

**WHOLESALE ELECTRICITY SPOT MARKET  
RULES CHANGE COMMITTEE**

**RESOLUTION NO. 2015-10**

**Proposal for Amendment to the WESM Rules on Preferential Dispatch, Fit-All  
Collection Implementation, and Submission of Standing Offers**

**WHEREAS**, on 29 May 2015, the Rules Change Committee (RCC) received the Philippine Electricity Market Corporation's (PEMC) Proposal for Amendment to the WESM Rules on Preferential Dispatch and Fit-All Collection Implementation;

**WHEREAS**, the Proposal is the first stage of PEMC's compliance with the Department of Energy Department Circular No. DC 2015-03-0001, directing PEMC to "*undertake the necessary amendment in the WESM Rules and pertinent Market Manuals to implement Must Dispatch and Priority Dispatch of eligible renewable energy plants in the WESM,*" among others, and which once approved, will be followed by the necessary amendments to the Market Manuals on Registration, Dispatch Protocol, and Information Disclosure and Confidentiality;

**WHEREAS**, the Proposal involves revisions relating to registration; submission of data; scheduling and pricing; dispatch implementation; and information disclosure;

**WHEREAS**, on 03 June 2015 during the 100<sup>th</sup> RCC meeting, the Proposal was presented by PEMC and was, thereafter, approved by the RCC for posting to solicit comments of Participants and interested parties;

**WHEREAS**, on 04 June 2015, the Proposal was published in the market information website, with notice to participants sent the following day;

**WHEREAS**, in response to the RCC's call for comments relative to the Proposal, written submission of their comments were received from the DOE, WESM Technical Committee (TC), Philippine Independent Power Producers Association (PIPPA), Aboitiz Power Corporation (APC), San Carlos Solar Energy, Inc. (SACASOL) and Northwind Power Development Corporation;

**WHEREAS**, during the 103<sup>rd</sup> RCC Meeting on 05 August 2015, the RCC deliberated upon the Proposal and gave due course to all the comments received relative to thereto;

**WHEREAS**, in the same meeting, following the discussions, the RCC approved the Proposed Amendment to the WESM Rules on Preferential Dispatch and Fit-All Collection Implementation, as revised, giving merit to the comments of the body and the parties that submitted their comments;

**WHEREAS**, the RCC agreed to endorse the Proposal to the PEM Board, for its approval and subsequent endorsement to the DOE;



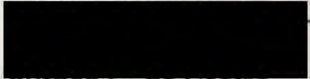
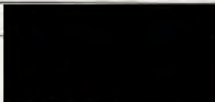
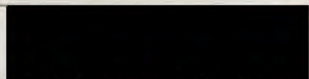
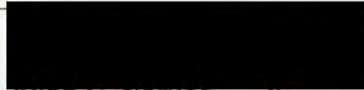
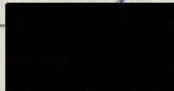
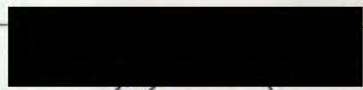
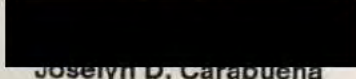
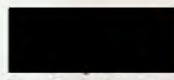
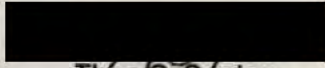
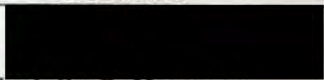
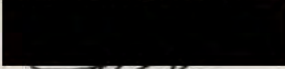
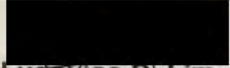
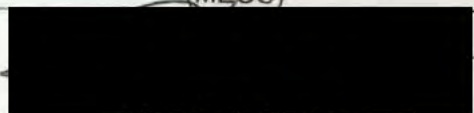
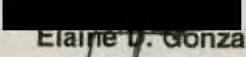
**WHEREAS**, the RCC further agreed to incorporate the Proposal for Amendment to the WESM Rules in relation to the Submission of Standing Offers, which was previously endorsed by the RCC to the PEM Board but was remanded, with instructions for the RCC to harmonize it with the Proposal on Preferential Dispatch;

**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 WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers (ANNEX A), is hereby adopted and approved by the RCC;

**RESOLVED FURTHER**, that the attached Proposal for Amendments to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers is hereby endorsed to the PEM Board for approval and endorsement to the DOE.

