

**WHOLESALE ELECTRICITY SPOT MARKET
RULES CHANGE COMMITTEE**

RESOLUTION NO. 2015-04

**Proposal for Amendments to the Manual on the Guidelines for Significant
Variations In and Between Trading Intervals**

WHEREAS, the Philippine Electricity Market Corporation (PEMC) submitted its Proposed Amendments to the Manual on the Guidelines on Significant Variations on 01 December 2014;

WHEREAS, the Proposal intends to re-organize the content of the Manual in order to properly account for all process improvements as recommended by PA Consulting during the 2011 Operations Audit;

WHEREAS, PA Consulting noted that in terms of accountability, the responsibilities of the MO should be clearly stated;

WHEREAS, the Proposal likewise implements the new standardized format for all market manuals in view of the audit findings regarding context and governance mechanisms;

WHEREAS, the Proposal was presented before the RCC during its 96th meeting held on 14 January 2015;

WHEREAS, in the same meeting following the PEMC's presentation, the RCC approved the publication in the market information website, of the Proposal for Amendments to the Manual on the Guidelines for Significant Variations;

WHEREAS, the Proposal for Amendments to the Manual on the Guidelines for Significant Variations was published in the WESM market information website on 26 January, with notice to participants issued on the same day;

WHEREAS, following the RCC's call for comments, written submissions were received from PIPPA, MERALCO, and the DOE;

WHEREAS, the Proposal, including the comments received were given due course during the 98th RCC meeting held on 4 March 2015;

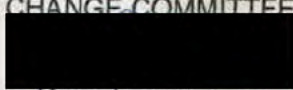
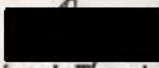
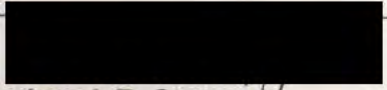
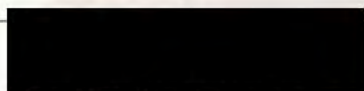
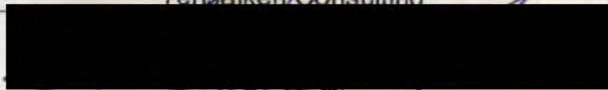
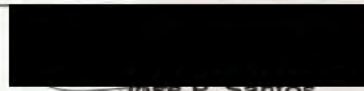
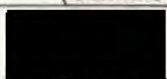
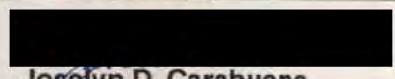
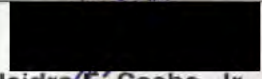
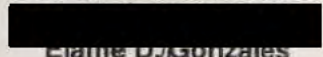
WHEREAS, in the same meeting, the RCC approved the Proposed Amendments to the Manual on the Guidelines for Significant Variations, as revised, based on discussions and in consideration of the comments raised by the parties;

NOW THEREFORE, we, the undersigned and in behalf of the sector we represent, hereby resolve as follows:

RESOLVED, that the Proposal for Amendments to the Manual on the Guidelines for Significant Variations (ANNEX A), is hereby adopted and approved by the RCC;

RESOLVED FURTHER, that the attached Proposal for Amendments to the Manual on the Guidelines for Significant Variations is hereby endorsed to the PEM Board for approval.

Done this 04 March 2015, Pasig City.

