

MINUTES OF THE 104 <sup>th</sup> MEETING OF THE RULES CHANGE COMMITTEE Regular Meeting No. 2015-09	
<b>Meeting Date&amp; Time:</b>	02 September 2015
<b>Meeting Venue:</b>	9th Floor PEMC Training Rooms 2&3
Attendance List	
In Attendance	Not In Attendance
<b>Committee Members:</b> Maila Lourdes G. de Castro, Chairperson-- Independent Francisco Leodegario R. Castro, Jr., Member-- Independent Concepcion I. Tanglao, Member--Independent Allan C. Nerves, Member --Independent Joselyn D. Carabuena, Member -- Generation (PSALM) Jose Ferlino P. Raymundo, Member --Generation (SMC) Global Theo Cruz Sunico, Member -- Generation (1590 EC) Ciprinilo C. Meneses, Member--Distribution(MERALCO) Jose P. Santos, Member--Distribution(INEC) Ludovico D. Lim, Member --Distribution (ANTECO) Lorreto H. Rivera, Member --Supply (TPEC) Ambrocio R. Rosales, Member --System Operator (NGCP) Isidro E. Cacho, Jr., Member -- Market Operator (PEMC)  <b>Alternate Member:</b> Juanito O. Tolentino	Gilbert A. Pagobo – Distribution--MECO
<b>PEMC</b> Chrysanthus S. Heruela –MAG Geraldine A. Rodriguez – MAG Romellen C. Salazar –MAG Caryl Miriam Y. Lopez -- Legal Edward I. Olmedo-- TOD Eric Louis –CPC Arnesh Inostro –CPC	
<b>Others: (DOE/ ERC Observers/Other Resource Persons):</b> Ferdinand B. Binondo--DOE Lorelei Moya --DOE Debora Anastacia Layuga --ERC Ma. Corazon Gines --ERC Alfie Miras – SNAP Dominic Pacaba – SNAP	

There being a quorum, Chairperson Atty. Maila Lourdes de Castro called the meeting to order at around 9:00 AM. Before the RCC proceeded with the discussions, Atty. de Castro acknowledged the presence of representatives from the ERC, namely Atty. Deborah Layugan and Atty. Ma. Corazon Gines.

1 **I. AGENDA:**  
2

The Proposed Agenda for the 104<sup>th</sup> RCC Meeting was approved, with amendments on the order of discussion of items specified therein.

## **II. REVIEW, CORRECTION AND APPROVAL OF THE MINUTES OF THE 103<sup>rd</sup> RCC MEETING**

The RCC reviewed the Minutes of the 103<sup>rd</sup> RCC Meeting held on 05 August 2015 and approved the same, with revisions as follows:

- On the portion of the Minutes where Mr. Ciprinilo Meneses made a presentation on his proposed settlement formula for the Displaced Generators, the RCC agreed to remove all the references to "pasaway" and "pasunod" and replace the terms with "MSU" and "Displaced Generators," respectively.
- Page 9. Line 328-331: **Mr. Rosales stated that a Generator will only be considered as Displaced Generator if it was called out of merit. Otherwise, the SO action will only be classified as constraining-off.**

On bullet 2 above, Mr. Ambrocio R. Rosales stressed the following points for clarification regarding MRUs, MSUs and Displaced Generators.

- The MRUs based on definition are Generators called out of merit to immediately address security-related problems in the system.
- The MSUs were introduced to identify Generators that did not comply with the SO's dispatch instructions, and which non compliance led to displacement of other Generators. From the definition, it appeared that Displaced Generators should have an element of an out of merit dispatch, which from SO's perspective should not be the case, because the SO's dispatch instructions may still follow the merit order table.
- From his understanding and from the SO's perspective, Mr. Rosales explained that MSUs are simply non-complying Generators that caused the Displaced Generators. He explained that many factors affect these scenarios and it is difficult to identify which of the affected Generators will be considered as a Displaced Generator by strictly following the said definition, that the call that was made in respect of that Generator being tagged is out of merit. Mr. Rosales said that from his perspective, it should be clear that MSUs should be the one to shoulder the payment to the Displaced Generators. He added that Displaced Generators are not at all times called out of merit because there are a lot of factors affecting the dispatch of Generators in the merit order table.

Mr. Ciprinilo Meneses stated that based on Mr. Rosales' explanation, it would seem that the SO is not capable of tracking every Generator, on real-time basis, to determine who is following its RTD instruction. He, thus, opined that unless such on real time capability in monitoring the trajectory of Generators is put in place, the market will not be able to implement the MSUs and Displaced Generators monitoring. Mr.

Meneses also remarked that while the MO is responsible for determining the merit order table, the SO, on the other hand, exercises huge leeway in overriding that table for security constraints.

Ms. Joselyn Carabuena, for her part, expressed that her plain understanding of the concept of Displaced Generator is that there is a Generator at the top of the merit order table that SO calls to stop but did not stop and as a result, will be tagged as MSU. Effectively, when there is an MSU, another Generator in the merit order will be called to stop, which on the other hand, will be tagged as the Displaced Generator.

Atty. de Castro recalled that in the previous RCC discussions on the matter, the RCC agreed on the definition of the MRU, MSU and Displaced Generator. Atty. de Castro also added that in those discussions, it was determined that the Generators called to stop after the MSU are merely constrained-off Generators and are called at the prerogative of the SO.

Mr. Rosales emphasized that the SO's action of constraining-off Generators may still be in accordance with the merit order table and may still result to having Displaced Generators. Mr. Rosales opined that the definition of Displaced Generator should even consider that it is specifically caused by the MSU, instead of merely stating such non-compliance of Generators in general terms.

In view of the SO's concerns, Mr. Cacho suggested reviewing the definition of the Displaced Generator as previously agreed by the RCC. Atty. de Castro inquired directly from Mr. Rosales if he would want to propose revising the definition of Displaced Generator.

Mr. Francisco Castro opined that for clarity and to address the SO's concerns, instead of revising the definition, the RCC may instead cite examples or cases when there are MSUs and Displaced Generators, and reflect said cases in the appropriate market manual for reference. Mr. Meneses supported the contention of Mr. Castro and further suggested on expanding the definition of out of merit dispatch in the manuals to differentiate cases of when there is an MSU and when there is no MSU.

To further clarify the matter, Mr. Cacho explained his understanding of the process previously discussed by the RCC. He stated that one of the principles of MRUs and MSUs is that when the SO action involves the marginal plant, whether instructing such plant to increase or decrease its output, the MOT action is not considered out of merit. It is only when the SO calls another Generator, in an out of merit dispatch, that results in having an MRU, in the case of increasing the output, and MSU, in the case of decreasing the output of a Generator. He added that the out of merit dispatch was included in the definition to clarify that the marginal plant, when asked to increase or decrease its output, will have no additional compensation.

### **III. BUSINESS ARISING FROM THE PREVIOUS MEETING**

#### **1. PIPPA Proposed Amendment to the WESM Rules on Wholesale Disconnection: Comments from PEMC**

The RCC discussed the comments submitted by PEMC relative to the Proposed Amendments to the WESM Rules on Wholesale Disconnection and agreed as follows:

Proposed Amendment	PEMC comment	Agreements/ RCC Action
2.7.1 <u>e) Failure of an Indirect WESM member to obtain a Direct WESM member to transact on its behalf or to register as a Direct WESM member."</u>	PEMC proposed the deletion of this item in the proposal as it does not qualify as a ground for the Market Operator to issue a Suspension Notice to the <i>WESM Participant</i> . PEMC however, clarified that such may be a ground for other <i>WESM</i> members to request for disconnection	The RCC accepted PEMC's comment to delete the proposed item e) under Clause 2.7.1.
2.9.3.2 <u>In case disconnection was requested by multiple parties, the WESM member shall only be reconnected when all such parties provide the Network Service Provider with their written consent to the reconnection, which consent shall not be unreasonably withheld.</u>	Deletion of proposal	<p>The Secretariat expressed that it was not the intention of PEMC to delete the proposed provision. As explained by Atty. Caryl Lopez-Mateo, the principle is provided for under the DOE circular on disconnection. PEMC thus, requested withdrawal of its comment under this particular provision.</p> <p>The RCC noted PEMC's request and agreed to retain the proposed Clause 2.9.3.2 in PIPPA's proposal.</p>

Ms. Concepcion Tanglao raised additional comments from her end, essentially suggesting the insertion of a provision under the proposed Clause 2.9.2, to the effect that "*an Indirect WESM member* with an expiring contract with its counterparty should not be disconnected from the grid, if that *Indirect WESM member* has secured a new supply contract with another generation company, or has renewed its existing contract, or has successfully registered as a *Direct WESM member* under the WESM." She recalled that the same exact provision was specified in the original PIPPA proposal back in November 2013. She believed that such provision is necessary to be reflected in the WESM Rules instead of in the market manual only, to ensure that an *Indirect WESM member* will not be disconnected automatically in cases where its bilateral contract with an existing supplier is expiring and that *Indirect WESM member* is still in the process of looking for another supplier. She expressed that disconnecting a huge manufacturing plant, for instance, would impact significantly on its operations.

Mr. Theo Sunico responded to Ms. Tanglao that the proposal originally submitted by PIPPA in 2013 has evolved as a result of discussions in various RCC meetings. He expressed, however, that the general principle of the current version of the proposal is still the same, that the

proposal does not give automatic suspension and/or disconnection, and assumes that all possible remedies have been exhausted before finally resorting to disconnection, thus ensuring due process if followed. The premise of the proposal is that all steps have been taken even prior to the filing of application with the NSP. Moreover, when the request for disconnection is forwarded by the WESM member to the NSP, part of the documentation is to show that there had been full communication between the supplier and the customer. On the other hand, Mr. Sunico stated that the proposal now gives more flexibility in providing the option for the supplier to disconnect its customer, assuming that due process is followed, in the case of failure to re-negotiate the contract between the parties. Moreover, to avoid disconnection, the proposal clarifies that the onerous responsibility of getting a new supplier or registering as a *Direct WESM member* prior to expiration of its contract now rests with the Contestable Customer. Mr. Sunico stated further that the proposed Clause 2.9.2.3 should be able to address the concern raised by Ms. Tanglao as said provision provides for the conditions when request for disconnection may be revoked.

