and assessment, may also consult the *Market Operator,* the *System Operator,* or the *Metering Service Provider,* as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate.					Considering the various comments suggesting reconsideration of the RRA results, the ECO proposes an alternative solution. Implementing a Reconsideration Request (RR) process would likely cause significant delays, slowing down the process unnecessarily.To avoid this, we counter propose integrating a joint review process for the RRA results prior to finalization, enabling a more efficient and timely resolution. We suggest placing this provision in Section 7.5.2, which	244th Meeting: Provide rewording to ensure that the 3 working days of conducting the joint review will not be too close to the 25th of the month deadline for submission of results to the MO for prelim settlements, i.e. ensure that ECO is able to meet said deadline. ECO's proposed rewording: 7.5.2 The *Enforcement and Compliance Office,* during verification and assessment, may also consult the *Market*

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							provides a more suitable framework for addressing this concern. "7.5.2 The *Enforcement and Compliance Office,* during verification and assessment, may also consult the *Market Operator,* the *System Operator,* or the *Metering Service Provider,* as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate, **and facilitate a joint review with the *Ancillary Services Provider* of the reassessment results, prior to issuance of the final monitoring results to serve as the basis for the Reserve Trading Amount adjustments. Provided that, should no confirmation or feedback be received from the *Ancillary Services Provider* within three (3) *business days* from receipt of the results, the same shall be deemed confirmed, and the *Enforcement and Compliance Office***	***Operator,* the *System Operator,* or the *Metering Service Provider,* as necessary, to ascertain the truthfulness of the claim or allegations of the *Ancillary Services Provider*. The *Enforcement and Compliance Office* shall perform the recalculation, as may be appropriate, **and facilitate a joint review with the *Ancillary Services Provider* of the reassessment results, prior to issuance of the final monitoring results to serve as the basis for the Reserve Trading Amount adjustments which shall not be later than 21st day of the month in which the *Request for Reassessment* is filed. Provided that, should no confirmation or feedback be received from the *Ancillary Services Provider* within three (3) *business days* from receipt of the results, the same shall be deemed confirmed, and the *Enforcement and Compliance Office* shall be authorized to submit *Reserve Conformance Standards Non-Compliance List* to the**

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							shall be authorized to submit *Reserve Conformance Standards Non-Compliance List* to the Market Operator pursuant to Section 7.6.7 of this Manual."	**Market Operator pursuant to Section 7.6.7 of this Manual.**
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.5 Validation and Assessment	7.5.3	7.5.3 The assessment, validation, and verification of the information gathered in relation to the request shall be completed not later than the end of the billing month following the covered monitoring period. For instance, if the request for reassessment pertains to the August Billing Period, the validation and assessment shall be completed on or before 25 September.	7.5.3 The assessment, validation, and verification of the information gathered in relation to the request shall be completed **within fifteen days from receipt of the *Request for Reassessment* ~~*with Notice of Claim*~~** ~~not later than the end of the billing month following the covered monitoring period. For instance, if the request for reassessment pertains to the August *Billing Period,* the validation and assessment shall be completed on or before 25 September~~.	Global change: RRA/NC to RRA only.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards **7.6 Compliance Monitoring and Assessment Reports**	7.6.1	If *Notice of Probable Breach* is received by *Enforcement and Compliance Office,* and no *Request for Reassessment with Notice of Claim* is filed by the concerned *Ancillary Services Provider* within the allowable period to file the same under Section 7.4.1, the *Enforcement and Compliance Office* shall issue a *Compliance Monitoring and Assessment Report* based on its monitoring and assessment, and after reconciliation of the findings with the *Market Operator.* The said report and a *Notice of Specified Penalty* shall be issued not later than the end of the month following the covered monitoring period. For instance, if the *Notice of Probable Breach* pertains to the August *Billing Period,* the compliance monitoring and assessment report shall be issued on or before 30 September.	If ~~*Notice of Probable Breach* is received by *Enforcement and Compliance Office,* and~~ no *Request for Reassessment* ~~*with Notice of Claim*~~ is filed by the concerned *Ancillary Services Provider* within the allowable period to file the same under Section 7.4.1, the *Enforcement and Compliance Office* shall issue a *Compliance Monitoring and Assessment Report* based on its monitoring and assessment~~, and after reconciliation of the findings with the *Market Operator*~~. The said report and a *Notice of Specified Penalty* shall be issued ~~not later than~~ **within sixty (60) *business days* from** the end of the month following the covered monitoring period. For instance, ~~if the *Notice of Probable Breach* pertains to the August *Billing Period,*~~ the compliance monitoring and assessment report **for August *Billing Period*** shall be issued on or before 30 **October**.	Global change: RRA/NC to RRA only.	**MEI&PEI:** Is the monitoring period the same as the billing period? Both terms are used in this provision. While the term Billing Period is defined in the WESM Rules, the term Monitoring Period is not defined in the Penalty Manual nor in the Ancillary Services Monitoring Manual or included in the WESM Definition of Terms. We suggest to have the latter term be defined for clarity.		In the context of this Manual, the **monitoring period** is analogous to the Billing Period as defined in the WESM Rules. However, adopting the term "monitoring period" highlights its distinct focus on the covered period of monitoring review and evaluation, distinguishing it from the revenue settlement perspective. This terminology promotes consistency with the ongoing monitoring activities. We recommend adding the following provision in Section 6.3.2, where the term "monitoring period" is first mentioned or	244th Meeting: Agreed to add the amendment

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							introduced in this Manual: "6.3.2 x x x The assessment, validation, and verification of the responses referred to in the preceding paragraph shall be consolidated to cover one *billing period*. It shall be completed within fifteen (15) *business days* from the end of the calendar month of the covered monitoring period regardless of whether a reply or confirmation is submitted by the concerned *Ancillary Services Provider*. For instance, the assessment for the August *Billing Period* shall be completed on or before 15 September. **For this purpose, the term *"monitoring period,"* as used throughout this Manual shall have the same meaning as *"Billing Period,"* as defined in the WESM Rules,**	

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WESM Manual on ASM Issue 1.1								
Title	**Clause**	**ANCILLARY SERVICES MONITORING MANUAL 1.0 Provision**	**Proposed Amendment[3] (PEM Board-approved as Urgent Amendment reflected on WESM ASMM Issue 1.2)**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
							unless explicitly stated otherwise."	
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	7.6.2	The *Enforcement and Compliance Office* shall, after due validation and assessment conducted in relation to the *Request for Reassessment with Notice of Claim,* prepare the *Compliance Monitoring and Assessment Report* which shall: a. contain or provide, among others, a finding whether the concerned *Ancillary Service Provider* is compliant with the *Market Rules* or *Market Manuals*; b. contain the amount to be adjusted or revised, if any, in the settlement for the particular billing period; c. be issued to the concerned *Ancillary Services Provider* with respect to each *reserve facility* or plant that is subject of monitoring, as applicable; and d. be issued within five (5) calendar days from completion of validation and assessment as prescribed under Section 7.5.3.	The *Enforcement and Compliance Office* shall, after due validation and assessment conducted in relation to the *Request for Reassessment ~~with Notice of Claim~~*, prepare the *Compliance Monitoring and Assessment Report* which shall: a. contain or provide, among others, a finding whether the concerned *Ancillary Service Provider* is compliant with the *Market Rules* or *Market Manuals*; ~~b. contain the amount to be adjusted or revised, if any, in the settlement for the particular billing period;~~ ~~c.~~ **b.** be issued to the concerned *Ancillary Services Provider* with respect to each *reserve facility* or plant that is subject of monitoring, as applicable; and ~~d.~~ **c.** be issued within five (5) calendar days from completion of ~~validation and assessment~~ **revalidation and reassessment** as prescribed under Section 7.5.3.	Global change: RRA/NC to RRA only.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	7.2.7	7.2.7 The finding of breach of *reserve conformance standards*, as determined in accordance with Section 7.2 hereof, shall have the effect of non-payment of the reserve amount to the *Ancillary Services Provider* for the intervals found in breach for which purpose, the *Market Operator* is herein authorized to automatically deduct the reserve amount for the intervals found in breach from the settlement amount specified in Section 7.3.1 (a). **Transferred with changes from Section 7.2.7*	~~7.2.7~~ **7.6.3** The finding of breach of *reserve conformance standards*, as determined in accordance with Section**s** ~~7.2~~ **7.3, 7.4 and 7.5** hereof, shall have the effect of non-payment of the reserve trading amount to the *Ancillary Services Provider* for the intervals found in breach for which purpose, the *Market Operator* is herein authorized to ~~automatically~~ deduct the reserve amount for the intervals found in breach from the settlement amount ~~specified~~ in **accordance with** Section 7.7~~3.1 (a)~~ **of this Manual**. **This rule applies only to breaches of Reserve Conformance Standards occurring in spot reserve transactions.**	Transferred with changes from Section 7.2.7 with modification in alignment with the proposal to defer the reporting to IEMOP and the non-payment of reserve trading amounts until the is resolved. Modification: There has been a change in the rule reference due to other revisions. Additionally, the word "automatically" has been removed, as the deduction occurs after 60 days or following the reassessment.	**SNAP:** An appeal proceeding should be established following the result of ECO's evaluation of a Request for Reconsideration. This ensures a fair and transparent process, allowing the concerned Ancillary Service Provider (ASP) an opportunity to contest the evaluation outcome	**SNAP:** **The concerned Ancillary Service Provider (ASP) may appeal the evaluation of a Request for Reassessment issued by the Enforcement and Compliance Office (ECO) by submitting an Appeal Memorandum. This must be filed within ten (10) business days from the date of receipt of the Compliance**	ECO: Considering the various comments suggesting reconsideration of the RRA results, the ECO proposes an alternative solution. Implementing a Reconsideration Request (RR) process would likely cause significant delays, slowing down the process unnecessarily. To avoid this, we counter-propose integrating a joint review	

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				The last sentence is added to add more clarity as to the scope of the breach findings and the consequent non-payment, *i.e.,* it must be related to spot reserve transactions only. In other words, the contracted reserves must be filtered out as these will be covered in the compliance monitoring by the System Operator.		**Monitoring Assessment Report (CMAR).**	process for the RRA results prior to finalization, enabling a more efficient and timely resolution. We suggest placing this provision in Section 7.5.2, which provides a more suitable framework for addressing this concern. *See proposed rewording of Section 7.5.2 above*	
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	7.6.3	7.6.3 If there is a finding of breach based on the validation and assessment conducted by the *Enforcement and Compliance Office*, the *Compliance Monitoring and Assessment Report* shall likewise be accompanied by the following: a. A *Notice of Confirmation*. Such notice shall indicate a statement confirming a finding of breach, as determined by the *Market Operator* under Section 7.2. b. A *Notice of Specified Penalty.* This notice shall indicate the penalty, as computed under Section 8 of this Manual, and shall be served upon the *Ancillary Services Provider* in accordance with the provisions of this Manual.	~~7.6.3~~ **7.6.4** If there is a finding of breach based on the validation and assessment conducted by the *Enforcement and Compliance Office*, the *Compliance Monitoring and Assessment Report* shall likewise be accompanied by ~~the following:~~ **a *Notice of Specified Penalty*. Said notice shall indicate the penalty, as computed under Section 8 of this Manual, and shall be served upon the *Ancillary Services Provider* in accordance with the provisions of this Manual.** ~~a. A *Notice of Confirmation*. Such notice shall indicate a statement confirming a finding of breach, as determined by the ***Enforcement and Compliance Office*** under Section 7.2.~~ ~~b. A *Notice of Specified Penalty.* This notice shall indicate the penalty, as computed under Section 8 of this Manual, and shall be served upon the *Ancillary Services Provider* in accordance with the provisions of this Manual.~~	For deletion of Notice of Confirmation. As per the current proposal, no deductions or adjustments will be made until the RRA has been exhausted or completed. Thus, no notice of breach confirmation will be necessary after revalidation/reassessment, as initial RCS monitoring results did not trigger any deductions. Renumbered due to inserted new provision.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	7.6.4	7.6.4 If the *Enforcement and Compliance Office* found, after due validation and assessment, that no breach was committed by the Ancillary Service Provider, the Compliance Monitoring and Assessment Report shall indicate such findings and shall be accompanied by the Notice of Reserve Amount Adjustment. The Notice of Reserve Amount Adjustment shall indicate the amount to be adjusted by the Market Operator in favor of the Ancillary Services Provider.	~~7.6.4~~ **7.6.5** If the *Enforcement and Compliance Office* found, after due validation and assessment, that no breach was committed by the Ancillary Service Provider, the Compliance Monitoring and Assessment Report shall indicate such findings**.** ~~and shall be accompanied by the Notice of Reserve Amount Adjustment. The Notice of Reserve Amount Adjustment shall indicate the amount to be adjusted by the Market Operator in favor of the Ancillary Services Provider.~~	For deletion of Notice of Reserve Amount Adjustment. As per the current proposal, no deductions or adjustments will be made until the RRA has been exhausted or completed. Thus, no notice of reserve amount adjustments will be necessary after revalidation/ reassessment, as initial				