<p>Approved by:</p> <p>RULES CHANGE COMMITTEE</p> <p></p> <p>Rowena Cristina L. Guevara Chairperson Independent University of the Philippines (UP)</p>	
Members:	
<p></p> <p>Concepcion I. Tanglao Independent</p>	<p></p> <p>Francisco L.R. Castro, Jr. Independent Tensaken Consulting</p>
<p></p> <p>Maila Lourdes G. de Castro Independent</p>	<p></p> <p>Lorretto H. Rivera Supply Sector TeaM (Philippines) Energy Corporation</p>
<p></p> <p>Jose P. Santos Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)</p>	<p>Ciprinilo C. Meneses Distribution Sector (PDU) Manila Electric Company (MERALCO)</p>
<p>Sulpicio C. Lagarde Jr. Distribution Sector (EC) Central Negros Electric Cooperative, Inc. (CENECO)</p>	<p>Gilbert A. Pagobo Distribution Sector Mactan Electric Company (MECO)</p>
<p></p> <p>Jose Ferlino P. Raymundo Generation Sector SMC Global</p>	<p></p> <p>Joselyn D. Carabuena Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)</p>
<p>Ambrocio R. Rosales Transmission Sector National Grid Corporation of the Philippines (NGCP)</p>	<p>Theo C. Sunico Generation Sector 1590 Energy Corporation</p>
<p></p> <p>Isidro E. Cacho, Jr. Market Operator Philippine Electricity Market Corporation (PEMC)</p>	
	<p>Certified True and Correct:</p> <p></p> <p>Elaine D. Gonzales RCC Secretary PEMC</p>



PUBLIC

WESM Manual

Guidelines on Significant Variations In and Between Trading Intervals Issue 2.0

Abstract	This document provides the guidelines and non-exhaustive list on significant variations in and between trading intervals.
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Document Identity: WESM-GSV-002
Issue: 2.0
Reason for Issue: Compliance to Audit Findings

Approval Date:
Publication Date:
Effective Date:



Document Change History

Issue No.	Proponent	Date of Effectivity	Reason for Amendment
1.0	PEMC	27 Sep 2006	Original Document
2.0	PEMC		Compliance to Audit findings

Document Approval

Issue No.	WESM TWG/ RCC Approval	PEM Board Approval
1.0	07 September 2006	27 September 2006
2.0	04 March 2015	

Reference Documents

Reference No.	Document Title	Issue No
1	WESM Rules	Amended as of October 2014
2	Philippine Grid Code	2
3	WESM System Security and Reliability Guidelines Manual	0
4	WESM Dispatch Protocol Manual	11
5	Market Surveillance Compliance and Enforcement Manual	3
6	Dispute Resolution Manual	4

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SECTION 1 INTRODUCTION**1.1 BACKGROUND**

- 1.1.1 In clause 1.3.1.3 and 10.4.1 of the WESM Rules, the Market Operator, in consultation with WESM Trading Participants, is mandated to develop guidelines as to what constitutes a significant variation in and between trading intervals subject to the approval of the PEM Board.
- 1.1.2 Significant variations in and between trading intervals are changes in actions or behavior of Trading Participants, the System Operator or the Market Operator or any event that could lead to significant changes in the pricing outcome of the market. It should be noted that these changes in actions or events can be the result of a bona fide response to a bona fide change in the market or system condition or can be borne out of the gaming and anti-competitive behavior of the Trading Participant or inefficiency on the part of the Market Operator or the System Operator.
- 1.1.3 This document, therefore, focuses on the actions or significant events that may affect pricing outcome under normal market conditions¹. It also provides a classification or description of mitigating measures provided for in WESM Rules and various market manuals. This document serves as reference to all WESM participants and the PEM Governance Committees. In this regard, this document shall be read with the provisions in the WESM Rules and other market manuals, particularly, the Market Surveillance Compliance and Enforcement Manual and the Dispute Resolution Manual.

1.2 PURPOSE

- 1.2.1 Defines what constitutes significant variations; and
- 1.2.2 Describes the guidelines and criteria to be followed by the Market Operator in determining significant variation in and between trading intervals.

¹ It is noted that these conditions may also occur or exist under Emergency conditions. However, under emergency conditions it should be noted that Administered Prices apply. (WESM Rules 6.2.3)



1.3 SCOPE

This document provides guidance in the treatment and reporting of actions or events that are deemed to be significant variations in and between trading intervals.