Mr. Raymundo, for his part, expressed that the proposal is worded as such to address the dilemma of Generators/ suppliers of continuously being charged for the consumption and withdrawal of the *Indirect WESM member* for which it had contract with, but which contract had expired.

Ms. Tanglao expressed that her concern rests on the need to ensure that it is written or captured somewhere in the proposal that the *Indirect WESM member* does not get disconnected automatically due to expiring contract with its supplier. If the RCC agrees that the general principle of proposal, as worded, captures/addresses her concern, then perhaps the details should be reflected instead in the market manual.

Atty. Debora Layugan recalled having expressed before the RCC in a prior meeting a few months back that there are concerns of the ERC on the matter on disconnection. She expressed that when it comes to disconnection as would affect an end-user, whether Captive or Contestable, is something for the ERC to decide and is within the ERC's jurisdiction. In response, Mr. Sunico stated that the proposal covers disconnection for wholesale, and clarified that there is a separate proposal covering retail customers.

Atty. Corazon Gines, who was tasked by the ERC Commissioners to take part in the RCC's discussion on the proposals on disconnection, stated that the principle is the same whether it is disconnection for wholesale or for retail. She distinguished between a policy and regulation, stressing in particular that disconnection of a Customer undertaken by a public utility under a public service, which service is to be rendered to an end-user, pertains to regulation on the basis of Commonwealth Act (CA) 146. She added that that transmission and distribution are of public service character and regulated by the ERC, thus, any rules that will be promulgated relative thereto emanating from the RCC should be consistent with existing ERC guidelines. In case there are proposed modifications, deviations, or additions to the existing rules previously agreed upon between the DOE and ERC relative to disconnection, these proposals should likewise be consulted with the same authorities. She opined that the RCC should be very careful with proposing for disconnection because it has been the ERC's experience that disconnection of a Distribution Utility arising from non-payment is a huge problem because it may take a few days or months before it gets reconnected, as the ERC needs to ensure that certain processes followed. Atty. Gines shared that the ERC's initial discussions covered its concern particularly on the disconnection for retail. However, upon seeing the proposal for wholesale disconnection, the ERC decided to raise its concerns on the same also, as it deemed that such would also have an effect to end-users. Atty. Gines clarified, though, that the ERC is not against disconnection, but is only ensuring that it will not be questioned later

172 during its implementation. Atty. Gines expressed that she is only giving the ERC's initial  
173 comments but would probably submit formally its comments to the RCC in writing.

174  
175 Atty. de Castro recognized the concerns being raised by the ERC and assured its  
176 representatives that the RCC and its Sub-Committee on Disconnection have taken into  
177 account these concerns and it is for that reason, that it took sometime before the proposal has  
178 gone through this point of discussions.

179  
180 Mr. Ferdinand Binondo, for the DOE's part, responded to the concern of the ERC, explaining  
181 that the proposal on disconnection emanated from a directive from the DOE for the RCC to  
182 make the proposal in the WESM Rules consistent with the DOE's policy on disconnection. He  
183 expressed that in case the RCC, and subsequently, the PEM Board approves the proposal  
184 and endorses the same for the DOE's approval, the DOE and the ERC can still discuss the  
185 matter, as may be necessary, prior to the DOE's promulgation of subject amendments to the  
186 Rules.

187  
188 Atty. Mateo stated that when the RCC and its Sub-Committee on Disconnection crafted the  
189 proposal, due consideration was given both to the DOE policy on Disconnection as embodied  
190 in the Circulars, as well on the Retail Competition Rules. Thus, in the proposal, a provision  
191 was inserted explicitly stating that "except as may be provided under the Retail Rules...the  
192 Market Operator shall send a request for disconnection of suspended Trading Participant to  
193 the Network Service Provider..." to ensure consistency between the WESM and Retail Rules,  
194 in this particular case, for disconnection. For the wholesale, it is still the same status as the  
195 DOE Department Circular, only that some parts of it are now being transferred to the WESM  
196 Rules to address governance. Atty. Mateo shared with the body that one of the findings in the  
197 MO audit is that some WESM members who have defaulted in payment and are supposedly  
198 suspended or prohibited from trading in the market are allowed to still draw from the grid. Atty.  
199 Mateo expressed that to protect the integrity of the market and ensure its sustained operations,  
200 the Market Operator has to be impartial and has to have the ability to enforce payment.  
201 Nonetheless, keeping in mind that disconnection should be the MO's last resort, the MO takes  
202 all efforts so that it never has to be in the position to request for the disconnection of a WESM  
203 member. Atty. Mateo assured the ERC representatives that the RCC has been very careful,  
204 ensuring consistency with applicable rules, when crafting the proposals on disconnection.

205  
206 Atty. Gines stated that if the RCC is giving the assurance that the proposal for disconnection  
207 on wholesale is consistent with the ERC's rules, then the ERC has no problem with it.  
208 Probably, if it will have any deviations or modifications that will be inconsistent with what the  
209 DOE and ERC previously agreed upon, that is when it needs to be consulted with them for  
210 approval. She stated that whatever the RCC agrees upon in the end will be relayed to the  
211 Commission who shall give them policy directives, if the RCC is amenable to that.

212  
213 Ms. Carabuena, for her part as a Generator, stated that the main objective of the proposal is  
214 to avoid the continuous withdrawal of power from the grid by defaulting WESM members,  
215 because it is the Generators that are being charged for their consumption. She stressed that  
216 the concern of the Generators of bearing the cost of the default amount of some Customers  
217 are real and valid, and thus opined disconnection being the last resort for Generators after all  
218 possible remedies have been exhausted and following due process, is reasonable.

219  
220 Atty. Layugan expressed that the main concern probably of the ERC, from the legal point of  
221 view, is the need for inclusion in the Rules of the details as to the process—who should send  
222 the request, to whom it should send the request, how many days notice, how many days to  
223 implement, etc.

In response to Atty. Layugan, Mr. Sunico explained that all the details mentioned by Atty. Layugan will be included in the market manual, which will be submitted later on to the RCC once the Rules amendment have been approved. Atty. de Castro added that the original PIPPA proposal was an expanded version, but in the course of RCC discussions, it was determined and agreed upon that since the Proposal is on the WESM Rules, then it should provide only the general guidelines and the finer details be included in the appropriate market manual.

Atty. Layugan opined that putting those details in the manual may not be a wise thing to do because disconnection involves the basic rights of the parties—including due process—which rights should be encapsulated in the Rules. She was concerned in terms of the enforceability of the market manual or how different it is from the Rules. Mr. Sunico, in response, said that the RCC decided as such in recognition that in the operationalization of disconnection, there may be changes from time to time in terms of communications between the parties, the number of days, etc. that is why these items will be put in the manual instead of the WESM Rules. Atty. Gines reiterated that earlier point of Atty. Layugan that in the case of disconnection, the details should be put in the Rules being a substantive part of the Customer's rights and also in recognition that disconnection has huge implications. From the ERC's perspective, Atty. Layugan said that disconnection is still a matter of regulation. She added that all the procedures on disconnection should have basis in the Rules, because when these rules are not followed and disconnection is implemented causing blackouts, it may result to the DUs taking legal remedies.

Atty. Mateo recognized that the objective of regulating monopolies is to ensure that Captive Customers are served pursuant to the franchise area. But, citing the Mactan case, Atty. Mateo stated that the Supreme court ruled that cases relating to the obligation to provide service, whether the NPC directly or the franchise owners, falls within the DOE. Further on the matter, the DOE in 2010 promulgated the rules terminating the Default Wholesale Supplier (DWS). In the proposal of PIPPA, at the wholesale level, the assumption now is that the Customers are no longer captive. Moreover, the proposal was carved out with exemption of the Contestable Customers which are under the RCOA Rules. She expressed that the proposal for disconnection on wholesale essentially just took pieces of the disconnection policy of the DOE and put it in the WESM Rules to ensure a smooth flow from suspension to disconnection, and for that, she expressed her opinion that in terms of consistency, the proposal has been consistent with the DOE's policy. Nonetheless, she recognized the importance of engaging the regulator in the discussions on disconnection as it would be ideal and ensure a holistic approach to also factor in the financial performance of the DUs, which are currently regulated by the ERC.

Atty. Gines opined that the Supreme Court decision on the Mactan case—a case of a Customer directly connected to a Generator—is quite vague, further stating that the Supreme Court could not find a legal basis for that particular service and thus, assumed that it is the DOE's jurisdiction. However, in subsequent cases similar to the Mactan case, the Supreme Court decided that if a Customer is connected to a public utility that is under the public service, the jurisdiction is within the ERC. She emphasized that the concern of the ERC is who should be promulgating all these rules on disconnection, whether it is the DOE or the ERC. She expressed at this point that the ERC will just probably submit its position paper to the RCC.

On the part of the Distribution, Mr. Ludovico Lim inquired on what happens if a Distribution Utility has multiple suppliers but defaults only in one, whether or not that DU will be disconnected if it has complied with the provisions of its bilateral contract with the other suppliers. Mr. Sunico responded that based on the DOE's policy as provided for under the circular, the case cited by Mr. Lim would still be considered as a default, which thus provides

Public

for basis in requesting disconnection of the DU. Mr. Lim expressed that such case should not result to disconnection if the DUs' bilateral contract with the Generators provides for remedies such as filing of case against the DU, because disconnection would certainly have an impact on the Customer. Mr. Sunico went back to the main objective of the PIPPA's proposal which is to avoid the piling up of DU obligations in the WESM by allowing it to continuously draw power from the grid despite its inability to pay its obligations to its suppliers. He expressed that the DUs should realize that any default or unpaid amount is being shared among the Generators. Thus, it is also to his opinion that the premise of the DOE circular that default in obligation is already sufficient to request disconnection of a WESM member to prevent continuous withdrawal of power from the grid.