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				RCS monitoring results did not trigger any deductions. Renumbered due to inserted new provision.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	7.6.5	7.6.5 The *Compliance Monitoring and Assessment Report* and the notices specified in the preceding sections shall be issued by the *Enforcement and Compliance Office* within the period provided under Section 7.6.2 (d) to the *Ancillary Services Provider, Market Operator,* and *System Operator.*	~~7.6.5~~ **7.6.6** The *Compliance Monitoring and Assessment Report* and the ~~notices specified in the preceding sections~~ ***Notice of Specified Penalty*** shall be issued by the *Enforcement and Compliance Office* within the period provided under Section 7.6.2 ~~(d)~~ **(c)** to the *Ancillary Services Provider*~~, Market Operator, and System Operator~~.	No more reference to other notices (*Notice of Confirmation or Notice of Reserve Amount Adjustment)* except NSP. MO need not be furnished with the copy thereof as MO will receive a separate report (*RCS Non-Compliance List* under Section 7.6.7) for adjustment purposes. Renumbered due to inserted new provision.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and Assessment Reports	**(new)**	**(new)**	**7.6.7 The *Enforcement and Compliance Office* shall likewise issue a *Reserve Conformance Standards Non-Compliance List* for one billing period to the *Market Operator* within the timeframe specified in Section 7.5.3.**	Propose to add this Final RCS Monitoring Report which shall serve as the basis for IEMOP's adjustments in the Preliminary Settlement Statement.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.6 Compliance Monitoring and	7.6.6	7.6.6 No request for reconsideration or appeal of the findings concerning compliance with the *Reserve Conformance Standards* shall be filed with, or entertained by, the *Enforcement and Compliance Office.*	~~7.6.6~~ **7.6.8** No request for reconsideration or appeal of the findings concerning compliance with the *Reserve Conformance Standards* shall be filed with, or entertained by, the *Enforcement and Compliance Office.*	Renumbered due to inserted/new provision.	**APC:** The current provision only proscribes filing a request for reconsideration or appeal against the ECO's findings on RCS		ECO: Considering the various comments suggesting reconsideration of the RRA results, the ECO proposes an alternative solution.	

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Assessment Reports					compliance directly with the ECO. What avenues are available to ASPs for addressing disputes related to the resolution of a Request for Reassessment, if not through reconsideration or appeal with the ECO? The ASMM does not explicitly proscribe other forms of remedy for issues arising from a Request for Reassessment. May the concerned ASP seek administrative relief through other WESM Governance Committees, such as the Compliance Committee, or escalate the matter directly to the PEM Board?		Implementing a Reconsideration Request (RR) process would likely cause significant delays, slowing down the process unnecessarily. To avoid this, we counter-propose integrating a joint review process for the RRA results prior to finalization, enabling a more efficient and timely resolution. We suggest placing this provision in Section 7.5.2, which provides a more suitable framework for addressing this concern. *See proposed rewording of Section 7.5.2 above*	
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.7 - Action on Notice of Reserve Amount Adjustment	7.7	Action on Notice of Reserve Amount Adjustment	Action on ~~Notice of Reserve Amount Adjustment~~ **Non-Compliance Report**	Change in Sub-section title for coherence with the steps. Section 7.1 – Monitoring of RCS Section 7.2 – Flagging of Probable Breach of RCS Section 7.3 – Validation, Assessment, and Reporting Results Section 7.4 – Request for Reassessment by Ancillary Services Providers Section 7.5 – Revalidation and Reassessment Section 7.6 – Compliance Monitoring and Assessment Reports Section 7.7 – **Action on Non-Compliance Report**				

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Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.7 - Action on Notice of Reserve Amount Adjustment	7.7.1	The *Market Operator* shall reflect in the settlement statement the adjustment as specified in the *Notice of Reserve Amount Adjustment* received from the *Enforcement and Compliance Office* under Section 7.6.4 hereof.	The *Market Operator* shall reflect in the settlement statement the adjustment as specified in the ~~***Notice of Reserve Amount Adjustment***~~ **_Reserve Conformance Standards Non-Compliance List_** received from the *Enforcement and Compliance Office* under Section ~~7.6.4~~ **7.6.7** hereof. **Upon receipt** ~~of the monitoring report of the Enforcement and Compliance office referred to in Section 7.2.6,~~ **thereof, the *Market Operator* shall:** **a) calculate the settlement amount due from the *System Operator* taking into account the finding of breach of the *reserve conformance standards* on or before the due date for the issuance of preliminary settlement statements, as set in the *Billing and Settlement Manual.* For this purpose, the *Market Operator* is authorized to ~~automatically~~ deduct from the settlement amount the reserve amount corresponding to the number of intervals with findings of breach of the *Reserve Conformance Standards*; and** **b) send the preliminary settlement statement to the *Ancillary Services Providers* ~~which shall include the *Notice of Breach*~~ in accordance with the timeline provided in the Billing and Settlement Manual.**	Combine Section 7.7.1 and Section 7.3.1 with modification. Modification: (a) The word "automatically" has been removed, as the deduction occurs after 60 days or following the reassessment; and (b) the Notice of Breach will no longer accompany the Preliminary Settlement Statement, as it will now be issued by ECO based on the proposal. With the completion of the initial RCS Monitoring and RRA resolution already at this stage, the non-payment of reserve trading amount payments may be effected under this provision.				
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.7 - Action on Notice of Reserve Amount Adjustment	7.7.2	The *reserve amount adjustment* shall be accounted for, and reflected in, the immediately succeeding Preliminary Statement, provided that the *Notice of Reserve Amount Adjustment* is received by the *Market Operator* at least four (4) calendar days prior to the issuance of that Preliminary Statement; otherwise, the same shall be deferred until the next *billing period*. For instance, the *Notice of Reserve Amount Adjustment* is received by the *Market Operator* on 28 August or four (4) calendar days before the issuance of the Preliminary Statement on 01 September, the adjustment shall be reflected in said Preliminary Statement. If the Notice is received	The *reserve amount adjustment* shall be accounted for, and reflected in, the immediately succeeding Preliminary Statement, provided that the ~~*Notice of Reserve Amount Adjustment*~~ **_Reserve Conformance Standards Non-Compliance List_** is received by the *Market Operator* ~~at least four (4) calendar days prior to the issuance of that Preliminary Statement~~ **three (3) calendar days after the end of a billing period following the covered monitoring period**; otherwise, the same shall be deferred until the next *billing period*. For instance, the ~~*Notice of Reserve Amount Adjustment*~~ **_Reserve Conformance Standards Non-Compliance List_** is received by the *Market Operator* on 28 August or	To modify that report upon which IEMOP would base its adjustment. To anchor the timeline to a specific/definite date, namely the end of a billing period.				

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		on 31 August 2023, the same will be accounted for in the Preliminary Statement to be issued on 02 October.	four (4) calendar days before the issuance of the Preliminary Statement on 01 September, the adjustment shall be reflected in said Preliminary Statement. If the Notice is received on 31 August, the same will be accounted for in the Preliminary Statement to be issued on 02 October.					
Section 7 – Monitoring of Compliance with Reserve Conformance Standards 7.7 - Action on Notice of Reserve Amount Adjustment	7.7.3	The *Market Operator* shall, for monitoring purposes, notify the *Enforcement and Compliance Office* of the status of implementation of the *Notice of Reserve Amount Adjustments* including other information relevant to the enforcement of the *reserve conformance standards* on a monthly basis.	The *Market Operator* shall, for monitoring purposes, notify the *Enforcement and Compliance Office* of the status of implementation of the ~~*Notice of Reserve Amount Adjustments*~~ ***Reserve Conformance Standards Non-Compliance List*** including other information relevant to the enforcement of the *reserve conformance standards* on a monthly basis.	To modify that report upon which IEMOP would base its adjustment and status reporting.				
Section 8 – Penalties And Sanctions 8.2 – Notice of Specified Penalty	8.2.1	A Notice of Specified Penalty shall be served on the concerned Ancillary Services Provider upon issuance of the Compliance Monitoring and Assessment Report by the Enforcement and Compliance Office or within the timeline specified under Sections 6.4.1 (d) and 7.6.2 (d).	A *Notice of Specified Penalty* shall be served on the concerned Ancillary Services Provider upon issuance of the *Compliance Monitoring and Assessment Report* by the *Enforcement and Compliance Office* or within the timeline specified under Sections 6.4.1 (d) and 7.6.2 ~~(d)~~ **(c)**.	To align with the change in Section 7.6.2				
Section 8 – Penalties And Sanctions 8.4 Non-Payment of Penalties and Non-Compliance with Remedial Measures	8.4.1	A penalty interest shall be additionally imposed upon the concerned *Ancillary Services Provider* in case of non-payment by the *Ancillary Services Providers* of the *financial penalties* imposed on it as a consequence of a *Breach*. For this purpose, the prevailing legal interest rate shall apply in computing the amount stated in (a) and (b) above and shall be computed from the date the payment becomes due up to the actual payment of penalty.	A penalty interest shall be additionally imposed upon the concerned *Ancillary Services Provider* in case of non-payment by the *Ancillary Services Providers* of the *financial penalties* imposed on it as a consequence of a *Breach*. For this purpose, the prevailing legal interest rate shall apply in computing the amount stated ~~in (a) and (b)~~ in **Section 8.1.2 (d)** above and shall be computed from the date the payment becomes due up to the actual payment of penalty.	Change/correction in rule reference.				

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Section 8 – Penalties And Sanctions 8.4 Non-Payment of Penalties and Non-Compliance with Remedial Measures	8.4.2	A penalty of One Hundred Thousand Pesos (PHP 100,000) shall be imposed in case of non-compliance by an *Ancillary Services Provider* with the remedial measures required to be implemented by it under a *Notice of Specified Penalty* or other notices issued under Section 7.4 of this Manual.	A penalty of One Hundred Thousand Pesos (PHP 100,000) shall be imposed in case of non-compliance by an *Ancillary Services Provider* with the remedial measures required to be implemented by it under a *Notice of Specified Penalty* ~~or other notices issued under Section 7.4 of this Manual~~ **or other relevant notices issued in reference to Section 8.3 of this Manual.**	To align with the change pertaining to removal of Notice of Reserve Amount Adjustments. Propose to replace it with other pertinent notices in reference to the implementation of remedial measures (under Section 8.3)				
Section 10 – Transitory Provision	10	The provisions pertaining to the imposition and amount of sanctions and/or penalties as a consequence of *breach* shall be subject to a six-month relaxation period, without prejudice to extension, with the end in view of encouraging participation and compliance of *Ancillary Services Providers.* This notwithstanding, the provision on non-payment of reserve trading amounts under Section 7.2.7 and 7.3.1 of this Manual shall be binding upon the commercial operation of the *WESM Reserve Market.*	The provisions pertaining to the imposition and amount of sanctions and/or penalties as a consequence of *breach* shall be subject to a six-month relaxation period, without prejudice to extension, with the end in view of encouraging participation and compliance of *Ancillary Services Providers.* This notwithstanding, the provision on non-payment of reserve trading amounts under Section ~~7.2.7 and 7.3.1~~ **7.6.3 and 7.7.1** of this Manual shall be binding upon the commercial operation of the *WESM Reserve Market.*	To align with changes made on Section 7.2.7 and 7.3.1 (transferred to Sections 7.6.3 and 7.7.1)	**MEI&PEI:** When is the start of the six-month relaxation period – from the effectivity of the urgent amendments or from the effectivity of the general amendments?		The relaxation period was officially lifted on 05 February 2025, six (6) months since the resumption of the Reserve Market commercial operation. This was confirmed by the DOE in a clarificatory letter addressed to PEMC.	
Section 11 Appendices Appendix II: Process Flowchart for Reserve Conformance Standards (RCS) Monitoring	Appendix II		**(SEE ANNEX B)**	To reflect the changes in Appendix II or the process flowchart for RCS, particularly on the following procedures: • ECO will no longer consolidate the RCS findings, confirmation or reports of SO • MO will no longer issue the preliminary statement and notice of breach. • Notice of breach will be issued by ECO and will be the reference of ASPs in filling the Request of Re-assessment. ECO will no longer issue the Notice of Confirmation and the Notice of Reserve amount adjustment.				