Done this 05 August 2015, Pasig City.

<p>Approved by:</p> <p><b>RULES CHANGE COMMITTEE</b></p> <p></p> <p><b>Maila Lourdes G. de Castro</b> Chairperson Independent</p>	
Members:	
<p></p> <p><b>Concepción I. Tanglao</b> Independent</p>	<p></p> <p><b>Francisco L.R. Castro, Jr.</b> Independent</p>
<p></p> <p><b>Allan C. Nerves</b> Independent</p>	<p></p> <p><b>Isidro E. Cacho, Jr.</b> Market Operator Philippine Electricity Market Corporation (PEMC)</p>
<p></p> <p><b>Ambrosio R. Rosales</b> Transmission Sector National Grid Corporation of the Philippines (NGCP)</p>	<p></p> <p><b>Joselyn D. Carabuena</b> Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)</p>
<p></p> <p><b>Jose Ferlino P. Raymundo</b> Generation Sector SMC Global</p>	<p></p> <p><b>Theo C. Sanico</b> Generation Sector Vivant Corporation</p>
<p></p> <p><b>Ciprinillo C. Meneses</b> Distribution Sector (PDU) Manila Electric Company (MERALCO)</p>	<p></p> <p><b>Jose P. Santos</b> Distribution Sector (EC) Ilocos Norte Electric Cooperative, Inc. (INEC)</p>
<p><b>Gilbert A. Pagobo</b> Distribution Sector Mactan Electric Company (MECO)</p>	<p></p> <p><b>Eduvico D. Lim</b> Distribution Sector Antique Electric Cooperative, Inc. (ANTECO)</p>
<p></p> <p><b>Lorieto H. Rivera</b> Supply Sector TeaM (Philippines) Energy Corporation (TPEC)</p>	<p>Certified True and Correct:</p> <p></p> <p><b>Elaine D. Gonzales</b> RCC Secretary PEMC</p>



# ANNEX A (RCC-RESO-15-10)

## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
CATEGORIES OF WESM MEMBER – Generators	2.3.1.2	To register as a <i>WESM member</i> , a <i>Generation Company</i> shall: (a) Classify each of the <i>generating units</i> which form part of the <i>generating system</i> it owns, operates or controls or from which it otherwise sources electricity as either: (1) A <i>scheduled generating unit</i> ; or (2) A <i>non-scheduled generating unit</i> ; or (3) A new and renewable energy (NRE) <i>generating unit</i> with <i>intermittent energy resource</i> ;  xxx	To register as a <i>WESM member</i> , a <i>Generation Company</i> shall: (a) Classify each of the <i>generating units</i> which form part of the <i>generating system</i> it owns, operates or controls or from which it otherwise sources electricity as either: (1) A <i>scheduled generating unit</i> ; or (2) A <i>non-scheduled generating unit</i> ; or <del>(3) A new and renewable energy (NRE) generating unit with intermittent energy resource;</del> <b>(3) A must dispatch generating unit; or</b> <b>(4) A priority dispatch generating unit;</b>  xxx	To provide registration categories for must dispatch and priority dispatch generating units.
	2.3.1.3	A generating unit or a group of generating units connected at a common connection point with a nameplate rating or a combined nameplate rating of greater than or one tenth of one percent (> 0.1%) of the peak load in a particular reserve region <i>reserve region</i> shall be classified as a <i>scheduled generating unit</i> .	<b>Subject to WESM Rules Clauses 2.3.1.5 and 2.3.1.6, A a generating unit or a group of generating units</b> connected at a common connection point with a nameplate rating or a combined nameplate rating of greater than or <b>equal to</b> one tenth of one percent (> 0.1%) of the peak load in a particular reserve region shall be classified as a <i>scheduled generating unit</i> .	The purpose of this amendment is to enable large renewable generating units to have the option of registering either as a Scheduled Generating Unit or a must dispatch generating unit or a priority dispatch generating unit.