Mr. Binondo expressed that it is the intent of the DOE to update the DOE circular on disconnection recognizing that retail competition, which was not yet considered in the current policy, is now in place. He stated that if the RCC has any recommendations—to include the implementation of disconnection of DUs which would certainly affect contestable customers—it should be provided to the DOE for consideration in the DOE's updating of the policy on disconnection. He recalled that the DOE previously recommended to the RCC that instead of merely reflecting the DOE circular in the WESM Rules, the RCC may opt to recommend updates in the DOE circular on disconnection. He expressed further that the recommendation of the RCC shall be made notwithstanding the current limitations of the market infrastructure. However, the DOE also recognized the strong position of the Generators and their decision to pursue the proposed amendment to the WESM Rules.

From his end, Mr. Sunico opined that the RCC may be able to act more appropriately on the matter, if provided with clear directives from the DOE in terms of updating the Circular. Atty. de Castro supported the position of Mr. Sunico stating that the RCC has been very careful in crafting the proposed amendment to the WESM Rules and in ensuring that it is in line with the DOE circular to avoid of it being remanded for being inconsistent with the DOE's policy. She recalled that when the RCC made certain recommendations previously which were found to be inconsistent with the DOE Circular, these recommendations were taken out and from there the RCC has been very diligent in trying to ensure consistency with the Circular.

Atty. Layugan again stressed the ERC's issue regarding jurisdiction on the matter. Mr. Raymundo also reiterated one of the objectives of the Proposal, of preventing political intervention in the process of disconnection. Mr. Sunico added that the market should ensure finding a balance in protecting the interests of the Generators, the DUs and the industry, and if the defaulting Generators are allowed to continuously draw power, it will always be the Generators that will suffer and bear the cost of default. Thus, he expressed the urgency in the need to decide on the matter in consideration also that the proposal has gone a long way and has been going back and forth since 2013.

Atty. Gines expressed her agreement with the concerns being put forward by the Generators, and the objective on why the Rules or the Manuals amendment is necessary. Again, she clarified that the concern on the ERC's part is jurisdiction, stating that if a rule is promulgated by an agency or a government entity, and that government entity has no jurisdiction over the matter for which it decides, then the rights specified under that "Rule" does not have any legal effect at all. And because disconnection is a matter of policy and regulation, the DOE and the ERC should revisit the Rules and decide for themselves, before promulgating and implementing, which should fall under policy and under regulation.

Atty. Mateo agreed that certainly, the DOE and the ERC should coordinate and make it clear that all the Rules are respected in accordance with the EPIRA. She noted, however, that the EPIRA intended to engage the stakeholders in the creation of the policy by pointing out the

Public

gaps in the market through the rules change process. And for which, the current market rules defined clearly where and how the stakeholders should take part in the rules change process should, before the DOE even promulgates its policy. She opined that for the market to grow, gaps such as default and the implementation of certain remedies on default need to be addressed by the market, to encourage more investments in the power sector. And in the process of making the market grow and get to the ideal, the participants and the respective authorities should move together, not disjunct or fragmented.

At this point, in consideration of the many concerns of the parties involved, which Atty. de Castro stated are valid concerns, and the difficulty of deciding on the matter, Atty. de Castro decided to put the matter into a vote to determine if the RCC should push through with the approval and endorsement of the Proposed Amendment to the WESM Rules on Wholesale Disconnection to the PEM Board.

The result of voting is as follows:

- **Approve:** Mr. Castro (Independent), 3 Generator representatives, SO representative, MO representative, 2 DU representatives (MERALCO and INEC), and 1 Supply representative (TPEC)
- **Disapprove:** 2 DU representatives (MECO and ANTECO)
- **Abstain:** 3 Independents (Atty. de Castro, Ms. Tanglao, and Dr. Nerves)

As a result of the voting above, the RCC approved the Proposed Amendment to the WESM Rules on Wholesale Disconnection and agreed on its endorsement to the PEM Board for the latter's approval, following the rules change process. The RCC, through the Generator representatives, also agreed to submit the corresponding Proposed Amendment to the relevant manual once the rules amendment is promulgated by the DOE.

## 2. RESA Proposed Amendment to the Retail Rules on Retail Disconnection: Comments from PEMC and MERALCO

Atty. de Castro acknowledged receipt of comments from PEMC and MERALCO in relation to RESA's Proposed Amendment to the Retail Rules on Retail Disconnection.

On the PEMC's comments, Ms. Lorreto Rivera posed no objections, noting that the comments merely re-arranged the proposed provisions and shortened/simplified the wordings of the RESA proposal as published in the website. However, Ms. Rivera opined that PEMC's comments carried in essence the RESA's proposal as published in the website. The only concern she raised was if it would suffice to request for disconnection of the Contestable Customers without properly stating the grounds from the Rules, because PEMC suggested removing said grounds in the proposal. She understood however, that PEMC's comments clarified that disconnection does not apply to suppliers because their transactions in the market are merely financial. The only reason RESA included the provisions is to ensure that all aspects are covered, including the CCs and the NSPs, based on previous discussions with MERALCO. Her question now is in the absence of specific grounds for disconnection, does the Supplier have basis for requesting disconnection?

RESA's Proposed Amendment	PEMC Comment/ Proposed Provision

2.7.1.1. Grounds for Disconnection shall include, but is not limited to, the following:

(a) Failure of the Contestable Customer and/or Supplier to comply with the financial and technical obligations under the Open Access Transmission Service (OATS) Rule, Philippine Grid Code, Philippine Distribution Code, WESM and Retail Rules, Wheeling and Connection Agreements and Retail Supply Contracts (RSC);

(b) Failure of the Supplier to pay the Network Service Provider;

(c) Failure of the Contestable Customer to pay the Network Service Provider; and

(d) Failure of the Contestable Customer to comply with the registration requirements of the Central Registration Body (CRB).

2.7.1.1. Grounds for Disconnection shall include, but is not limited to, the following: A Supplier may request for disconnection of a Contestable Customer located within the franchise area of a distribution utility, for default, termination or expiration of its supply contract pursuant to clause 3.2.5.4 of the Retail Rules.

a) Failure of the Contestable Customer and/or Supplier to comply with the financial and technical obligations under the Open Access Transmission Service (OATS) Rule, Philippine Grid Code, Philippine Distribution Code, WESM and Retail Rules, Wheeling and Connection Agreements and Retail Supply Contracts (RSC);

(b) Failure of the Supplier to pay the Network Service Provider;

(c) Failure of the Contestable Customer to pay the Network Service Provider; and

(d) Failure of the Contestable Customer to comply with the registration requirements of the Central Registration Body (CRB).

To address the concern from RESA, Mr. Eric Louis of PEMC Registration explained that the items specified in RESA's proposal under 2.7.1.1 are actually grounds for a Supplier of Last Resort (SOLR) event and not for disconnection, particularly the failure of a Supplier to pay the DU service. Thus, PEMC revised the provision accordingly. Mr. Louis clarified that disconnection at the instance of the CRB, may be requested for failure to comply with registration and eligibility requirements. In relation to the bilateral contracts of the Supplier and the CC, disconnection may be requested by the Supplier directly with the Network Service Provider, with copy of such request provided to the CRB.

In view of PEMC's explanation, Ms. Rivera requested for MERALCO's opinion because as far as RESA is concerned, it only reflected the MERALCO's recommendation of further breaking down the original proposal into several items, with MERALCO's intent of aligning the proposal with the Distribution Service Open Access Rules (DSOAR).

Mr. Meneses, for his part, expressed that since the RCC already agreed that the detailed procedures will be included in the appropriate market manual, he posed no more issue on PEMC's suggestion of removing the specific grounds for disconnection in the RESA proposal.

The RCC noted MERALCO's concurrence with PEMC's comments to revise Section 2.7.1.1, on the removal of the specific grounds for disconnection, of the relevant provisions in the proposal of RESA. On the part of Ms. Rivera, she expressed agreement with the rest of PEMC's comments on the proposal.

404 Moving forward, Ms. Rivera requested for clarification from Mr. Meneses regarding  
405 MERALCO's comments under the proposed Section 2.7.1.3, that it is the PEM Board who  
406 determines the Contestable Customer's eligibility to be registered as a Trading participant,  
407 and likewise requests for the suspension and disconnection of a Trading Participant and  
408 Contestable Customer, respectively. Mr. Meneses deferred the matter to PEMC for  
409 confirmation as to who really determines the suspension and disconnection of a Customer.

410  
411 Mr. Isidro Cacho responded that if the question is on the contestability, then it is the ERC that  
412 determines such. If the ERC determines that a Customer has lost its eligibility for contestability,  
413 under the WESM Rules, such Customer shall be suspended.

414  
415 Relative to the discussions, Atty. Gines stated her observation that the proposal on the rules  
416 being discussed were trying to be married with or carved out from the DSOAR, which  
417 documents forms part of the ERC regulation. As such, she expressed that any amendment or  
418 revisions of grounds for disconnection and related policies should be placed first in the DSOAR  
419 rather than coming up with a manual. She explained that disconnection of a Customer calls  
420 for a full-blown hearing by the ERC, and necessitates the ERC, upon finding that a particular  
421 customer is no longer eligible, to also review its contract because once a Customer is  
422 disconnected from the network, part of it becomes permanent in nature, and thus, the need to  
423 terminate its contract. Going back to her earlier point, Atty. Gines expressed that since the  
424 grounds for disconnection and related policies are in the DSOAR, then the amendments  
425 should be reflected in the DSAOR first. She assured the RCC that once a petition is filed  
426 before the ERC for rule-making, the Commission acts upon it appropriately.

427  
428 At this point, Atty. Mateo suggested raising the matter on disconnection to the WESM Tripartite  
429 Committee, which is set to meet the following day, in order to get guidance from the ERC and  
430 DOE on how to move forward, considering the differing concerns being put forward by the  
431 parties. Atty. Gines responded that the instruction of the Commission to her is to inform the  
432 RCC of the ERC's concerns on the matter and subsequently, inform the Commission of what  
433 transpires in the RCC deliberations. She mentioned that given the schedule of the WESM  
434 Tripartite meeting, she may not be able to report to the Commissioners the result of the RCC  
435 discussions. Atty. Layugan, for her part, is concerned that the WESM Tripartite may not be  
436 the proper venue for discussing the matter as it only discusses matters relating to market  
437 mitigating measures.