SECTION 2 DEFINITIONS AND REFERENCES

2.1 DEFINITIONS

- 2.1.1 **Significant Variation** – pertains to the action of a WESM Member, including the Market Operator and System Operator, or any event that has the potential to influence market prices, to accommodate real system changes or changes that may be associated with gaming and anti-competitive behavior on the part of trading participants.
- 2.1.2 All italicized terms in this document will have the same meaning as defined in the WESM Rules, unless the context provides otherwise.

2.2 REFERENCES

This document should be read together with the –

- a) WESM Rules, as amended
- b) Philippine Grid Code
- c) WESM System Security and Reliability Guidelines
- d) WESM Dispatch Protocol
- e) Market Surveillance Compliance and Enforcement Manual
- f) Dispute Resolution Manual

SECTION 3 RESPONSIBILITIES

3.1 MARKET OPERATOR

The Market Operator shall:

- 3.1.1 Develop and continuously review this document to ensure consistency with the objectives and provisions of the WESM Rules.
- 3.1.2 Identify any significant variations in or between trading intervals as part of its monitoring of the daily trading activities.²
- 3.1.3 Monitor significant variations including the variables listed in Section 4.1.2

² WESM Rules 1.3.1.2 (b)



- 3.1.4 Publish a daily report on that contains information that will identify any significant variation. It should be published within ten (10) business days from cognizance of the event in the WESM Public Website.³
- 3.1.5 Provide a monthly summary of the significant variations report covering a particular billing period to the following:⁴
- a) Department of Energy;
 - b) Energy Regulatory Commission;
 - c) PEM Board
 - d) Market Surveillance Committee; and
 - e) WESM Members and interested entities on request
- 3.1.6 Maintain an exhaustive list of possible significant variations in and between trading intervals such as those identified in Section 4.3 of this Market Manual.
- 3.1.7

3.2 SYSTEM OPERATOR

The System Operator shall provide written documentation to the Market Operator on any significant events in the power system pursuant to the reporting requirements of the WESM Dispatch Protocol.

3.3 WESM MEMBERS

The WESM Members shall provide period-specific facility information as may be requested by the Market Operator as part of its daily monitoring activities.

As soon as available, the WESM Members shall provide the period-specific facility information listed, but not limited to the following, through a data exchange facility as may be prescribed by the Market Operator:

- a. Unit Outage
 - Capacity on outage
 - Reason for outage (indicate type: forced/planned; and specific reason: i.e. fuel restriction, maintenance, and leak)
 - Expected timeline of synchronization
- b. Capacity Limitation
 - Capacity Limited
 - Reason for limitation (indicate specific reason: i.e. hotspot, fuel constraint)
 - Expected timeline of availability of limited capacity

³ WESM Rules 1.3.1.4

⁴ WESM Rules 1.3.1.5

- c. Operational Mode (AGC, Free Governor, Manual Dispatch)
 - d. Reason for Dispatch Deviation beyond the prescribed dispatch tolerance for the relevant generator
- WESM Members shall regularly provide updates to the Market Operator on their respective period-specific facility information

SECTION 4 GUIDELINES AND CRITERIA

4.1 MONITORING CRITERIA

- 4.1.1 To determine the actions that would effect a significant change in the pricing outcome, the following inputs of the Market Operator, the System Operator or the Trading Participants to the Market Dispatch Optimization Model (MDOM) would have to be considered.
- a) Inputs provided by the Market Operator
 - Load Forecast
 - Load Pattern
 - Reserve Requirements
 - Changes to the Market Network Model
 - b) System information provided by the System Operator which includes:
 - System Snapshot
 - Outage schedules
 - Transmission Limits
 - Security Limits
 - Contingency List
 - c) Re-Dispatch instructions from the System Operator
 - d) Energy and Reserve Offers of Scheduled Generators and Interruptible Loads
 - e) Compliance to the Dispatch Schedule of Scheduled Generators and Interruptible Loads
 - f) Demand Bids of Dispatchable Loads
 - g) Customer Load Forecasts

4.2 TREATMENT OF SIGNIFICANT VARIATIONS IN AND BETWEEN TRADING INTERVALS

The following principles will guide the Market Operator in identifying and reporting significant variations in and between trading intervals.