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## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
	2.3.1.4	A generating unit or a group of generating units connected at a common connection point with a nameplate rating and a combined nameplate rating of less than one tenth of one percent (< 0.1%) of the peak load in a particular reserve region, or less than ten percent (< 10%) of the size of interconnection facilities, whichever is lower, shall be classified as a non-scheduled generating unit, but may at its option be classified as a scheduled generating unit.	<u>Subject to WESM Rules Clauses 2.3.1.5 and 2.3.1.6</u> , a <i>generating unit</i> or a group of <i>generating units</i> connected at a common connection point with a nameplate rating or a combined nameplate rating of less than one tenth of one percent (< 0.1%) of the peak load in a particular reserve region, or less than ten percent (< 10%) of the size of interconnection facilities, whichever is lower, shall be classified as a <i>non-scheduled generating unit</i> , but may at its option be classified as a <i>scheduled generating unit</i> .	The purpose of this amendment is to enable small renewable generating units to have the option of registering either as a Non-Scheduled Generating Unit or a must dispatch generating unit or a priority dispatch generating unit.



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## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
	2.3.1.5	A generating unit or group of generating units connected at a common connection point whose energy resource is location specific and has a natural variability which renders the output unpredictable and the availability of the resource inherently uncontrollable shall be classified as an NRE generating unit with intermittent energy resource, but may at its option be classified as a scheduled generating unit.	<del>A generating unit or group of generating units connected at a common connection point whose energy resource is location specific and has a natural variability which renders the output unpredictable and the availability of the resource inherently uncontrollable shall be classified as an NRE generating unit with intermittent energy resource that is intermittent</del> <u>renewable energy resource-based, whether or not under the Feed-In Tariff system, such as wind, solar, run-of-river hydro or ocean energy with the corresponding DOE certification shall be classified as a must dispatch generating unit, but may at its option be classified as a scheduled generating unit or a non-scheduled generating unit subject to WESM Rules Clause 2.3.1.4.</u>	Establishes the criteria for classifying a generator as a must dispatch generating unit based on the definition provided in DC2015-03-0001. The new clause also provides generators eligible to be classified as must dispatch generating units the option to be classified as scheduling or non-scheduled generating units.



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Title	Clause	Provision	Proposed Amendment	Rationale
	New Provision inserted as 2.3.1.6		<u>A generating unit or group of generating units connected at a common connection point that uses biomass as fuel, that is under the FIT system, with the corresponding Feed-In Tariff Certificate of Compliance shall be classified as a priority dispatch generating unit, but may at its option be classified as a scheduled generating unit or a non-scheduled generating unit subject to WESM Rules Clause 2.3.1.4</u>	Establishes the criteria for classifying a generator as a priority dispatch generating unit based on the definition provided in DC2015-03-0001. The new clause also provides generators eligible to be classified as priority dispatch generating units the option to be classified as scheduling or non-scheduled generating units.
	2.3.1.6	A Generation Company is taken to be a Scheduled Generation Company only so far as its activities relate to any scheduled generating unit,	2.3.1.7 A Generation Company is taken to be a Scheduled Generation Company only so far as its activities relate to any scheduled generating unit,	Renumbering due to insertion of proposed new provision as number 2.3.1.6
	2.3.1.7	A Scheduled Generation Company is required to operate any scheduled generating unit in accordance with the scheduling and dispatch procedures described in	2.3.1.8 A <b>Scheduled</b> Generation Company is required to operate <u>any scheduled generating units and priority dispatch generating units</u> in accordance with the	Re-numbered 2.3.1.8  Provides the basis for the enforcement of dispatch tolerances.