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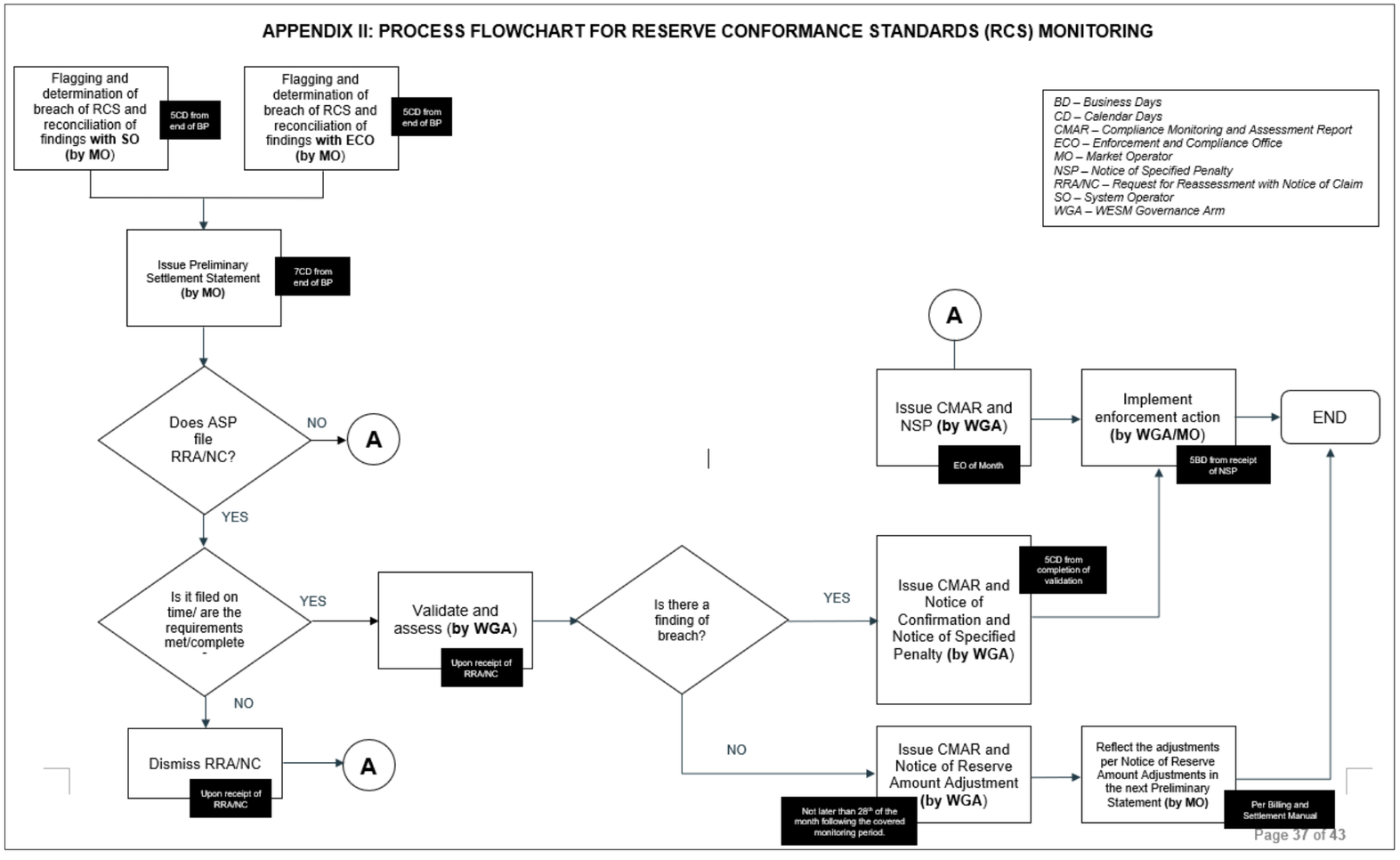
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Section 11 Appendices Appendix IV: Sample Illustration on the Monitoring of Compliance with Reserve Conformance Standards	Appendix IV	**(new)**	**(SEE ANNEX C)** **1. Illustration depicting Sustainability for an Ancillary Service Facility with a Dispatchable Reserve (DR) Schedule** **2. Illustration on the determination of Response Accuracy using Highest and Lowest Actual MW Output depending on the System Frequency Condition** **3. Illustration for Capping the Expected MW Response Capacity to Reserve Schedule** **4. ~~3.~~ Illustration for the determination of Percentage (%) of Compliance of ASP on AGC**	Immediate reference for the interpretation or application of the formula Additional Sample Illustrations on the Monitoring of Compliance with Reserve Conformance Standards (RCS) Renumbering of succeeding illustration				

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Appendix II (Original Flowchart / Provision)

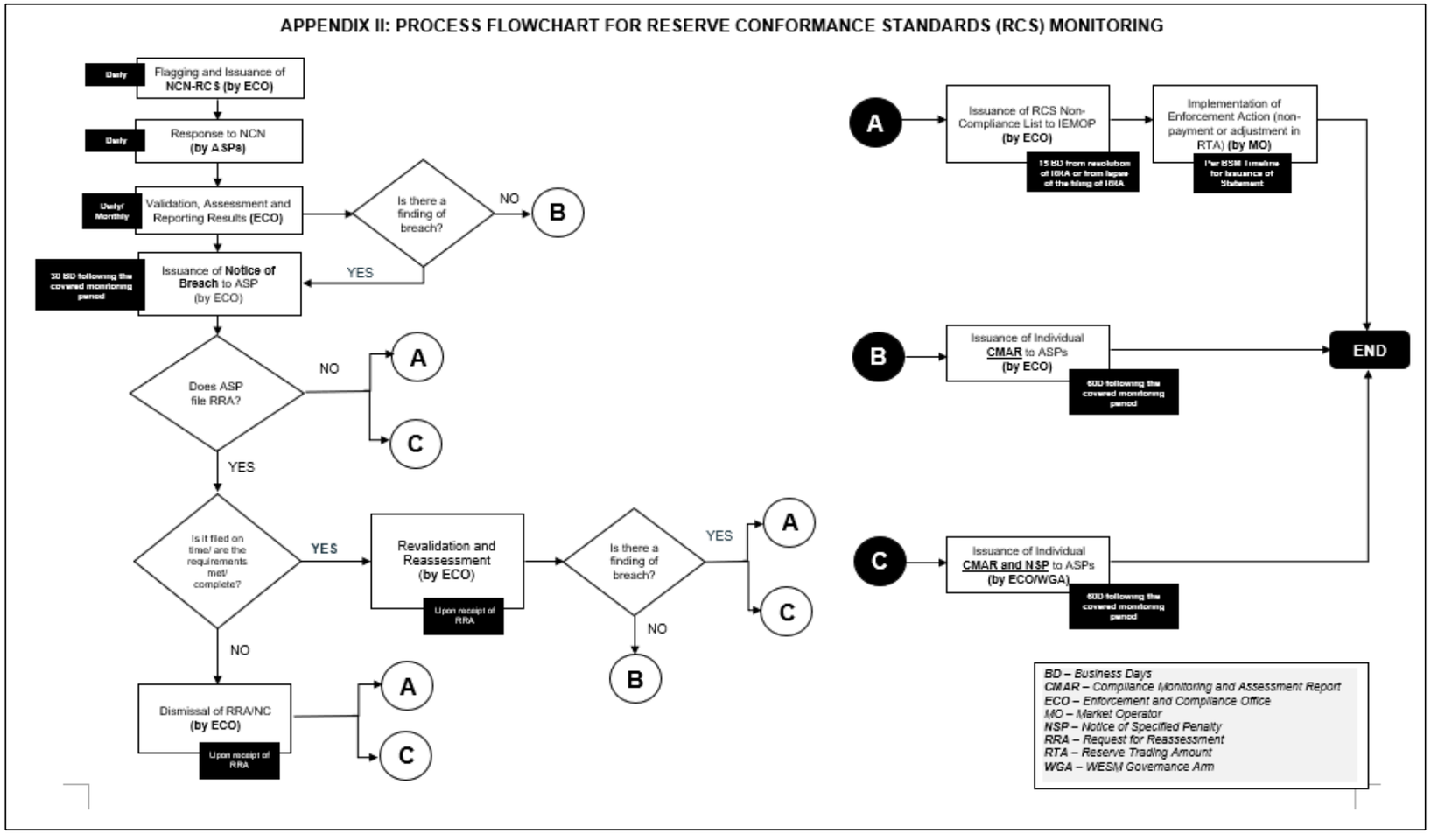


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Appendix II (Proposed Amendment)



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APPENDIX IV: Sample Illustration on the Monitoring of Compliance with Reserve Conformance Standards (RCS)

1. Illustration depicting Sustainability for an Ancillary Service Facility with a Dispatchable Reserve (DR) Schedule

TIME_INTERVAL	TIME_INTERVAL	INSTRUCTION	MW_FROM	MW_TO	CATEGORY
01RESOURCE_G02	1/14/2024 17:21	CUT - IN	0	8	DISPATCHABLE RESERVE
01RESOURCE_G02	1/14/2024 20:43	CUT - OUT	8	0	DISPATCHABLE RESERVE
01RESOURCE_G01	1/15/2024 11:03	ON LINE	0	6	DISPATCHABLE RESERVE
01RESOURCE_G01	1/15/2024 11:33	INCREASE LOAD	6	8	DISPATCHABLE RESERVE
01RESOURCE_G01	1/15/2024 15:29	CUT-OUT ASPA DISPATCH	8	0	DISPATCHABLE RESERVE
01RESOURCE_G02	1/15/2024 17:18	ASPA DISPATCH	0	8	DISPATCHABLE RESERVE