- 4.2.1 Changes or variation in any action, such as bids or offers submissions, by a Trading Participant prior to gate closure do not necessarily constitute a significant variation that maybe associated with gaming or anti-competitive behaviour. It is recognized that variations prior to gate closure provide opportunities to Trading Participants to

respond to changes in conditions, or to the competitive behaviour of other participants.

- 4.2.2 Changes or variation in action provided by a Customer through the optional load forecast prior to gate closure does not necessarily constitute a significant variation that maybe associated with gaming or anti-competitive behaviour.
- 4.2.3 Trading participants may initiate any action after gate closure to account for bona fide changes in physical conditions of their facilities, or in response to an emergency condition, or as maybe instructed by the System Operator. These actions, however, may be subject to identification and reporting by Market Operator and subsequent investigation by the Market Surveillance Committee.
- 4.2.4 The Market Operator may provide changes to load forecast in response to real system changes up until prior to the execution of the market run.
- 4.2.5 The System Operator may issue re-dispatch instructions and provide system updates as part of its responsibility to maintain system security and reliability, and to mitigate emergency conditions, in accordance with relevant operating procedures.

4.3 LIST OF POSSIBLE SIGNIFICANT VARIATIONS IN AND BETWEEN TRADING INTERVALS

The following list contains the possible significant variations in and between trading intervals that are typically observed in the WESM. The Market Operator may include cases of other variations that is evaluated to have significantly affected the market results.

Responsible	Action/Event	Identification of a Possible Significant Event
Market Operator	Regional Forecast	Forecast error is greater than the forecast error tolerance defined in the Market Operator Performance Standards (MOPS)
	Nodal Forecast	
	Latest Snapshot Not Processed By MMS	Real-time power system configuration not reflected in the Market Network Model
	Changes to the Market Network Model	Updates to the representation of the Market Network Model
System Operator	Submission of: <ul style="list-style-type: none"> ▪ Outage Schedule ▪ Security Limits ▪ Transmission Limits ▪ Contingency Lists 	Submitted information provided by the System Operator that eventually affected the market results.

Responsible	Action/Event	Identification of a Possible Significant Event
	Dispatch instructions that deviate by more than the dispatch tolerance.	Dispatch instructions that significantly deviate from dispatch targets issued by the MMS.
	Unscheduled Tripping and/or switching of T/L	Reconfiguration of MNM and instigation of transmission constraint
	Unscheduled Tripping of Major Transmission line that results in an Electrical Islanding condition, Over-generation, Under-generation etc.	MDOM results indicate the application of Constraint Violation Coefficients.
	Unscheduled Generator shut down	Generator shut down significantly impacts market prices.
	Non-updating system snapshot	Real-time configuration and state is not captured in the real-time dispatch process.
	Automatic/Manual Load Shedding	Automatic or Manual Load Shedding affected the resulting prices and schedules.
Generators and Interruptible Loads	Offer and Bid Submission	Submitting generation offers less than their respective registered capacity
	Cancellation of Bids/offers	Cancellation of bids/offers.
	Dispatch schedule	Non-compliance to dispatch instructions
Customers	Submission of Customer Forecast	Submitting low demand forecast (just above allowable forecasting threshold) and actually using high demand level as reflected in the snapshot.
	Reconfiguration of Sub transmission system	Unscheduled switching of Distribution lines not reflected in market network model resulting to re-distribution of nodal demand in real-time

SECTION 5 AMENDMENT, PUBLICATION AND EFFECTIVITY

5.1 AMENDMENTS TO THIS MANUAL

Any amendment to, or revision to this Manual shall be approved by the PEM Board.

5.2 PUBLICATION AND EFFECTIVITY



Upon approval of the PEM Board, this Market Manual shall take effect fifteen (15) days from its publication, or such later date as the PEM Board determines, in accordance with the provisions in the Manual of Procedures for Changes to the WESM Rules.