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Title	Clause	Provision	Proposed Amendment	Rationale
		chapter 3, within the dispatch tolerances specified in accordance with clause 2.3.3.5.	and dispatch procedures described in chapter 3, within the <i>dispatch tolerances</i> specified in accordance with <b><u>WESM Rules Clause 3.8.7.</u></b>	While must dispatch generating units generally are not subject to dispatch tolerances, it must be able to reduce its output, if required by the System Operator for reasons of system security, and is therefore included in this clause.
CATEGORIES OF WESM MEMBER - Trading Participant	2.3.3.5	Prior to registration of a Trading Participant in respect of a scheduled generation unit or scheduled load facility, an Intending WESM member may seek a ruling from the System operator with respect to the dispatch tolerances to be applied.	Prior to registration of a <i>Trading Participant</i> in respect of a <i>scheduled generating unit or a priority dispatch generating unit</i> or <i>scheduled load facility</i> , an <i>Intending WESM member</i> may seek a ruling from the <i>System eOperator</i> with respect to the <i>dispatch tolerances</i> to be applied.	To clarify that priority dispatch generators can also seek a ruling from the System Operator for its dispatch tolerance.
	2.3.3.8	A Scheduled Generation Company may appeal to the PEM Board in respect of a ruling* provided under this section that is relevant to that person or entity (*related to System Operator rulings on dispatch tolerances)	A <b>Scheduled Generation Company</b> may appeal to the <i>PEM Board</i> in respect of a ruling provided under <b><u>WESM Rules Clauses 2.3.3.5, 2.3.3.6 or 2.3.3.7</u></b> that is relevant to that person or entity.	Include the priority dispatch generators to appeal rulings with respect to dispatch tolerances.
SUBMISSION OF OFFERS, BIDS, AND DATA – System Operator Data	3.5.3.7 (new)	(Blank)	<b><u>The System Operator shall submit to the Market Operator a VRE Aggregated Generation Forecast for each of the next twenty-four (24) trading intervals and update the same once every trading interval in accordance with the relevant Market Manual</u></b>	To make the rules consistent with the pertinent provisions of the Philippine Grid Code Amendment No. 2 on variable renewable energy (VRE)



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Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment and the relevant provisions of the Grid Code.	Rationale
	3.5.3.8 (new)	(Blank)	<u>The System Operator shall submit to each must dispatch generating unit its evaluated schedule in consideration of actual system conditions including, but not limited to, ancillary services schedules and transmission line constraints.</u>	To make the rules consistent with the pertinent provisions of the Philippine Grid Code Amendment No. 2 on variable renewable energy (VRE)
	3.5.3.9 (new)	(Blank)	<u>The System Operator shall submit to the Market Operator forecasts on the loading levels of must dispatch generating units in accordance with the relevant Market Manual.</u>	To provide the System Operator the option to provide the Market Operator its forecasts of the loading levels of each must dispatch generating unit
	3.5.4.2	Each net load forecast shall be prepared in such a way as to represent the net load to be met by scheduled generation, including losses occurring outside the system represented by the market network model, but excluding any scheduled load, and less: (a) Non-scheduled generation, and (b) Generation from NRE generating units with intermittent energy resource.	Each net load forecast shall be prepared in such a way as to represent the net load to be met by <del>scheduled generation</del> <u>from scheduled generating units, must dispatch generating units, priority dispatch generating units, and non-scheduled generating units</u> including losses occurring outside the system represented by the market network model, but excluding any scheduled load, <del>and less:</del> (a) <del>non-scheduled generation, and</del> (b) <del>Generation from NRE generating units with intermittent energy resource.</del>	To remove references to NRE generating units with intermittent energy resources and clarify treatment of must and priority dispatch generating units and non-scheduled generating units with regard to the preparation of net load forecasts