Fig. 1.0 Table of Sample Dispatch Instruction Report with Active Instructions

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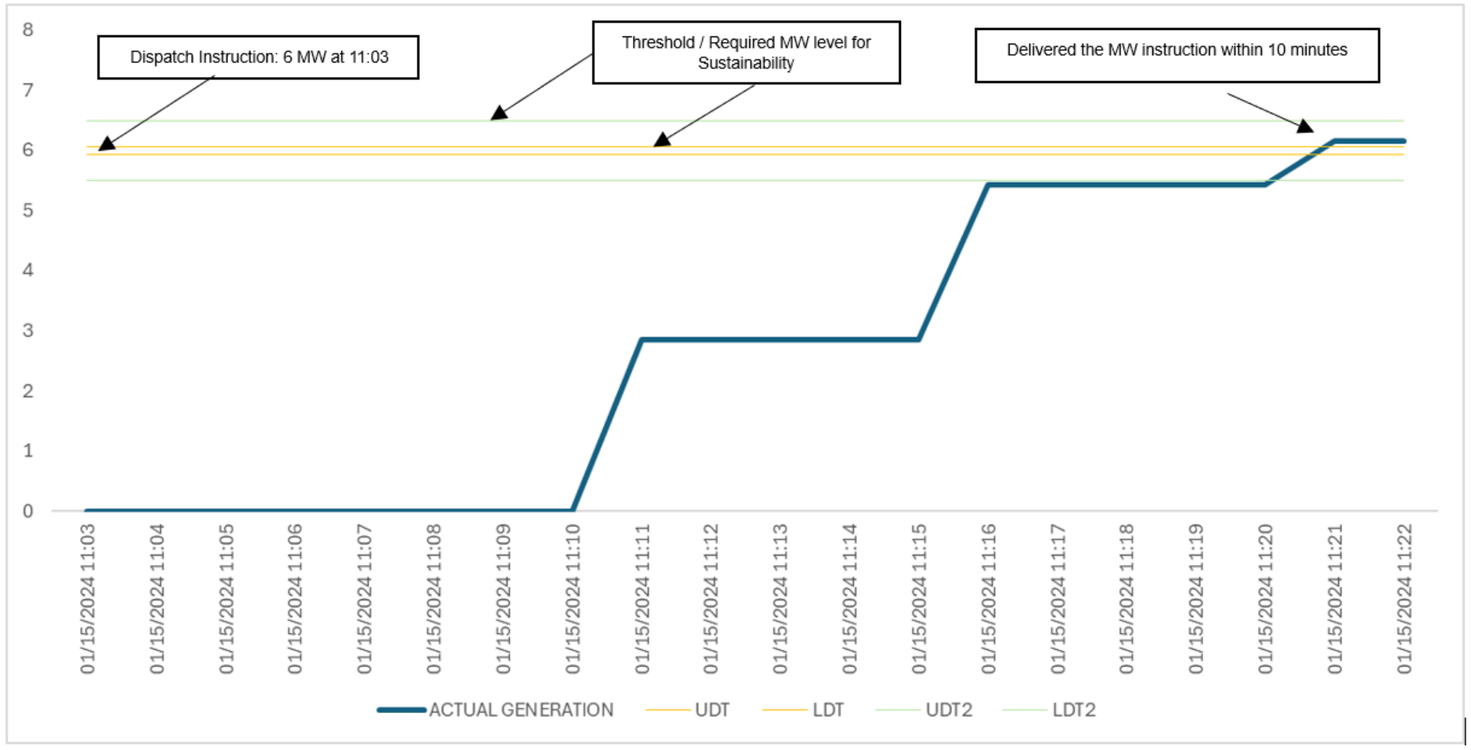


Fig. 2.0 Provision of DR instruction during synchronization

Observation:

- 01RESOURCE_G01 was offline prior to instruction (Status requirement: **COMPLIANT**)
- 01RESOURCE_G01 synchronized at 11:11 (within Interval 11:15) or 8 minutes after the instruction (Synchronization requirement: **COMPLIANT)**
- 01RESOURCE_G01 delivered the 6 MW instruction at 11:21 (within interval 11:25) or 10 minutes after synchronization (Sustainability requirement: **COMPLIANT)**.

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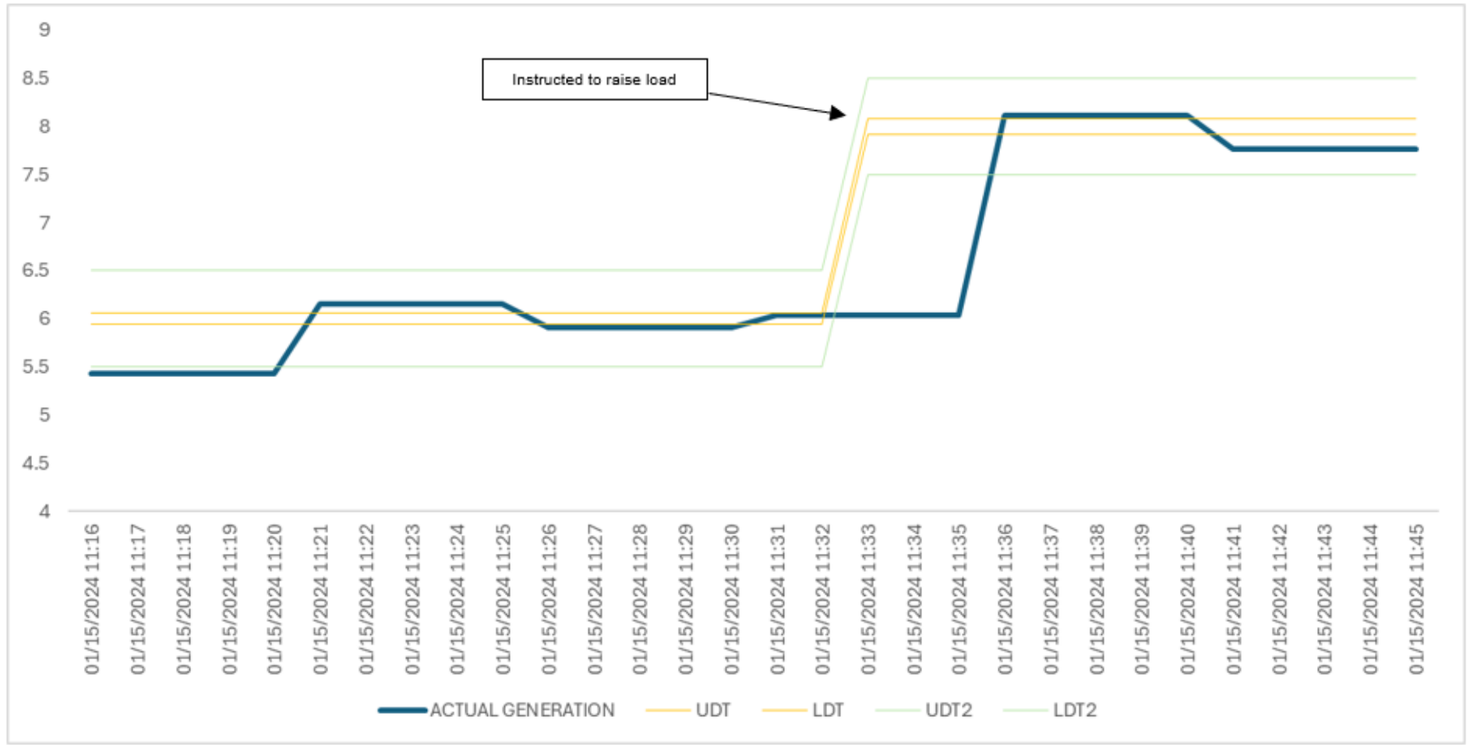


Fig. 3.0 Provision of DR instruction within Threshold as Sustainability Measure

Observation:

- 01RESOURCE_G01 was able to sustain active instruction from 11:25 to 11:30 (Sustainability requirement: **COMPLIANT)**.
- 01RESOURCE_G01 received another instruction to raise load from 6 MW to 8 MW at 11:33 (within Interval 11:35); At 11:36 (within interval 11:40) 01RESOURCE_G01 delivered the 8 MW instruction. (Sustainability requirement: **FOR FURTHER ASSESSMENT)**.

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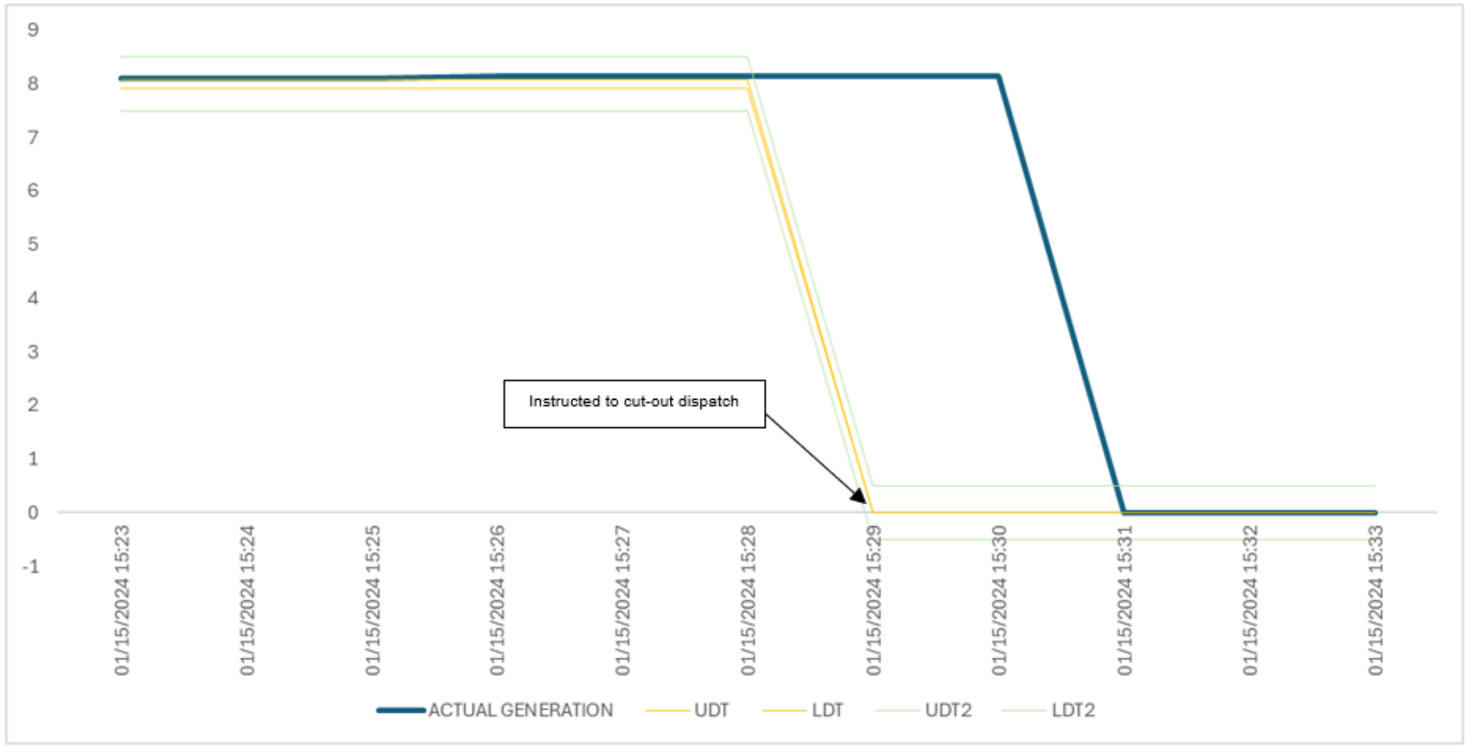


Fig. 4.0 Shutdown procedure after the provision of DR instruction

Observation:

- 01RESOURCE_G01 was able to sustain active instruction from 11:33 to 15:25 (Sustainability requirement: **COMPLIANT)**.
- 01RESOURCE_G01 received another instruction at 15:29 to shut down; At 15:31, the unit was offline. (Sustainability requirement: **FOR FURTHER ASSESSMENT)**.

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2. Illustration on the determination of *Response Accuracy* using *Highest* and Lowest Actual MW Output depending on the System Frequency Condition

Scenario 1: The System Frequency falls below the lower deadband threshold, the reserve facility needs to react by increasing generation to correct the frequency.

