

MINUTES OF THE RULES CHANGE COMMITTEE 148th REGULAR MEETING (No. 2019-01)	
Meeting Date & Time:	18 January 2019, 9:00 AM to 12:00 PM
Meeting Venue:	PEMC Board Room, 18/F Robinsons Equitable Tower, Ortigas Center, Pasig City
Attendance List	
In-Attendance	Not In-Attendance
Rules Change Committee Principal Members: Maila Lourdes G. de Castro , Chairperson – Independent Francisco Leodegario R. Castro, Jr. – Independent Allan C. Nerves – Independent Abner B. Tolentino – Generation (PSALM) Dixie Anthony R. Banzon – Generation (MPPCL) Ciprinilo C. Meneses – Distribution (MERALCO) Ricardo G. Gumalal – Distribution (ILPI) Jose P. Santos – Distribution (INEC) Virgilio C. Fortich, Jr. – Distribution (CEBECO3) Lorreto H. Rivera – Supply (TPEC) Ambrocio R. Rosales – System Operator (NGCP) Isidro E. Cacho – Market Operator (IEMOP)	
Other attendees: PEMC – Market Assessment Group (MAG) Elaine D. Gonzales John Mark S. Catriz Divine Gayle C. Cruz Romellen C. Salazar Aldjon Kenneth M. Yap PEMC – Corporate Planning and Communications Clares Loren C. Jalocon Martin R. Cedenio PEMC – Legal Department Atty. Monica M. Martin	
Concepcion I. Tanglao – Independent Cherry A. Javier – Generation (APC) Jose Ildebrando B. Ambrosio – Generation (NorthWind)	

PEMC – OCGO

John Bryan J. Infantado

NGCP (Presenter)Ermelindo Bugaoisan
Nick Lubugib**DOE Observers**Ferdinand B. Binondo
Ann Margaret Andres
Ryan Jaspher Villadiego

There being a quorum, the meeting was called to order at around 9:09 AM.

1. Adoption of the Proposed Agenda

The RCC adopted the agenda as revised, to include the item on the schedule of the strategic planning.

2. Review of the Minutes of the Previous Meeting

The RCC reviewed the minutes of the 147th RCC meeting held on 06 December 2018 and subsequently approved it as presented.

Agreements/Action Plans

The RCC approved the minutes without revisions.

3. Matters Arising from Previous Meeting**3.1 Draft RCC Semestral Report (July to December 2018)**

Mr. Aldjon Yap presented briefly the contents of the draft RCC Semestral Report prepared by the Secretariat covering the period July to December 2018. The Semestral Report documents the accomplishments of the RCC vis-à-vis its Work Plan for the relevant period and the status of all ongoing activities of the Committee.

As regards the study of line rental trading amount, Mr. Cacho inquired if the same was transmitted to the DOE. Mr. Yap responded that the Secretariat will confer with the Corporate Secretary if the same was transmitted to the DOE. He further clarified that part of the request of the RCC when this was presented to the PEM Board was to seek the Board's endorsement to the DOE.

Following the presentation, the RCC approved the RCC Semestral Report for July to December 2018 and its submission to the PEM Board.

Agreements/Action Plans
1. The RCC approved the Semestral Report for July to December 2018 and its transmittal to the PEM Board.
2. The Secretariat will confirm with the Corporate Secretary about the transmittal of the study of line rental trading amount to the DOE.

3.2 Draft Market Operator Performance Standards (MOPS)

Mr. Clares Loren C. Jalocon of PEMC – Corporate Planning and Communications presented the draft Market Operator Performance Standards for the RCC's comments and inputs.

The salient features of the MOPS presentation are as follows:

- The number of performance measures were proposed to be reduced from the current 21 to only 11 that will serve as the Market Operator's Key Performance Indicators. The KPIs fall under three (3) categories, as follows:
 - i) Participant Access to Market Systems
 - ii) Market Operations (WESM)
 - iii) Central Registration Body (CRB) Responsibilities
- The proposed changes to the current MOPS is meant to streamline and simplify the PEM Audit Committee's monitoring of the Market Operator's performance. Initial targets shall also be set, while final targets will be established once actual 1-year performance data are accumulated.

The RCC commented to limit only to *force majeure* events the proposed conditions for which exemptions may be granted for measuring "Market Reports and Data Publication Timeliness". The following conditions may therefore be removed: Communication Network Breakdown, Database Trouble, Computer System Failure (Hardware and Software), Site-related Emergencies, Workflow Stoppage (Solution Divergence). The RCC likewise added as a condition for exemption in measuring the remittance efficiency of the Market Operator the non-payment of end-users or customers of their settlement obligations, as these situations are beyond the Market Operator's control. These comments were noted by Mr. Jalocon. He informed the RCC that the MOPS will be sent to the RCC for inputs and comments.

The RCC noted the information provided and thanked Mr. Jalocon for his presentation.