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## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
3.5.5 Generation Offers and Data	3.5.5.1	Each <i>Scheduled Generation Company</i> including <i>Generation Companies</i> with <i>bilateral contracts</i> shall submit a standing <i>generation offer</i> for each of its <i>scheduled generating units</i> for each <i>trading interval</i> in each <i>trading day</i> of the week in accordance with the <i>timetable</i> .	Each <i>Scheduled Generation Company</i> including <i>Generation Companies</i> with <i>bilateral contracts</i> shall submit a standing <i>generation offer</i> for each of its <i>scheduled generating units</i> for each <i>trading interval</i> in each <i>trading day</i> of the week in accordance with the <i>timetable</i> . <b><u>The standing generation offer shall apply until revised or updated by the Scheduled Generation Company.</u></b>	To ensure that standing offers from scheduled generating units are available in the WESM for each trading interval in each trading day of the week in accordance with the timetable
SUBMISSION OF OFFERS, BIDS, AND DATA - Generation Offers and Data	3.5.5.4	Each <i>Non-Scheduled Generation Company</i> shall submit a standing schedule of <i>loading levels</i> for each of its <i>non-scheduled generating units</i> for each <i>trading interval</i> in each <i>trading day</i> of the week in accordance with the <i>timetable</i> .	Each <i>Non-Scheduled Generation Company</i> shall submit a standing <b><u>schedule nomination</u></b> of <i>loading levels</i> for each of its <i>non-scheduled generating units</i> for each <i>trading interval</i> in each <i>trading day</i> of the week in accordance with the <i>timetable</i> . <b><u>The standing nomination of loading levels shall apply until revised or updated by the Non-Scheduled Generation Company.</u></b>	To ensure that standing offers from scheduled generating units are available in the WESM for each trading interval in each trading day of the week in accordance with the timetable;  To revise the treatment of non-scheduled generators from submitting schedules to submitting nominations that may be constrained by the MDOM
	3.5.5.5	Each NRE Generation Company with intermittent energy resource shall submit its projected output for each of its generating units for each trading interval in each trading day of the week in accordance with the timetable.	<del>Each NRE Generation Company with intermittent energy resource shall submit its projected output for each of its generating units for each trading interval in each trading day of the week in accordance with the timetable.</del>  <b><u>Generation Companies shall provide to the Market Operator and the System Operator</u></b>	To document the requirement of preferential dispatch generators to provide forecasts of outputs, and to provide the basis for the Dispatch Protocol to specify further related procedures.



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## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
			<u>standing projected outputs in respect of their must dispatch generating units and priority dispatch generating units for each trading interval in each trading day of the week in accordance with the relevant Market Manual and provisions of the Grid Code. The standing projected outputs shall apply until revised or updated by the relevant Generation Company.</u>	
	3.5.5.6 (new)	(Blank)	<u>A Trading Participant who fails to submit projected outputs for its must dispatch generating unit or priority dispatch generating unit as provided under WESM Rules Clause 3.5.5.5 may be liable for sanctions imposed under WESM Rules Clause 7.2.</u>	To provide the WESM Rules with a basis to impose sanctions on must dispatch and priority dispatch plants for not submitting forecasts.
	3.5.5.7 (new)	(Blank)	<u>Each Generation Company shall submit check data to be used by the Market Operator, in accordance with the relevant Market Manual, to assist in determining the validity of any projected output submitted in respect of a must dispatch generating unit or a priority dispatch generating unit under WESM Rules Clause 3.5.5.5.</u>	To ensure output forecasts are provided in a manner that enables the Market Operator to undertake a validity check  To provide the Dispatch Protocol with the basis to require the provision of the check data that will be used



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Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
	3.5.5.8 (new)	(Blank)	<u>Must dispatch generating units shall comply with forecast accuracy standards, in respect of their projected outputs submitted under WESM Rules Clause 3.5.5.5, consistent with the Grid Code.</u>	To specify that DOE is the entity to set the forecast accuracy standards
	3.5.5.9 (new)	(Blank)	<u>The Market Operator shall review annually the forecast accuracy standards complied with by must dispatch generating units in accordance with WESM Rules Clause 3.5.5.8.</u>	To require the MO to review the standards and propose revisions to the DOE as necessary
	3.5.5.10 (new)	(Blank)	<u>A Trading Participant who fails to meet the requisite forecast accuracy standards set out in accordance with WESM Rules Clause 3.5.5.8 in respect of projected outputs for a must dispatch generating unit submitted under WESM Rules Clause 3.5.5.5 may be liable for sanctions imposed under WESM Rules Clause 7.2.</u>	To provide the WESM Rules with a basis to impose sanctions on must dispatch plants for not meeting the forecast accuracy standards.
	3.5.5.11 (new)	(Blank)	<u>The Market Operator shall report to the PEM Board and the DOE the monthly and annual compliance of each must dispatch generating unit to the forecast accuracy standards with respect to its projected outputs.</u>	To reflect the requirement in DC2015-03-0001 for PEMC to report the annual compliance to the forecast accuracy standards