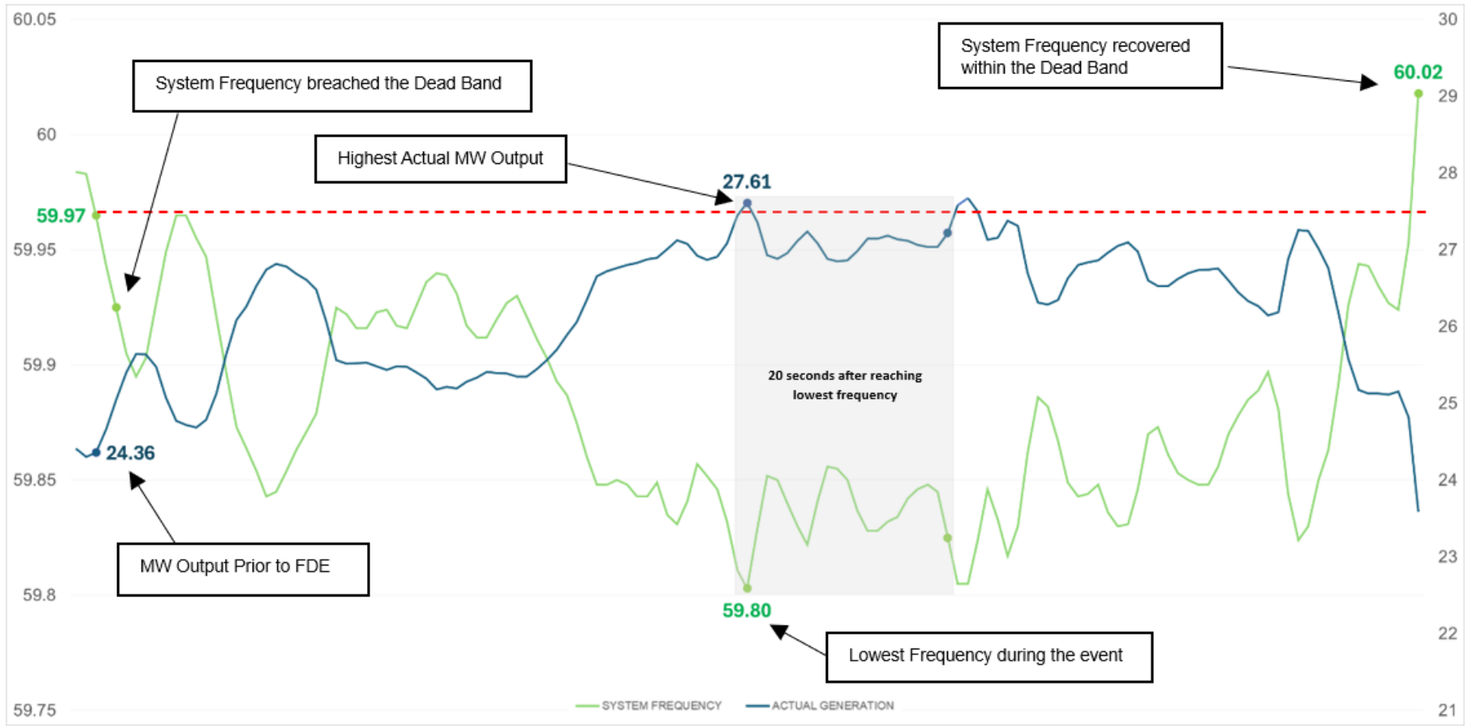


Fig 5.0 Sample Illustration when System Frequency breached lower Deadband

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For example, the following are the reserve facility's certified characteristics:

- Droop Setting: 4.5%
- Deadband Settings: 0.03 Hz
- Rated Capacity: 65.4 MW

Given:

- Highest Actual MW Output: 27.61 MW (within the 20-second period after the lowest frequency)
- MW Output Prior to FDE: 24.36 MW
- Lowest Frequency during FDE: 59.80 Hz

Computation:

Actual MW Response Capacity

= Highest Actual MW Output – MW Output Prior to Frequency-Driven Event

= 27.61 MW – 24.36 MW

= **3.25 MW**

$$Static\ Gain$$

$$= \frac{Rated\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}$$

$$= \frac{65.4\ MW}{4.5\ \%\ x\ 60\ Hz}\ x\ 100\%$$

$$= \mathbf{24.22\ MW/Hz}$$

Frequency Prior to Frequency-Driven Event

= Nominal Frequency ± Deadband Setting

= 60 Hz - 0.03 Hz

= **59.97 Hz**

Frequency Change

= Frequency Prior to Frequency-Driven Event - Lowest Frequency During Frequency-Driven Event

= 59.97 Hz – 59.80 Hz

= **0.17 Hz**

Expected MW Response Capacity

= Static Gain x Frequency Change

= 24.22 MW/Hz x 0.17 Hz

= 4.12 MW

$$\boldsymbol{Response\ Accuracy}$$

$$= \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

$$= \frac{3.25\ MW}{4.12\ MW}\ x\ 100\%$$

$$= \mathbf{78.88\ \%}$$ **(NON-COMPLIANT)**

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Scenario 2: The System Frequency breaches the upper deadband threshold, the reserve facility needs to react by decreasing generation to correct the frequency.

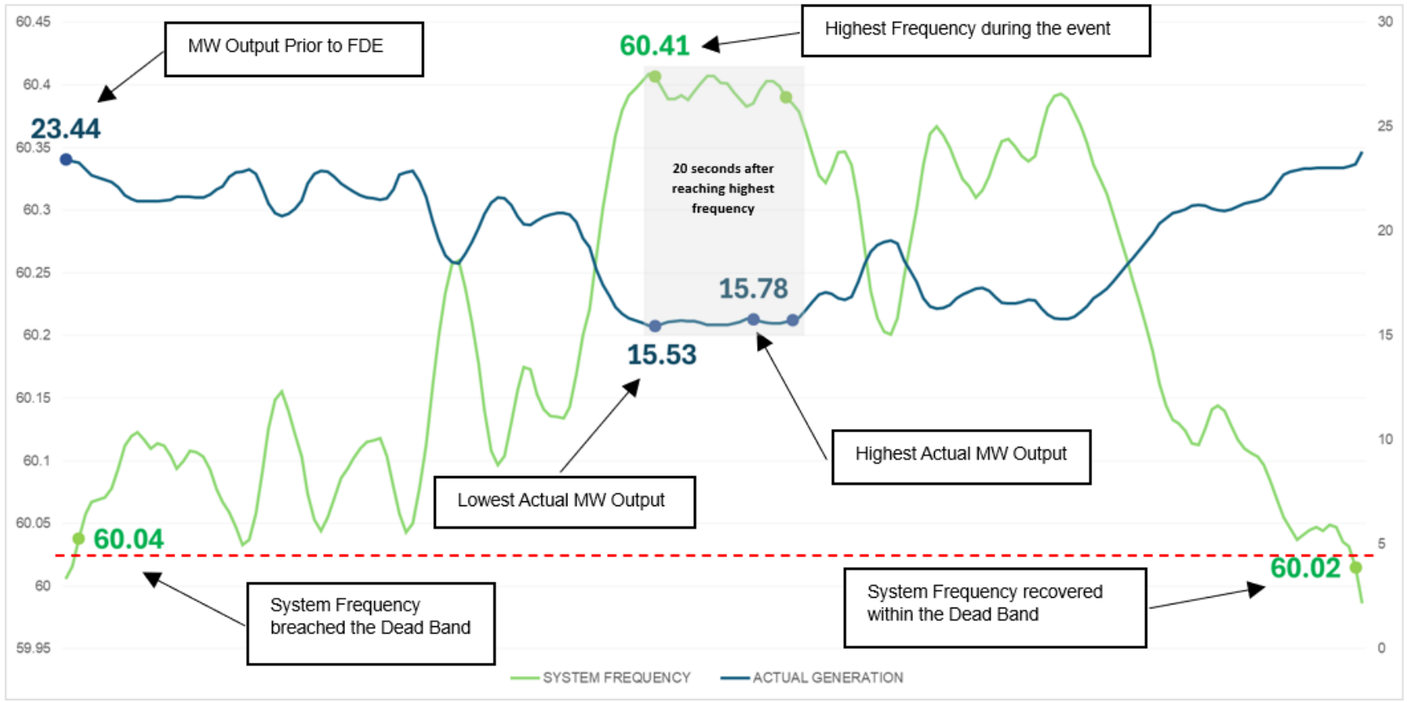


Fig 6.0 Sample Illustration when System Frequency breached Upper Deadband

For this example, the following are the reserve facility's certified characteristics:

- Droop Setting: 4.5%
- Deadband Settings: 0.03 Hz
- Rated Capacity: 65.4 MW

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Given:

- Highest Actual MW Output: 15.78 MW (within the 20-second period)
- Lowest Actual MW Output: 15.53 MW (within the 20-second period)
- MW Output Prior to FDE: 23.44 MW
- Highest Frequency during FDE: 60.41 Hz

Computation:

Actual MW Response Capacity

= Lowest Actual MW Output – MW Output Prior to Frequency-Driven Event

= 15.53 MW – 23.44 MW

= **- 7.91 MW**

$$Static\ Gain = \frac{Rated\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}$$

$$= \frac{65.4\ MW}{4.5\ \%\ x\ 60\ Hz}\ x\ 100\%$$

$$= \mathbf{24.22\ MW/Hz}$$

Frequency Prior to Frequency-Driven Event

= Nominal Frequency ± Deadband Setting

= 60 Hz + 0.03 Hz

= **60.03 Hz**

Frequency Change

= Frequency Prior to Frequency-Driven Event - Highest Frequency During Frequency-Driven Event

= 60.03 Hz - 60.41Hz

= **-0.38 Hz**

Expected MW Response Capacity

= Static Gain x Frequency Change

= 24.22 MW/Hz x -0.38 Hz

= -9.20 MW

Response Accuracy

$$= \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

$$= \frac{-\ 7.91\ \text{MW}}{-9.20\ MW}\ x\ 100\%$$

$$= \mathbf{85.99\%}$$ **(COMPLIANT)**

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3. Illustration for the Capping the Expected MW Response Capacity to Reserve Schedule

In cases where the Expected MW Response Capacity exceeds the Reserve Schedule, the Expected MW Response shall be capped at the Reserve Schedule. The formula for Response Accuracy is as follows:

$$Response\ Accuracy = \frac{Actual\ MW\ Response\ Capacity}{Expected\ MW\ Response\ Capacity}\ x\ 100\%$$

The following values are examples to illustrate the scenario:

Certified Capacity	Reserve Schedule	Actual MW Response	Expected MW Response
30	10	25	50

As a result, the Response Accuracy will differ based on the said conditions:

Response Accuracy Calculation:

Response Accuracy % 1:
= (25 / 50) × 100 = 50% ***(NON-COMPLIANT)***

Response Accuracy % 2: **(Capping the *Expected MW Response Capacity* to Reserve Schedule)**
= (25 / 10) × 100 = 250% ***(COMPLIANT)***

Response Accuracy % 1	Response Accuracy % 2
50%	**250%**

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4. Illustration for the determination of Percentage (%) of Compliance of ASP on AGC