438  
439 Ms. Rivera stated that as the representative from RESA, she is also obliged to report to her  
440 sector what transpires in the discussions at the RCC. She shared that in the previous  
441 discussions, RESA determined that since the supply contracts entered into between the  
442 Retail Electricity Supplier and the Contestable Customers are not being sought for approval  
443 by the authorities, they presumed that the same were also readily enforceable, and that  
444 disconnection for non-payment, if provided for under the provisions of the contract, may be  
445 executed if the ground is covered under the Rules.

446  
447 Atty. Layugan responded that RESA should be mindful that connection to the network is a  
448 different matter altogether from the Retail Supply Contract (RSC), and that the grounds for  
449 disconnection is covered by another contract, not the RSC. She shared her opinion that if the  
450 RESs have issues on payment or non-payment with respect to their RSCs, penalties should  
451 be imposed rather than resorting to disconnection. However, in the event that the RES opts  
452 to request disconnection, the RES should recognize that such remedy falls within the ERC's  
453 jurisdiction because the grounds for disconnection of end-users are defined by the ERC under  
454 the DSOAR.

In response to ERC, Ms. Rivera stated that at least in the RSCs that she is familiar with, the grounds for disconnection may be clearly specified. Thus, when RESA submitted its proposal, it made sure that the grounds are also clearly specified. Moreover, with respect to the Customers directly connected to the DU, which DU is subject to the DSOAR, MERALCO made sure by giving its comments that provisions pertaining thereto are aligned with the DSOAR, and those comments of MERALCO were in fact considered in the revised RESA proposal which was published for comments in the market information website. On the RESA side, their concern is mainly on how to implement disconnection, given the current rules, in cases of non-payment or switching. Ms. Rivera stated that such concern is being put forward for it to be addressed in the RCC because it is the Supplier being exposed in the market for non-payment of its customers.

Atty. Gines acknowledged that there really are a lot of problems when it comes to disconnection, and it is for this reason that the ERC has been very strict about it. She remarked that if there is another way of addressing non-payment other than disconnection, then that option or method should be followed. She cited for instance that in the contracts, provisions on penalties, damages, or other legal remedies should be specified. Moreover, she stated that if the path of disconnection is to be undertaken, it is depriving the customer of a basic right. She cited that Commonwealth Act 146 prescribed that service to end-users encompasses each and every customer, regardless of the terminology used to describe such customer—residential, commercial, captive, or contestable—is covered under the term public utility engaged in public service. Thus, service to a customer, which service is of public service character, should be regulated. In view of these definitions, ERC should be regulating such service to ensure that customers rights are protected. This is not to say, however, that the ERC is not protecting the interests of the investors. She stressed that the only concern of the ERC is who is the proper authority to decide on disconnection.

In relation to the RSC, Atty. de Castro requested for clarification from Atty. Gines, based on her statements, whether or not the provision on disconnection specified under the RSC is an invalid provision. Atty. Gines responded to the concern indirectly, stating that the RSC must have a basis, which is the DSOAR. Thus, if the provisions of the RSC are consistent with the DSOAR, then the ERC has no issues with that.

Based on explanation given by the ERC, Ms. Rivera inquired, in case the Supplier decides to request or implements disconnection of its Customer, if the request should go to the ERC for approval. For clarity on the process as RESA intended it to be, Ms. Rivera explained that a request for disconnection due to non-payment comes only after all possible remedies have been exhausted, including penalties and waiting period for the customer to be able to settle its obligations, and yet the customer fails to comply with the agreed remedies in relation to its default. And all of these things, she said are provided for under the RSC.

Atty. Layugan responded that the request for disconnection need not necessarily go to the ERC but to the DU. She explained that because disconnection as proposed by PIPPA involves Contestable Customers and end-users, the process for disconnection should be consistent with the DSOAR. Further, Atty. Layugan stated that any rules in this case which are inconsistent with the DSOAR will be invalid because disconnection is within the ERC's jurisdiction, and that it is the ERC decides on when to disconnect, how to disconnect, and the grounds for disconnection.

Ms. Rivera stated that as she understood from MERALCO when it gave its comments during discussions at the Sub-committee meeting of the RCC is that their comments are intended to align or make the RESA proposal consistent with the DSOAR. Based on these comments which RESA considered in revising the proposal, RESA was under the impression that the

Public

way the revised proposal as worded, it was already aligned with the DSOAR. Thus, if the ERC would say the proposal is still not aligned with the DSAOR, perhaps, RESA can go back to MERALCO—who made insertions in the original RESA proposal—for discussion of the ERC's concern.

Atty. Gines cited some inconsistencies, such as proposed Section 2.7.1 on the grounds for disconnection and the final determination of those grounds, and the absence of the detailed procedures on disconnection in the RESA proposal. She stated that all these things being discussed, including the DSOAR, are under the ERC's jurisdiction, and naturally, any amendment or revision to it should conform with the DSOAR and undergo the ERC's promulgation. Another point cited by Atty. Layugan is the mention of the Central Registration Body (CRB) which has no mention in the DSOAR.

Atty. de Castro reiterated that as the RCC previously agreed, all the detailed procedures will be reflected in the manuals as the Rules being proposed provide only the general guidelines for disconnection.

Ms. Rivera recognized the points being raised by the ERC and assured that the ERC's comments will be relayed to RESA. However, in deciding how to move forward with the proposal, whether to elevate it to the PEM Board, or the ERC as suggested by its representatives, she opined that perhaps RESA would appreciate it better if these comments are submitted to the RCC formally. She expressed further that RESA has been proactive in addressing the gaps in the rules by submitting its proposal as a requirement for their sector to align the DOE disconnection policy for wholesale and retail.

Atty. Gines responded that the ERC discussed the matter and should have in fact given their comments on the proposal. The instruction given by the Commission according to Atty. Gines was to relay the ERC's concerns to the RCC, including the issue on jurisdiction. She expressed that if the RCC would request a written comment from the ERC, then they would be providing that as well.

Ms. Rivera, at this point, clarified, if her understanding of the ERC was correct, that the proposal would be withdrawn from the RCC and be submitted to the ERC instead. She inquired from the RCC on the procedure given the concern being pointed out by the ERC representatives.

The RCC Secretariat stated that following the rules change process as specified under the WESM Rules, all proposals for amendment to the WESM Rules or Manual submitted to the RCC, once decided upon by the Committee, goes to the PEM Board, and then the DOE.

Given the obligations of the RCC to act on proposals based on procedures specified under the WESM Rules and manuals, Atty. de Castro inquired from the ERC if it will give the RCC a certain directive to either a) hold-off discussions until the ERC has reviewed the proposal; or b) withdraw the proposal and have it submitted to the ERC instead, just to guide the RCC on how to move forward.

Atty. Layugan responded that in so far as they are concerned, the Commission already gave instructions for them (Atty. Layugan and Atty. Gines) to inform the RCC that disconnection is the ERC's jurisdiction. The way she understood it, Atty. Layugan said that if there will be any resolution on the part of the RCC to elevate the matter to the PEM Board, it will still have to be filed to the ERC for clearance for rule-making. If the RCC will say that it is not part of the DSOAR but of some other mechanism, from the ERC's perspective, it is still under the authority of the ERC to rule upon on the basis of CA 146. She expressed no objection with

the RCC approving and elevating the proposal to the PEM Board, or, the RESA submitting it directly to the ERC, as long as the Commission is informed formally. On the ERC process, Atty. Gines shared that upon receipt of a petition from the concerned party, it is docketed and set for a hearing by the ERC. Once it is set for a hearing, the ERC posts it in the website to get comments and all these comments are heard during public hearing or public consultation. As soon as the Commission decides on the matter, the rules are promulgated.

Ms. Geraldine Rodriguez explained that in so far as the rules change process is concerned, anything that the RCC approves is endorsed to the PEM Board, and if the PEM Board approves the same, goes to the DOE for promulgation whether it is the WESM Rules or the market manual. In view of the suggestions by the ERC, Ms. Rodriguez clarified with Atty. Gines, assuming the RCC pursues the amendment to the Rules, if the proposal needs to be filed to the ERC? Because her understanding of the earlier statements of the ERC is that it has to be an amendment to the DSOAR that needs to be filed to the ERC.

Atty. Gines responded that whether it is an amendment to the DSOAR or another set of Rules, it will have the same effect. She explained that the ERC rules are self-executory and as such, as far as effectivity is concerned, once a rule is approved by the Commission, it is immediately implementable and will effectively repeal any clause that is inconsistent as provided in the repealing clause at the end of that rule-making.

For the part of the RCC, Atty. de Castro expressed her opinion that internally, there should be rules in the WESM to implement a directive from either the DOE or the ERC. It is for this reason that the RCC is having the discussions on the proposal submitted by RESA which proposal is intended for submission to the PEM Board who will be in the final discretion to propose it to whoever is responsible, whether the DOE or the ERC.

Ms. Rodriguez stated that following the rules change process under the WESM Rules, since what the RCC is proposing are amendments to the WESM Rules, and if the ERC is saying that it should be filed to the ERC for rule-making, then it has to come to the PEM Board for proper endorsement. Atty. Layugan expressed her concern that, in case the PEM Board decides to endorse the matter to the DOE instead of the ERC, it becomes final and process becomes circuitous noting that the ERC already voiced out its reservations. She opined that perhaps, if the proposal is endorsed to the PEM Board, it may be approved by the PEM Board subject to ERC's final approval as in the case of any other pricing mechanism. To address the ERC's concerns, Atty. de Castro stated that perhaps, to comply with the obligations to act upon rules change proposals, the issues being raised can be reflected in the RCC resolution to flag it to the PEM Board for the PEM Board's final determination on who is the proper authority to lounge the proposal. Atty. Layugan further expressed their concern that since it is not a matter on pricing, the ERC may not be able to go after it once the PEM Board endorses it to the DOE and the latter promulgates it.