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## Proposed Amendment to the WESM Rules on Preferential Dispatch, Fit-All Collection Implementation, and Submission of Standing Offers

Title	Clause	Provision	Proposed Amendment	Rationale
3.5.7 Generation Company Reserve Offers	3.5.7.2	When applicable, subject to clause 3.3.4.2, each <i>Scheduled Generator</i> registered as an <i>Ancillary Services Provider</i> in respect of a <i>reserve facility</i> in a particular <i>reserve region</i> shall submit a standing <i>reserve offer</i> for each of its relevant <i>reserve facilities</i> in respect of that <i>reserve region</i> for each <i>trading interval</i> for each day of the week in accordance with the <i>timetable</i> .	When applicable, subject to clause 3.3.4.2, each <i>Scheduled Generator</i> registered as an <i>Ancillary Services Provider</i> in respect of a <i>reserve facility</i> in a particular <i>reserve region</i> shall submit a standing <i>reserve offer</i> for each of its relevant <i>reserve facilities</i> in respect of that <i>reserve region</i> for each <i>trading interval</i> for each day of the week in accordance with the <i>timetable</i> . <b><u>The standing reserve offer shall apply until revised or updated by the Scheduled Generator registered as an Ancillary Services Provider.</u></b>	To ensure that standing reserve offers from scheduled generating units registered as A/S provider are available in the WESM for each trading interval in each trading day of the week in accordance with the timetable
	3.5.9.1	A standing <i>generation offer</i> , a standing <i>reserve offer</i> , a standing <i>schedule of loading levels</i> or a standing <i>demand bid</i> for any <i>trading interval</i> in any day of the week may be revised by the relevant <i>Generation Company</i> or <i>Customer</i> in accordance with the <i>timetable</i> .	A standing <i>generation offer</i> , a standing <i>reserve offer</i> , a standing <i>schedule</i> <del><i>nomination</i></del> of <i>loading levels</i> , <b><u>a standing projected output</u></b> , or a standing <i>demand bid</i> for any <i>trading interval</i> in any day of the week may be revised by the relevant <i>Generation Company</i> or <i>Customer</i> in accordance with the <i>timetable</i> .	To include projected output in the list of data that may be updated
	3.5.9.2	A standing <i>generation offer</i> , a standing <i>reserve offer</i> , or a standing <i>demand bid</i> which is revised under clause 3.5.9.1:  XXX	A standing <i>generation offer</i> , a standing <i>reserve offer</i> , <b><u>a standing nomination of loading levels, a standing projected output</u></b> , or a standing <i>demand bid</i> which is revised under <b><u>WESM Rules</u></b> Clause 3.5.9.1:  XXX	To include projected output in the list of data that may be updated