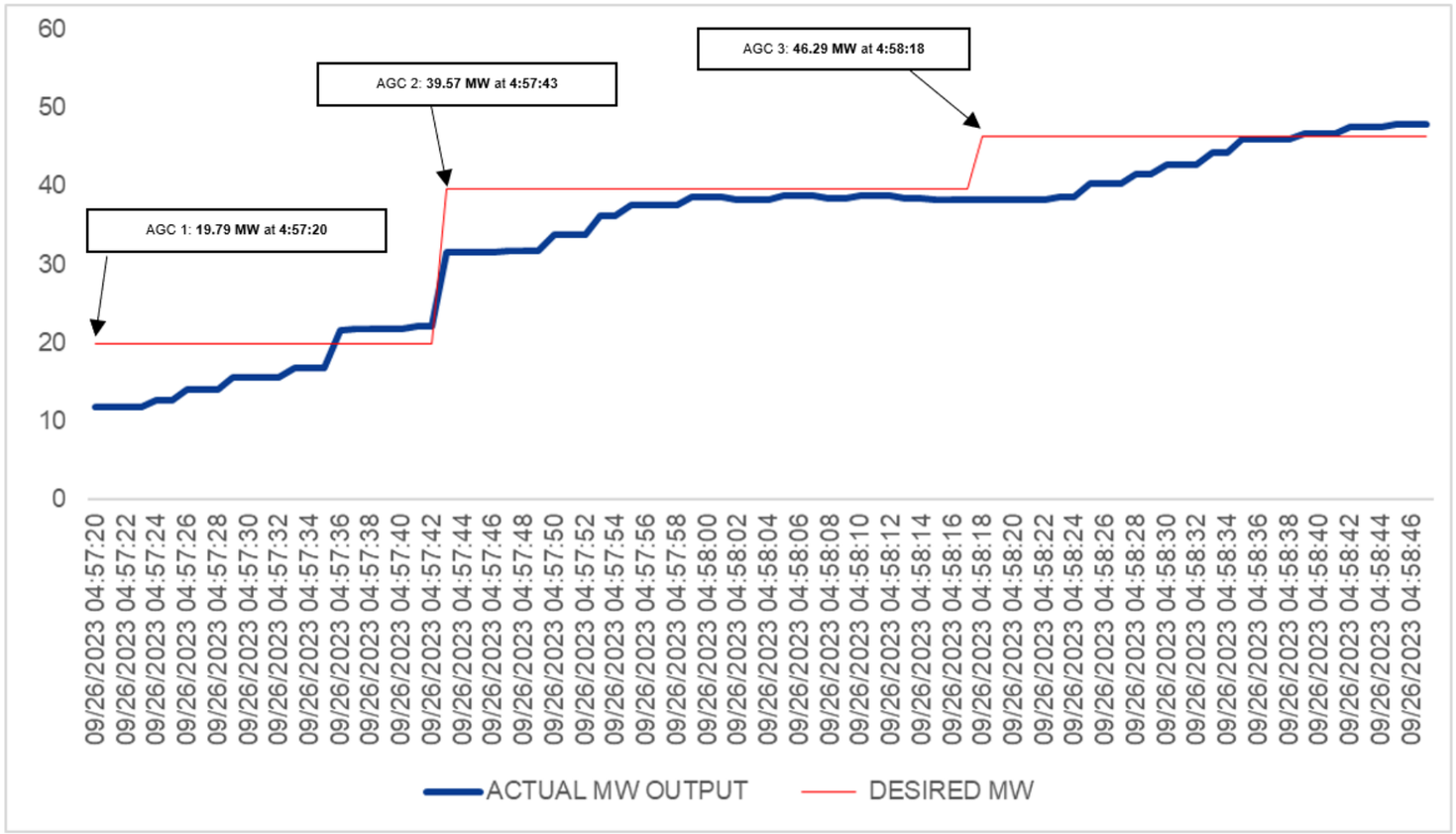


Fig 7.0 Sample series of AGC Commands

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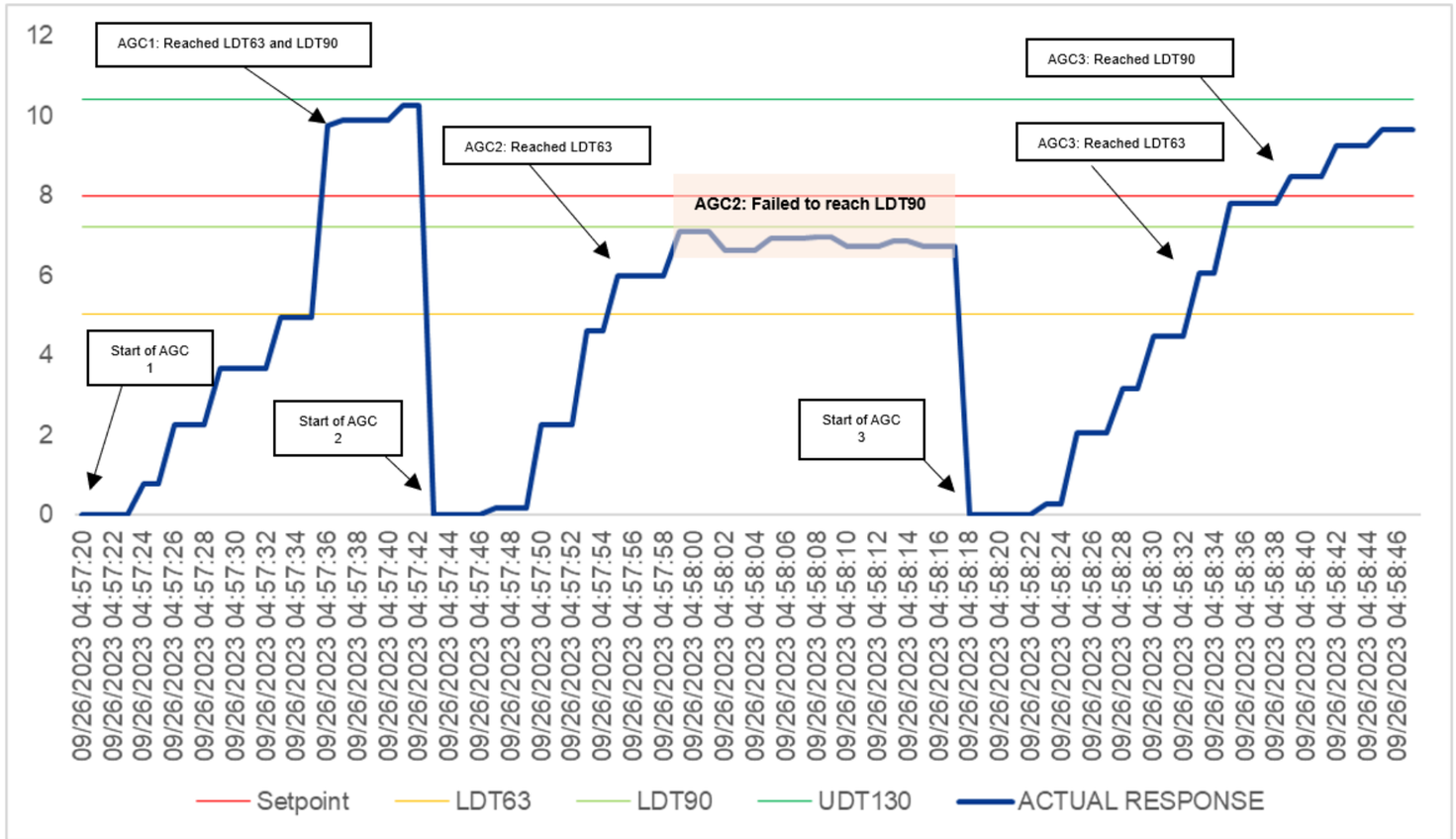


Fig 8.0 Equivalent Setpoint and Actual Response

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Summary of illustration on Figure 8:

- AGC 1 LDT63 and LDT90 were reached within 16 seconds
- AGC 2 LDT63 reached within 12 seconds
- AGC 2 failed to reach LDT90
- AGC 3 LDT63 reached within 15 seconds
- AGC 3 LDT63 reached within 17 seconds

Since required levels of AGC Command 1 and AGC Command 3 have been reached within the required duration as stated in section 5.7, therefore, AGC Command 1 and AGC Command 3 are compliant

On the other hand, the generator failed to reach all the required levels of AGC Command 2, therefore, AGC Command 2 is non-compliant.

There is a total of 3 Commands in the above example

Total Commands = 3
Total Compliant Commands = 2

$$\%\ \boldsymbol{Compliance} = \frac{\boldsymbol{No.\ of\ Compliant\ AGC\ Commands}}{\boldsymbol{No.\ of\ AGC\ Commands}}\ \boldsymbol{x}\ \mathbf{100}\ \%$$

$$\%\ \boldsymbol{Compliance} = \frac{\mathbf{2}}{\mathbf{3}}\ \boldsymbol{x}\ \mathbf{100}\ \%$$

$$\%\ \boldsymbol{Compliance} = \mathbf{66.67}\ \%$$ **(NON COMPLIANT)**

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WESM MANUAL ON DISPATCH PROTOCOL ISSUE NO. 22.1								
Title	**Section**	**Dispatch Protocol Manual Issue No. 22.1**	**Proposed Revisions to the Urgent Amendment (2nd Urgent Amendment)[4]**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 15 Scheduling and Dispatch of Reserves 15.6 Deadband Settings	15.6	15.6 Deadband Settings	15.6 Deadband Settings **for Reserve Facilities Operating on Governor Control Mode**	To harmonize the WESM DP and WESM ASM				
Section 15 Scheduling and Dispatch of Reserves 15.6 Deadband Settings	15.6.1	15.6.1 *Reserve facilities* scheduled to provide *Regulating Reserve* shall ensure that their deadband is set within +/- 0.15 Hz.	15.6.1 *Reserve facilities* scheduled to provide *Regulating Reserve* shall ensure that their deadband is set ~~within~~ **at 0Hz to** +/- 0.15 Hz.	To harmonize the WESM DP and WESM ASM				
Section 15 Scheduling and Dispatch of Reserves 15.6 Deadband Settings	15.6.2	15.6.2 *Reserve facilities* scheduled to provide *Contingency Reserve* shall ensure that their deadband is set between - 0.15 Hz and - 0.30 Hz.	15.6.2 *Reserve facilities* scheduled to provide *Contingency Reserve* shall ensure that their deadband is ~~set between~~ **at** - 0.15 Hz and - 0.30 Hz.	To harmonize the WESM DP and WESM ASM				

[4] Mark-ups in black – proposed amendments approved in August 2024 *(ORCP-WM-24-06);* mark-ups in blue – proposed amendments approved in December 2024 *(ORCP-WM-24-06B);*

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Annex C – Market Operator's Revalidation Process



IEMOP
INDEPENDENT ELECTRICITY MARKET OPERATOR
PHILIPPINES

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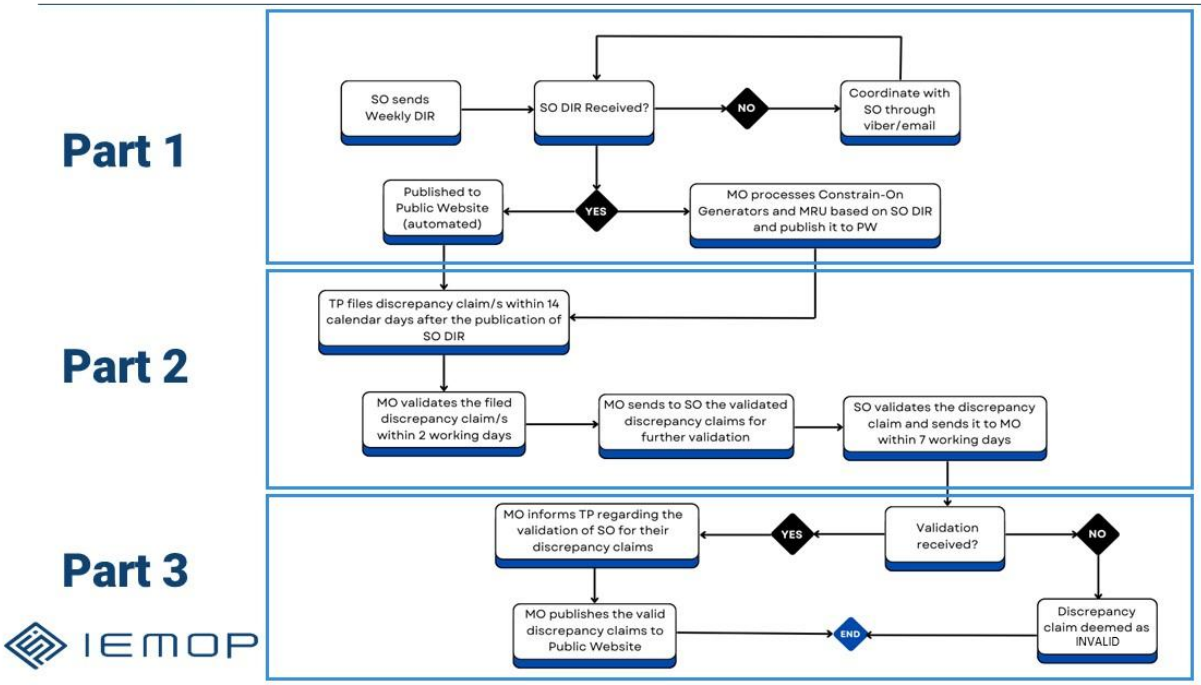
Annex C – Market Operator's Revalidation Process