At this point, Atty. de Castro requested for the procedural issue to be put aside and go back to the more substantive ones. It was noted by the RCC that the very basic concern on the proposal is making sure it is in line with the DSOAR, as the authorities may not approve the proposal if it is not aligned. Given all these concerns, Atty. de Castro inquired if the revisions suggested by PEMC, including the deletion of the specific grounds for disconnection and summarizing that provision is still acceptable as earlier determined or will still make the proposal in line with the DSOAR if adopted. Her question at this point is whether to still accept the PEMC comments as agreed earlier on in the discussions or adopt the RESA's proposal as published in the website.

Ms. Rivera, for her part expressed that the original RESA proposal was short and simple, and it was MERALCO that made the insertions in the second revisions with the intent of aligning it with the DSOAR. Thus, in her understanding, the revised RESA proposal as submitted and published is aligned with the DSOAR. It should be considered, however, that RESA when it was revising the proposal, tried to satisfy both the DSOAR and the Suppliers' responsibility with the CRB. With respect to PEMC's comments on the published proposal, her appreciation of those comments are merely simplification of the wordings of RESA's proposal. On the part of MERALCO, since it submitted another set of comments on the published proposal, Mr. Menses assumes that it only tries to align the proposal with the DSOAR, and if the body says otherwise, then he is agreeing to dispense said comments of MERALCO.

Given all the discussions and on the assumption that everything that was posted was aligned with the DSOAR, based on MERALCO's inputs, the RCC agreed to adopt the proposal as posted. To finally decide on the proposal, Atty. de Castro put the matter into a vote to determine whether or not it will be endorsed to the PEM Board. Below are the results of voting:

- **Approve:** Mr. Castro (Independent), 3 Generator representatives, SO representative, MO representative, 4 DU representatives, and 1 Supply representative (TPEC)
- **Disapprove:** Dr. Nerves (Independent)
- **Abstain:** Atty. de Castro (Independent)
- **Others:** Ms. Tanglao (Independent)—not present at the time of voting

As a result of the voting above, the RCC approved the Proposed Amendment to the Retail Rules on Retail Disconnection and agreed on its endorsement to the PEM Board for the latter's approval and endorsement to the authority as it deems appropriate.

In drafting the resolution, Atty. de Castro requested the Secretariat to reflect the concerns of the ERC including the procedural aspect being a substantive part of the ERC's comments. The Secretariat was likewise instructed to reflect in the resolution that the for amendment to the appropriate market manual will be proposed by the RCC, upon the initiative of the RESA, once the Retail Rules amendment is approved.

### 3. Updates on MO-SO Study on Dispatch Tolerance

The presentation, which is an offshoot of a previous presentation by MO on the matter, covers the data on dispatch deviation per Generators, as requested by the RCC. Mr. Edward Olmedo of PEMC-TOD made the presentation in behalf of the MO-SO. As a background, Mr. Olmedo stated that the previous presentation on the matter did not show the results of per plant, but rather, per plant type only. With the RCC's request, and upon clearance from PEMC after determining that the data used in the simulations have no confidentiality issue, the presentation of the result per plant is now being made.

The assumptions used in the study, as presented by Mr. Olmedo, are as follows:

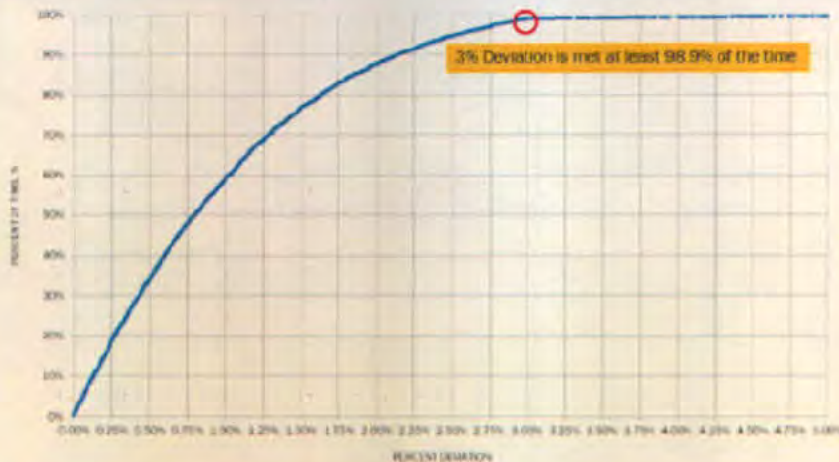
- i. All normal and self-influenced dispatches are evaluated.
  - a. No MOT dispatch
  - b. No Ancillary
  - c. No non-compliance
  - d. No testing
  - e. No start-up/shut-down

- 664 ii. Dispatches beyond their Pmin are those that were evaluated  
 665 iii. The simulation covered a two-year data from 2013 to 2014  
 666 iv. Evaluation per fuel type, per unit was made

667 Below are the results of the simulation.  
 668

## Dispatch Performance

### Luzon Coal Fired Plants



669  
 670  
 671

## Dispatch Performance

### Luzon Coal Fired Plants

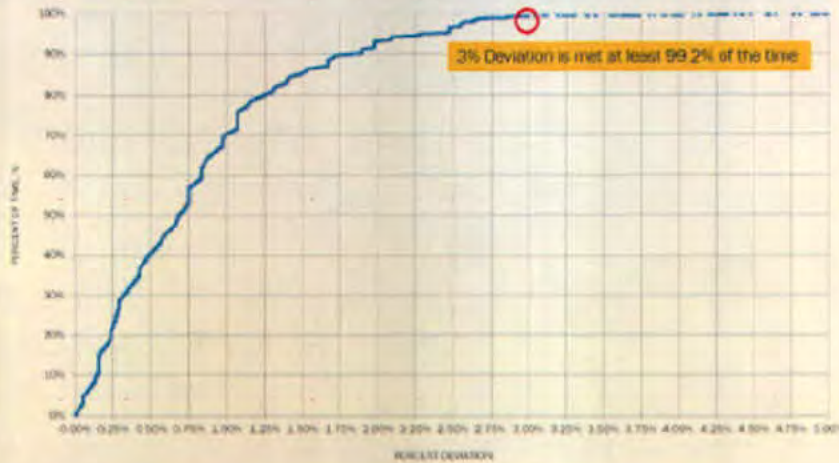
RESOURCE	Pmin	PERCENT DEVIATION															
		0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00
CIP2	21.3	13%	23%	34%	42%	51%	61%	68%	76%	81%	86%	91%	95%	98%	99%	99%	99%
GA POWER 1	301.0	15%	30%	42%	51%	60%	68%	75%	84%	89%	93%	96%	98%	99%	99%	99%	99%
GA POWER 2	302.0	14%	29%	41%	50%	59%	67%	74%	83%	88%	92%	95%	98%	99%	99%	99%	99%
MAGNULO 1	311.0	18%	31%	43%	51%	60%	68%	75%	83%	88%	92%	95%	98%	99%	99%	99%	99%
MAGNULO 2	311.0	18%	29%	40%	49%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%	99%
PETROH	76.0	18%	29%	40%	49%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%	99%
BUAL 1	647.0	13%	23%	34%	42%	51%	60%	68%	76%	81%	86%	91%	95%	98%	99%	99%	99%
BUAL 2	647.0	12%	22%	33%	41%	50%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%
CAJALA 1	330.0	19%	31%	43%	51%	60%	68%	75%	83%	88%	92%	95%	98%	99%	99%	99%	99%
CAJALA 2	330.0	14%	27%	40%	49%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%	99%
FRIGILAD 1	382.0	13%	23%	34%	42%	51%	60%	68%	76%	81%	86%	91%	95%	98%	99%	99%	99%
FRIGILAD 2	382.0	18%	29%	40%	49%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%	99%
QPR	459.0	12%	22%	33%	41%	50%	58%	66%	73%	81%	86%	90%	93%	96%	98%	99%	99%

☐ Using 98% as a rule of thumb, only CIP2 is having difficulty meeting the +/- 3%



672  
 673

## Dispatch Performance Luzon Natural Gas Plants



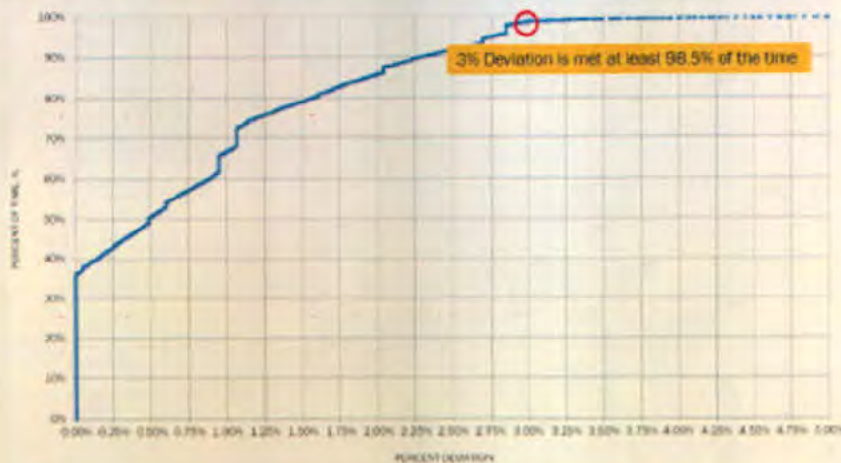
## Dispatch Performance Luzon Natural Gas Plants