3.3 Presentation on Grid Operating and Maintenance Program (GOMP)

The representatives from the National Grid Corporation of the Philippines, Mr. Ermelindo Bugaoisan and Mr. Nick Lubugin presented before the RCC details of and processes related to the GOMP, including the GOP and GMP preparation and approval. The presentation covered the background, objectives, factors considered for its preparation, process and timeline, and sample GOMP schedule.

Below are the salient features of the NGCP's presentation.

Background

- The GOMP is a requirement based on the Philippine Grid Code, which is submitted by the NGCP to the DOE.
- It provides coordinated and synchronized maintenance schedules of generators, transmission lines and sub-station equipment covering a 3-year period.
- Grid Operating Program (GOP) – contains maintenance schedule of generators
- Grid Maintenance Program (GMP) – contains maintenance schedules of transmission lines and other sub-station equipment

Scheduling prioritization

- Generators are given higher priority in maintenance scheduling than other system components.
- Backbone transmission lines/equipment and critical lines are given priority over components with less impact.

Scheduling considerations

- Transmission line shutdowns are coordinated with generating unit maintenance outages.
- Schedules are optimized to minimize shutdowns and ensure reserve allocation (i.e., generator shutdown schedules are approved such that they do not coincide with periods when generation capacity is known to be at critical levels).
- Contingency plans are prepared for special days or occasions (e.g., holy week, election days, foreign visitors).

Revisions/ Re-programming

- Planned generator maintenance schedules are re-programmed to avoid multiple and/or repeated shutdowns.
- Shutdown schedules are also re-programmed to minimize and resolve transmission line congestion.
- GOP has 3-year coverage but is revised as generators change their maintenance schedules (quarterly dynamic revisions).

114 Preparation Timeline

- 115 • Start of April – SO requests generators to submit their planned maintenance
- 116 schedules
- 117 • April to May – SO performs assessment and evaluation of generators' GOPs
- 118 • May to July – SO further coordinates with generators for schedule adjustments and
- 119 finalization
- 120 • August – start of GOMP preparation; submission of grid maintenance schedules (i.e.,
- 121 GMP)
- 122 • September to October – SO conducts assessment, evaluation and simulation
- 123 • November – GOMP (consolidated GOP and GMP) is submitted to DOE (SO and DOE
- 124 already conduct a series of meetings prior to the submission)

125 Challenges

- 126 • Difficulty in harmonizing maintenance schedules since generators have their own
- 127 schedules with their contractors.
- 128 • Embedded generators do not submit maintenance schedules so they are not
- 129 considered in the preparation of the GOP.
- 130 • Occurrence of forced outages and unplanned maintenance schedules

131 Possible Measures to Consider

- 132
- 133 • DUs could perhaps provide the maintenance schedules of embedded generators
- 134 within their system
- 135 • Like generators, DUs may already coordinate and provide their own maintenance
- 136 schedules with the SO so these could already be considered in the GOMP.
- 137

138 Publication

- 139
- 140 • DOE requires the GOP to be published quarterly
- 141 • GMP is not to be published for security reasons
- 142 • Discussions between NGCP and DOE is still ongoing regarding the possible methods
- 143 for the publication

The RCC noted the information provided by NGCP and thanked Mr. Bugaoisan and Mr. Lubugin for their presentation.

144

145 **4. Other Matters**

146

147 **4.1. NGCP Concerns Regarding Metering-related Requirements from the WESM**

148 **Manual on Metering Standards and Procedures Issue 12.0**

149

150 The Secretariat informed the RCC of the receipt of the letters related to the NGCP concerns

151 regarding the metering related requirements from the current WESM Manual on Metering

152 Standards and Procedures Issue 12.0.

153

The RCC noted the letter from the DOE requesting the NGCP Metering Department to propose amendments to the WESM Manual on Metering Standards and Procedures Issue 12.0 to provide a transition period for replacing non-compliant meters.

The body also noted the Technical Committee's responses and recommendations to the concerns raised by NGCP Metering emanating from the same WESM Manual.

4.2. Results of the Strategic Planning

The Secretariat apprised the RCC of the latest updates related to the Strategic Planning Sessions being conducted by PEMC. In relation to this, the Secretariat likewise requested the confirmation of attendees from the Independent, Transmission, Generation, Distribution and Supply Sectors in the next scheduled Strategic Planning Sessions.

The following RCC members confirmed their attendance to Planning activities:

- 29 January 2019 (Tuesday):
 - Independent – Atty. De Castro
 - Generation – Mr. Banzon
 - Distribution – Mr. Meneses
 - Supply – Ms. Rivera
- 06 February 2019 (Wednesday):
 - Independent – Atty. De Castro
 - Generation – Mr. Tolentino
 - Distribution – Mr. Meneses
 - Supply – Ms. Rivera
 - Transmission – Mr. Rosales

Agreements/Action Plans
The concerned RCC members confirmed their attendance and participation to the next scheduled Strategic Planning Activities.