SO-Dispatch Instruction Report Processing and Validation

11 April 2025, Teams Meeting

IEMOP
We Run Markets

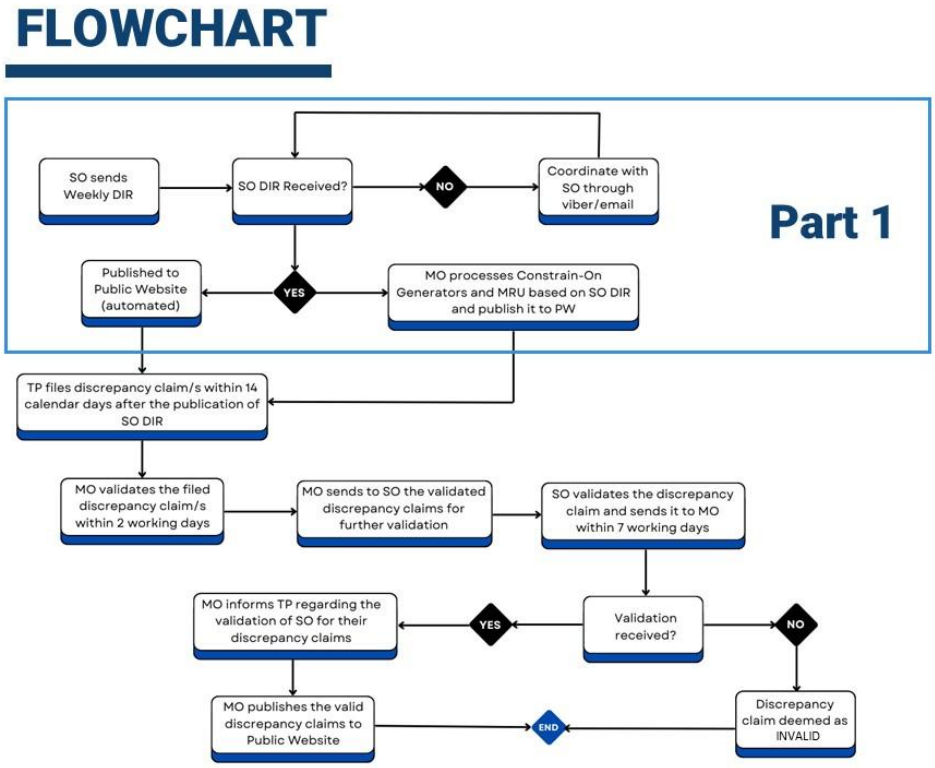
FLOWCHART

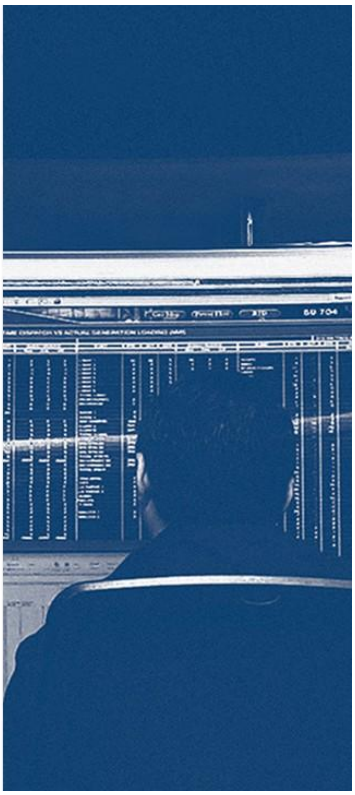


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MO-Processed SO DIR

- Itemized 5-min dispatch intervals affected by the SO DIR Instruction for MRU and MOT -Raise categories.
  - Example: For PEDC Unit 1, it is tagged as MOT RAISE from 28 March 2025 1023H to 1036H. The MO Process MOT RAISE based on SO DIR, the INSTRUCTION_TIME is now converted into 5-minute intervals and all the intervals from 28 March 2025 1025H to 1040H is processed as MOT RAISE.

UNIT	INSTRUCTION	INSTRUCTION_TIME	MW_FROM	MW_TO	CATEGORY	REMARKS
08PEDC_U01	RAISE LOAD	03/28/2025 10:23	72.4	83	MOT RAISE	Advise to increase load under MOT Raise due to HVDC Vis0Luz Line Limitation; RTD = 65.2 MW
08PEDC_U01	FOLLOW RTD	03/28/2025 10:36	83	66.7	RTD	Advise to follow RTD schedule; RTD = 66.7 MW

SO_UNIT_NAME	REG_RAMP_RATE / 5MIN	INSTRUCTION	CATEGORY	START_INSTRUCTION_TIME	END_INSTRUCTION_TIME	START_TIME_INTERVAL	END_TIME_INTERVAL	MW_TO
08PEDC_U01	7.5	RAISE LOAD	MOT RAISE	03/28/2025 10:23	03/28/2025 10:36	03/28/2025 10:25	03/28/2025 10:40	83
08PEDC_U01	7.5	RAISE LOAD	MOT RAISE	03/28/2025 10:23	03/28/2025 10:36	03/28/2025 10:30	03/28/2025 10:40	83
08PEDC_U01	7.5	RAISE LOAD	MOT RAISE	03/28/2025 10:23	03/28/2025 10:36	03/28/2025 10:35	03/28/2025 10:40	83
08PEDC_U01	7.5	RAISE LOAD	MOT RAISE	03/28/2025 10:23	03/28/2025 10:36	03/28/2025 10:40	03/28/2025 10:40	66.7

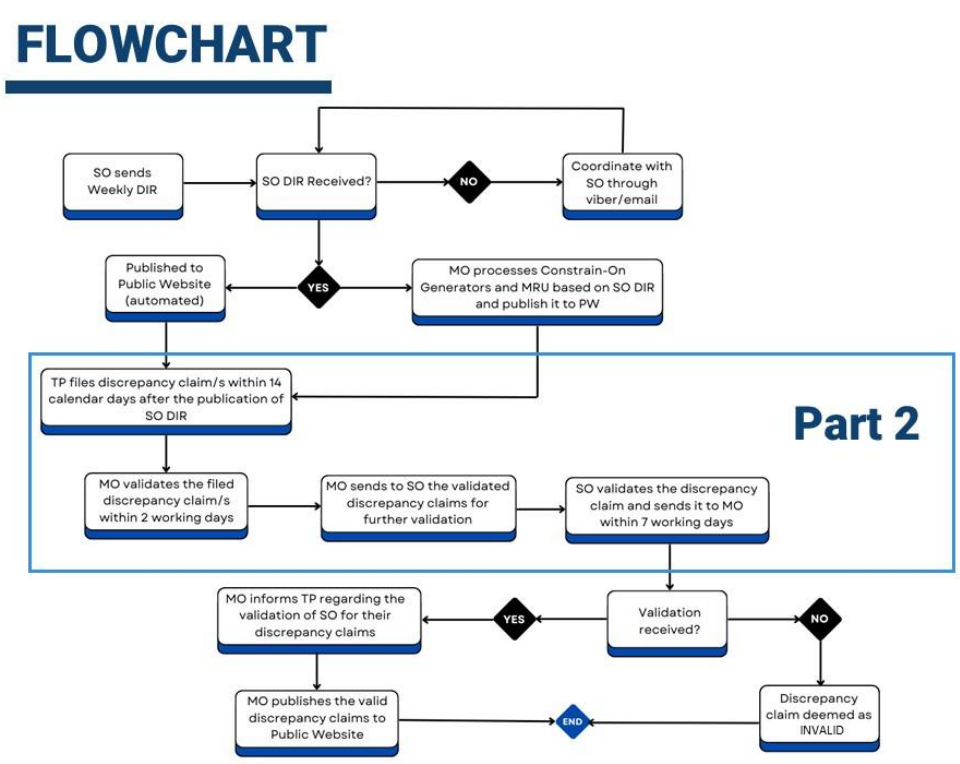
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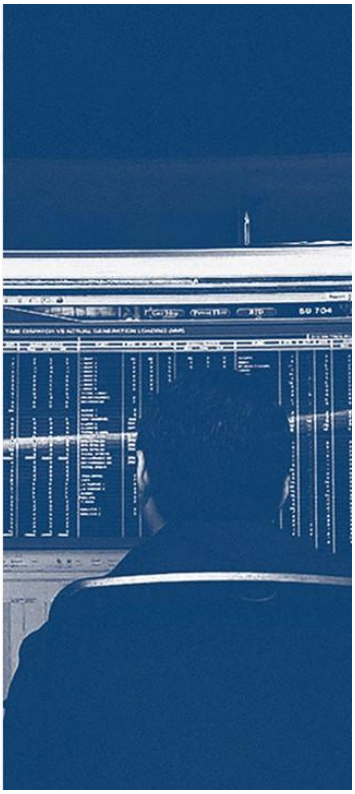
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Philippine Electricity Market Corporation

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Discrepancy Ticket filed by TP

SO Dispatch Report (20240603-20240609)	Ryan Oliver Bricia CENPRI	Scheduling and Dispatch	June 11,2024 03:02 pm	June 11,2024 05:18 pm	Closed	No rating yet
so_report_discrepancy_PANASIA_20240520-20240526 additional reference	Bernardo Fajardo Jr. Panasia Energy Inc.	Scheduling and Dispatch	June 10,2024 06:37 pm	June 11,2024 02:11 pm	Closed	No rating yet
so_report_discrepancy_PANASIA_20240520-20240526 additional reference	Bernardo Fajardo Jr. Panasia Energy Inc.	Scheduling and Dispatch	June 10,2024 06:37 pm	June 11,2024 02:11 pm	Closed	No rating yet
SO Dispatch Report (20240520-20240526)	Ryan Oliver Bricia CENPRI	Scheduling and Dispatch	June 11,2024 08:30 am	June 11,2024 01:41 pm	Closed	No rating yet
so_report_discrepancy_PANASIA_20240520-20240526	Bernardo Fajardo Jr. Panasia Energy Inc.	Scheduling and Dispatch	June 10,2024 06:35 pm	June 11,2024 01:37 pm	Closed	No rating yet
CORRECTION: so_report_discrepancy_PANASIA_20240520-20240526	Bernardo Fajardo Jr. Panasia Energy Inc.	Scheduling and Dispatch	June 10,2024 06:40 pm	June 11,2024 01:30 pm	Closed	No rating yet
SO Dispatch Report (20240520-20240526)	Ryan Oliver Bricia CENPRI	Scheduling and Dispatch	June 11,2024 09:28 am	June 11,2024 01:29 pm	Closed	No rating yet
SO Dispatch Report (20240520-20240526) Ticket follow-up	Ryan Oliver Bricia CENPRI	Scheduling and Dispatch	June 10,2024 10:00 am	June 10,2024 06:03 pm	Closed	No rating yet