RESOURCE	PMU	PERCENT DEVIATION																
		0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00	
LGAS 1	600.0	20%	42%	62%	78%	88%	94%	97%	98%	99%	99%	99%	99%	100%	100%	100%	100%	
LGAS 2	600.0	32%	58%	78%	87%	93%	96%	97%	98%	99%	99%	99%	99%	99%	99%	99%	99%	
STA RTA 1	437.3	17%	35%	45%	70%	76%	80%	83%	87%	88%	91%	91%	95%	98%	98%	98%	98%	
STA RTA 2	266.7	28%	39%	50%	61%	72%	81%	82%	82%	83%	83%	85%	85%	90%	98%	98%	98%	
STA RTA 3	266.6	38%	23%	33%	44%	68%	77%	82%	88%	82%	86%	86%	90%	98%	98%	98%	98%	
STA RTA 4	264.0	3%	18%	22%	48%	55%	60%	67%	69%	80%	84%	100%	100%	100%	100%	100%	100%	
STA RTA 5	264.8	28%	48%	58%	63%	67%	68%	82%	83%	86%	86%	88%	98%	98%	98%	98%	98%	
STA RTA 6	263.8	24%	32%	53%	62%	90%	95%	97%	98%	98%	98%	98%	98%	98%	98%	98%	98%	

- ❑ All natural gas plants seem to have no problem meeting the +/- 3% since they are all large plants
- ❑ All plants are even able to meet the 2.75% deviation at least 98% of the time



## Dispatch Performance Luzon Geothermal Plants



679  
680  
681

## Dispatch Performance Luzon Geothermal Plants

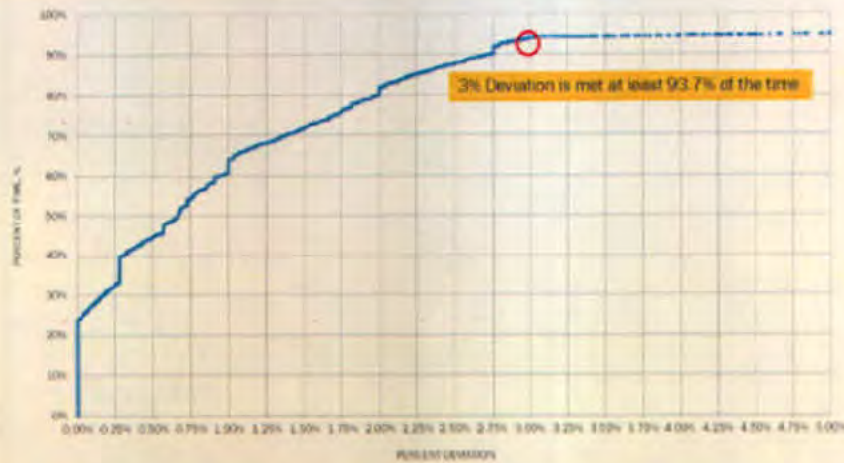
RESOURCE_ID	PLANT	PERCENT DEVIATION																
		0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00	
BAONAN 1	110.0	98%	98%	98%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%	100%	
BAONAN 2	40.0	41%	57%	72%	73%	82%	83%	88%	90%	93%	94%	95%	96%	100%	100%	100%	100%	
MGPP	20.0	4%	7%	10%	13%	11%	54%	57%	61%	64%	68%	75%	84%	94%	95%	95%	95%	
MAKBAN A	128.0	12%	23%	35%	48%	55%	64%	72%	79%	85%	91%	95%	96%	100%	100%	100%	100%	
MAKBAN B	128.0	11%	21%	29%	38%	47%	56%	65%	74%	82%	88%	93%	95%	96%	96%	100%	100%	
MAKBAN D	40.0	96%	96%	96%	96%	96%	96%	97%	97%	97%	97%	97%	97%	100%	100%	100%	100%	
MAKBAN E	40.0	89%	89%	89%	89%	89%	89%	89%	89%	90%	90%	90%	90%	100%	100%	100%	100%	
TMR A	148.0	5%	8%	10%	12%	10%	10%	44%	60%	71%	79%	87%	98%	98%	98%	100%	100%	
TMR C	114.0	58%	67%	74%	80%	82%	95%	96%	96%	96%	96%	96%	96%	100%	100%	100%	100%	

- ☐ Only MGPP (20 MW) is having difficulty meeting the +/- 3%
- ☐ Makban D is barely able to meet the +/- 3% deviation consistently
- ☐ It seems other generating units are just trying to comply with the +/- 3% since there is a large jump in performance between 2.75% and 3%



682  
683

### Luzon Hydro Plants



### Luzon Hydro Plants

ADDRESS	PMN	PERCENT (%) DEMON															
		0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00
AMERHILL-01	38	44%	50%	56%	60%	64%	68%	72%	76%	80%	84%	88%	92%	96%	100%	100%	100%
AMERHILL-02	38	28%	73%	90%	97%	98%	98%	98%	99%	99%	100%	100%	100%	100%	100%	100%	100%
AMERHILL-03	35	31%	79%	93%	97%	98%	99%	99%	99%	99%	100%	100%	100%	100%	100%	100%	100%
ANGAT-01	300.0	32%	41%	43%	50%	58%	60%	68%	73%	79%	84%	88%	93%	96%	98%	98%	98%
BAHIA	76	50%	61%	70%	70%	71%	73%	77%	80%	83%	86%	88%	91%	94%	95%	94%	92%
BINGA-01	33	26%	43%	46%	73%	74%	73%	79%	84%	84%	86%	90%	94%	96%	96%	97%	97%
BINGA-02	33	25%	90%	29%	53%	82%	84%	68%	67%	68%	66%	65%	68%	68%	68%	68%	68%
BINGA-03	33.0	49%	58%	81%	82%	83%	83%	88%	73%	73%	73%	74%	74%	74%	74%	74%	74%
BINGA-04	33	33%	22%	22%	62%	88%	77%	82%	94%	94%	96%	98%	99%	98%	98%	98%	98%
GAJECHIN	188.0	48%	64%	72%	76%	79%	82%	84%	88%	87%	91%	93%	99%	99%	99%	99%	99%
HEJONG	20	37%	37%	37%	58%	58%	58%	83%	77%	82%	88%	88%	88%	88%	88%	88%	88%
IMAGAT-01	95	10%	24%	36%	58%	68%	78%	84%	90%	94%	96%	96%	100%	100%	100%	100%	100%
IMAGAT-02	96	20%	31%	43%	56%	66%	73%	79%	87%	93%	96%	98%	100%	100%	100%	100%	100%
IMAGAT-03	96	26%	48%	51%	72%	81%	87%	98%	91%	94%	96%	98%	100%	100%	100%	100%	100%
IMAGAT-04	96	24%	32%	41%	68%	84%	88%	82%	81%	84%	86%	90%	99%	99%	98%	98%	98%
IMAGAT-05	12.4	20%	20%	20%	26%	33%	38%	37%	36%	63%	68%	68%	78%	76%	76%	77%	77%
IMAGAT-06	6.3	0%	0%	0%	7%	13%	41%	42%	48%	48%	49%	51%	100%	100%	100%	100%	100%
IMAGAT-07	6.09	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	100%	100%	100%	100%	100%
IMAGAT-08	60	4%	8%	12%	12%	23%	36%	42%	63%	30%	83%	96%	100%	100%	100%	100%	100%
IMAGAT-09	90	8%	18%	23%	32%	40%	49%	68%	78%	88%	93%	96%	100%	100%	100%	100%	100%
IMAGAT-10	127	42%	42%	56%	73%	73%	80%	86%	92%	94%	96%	96%	100%	100%	100%	100%	100%
IMAGAT-11	137	38%	38%	87%	73%	73%	80%	87%	91%	94%	96%	96%	100%	100%	100%	100%	100%
IMAGAT-12	137	38%	38%	80%	73%	73%	80%	86%	92%	94%	96%	96%	100%	100%	100%	100%	100%



Template: MAG.B01.TMP.04, Ver. 1, 01 APR 2014RCC-MIN-15-104 (2015-09)Page 19 of 29

## Dispatch Performance

### Luzon Hydro Plants

RESOURCE_ID	PMU	Dispatch Tolerance															
		0.2%	0.5%	0.7%	1.0%	1.2%	1.5%	1.7%	2.0%	2.2%	2.5%	2.7%	3.0%	3.2%	3.5%	3.7%	4.0%
DAURAN	26.0	90%	99%	99%	99%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SAJAYAS 1	130.0	11%	17%	22%	27%	30%	37%	42%	45%	48%	54%	59%	62%	62%	62%	63%	63%
SAJAYAS 2	130.0	11%	20%	29%	39%	47%	55%	64%	70%	73%	78%	82%	85%	87%	87%	87%	87%
SAJAYAS 3	130.0	12%	18%	24%	30%	36%	40%	50%	54%	58%	62%	66%	69%	70%	71%	72%	72%
SAJAYAS 4	130.0	12%	22%	34%	44%	50%	55%	64%	72%	75%	80%	84%	84%	84%	84%	85%	85%

- ☐ Although initial data was able to capture all ancillary service-related deviations, it will still be verified by NGCP
- ☐ There are issues on real-time monitoring that have to be addressed with NGCP, particularly on the small embedded hydro power plants



## Sensitivity Analysis

- ☐ Instead of a dispatch tolerance based on percentage (%), it may be applicable to use a dispatch tolerance in terms of MW quantity
- ☐ Collating all the generating units that had difficulties meeting the +/- 3%, PEMC and NGCP attempted to find the MW deviation where the generating unit will be able to meet at least 98% of the time



## Results of Sensitivity Analysis

RESOURCE ID	Pmax	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1	1.1	1.2	1.3	1.4	1.5
AMBUNAG 1.1	36	44%	98%	98%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
AMBUNAG 1.2	35	28%	77%	97%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
AMBUNAG 1.3	55	22%	80%	97%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
BINGA 1.1	21	74%	98%	97%	97%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
BINGA 1.2	51	2%	27%	78%	95%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
BINGA 1.3	51	18%	84%	97%	97%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
BINGA 1.4	52	7%	32%	88%	97%	98%	98%	97%	98%	98%	100%	100%	100%	100%	100%	100%
NEEDOR	30	48%	48%	48%	54%	88%	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MASINAY	22.4	100%	74%	75%	87%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%
LUZON	8	82%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
VISAY	8.04	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SPV	21.3	89%	98%	98%	77%	87%	94%	97%	98%	98%	98%	98%	98%	98%	98%	98%
BAONAN 1.2	48.8	82%	92%	96%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%
DAUNAN	48	94%	98%	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEIP	29.8	79%	79%	83%	90%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%
MABIN 1	40.8	98%	98%	98%	98%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%
MABIN 2	40.8	98%	98%	98%	98%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%
MABIN 3	40.8	98%	98%	98%	98%	98%	98%	98%	98%	98%	100%	100%	100%	100%	100%	100%

Issues on Masinay's real-time monitoring is for further validation



Based on the simulation results, the following conclusions were made:

- The +/- 3% dispatch tolerance is still acceptable for large plants since most of them are able to meet their targets within this range
- For "smaller" generating units (those below 50MW), their dispatch tolerance should be "relaxed" a bit since the +/- 3%, when represented in terms of MW value, may seem a bit too stringent as opposed to larger generating units
- For further verification of NGCP, the 1 MW dispatch tolerance may be used instead of SNAP's proposal for generating units with a Pmax of up to 50 MW only (for Luzon) or 10 MW (for Visayas)

To clarify results of the study shown in the presentation, Mr. Olmedo stated that the data shown in the graphs plots the population falling under a certain deviation level considering all the intervals for the last two years. Further, he clarified that the data shown considers the plant's RTD schedule vs. actual dispatch, and not necessarily their maximum available capacity (Pmax) as indicated in the presentation.