4.3. Updates on the Formulation of the RCC Work Plan 2019

The Secretariat informed the RCC that there will subsequently be an exclusive meeting between the RCC and MERAKI Consulting, Inc. for the development of the RCC Work Plan. This information was noted by the RCC.

Awaiting the PEMC's Corporate Strategic Plan, the RCC agreed to put on hold the formulation of its 2019 Work Plan recognizing that this should be aligned with the outcomes identified by PEMC.

4.4. Refresher on RCC Internal Rules

A refresher, the Secretariat presented and discussed the salient features of the RCC Internal Rules highlighting the roles and responsibilities of each member.

Below are the highlights of the discussion and agreements of the RCC in relation to the internal rules:

- RCC meetings will be held every 3rd Friday of the month from 9:00 AM to 3:00 PM.
- Sector representatives will submit to the Secretariat a certification from an authorized officer of their sector that the sector have been duly informed by the RCC representative of the RCC's activities and initiatives.
- The RCC Secretariat shall send RCC members a template for the aforementioned certification.

In the course of the discussions, the RCC identified the sector representatives that currently do not have an alternate. The concerned RCC members acknowledged that their sectors must nominate their official alternate.

- 1) Ms. Lorreto H. Rivera
- 2) Ms. Cherry A. Javier
- 3) Mr. Jose Ildebrando B. Ambrosio
- 4) Mr. Dixie Anthony R. Banzon
- 5) Mr. Virgilio C. Fortich, Jr.
- 6) Mr. Ricardo G. Gumalal

In addition, the RCC noted that the appointment of the following members are set to expire within 2019:

- 1) Ms. Concepcion I. Tanglao*
- 2) Mr. Isidro E. Cacho, Jr.*
- 3) Mr. Ambrocio R. Rosales*
- 4) Ms. Lorreto H. Rivera*
- 5) Mr. Abner B. Tolentino**
- 6) Mr. Jose Ildebrando B. Ambrosio**
- 7) Mr. Ciprinilo C. Meneses
- 8) Ms. Jose P. Santos

**eligible for re-appointment for 3rd term*

***eligible for re-appointment for 2nd term*

The information was duly noted by the RCC.

4.5. Schedule for WESM 101

The RCC members were encouraged to attend the WESM 101 training/refresher scheduled. Said refresher will be exclusively conducted for all WESM Governance Committee members by IEMOP Training.

The Secretariat conveyed that the final schedule for the said WESM 101 will be relayed once confirmed by the IEMOP Training Department.

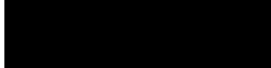
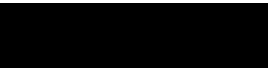
5. Next Meeting

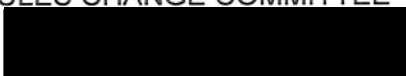
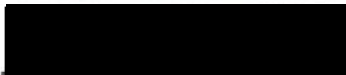
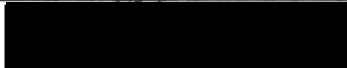
Starting 2019, the RCC agreed to hold its regular meetings every 3rd Friday of the month to consider the schedule of PEM Board meetings which is every last Thursday of the month. This will give the RCC and the Rules Review Division ample time to prepare and submit any RCC-approved proposed amendments in time for the Board meeting of the following month. The RCC agreed to schedule its regular meetings for the first three months of 2019 on the following dates:

- **22 February**
- **15 March**
- **12 April 2019**

6. Adjournment

There being no other matters for discussion, the meeting was adjourned at 01:00 PM.

Prepared By:	Reviewed By:	Noted By:
 Romellon C. Salazar <i>Specialist – Rules Review Division</i>	 John Mark S. Catriz <i>Manager – Rules Review Division</i>	 Elaine D. Gonzales <i>Acting Head</i>
Market Assessment Group	Market Assessment Group	Market Assessment Group

Approved by: RULES CHANGE COMMITTEE  Maila Lourdes G. de Castro Chairperson Independent	
Members:	
Concepcion I. Tanglao Independent	 Francisco L.R. Castro, Jr. Independent
 Allan C. Nerves Independent	 Isidro E. Cacho, Jr. Market Operator Independent Electricity Market Operator of the Philippines (IEMOP)
 Ambrocio R. Rosales System Operator National Grid Corporation of the Philippines (NGCP)	 Abner B. Tolentino Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)
Jose Ildebrando B. Ambrosio Generator Sector NorthWind Power Development Corp. (NorthWind)	Cherry A. Javier Generation Sector Aboitiz Power Corp. (APC)
 Dixie Anthony R. Banzon Generation Sector Masinloc Power Partners Co. Ltd. (MPPCL)	Ciprinilo C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)
 Ricardo G. Gumalal Distribution Sector (PDU) Iligan Light and Power, Inc. (ILPI)	 Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)
 Virgilio C. Fortich, Jr. Distribution Sector (EC) Cebu III Electric Cooperative, Inc. (CEBECO3)	 Zorredo H. Rivera Supply Sector TeaM (Philippines) Energy Corporation (TPEC)