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
Related Documents			<p>Included the following Manuals in the reference table:</p> <ul style="list-style-type: none"> Market Surveillance Compliance and Enforcement Manual Dispute Resolution Manual 	<p>Added since these manuals are cited as references in this Manual.</p> <p>Compliance to the Audit Finding on the Context of the Manual</p>
		<p>Section 1- Introduction</p> <p>Section 2- Objectives</p> <p>Section 3- Scope</p> <p>Section 4- Definition of Terms</p> <p>Section 5- Responsibilities</p> <p>Section 6- Guidelines</p> <p>6.1 Monitoring Criteria</p> <p>6.2 Treatment of Significant Variations in and In Between Trading Intervals</p> <p>Section 7- Monitoring and Reporting Requirements</p> <p>Section 8- List of Significant Variations in and In Between Trading Intervals</p>	<p><u>Section Renumbering (with Subsections)</u></p> <p>Section 1- Introduction</p> <p>1.1 Background</p> <p>1.2 Purpose</p> <p>1.3 Scope</p> <p>Section 2- Definitions and References</p> <p>2.1 Definitions</p> <p>2.2 References</p> <p>Section 3- Responsibilities</p> <p>3.1 Market Operator</p> <p>3.2 System Operator</p> <p>3.3 WESM Members</p> <p>Section 4- Guidelines and Criteria</p> <p>4.1 Monitoring Criteria</p> <p>4.2 Treatment of Significant Variations in and In Between Trading Intervals</p> <p>4.3 List of Significant Variations in and in-between trading</p>	<p>Adopted a new market manual structure for clarity and uniformity of all Manuals</p> <p>Sections 6 and 8 were merged as Section 4 in the revised procedure for clarity</p> <p>Section 7 has been removed since the provisions in this Section are already transferred to Section 3.1 Market Operator Responsibilities.</p>

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
			intervals (NEW SECTION) Section 5- Publication and Effectivity 5.1 Amendments to this Manual 5.2 Publication and Effectivity	
Introduction	1	<p>2 Objective</p> <p>This document is intended to -</p> <p>1.1 Identify the guidelines to be followed the MO in determining significant variation in and between trading intervals.</p> <p>1.2 Identify possible significant variation in and between trading intervals.</p>	<p>2-Objective 1.2 Purpose</p> <p>1.1 Identify the guidelines to be followed by the MO in determining significant variation in and between trading intervals.</p> <p>1.2 Identify possible significant variation in and between trading intervals.</p> <p><u>1.2.1 Defines what constitutes significant variations; and</u></p> <p><u>1.2.2 Describes the guidelines and criteria to be followed by the Market Operator in determining significant variation in and between trading intervals.</u></p>	Compliance to the Audit Finding on the Accountability of the Manual

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
Responsibilities Monitoring and Reporting Requirements	5 and 7	<p>2.0 Responsibilities</p> <p>2.1 The Market Operator is responsible for developing and for revising this document.</p> <p>2.2 The PEM Board shall approve this document and any subsequent revisions.</p> <p>-----</p> <p>7.0 Monitoring and Reporting Requirements</p> <p>7.1 The MO shall identify any significant variations in or between trading intervals as part of its monitoring of the daily trading activities.</p> <p>7.2 The MO shall publish a report on any identified significant variation within ten (10) business days from cognizance of the event.</p> <p>7.3 The Trading Participants</p>	<p>2.0 3 Responsibilities</p> <p>2.1 The Market Operator is responsible for developing and for revising this document.</p> <p>2.2 The PEM Board shall approve this document and any subsequent revisions.</p> <p>3.1 Market Operator</p> <p>The Market Operator shall:</p> <p>3.1.1 <u>Develop and continuously review this document to ensure consistency with the objectives and provisions of the WESM Rules.</u></p> <p>3.1.2 <u>Identify any significant variations in or between trading intervals as part of its monitoring of the daily trading activities.</u>¹</p> <p>3.1.3 <u>Monitor significant variations including the variables listed in</u></p>	<p>The auditor recommended that responsibilities should be identified properly for clarity. In this regard, Section 7 of the Manual was moved to Section 3-Responsibilities .</p> <p>We also added footnotes to properly indicate the related WESM Rules Clause.</p>