Mr. Rosales suggested that the RCC also look into getting the data on those Generators falling under the +3% deviation and those falling under the -3% deviation. Because there is also the possibility that Generators are complying with the 3% deviation because that is the rules, but maybe, if this was brought down to 2% or even "0", they may still be able to comply. He suggested further if the study can look into the results if Generators are grouped from 1-10MW, 11-20MW and so on.

Mr. Olmedo expressed that the bell curves on the plus and minus deviations were actually already established but were just not included in the presentation due to the limited amount of resources of the Market Operator. But if the RCC would request, the data can also be provided.

Mr. Olmedo also agreed on the point raised by Mr. Rosales of the capability of plants to comply if the dispatch tolerance level is extended to 2%, expressing that even the MO is not sure if plants are just playing around with the 3% dispatch tolerance level since it is the current requirement in the WESM. Unless, unless the MO-SO goes to the details of the Generators already extending the tolerance level beyond or lower than 3%. But as the MO has limited amount of resources, this was not included in the study that was undertaken and set the compliance at 98% of the time. Further, what the study considered is just the plant performance under different deviations and maybe given that analysis, they are just complying with the 3%. As for the other smaller Generators, such as what SNAP, complying may be difficult for them looking at the values shown in the study. Thus, the objective now is to determine what would be a feasible value for such small plants, given their historical performance, and that is what the study recommends based on the results of simulations. He expressed that if the data can be disseminated, the plants may also be able to make their own recommendations.

Mr. Meneses opined that the hardware, or the electro mechanical aspect of the plant, perhaps plays an important role particularly for smaller plants, at may need to be upgraded for them to comply with the WESM's prescribed band.

Mr. Sunico observed that the diesel plants seem to have been omitted in the presentation. He recalled that the intent of the study is get the deviation of plants under the different categories/technologies.

Mr. Olmedo responded to the concern of Mr. Sunico, stating that study covered all plant types (coal, natural gas, hydro, geothermal, diesel) except the REs such as wind and biomass. Mr. Olmedo expressed that it can perhaps be provided to the RCC since it was not covered in the presentation, rest assured it is available.

In relation to the REs, Mr. Cacho explained that must dispatch generating units and are being monitored in terms of forecast accuracy standards rather that dispatch tolerance.

Further on the subject, Mr. Sunico suggested that if the data on actual vs forecast of REs is available, this should be included in the study to determine and make recommendations whether or not the 18% annual forecast accuracy standards is a realistic value. He recalled that during the RCC's deliberations on the preferential dispatch proposal of PEMC, the Market Operator expressed that the 18% forecast accuracy standards will still be consulted with the RE developers. This is in view of the concern that the REs are being required to comply with SO instructions in emergency cases. The question of the REs is on how to comply given the intermittency. Thus, Mr. Sunico reiterated his request that if the data is available, perhaps, the RCC can also look into it.

Mr. Cacho noted to the body that based on initial data available to MO, the forecast accuracy of wind power plants is generally lower than the 18% required level. However, since currently the schedules of wind plants are put under security limit because of the issue n Laoag sub-station, and likewise, since the MO is still building data for the REs, it would perhaps still be early to make a recommendation as to the proposed value for the forecast accuracy, it the REs are saying that 18% is not realistic. Perhaps, throughout time, proper recommendation can be made when such can be backed up by data.

On the way forward, Mr. Cacho expressed that in case the results of the study will be endorsed to the Grid Management Committee (GMC) as it involves technical matter affecting the grid security, the RCC can perhaps come up with a solid proposal which can be developed within the market. He stated that under the Rules, it is actually the SO who is mandated to develop

Public

the dispatch tolerance level of plants. Noting that the MO-SO study on dispatch tolerance in fact emanated from the SNAP's proposal, which was disapproved by the RCC, the RCC can come up some sort of a counter-proposal to SNAP, recommending the applicable dispatch tolerance of plants. He stated that based on the presentations made by Mr. Olmedo, there were recommendations already which the RCC can use as basis for its proposal. When asked if PEMC can draft said proposal, Mr. Cacho responded that it can be done but would certainly require concurrence of the SO because again, he reiterated that it is the SO who is mandated under the Rules to develop the dispatch tolerances of plants. Mr. Rosales for his part, expressed that the decision on the matter should be between the MO and the SO. He stated further, relative to the possibility of making recommendations to the GMC, the GMC may require from the RCC a solid basis backed up by statistics for any recommendation that the RCC will make. Finally, he expressed that the SO is willing to work with the MO in drafting the necessary proposal.

In view of the comments and expressions made by the parties, the RCC agreed for the MO-SO to undertake as follows:

- present in the next meeting the bell-curves or data on plants deviating at plus 3% and minus 3%;
- conduct further simulation as suggested by Mr. Rosales to determine deviation of plants per grouping by size (1-10MW, 11-20 MW and so on);
- include in the presentation the data for diesel plants, which seem to have been omitted in the presentation as observed by Mr. Sunoco and
- coordinate for the drafting of the necessary proposed amendment in the rules or manuals for the recommended dispatch tolerance level of plants.

Mr. Castro, for his part, expressed that the RCC should also consider proposing for a periodic review of the tolerance, to ensure flexibility in case it was determined that the 3% or whatever value that will be recommended later on, is no longer applicable.

The suggestion of Mr. Castro was duly noted. At this point, the RCC thanked Mr. Olmedo for his presentation, and the representatives from SNAP, Mr. Miras and Mr. Pacaba, for taking part in the discussions.

#### **4. Proposed Amendment to the Dispatch Protocol Manual: MO Presentation on Major revisions from the original proposal**

Mr. Olmedo explained that the presentation is being made following the SO's request, and which request was concurred by the RCC. As a background, he stated that the Proposed Amendment to the Dispatch Protocol Manual was already approved by the RCC for posting, to solicit comments, in its previous meeting. However, in an email from the Mr. Rosales, he requested that the matter be deferred and another presentation be made, so that the MO can highlight the major changes made on the proposal that was previously discussed at the RCC.

Such request is in view of the SO's of the following discrepancies.

Dispatch Protocol Issue 11	Proposed Dispatch Protocol Manual Issue 12
<p><b>4.1.1. Target Loading Level</b></p> <p>The Dispatch Schedule shall contain the target loading levels to be achieved in MW considered at the end of that trading interval.</p> <p>Generators who are dispatched shall comply with a linear ramp rate over the Trading Interval. Generators shall be monitored for compliance with the Dispatch Tolerance standards and the required linear ramp rate. This is to ensure that the target loading for each Trading Participant shall be within the dispatch tolerance standards <u>in MW and the linear ramping in MWhr</u> from the start until the end of that Trading Interval.</p>	<p><b>11.4 ISSUANCE AND COVERAGE OF DISPATCH INSTRUCTIONS</b></p> <p>11.4.1 Coverage. Dispatch instructions shall include the following –</p> <p>a. Target loading level (MW) of Trading Participants. Unless the System Operator otherwise issues a re-dispatch instruction, the target loading level or dispatch targets or dispatch schedules of generating units shall be that as contained in the dispatch schedule as published and transmitted by the Market Operator. Issuance of re-dispatch instructions by the System Operator shall be in accordance with this Section.</p>

Mr. Olmedo stated the highlights of changes made on the proposal as discussed by the RCC sometime in March 2015, as follows:

1. Submission process of registration data (from PIPPA)
2. Obligation to submit offers (generation and reserve) for the Pre-Dispatch Market Projections (WAP and DAP)
3. Obligation to submit offers (generation and reserve) for the RTD
4. Criteria for Non-Security Limits
5. Definition of over-riding constraints
6. Dispatch Implementation referring to MRU/MSU
7. Dispatch Implementation referring to Section on Market Intervention/Suspension
8. SO Review on the RTD schedule
9. Reference on the Dispatch Tolerance
10. Notice on Market Intervention/Suspension
11. Changes relevant to APDM
12. Publication Requirements
13. Overriding Constraints
14. Significant Incident Report
15. Revised Section for MOT
16. New Section for Start-up/ Shutdown of Generating Units
17. Complement the procedures set out in the Dispatch Protocol, the System Operator and the Market Operator shall formulate and maintain the following procedures
  - a. System Emergency and Restoration Procedures
  - b. EMS Disaster Recovery Procedures
  - c. MMS Disaster Recovery Procedures
  - d. Business Continuity Plan

On the Section on Merit Order Table (MOT), Mr. Olmedo stated that this was inserted following the RCC's instructions, to clarify how the MO is prepared and used by the SO. Under the Proposed Dispatch Protocol Manual Issue 12, the use of the MOT is based on the separate MOTs prepared by the MO for SO Luzon and SO Visayas.

It was noted from the MOs instructions that the revisions are mostly restructuring of the Manual based on audit findings and the new formatting of all market manuals.

At this point, Mr. Rosales restated his concern based on his email on why the target load—MWh—was deleted in the relevant Section in the manual.