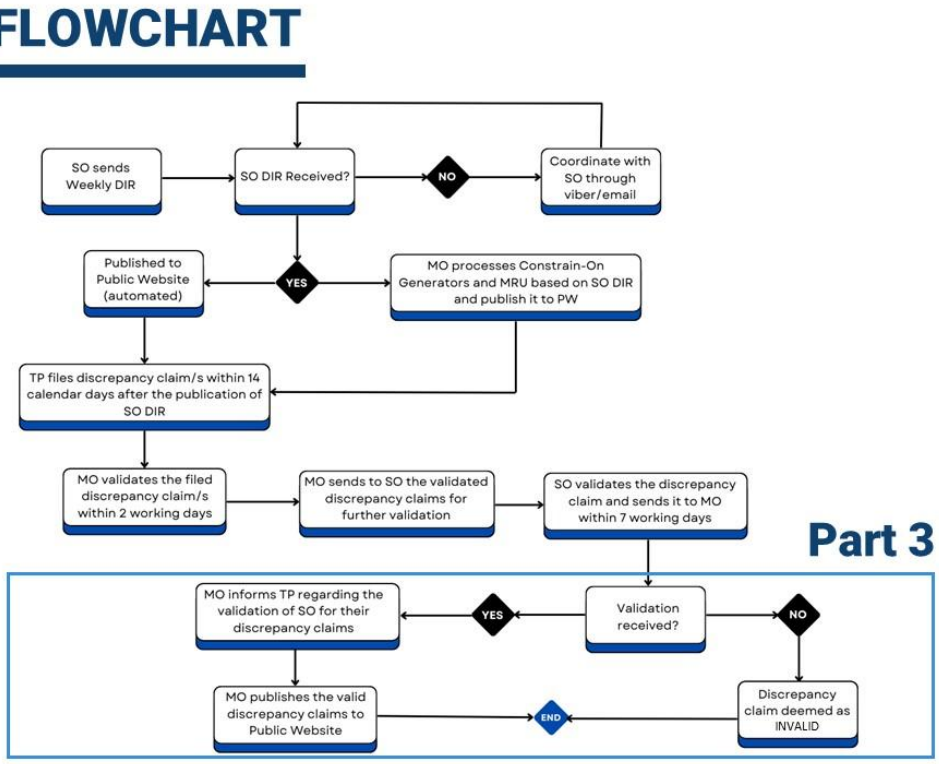
MO-Processed Discrepancy Data

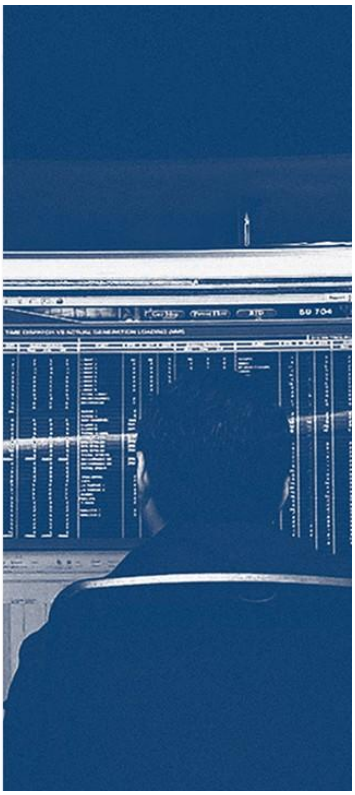
	TIME_INTERVAL	REGION_NAME	RESOURCE_NAME	TP_EXPECTED__TO	TP_EXPECTED_CATEGORY	TP_EXPECTED_REMARKS	DISCREPANCY TYPE	SO_ASSESSMENT	SO_CATEGORY	SO_REMARKS	SO__TO
2	06/06/2024 15:50	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
3	06/06/2024 15:55	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
4	06/06/2024 16:00	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
5	06/06/2024 16:05	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
6	06/06/2024 16:10	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
7	06/06/2024 16:15	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
8	06/06/2024 16:20	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
9	06/06/2024 16:25	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
10	06/06/2024 16:30	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
11	06/06/2024 16:35	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
12	06/06/2024 16:40	VISAYAS	06CENPRI_U01	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
13	06/06/2024 15:50	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
14	06/06/2024 15:55	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
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17	06/06/2024 16:10	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
18	06/06/2024 16:15	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
19	06/06/2024 16:20	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
20	06/06/2024 16:25	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
21	06/06/2024 16:30	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
22	06/06/2024 16:35	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
23	06/06/2024 16:40	VISAYAS	06CENPRI_U02	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
24	06/06/2024 15:50	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
25	06/06/2024 15:55	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
26	06/06/2024 16:00	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
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31	06/06/2024 16:25	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
32	06/06/2024 16:30	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
33	06/06/2024 16:35	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
34	06/06/2024 16:40	VISAYAS	06CENPRI_U03	4.5	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
35	06/06/2024 15:50	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
36	06/06/2024 15:55	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
37	06/06/2024 16:00	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
38	06/06/2024 16:05	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
39	06/06/2024 16:10	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
40	06/06/2024 16:15	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
41	06/06/2024 16:20	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
42	06/06/2024 16:25	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				
43	06/06/2024 16:30	VISAYAS	06CENPRI_U05	6.7	MARKET INTERVENTION	On June 6,2024 SO Initiated f	MISSING RECORD				

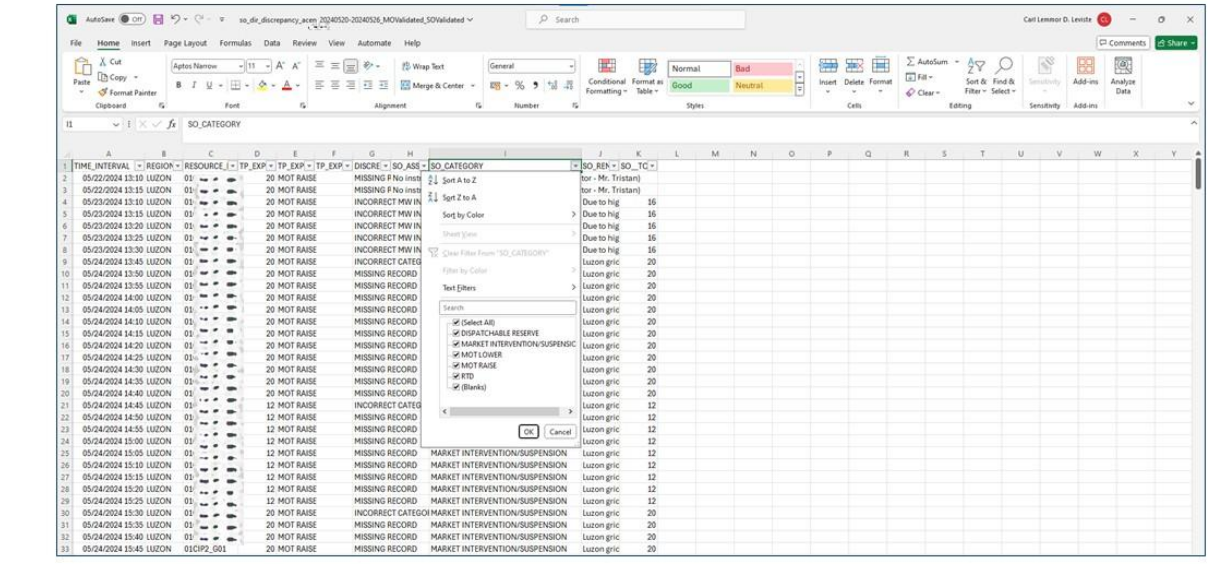
MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
Date & Time : 11 April 2025, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams

Annex C – Market Operator's Revalidation Process







MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
Date & Time : 11 April 2025, 9:00 AM to 3:00 PM
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Annex C – Market Operator's Revalidation Process





MEETING MINUTES

Subject/Purpose : 245th RCC (Regular) Meeting
Date & Time : 11 April 2025, 9:00 AM to 3:00 PM
Venue : Online via Microsoft Teams

Annex D – System Operator's DIR Revalidation Process

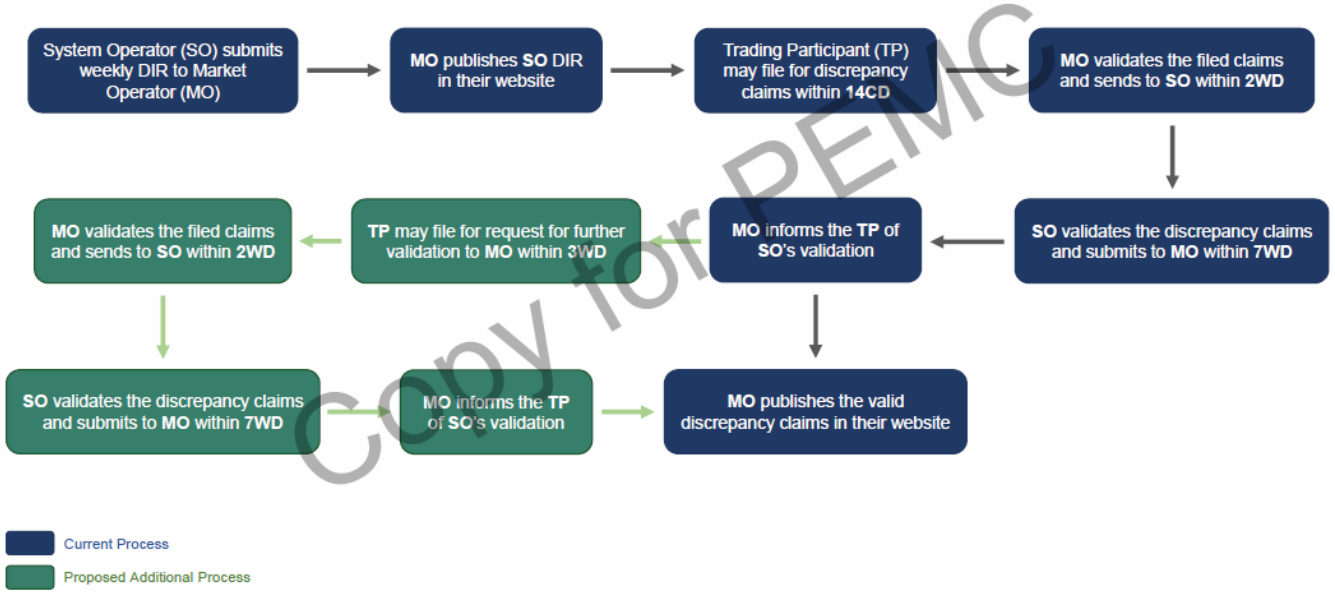
NGCP

Proposed Validation Process of Dispatch Instruction Report (DIR)

WESM Rules Change Committee
11 April 2025

Copy for PEMC

Proposed Validation Process of DIR



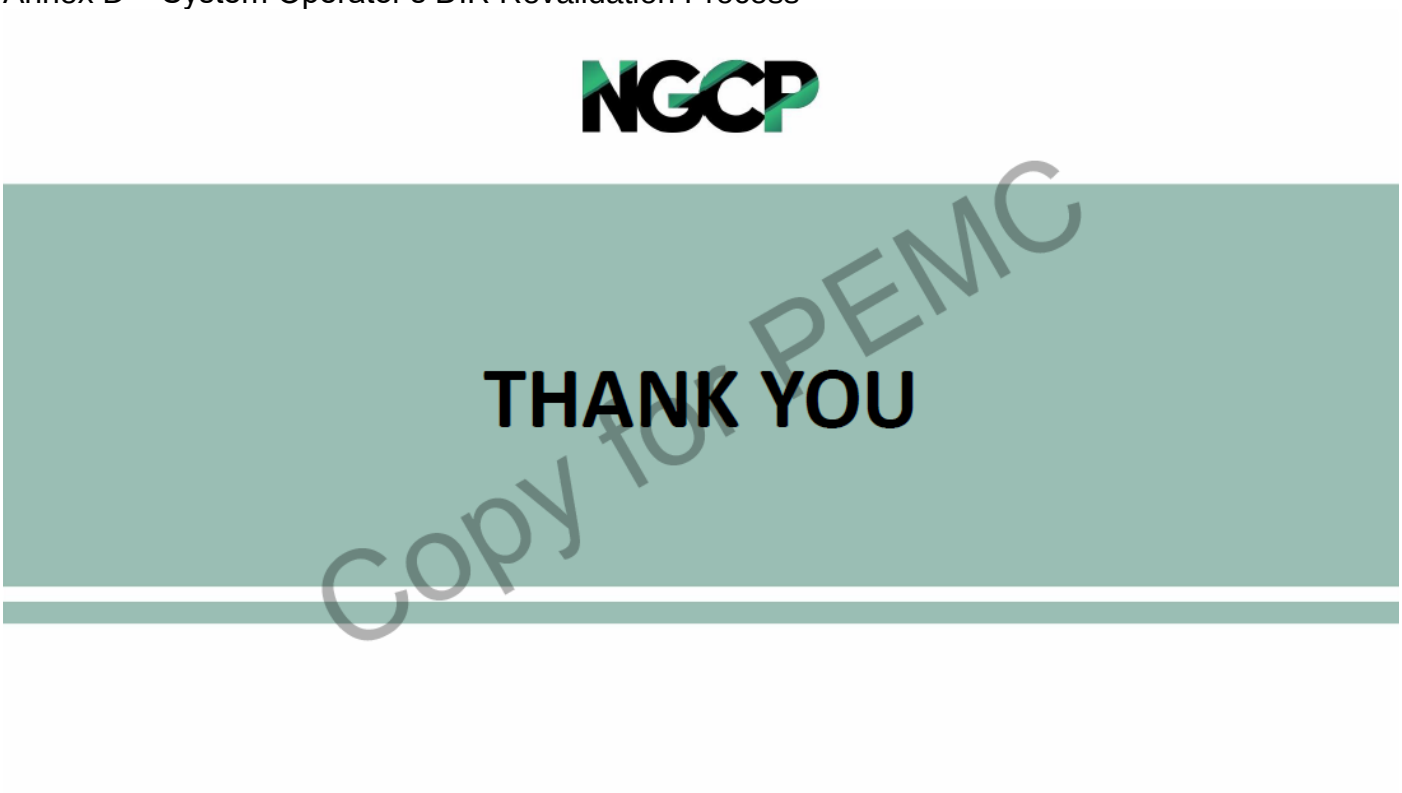
Copy for PEMC

NGCP

MEETING MINUTES

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Annex D – System Operator's DIR Revalidation Process



Copy for PEMC