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Title	Clause	Provision	Proposed Amendment	Rationale
Initial setting of Market Offers/Bids	3.5.10	When the <i>Market Operator</i> updates a <i>market projection</i> under clause 3.7, the <i>standing offers</i> and <i>standing bids</i> shall be effective in the absence of revised <i>market offers</i> and <i>market bids</i> for the corresponding <i>trading interval</i> and day of the week.	When the <i>Market Operator</i> updates a <i>market projection</i> under <b><u>WESM Rules</u></b> Clause 3.7, the <i>standing offers</i> , <b><u>standing nomination of loading levels</u></b> , <b><u>standing projected outputs</u></b> , and <i>standing bids</i> shall be effective in the absence of revised <i>market offers</i> , <b><u>nomination of loading levels</u></b> , <b><u>projected outputs</u></b> , and <i>market bids</i> for the corresponding <i>trading interval</i> and day of the week.	To include the standing nominations and projected outputs of non-scheduled generators and preferential dispatch generating units, respectively
Revision of Market Offers/Bids	3.5.11	Revision of Market Offers/Bids	Revision of Market Offers/Bids, <b><u>Nomination of Loading Levels</u></b> , and <b><u>Projected Outputs</u></b>	To include the nomination of loading levels and projected output in the heading
	3.5.11.1	Each scheduled Trading Participant which has submitted standing offers or bids may revise any of its market offers or market bids for any trading interval in any trading day of the current week-ahead market horizon in accordance with the timetable, and subject to clause 3.5.11.3 and each revised market offer or market bid submitted shall provide the information set out in Appendix A2.	Each scheduled Trading Participant which has submitted standing offers or bids may revise any of its market offers or market bids for any trading interval in any trading day of the current week-ahead market horizon in accordance with the timetable, and subject to <b><u>WESM Rules</u></b> <del>c</del> <b>Clause 3.5.11.34</b> and each revised market offer or market bid submitted shall provide the information set out in Appendix A2.	
	3.5.11.2	Each <i>Generation Company</i> which has submitted a schedule of <i>loading levels</i> for its <i>non-scheduled generating units</i> shall revise its schedule of <i>loading levels</i> if it reasonably expects that any of its anticipated <i>loading levels</i> will differ	Each <i>Generation Company</i> which has submitted a <b><u>nomination schedule</u></b> of <i>loading levels</i> for its <i>non-scheduled generating units</i> shall revise its <b><u>nomination schedule</u></b> of <i>loading levels</i> if it reasonably expects that any of its	To change the treatment of non-scheduled generators from schedules to nominations



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		materially from those previously submitted.	anticipated <i>loading levels</i> will differ materially from those previously submitted.	
	Inserted a new provision as 3.5.11.3		<b><u>Each Generation Company which has submitted projected outputs for its must dispatch generating units or priority dispatch generating units shall revise its projected outputs if it reasonably expects that any of its projected outputs will differ materially from those previously submitted.</u></b>	To allow Trading Participants to revise their projected output.  To ensure must dispatch and priority dispatch plants are able to revise forecasts if there are changes to their availability.
	3.5.11.3	In accordance with the <i>timetable</i> , a revised <i>market offer</i> or <i>market bid</i> submitted under clause 3.5.11.1 shall take effect the next time a <i>dispatch</i> , <i>pricing</i> or <i>day-ahead projection</i> run is initiated.	3.5.11.4 In accordance with the <i>timetable</i> , a revised <i>market offer</i> or <i>market bid</i> submitted under <b><u>WESM Rules Clause 3.5.11.1, a revised nomination of loading level submitted under WESM Rules Clause 3.5.11.2, or a revised projected output submitted under WESM Rules Clause 3.5.11.3</u></b> shall take effect the next time a <i>dispatch</i> , <i>pricing</i> or <i>day-ahead projection</i> run is initiated.	Re-numbered as 3.5.11.4  To allow Trading Participants to revise their project output
	3.5.11.4	Market bids or market offers for any trading interval may be revised by Trading Participants prior to gate closure if they no longer represent a reasonable estimate of: (a) The expected availability of the relevant generating unit or scheduled load for that trading interval; or (b) The demand bids or offers	3.5.11.5 Market bids or market offers for any trading interval may be revised by Trading Participants prior to gate closure if they no longer represent a reasonable estimate of: (a) The expected availability of the relevant generating unit or scheduled load for that trading interval; or	Re-numbered 3.5.11.5