¹ WESM Rules 1.3.1.2 (b)

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Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
		<p>shall provide period-specific facility information as may be requested by the MO as part of its daily monitoring activities.</p> <p>7.4 The SO shall provide written documentation to the MO on any significant events in the power system pursuant to the reporting requirements of the WESM Dispatch Protocol.</p>	<p><u>Section 4.1.2.</u></p> <p>3.1.4 Publish a daily report on that contains information that will identify any significant variation. It should be published within ten (10) business days from cognizance of the event in the WESM Public Website.²</p> <p>3.1.5 Provide a monthly summary of the significant variations report covering a particular billing period to the following:³</p> <ul style="list-style-type: none"> a) <u>Department of Energy;</u> b) <u>Energy Regulatory Commission;</u> c) <u>PEM Board;</u> d) <u>Market Surveillance Committee; and</u> e) <u>WESM Members and interested entities on request</u> <p>3.1.6 Maintain an exhaustive list of possible significant variations</p>	

² WESM Rules 1.3.1.4

³ WESM Rules 1.3.1.5

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Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
			<p><u>in and between trading intervals such as those identified in Section 4.3 of this Market Manual.</u></p> <p><u>3.2 System Operator</u></p> <p><u>The System Operator shall provide written documentation to the MO on any significant events in the power system pursuant to the reporting requirements of the WESM Dispatch Protocol.</u></p> <p><u>3.3 WESM members</u></p> <p><u>The WESM Members shall provide period-specific facility information as may be requested by the Market Operator as part of its daily monitoring activities. As soon as available, the WESM Members shall provide the period-specific facility information listed, but not limited to the following, through a data exchange facility as may be prescribed by the Market Operator:</u></p> <p>a. <u>Unit Outage</u></p>	

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Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
			<ul style="list-style-type: none"> • <u>Capacity on outage</u> • <u>Reason for outage (indicate type: forced/planned; and specific reason: i.e. fuel restriction, maintenance, and leak)</u> • <u>Expected timeline of synchronization</u> <p>b. <u>Capacity Limitation</u></p> <ul style="list-style-type: none"> • <u>Capacity Limited</u> • <u>Reason for limitation (indicate specific reason: i.e. hotspot, fuel constraint)</u> • <u>Expected timeline of availability of limited capacity</u> <p>c. <u>Operational Mode (AGC, Free Governor, Manual Dispatch)</u></p> <p>d. <u>Reason for Dispatch Deviation beyond the prescribed dispatch tolerance for the relevant generator</u></p> <p><u>WESM Members shall regularly provide updates to the Market Operator on their respective period-specific facility information</u></p>	

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
		<p>6.1.1 Load forecast by the MO</p> <p>6.1.2 System information provided by the SP which includes:</p> <ul style="list-style-type: none"> • System snapshot • Reserve requirement • Outage schedule • Transmission limits • Security limits • Contingency list • Load pattern <p>6.1.3 Re-Dispatch instructions from the System Operator</p> <p>6.1.4 Energy and Reserve Offers of Scheduled Generators and Interruptible Loads</p> <p>6.1.5 Compliance to the Dispatch Schedule of Scheduled Generators and Interruptible Loads</p> <p>6.1.6 Demand Bids of Dispatchable Loads</p>	<p>4.1.1</p> <p>a) <u>Inputs provided by the Market Operator</u></p> <ul style="list-style-type: none"> ➤ Load Forecast ➤ Load Pattern ➤ Reserve Requirements ➤ Changes to the Market Network Model <p>b) System information provided by the SP which includes:</p> <ul style="list-style-type: none"> • System snapshot • Reserve requirement • Outage schedule • Transmission limits • Security limits • Contingency list • Load pattern <p>c) Re-Dispatch instructions from the System Operator</p> <p>d) Energy and Reserve Offers of Scheduled Generators and Interruptible Loads</p>	