Mr. Olmedo responded that the provision on MWh being cited by Mr. Rosales was not deleted altogether, but was just rephrased and was put in the different relevant sections in the manual. However, given the concern of the SO, the MO can revise the Proposed Dispatch Protocol Manual Issue 12 further to reflect the original wordings of the relevant provisions, if that is the pleasure of the RCC.

In view of the clarifications provided by Mr. Olmedo, the RCC instructed the Secretariat to already proceed with the publication of the Proposed Dispatch Protocol Manual Issue 12, subject to the revisions discussed, to reflect the original wordings in relative to the target loading level of plants.

Mr. Rosales stated that his presentation is related to this proposal as it the SO's proposed amendment which he will be presenting relates to the Chapter 6 of the WESM Rules on market intervention and suspension. In this regard, he requested the RCC to consider first his presentation before making a decision on the Proposal on the Dispatch Protocol annual.

On the part of the Secretariat, Ms. Rodriguez stated that, noting the change is in the Dispatch Protocol Manual, and that the definition of MOT was changed, thus, a corresponding amendment to the WESM Rules on the definition of the MOT should also be submitted to revise the definition of the WMOT that is based on a single market.

The RCC noted the explanation of Ms. Rodriguez and the suggestion of Mr. Rosales to hold off the decision to publish the proposal until after the SO has presents its proposals, to determine whether or not MO and SO proposals will affect one another.

## **5. NGCP Proposed Amendment to the WESM Rules and Market Manuals on System Security and Reliability, Market Intervention and Suspension, and Emergency Procedures**

Mr. Rosales made a presentation of its revised proposals following the comments and discussion of the RCC in the previous meeting. For the proposal on the System Security and Reliability Guidelines, Mr. Rosales explained that the matrix of proposal reflected the original provision in the manual, as well as the provisions under the PGC Amendment 1 and the Proposed PGC Amendment 2, to supply basis for the SO's proposals. Below are the result of the RCC's discussions on the SO's proposals.

Item	Title of Proposed Amendment	RCC Discussions	RCC Agreements
1	Proposed Amendment to the Manual on System Security and Reliability Guidelines	-Under the provision on demand control (Sec. 5.6), the RCC commented that the way item c) under the provision is worded seems as if the market trading operations ceased because the system is not in the normal state, for which market intervention is declared.	Approved for posting, with revisions  -For SO to check its practice in determining the a yellow alert, because based

Public



Item	Title of Proposed Amendment	RCC Discussions	RCC Agreements
		<p>-Mr. Rosales stated that during market intervention, the MO may or may not be able to produce schedules. Moreover, even if the MO is able to so, the SO is no longer required to use such schedule. The SO will only start using the RTD produced by the MO once the market intervention is lifted by the SO. Thus effectively, from SO's perspective, the MO ceases to operate in those instances where there is market intervention.</p> <p>-Mr. Raymundo however opined that it may be inappropriate to say that the MO stopped operating during market intervention, because, as stated by the MO, when the MO system is down, it follows certain procedures to restore the system and allow trading to continue in the market, thus, enabling the MO to still produce schedules.</p> <p>-Ms Tanglao was also confused of the provision "...The System Operator, in coordination with the Market Operator, shall declare Market Intervention and shall only resume the spot market operations when it is safe to do so..." and was unsure based on the wordings if the phrase "when it is safe to do so" refers to the lifting of the spot market operations or the lifting of the market intervention.</p> <p>-Mr. Meneses stated that in the case of lifting of market intervention, what is being resumed is the use of the ex-ante and ex-post prices, because the RTD will always be there regardless if market intervention is in effect.</p> <p>-The RCC agreed to revise the relevant proposal, as follows, given the confusion raised by the parties.</p> <p>5.6. Demand Control</p> <p>XXX</p> <p>d) <u>During Demand Control, the implementation of the Real Time Dispatch schedule for a given trading interval shall <del>put on halt and may not be implemented. The System Operator in coordination with the Market Operator shall declare Market Intervention. Once the system is in normal state, the System Operator shall lift the market intervention, and shall only resume the spot market trading operation when it is safe to do so</del></u></p> <p>-Mr. Meneses commented that the SO should perhaps consider in its proposal the Interruptible Load Program (ILP). He stated that although it is part of demand control, it does not come from the DU but instead, emanates from the customer.</p>	<p>SO's definition, the contingency unit is based on highest load, but the provisions in the proposal mentions about capacity</p>
2	Proposed Amendment to the	-	Approved for posting, with revisions

Item	Title of Proposed Amendment	RCC Discussions	RCC Agreements
	WESM Rules Chapter 6 on Market Intervention and Suspension		-perform a global change deleting all references to "directions" and replacing it with "instructions" relative to SO instructions.
3	Proposed Amendment to the Manual on Emergency Procedures		Approved for posting, as submitted

Following the earlier agreement of the RCC, during discussions of the Proposed Dispatch Protocol Manual Issue 12, to hold off RCC decision on the publication of the proposal until the SO has made a presentation on its proposals, Mr. Olmedo stated several clarifications regarding the MOT.

Mr. Olmedo expressed that the MO intends to retain the system-wide MOT, and make another proposal in the MRU manual that it will now be the MO who will declare the MRUs, based on the single MOT, rest assured that the regional MOTs will be provided to the SO. Mr. Olmedo stated that the proposal which will be submitted by the MO later on is to address concerns of some Visayas plants who are being run as MRU but are paid at RTX lower than their production cost. This is also to take away the burden from the SO in validating the MRUs using the system wide MOT, when only regional MOTs are provided to the SO. Thus, although the single MOT will be retained in the MRU Manual to provide basis for MO in declaring the MRUs, nonetheless, MO will be very clear in the Dispatch Protocol Manual that the regional MOTs will be provided to the SO.

Mr. Rosales expressed his concerns on the proposal being put forward by the MO. He stated that the SO's action is guided by the regional MOT provided to it by the MO, including the MRUs, constrain-on, and constrain-off. Once the MO puts everything back to the WMOT, certainly, the MO will find certain dispatches that are out of merit. And if the MO says that certain plants will qualify as MRU on the basis of the single MOT, the SO may not be able to support the MO for saying that certain plants were called as MRU on the basis of the single MOT, because in so far as the SO is concerned, its actions were only based on the regional MOT. Moreover, Mr. Rosales stated that a plant will qualify as MRU only if it was called to run as MRU for security-related reasons, with an element of out-of-merit dispatch.

Mr. Olmedo responded that all the concerns will be clarified once the MO's separate proposal on the MRU-MSU Manual is submitted to the RCC. Mr. Olmedo expressed that the intention of the MO is to present the proposal in the next RCC meeting.

Noting the information from MO, the RCC agreed to already proceed with the publication of the Proposed Dispatch Protocol Manual Issue 12, subject to the revisions earlier discussed, and the Proposed Amendments presented by the SO on Chapter 6 of the WESM Rules and on the market manuals on System Security and Reliability and Emergency Procedures.

The RCC thanked Mr. Olmedo and Mr. Rosales at this point.

Public

**IV. OTHER MATTERS**

**1. BRC / PEM Board Updates**

Mr. Castro informed the RCC that the following proposals were approved by the PEM Board.

- i. Proposed Amendment to the WESM Rules on Preferential Dispatch and Submission of Standing Offers; and
- ii. Proposed Amendment to the MRU-MSU Manual on the Settlement by MSUs of Displaced Generators

The information was duly noted by the body.

**2. Schedule of next BRC and PEM Board Meetings for September 2015**

Ms. Rodriguez informed the RCC of the following schedule of the BRC and PEM Board meetings for September:

- BRC: Sept. 24;
- PEM Board: Sept. 29.

The information was duly noted by the body.

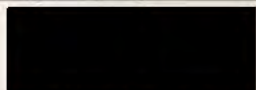
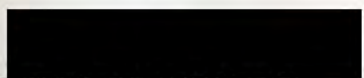

**V. NEXT MEETING**

The RCC was reminded of the previous agreement to meet on the following dates in the succeeding months of 2015:

- 105<sup>th</sup> RCC Meeting – 07 October
- 106<sup>th</sup> RCC Meeting – 04 November
- 107<sup>th</sup> RCC Meeting – 02 December

**VI. ADJOURNMENT**

There being no other matters at hand, the meeting was adjourned around 4:20 PM.

Prepared By:	Reviewed By:	Noted By:
 <b>Romellen C. Salazar</b> <i>Senior Analyst – Market Monitoring Unit</i> <i>Market Assessment Group</i>	 <b>Geraldine A. Rodríguez</b> <i>Assistant Manager – Market Governance Administration Unit</i> <i>Market Assessment Group</i>	 <b>Eraine D. Gonzales</b> <i>Manager – Market Data and Analysis Division</i> <i>Market Assessment Group</i>

Public

Approved by:  
RULES CHANGE COMMITTEE

**Maia 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  
Philippine Electricity Market Corporation  
(PEMC)

**Ambrosio R. Rosales**  
Transmission Sector  
National Grid Corporation of the Philippines  
(NGCP)

**Joselyn D. Carabuena**  
Generation Sector  
Power Sector Assets and Liabilities Management  
Corporation (PSALM)

**Jose Ferlino P. Raymundo**  
Generation Sector  
SMC Global

**Theo C. Sunico**  
Generation Sector  
Vivant Corporation

**Ciprinilo C. Meneses**  
Distribution Sector (PDU)  
Manila Electric Company  
(MEALCO)

**Jose P. Santos**  
Distribution Sector (EC)  
Ilocos Norte Electric Cooperative, Inc.  
(INEC)

**Gilbert A. Pagobo**  
Distribution Sector  
Mactan Electric Company  
(MECO)

**Ludovico D. Lim**  
Distribution Sector  
Antique Electric Cooperative, Inc.  
(ANTECO)

**Lorreto H. Rivera**  
Supply Sector  
Team (Philippines) Energy Corporation  
(TPEC)

Certified True and Correct:  
**Elaine D. Gonzales**  
RCC Secretary  
PEMC