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Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
		6.1.7 Load forecast submitted by Customers	<p>e) Compliance to the Dispatch Schedule of Scheduled Generators and Interruptible Loads</p> <p>f) Demand Bids of Dispatchable Loads</p> <p>g) Load forecast submitted by Customers Customer Load Forecast</p>	

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Title	Section	Provision	Proposed Amendment	Rationale
		Further monitoring and investigation of any identified action or behavior is the responsibility of the Market Surveillance Committee.	Further monitoring and investigation of any identified action or behavior is the responsibility of the Market Surveillance Committee.	Deleted as this already covered in Section 4.2.3
Publication and Effectivity	5	NEW SECTION	<p><u>5 Publication And Effectivity</u></p> <p><u>5.1 Amendments to this manual</u></p> <p><u>Any amendment to, or revision to this Manual shall be approved by the PEM Board.</u></p> <p><u>5.2 Publication and Effectivity</u></p> <p><u>Upon approval of the PEM Board, this Market Manual shall take effect fifteen (15) days from its publication, or such later date as the PEM Board determines, in accordance with the provisions in the Manual of Procedures for Changes to the WESM Rules</u></p>	Added for clarity and reference.

ANNEX A

Proposed Amendments to the Manual on the Guidelines for Significant Variations

Proposed Section 4.3

LIST OF POSSIBLE SIGNIFICANT VARIATIONS IN AND IN-BETWEEN TRADING INTERVALS

The following list contains the possible significant variations in and between trading intervals that are typically observed in the WESM. The Market Operator may include cases of other variations that is evaluated to have significantly affected the market results.

Responsible	Action/Event	Identification of a Possible Significant Event
Market Operator	Regional Forecast	Forecast error is greater than the forecast error tolerance defined in the Market Operator Performance Standards (MOPS)
	Nodal Forecast	
	Latest Snapshot Not Processed By MMS	Real-time power system configuration not reflected in the Market Network Model
	Changes to the Market Network Model	Updates to the representation of the Market Network Model
System Operator	Submission of: <ul style="list-style-type: none"> ▪ Outage Schedule ▪ Security Limits ▪ Transmission Limits ▪ Contingency Lists 	Submitted information provided by the System Operator that eventually affected the market results.
	Dispatch instructions that deviate by more than the dispatch tolerance.	Dispatch instructions that significantly deviate from dispatch targets issued by the MMS.

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Proposed Amendments to the Manual on the Guidelines for Significant Variations

Responsible	Action/Event	Identification of a Possible Significant Event
	Unscheduled Tripping and/or switching of T/L	Reconfiguration of MNM and instigation of transmission constraint
	Unscheduled Tripping of Major Transmission line that results in an Electrical Islanding condition, Over-generation, Under-generation etc.	MDOM results indicate the application of Constraint Violation Coefficients.
	Unscheduled Generator shut down	Generator shut down significantly impacts market prices.
	Non-updating system snapshot	Real-time configuration and state is not captured in the real-time dispatch process.
	Automatic/Manual Load Shedding	Automatic or Manual Load Shedding affected the resulting prices and schedules.
Generators and Interruptible Loads	Offer and Bid Submission	Submitting generation offers less than their respective registered capacity
	Cancellation of Bids/offers	Cancellation of bids/offers.
	Dispatch schedule	Non-compliance to dispatch instructions
Customers	Submission of Customer Forecast	Submitting low demand forecast (just above allowable forecasting threshold) and actually using high demand level as reflected in the snapshot.
	Reconfiguration of Sub transmission system	Unscheduled switching of Distribution lines not reflected in market network model resulting to re-distribution of nodal demand in real-time

Note: For convenience, please underline and put in bold letters the proposed changes to the WESM Manual.