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Title	Clause	Provision	Proposed Amendment	Rationale
		likely to apply for the real time dispatch optimization of that trading interval.	(b) The demand bids or offers likely to apply for the real time dispatch optimization of that trading interval.	
	3.5.11.5	In submitting Market bids or market offers for any trading interval, Trading Participants shall also take into account the following: (a) The time remaining until the occurrence of the relevant trading interval involved; and (b) Provision of reasons or circumstances whenever the submitted Market bids or market offers are cancelled or are less than the registered capacity of its facility or generating unit.	3.5.11.6 In submitting Market bids or market offers for any trading interval, Trading Participants shall also take into account the following: (a) The time remaining until the occurrence of the relevant trading interval involved; and (b) Provision of reasons or circumstances whenever the submitted Market bids or market offers are cancelled or are less than the registered capacity of its facility or generating unit.	Re-numbered to 3.5.11.6
	3.5.11.6	<i>Trading Participants</i> shall immediately advise the <i>System eOperator</i> and <i>Market Operator</i> of any circumstances which threaten a significant probability of material adverse change in the state of their facilities in any <i>trading interval</i> of any trading day in the current <i>week-ahead market horizon</i> .	3.5.11.7 <i>Trading Participants</i> shall immediately advise the <i>System eOperator</i> and <i>Market Operator</i> of any circumstances which threaten a significant probability of material adverse change in the state of their facilities in any <i>trading interval</i> of any trading day in the current <i>week-ahead market horizon</i> .  <u>After the occurrence of the significant event referred to above, the <i>Trading Participant</i> shall submit a written report to the <i>Market Operator</i> with supporting data immediately within the following trading day.</u>	Re-numbered to 3.5.11.7 and recommended to require TPs to submit a report, including supporting documents related to any circumstance that may materially change the state of their facilities.



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Title	Clause	Provision	Proposed Amendment	Rationale
	3.5.11.7	Prior to the spot market commencement date, the System operator, in consultation with WESM members, shall publish a non-exhaustive list of events that will be deemed to be or to cause a material adverse change in circumstances for the purposes of clause 3.5.11.6.	3.5.11. 8 <b>Prior to the spot market commencement date, the System eOperator, in consultation with WESM members, shall publish a non-exhaustive list of events that will be deemed to be or to cause a material adverse change in circumstances for the purposes of WESM Rules eClause 3.5.11.7.</b>	Renumbered to 3.5.11.8 and minor clerical edits
	3.5.11.8	Each <i>market offer</i> or <i>market bid</i> for a particular <i>trading interval</i> is deemed to stand with effect from the time it is initiated under clause 3.5.10 or revised under clause 3.5.11 and will be used in preparing all <i>market forecasts, dispatch targets or prices</i> for that <i>trading interval</i> , unless and until a valid revision to the <i>market offer</i> is accepted by the <i>Market Operator</i>	Each <i>market offer, nomination of loading level, projected output, or market bid</i> for a particular <i>trading interval</i> is deemed to stand with effect from the time it is initiated under <b>WESM Rules</b> Clause 3.5.10 or revised under <b>WESM Rules</b> Clause 3.5.11 and will be used in preparing all <i>market forecasts, dispatch targets or prices</i> for that <i>trading interval</i> , unless and until a valid revision to the <i>market offer, nomination of loading level, projected output, or market bid</i> is accepted by the <i>Market Operator</i>	Renumbered to 3.5.11.9  To include the nomination of loading levels and projected output in the clarification  To also add "market bid" in the latter part of the clause for completeness
Confirmation of Receipt of Valid Offers and Bids	3.5.12	Confirmation of Receipt of Valid Offers and Bids	Confirmation of Receipt of Valid Offers, and Bids, <b>Nomination of Loading Levels, and Projected Outputs</b>	To include Market Operator requirement to acknowledge receipt of Projected output.
	3.5.12.1	To be valid, <i>generation offers, reserve offers or demand bids</i> shall be submitted by the relevant <i>Trading Participant</i> : (a) In accordance with clause 3.5.1, (b) In accordance with the	To be valid, <i>generation offers, reserve offers, nomination of loading levels, projected outputs or demand bids</i> shall be submitted by the relevant <i>Trading Participant</i> : (a) In accordance with <b>WESM Rules</b> eClause 3.5.1,	To include nomination of loading levels and projected output in the validation of data submissions



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Title	Clause	Provision	Proposed Amendment	Rationale
		timetable; and (c) Consistent with the check data submitted by the Trading Participant under clauses 3.5.5.3, 3.5.6.3, and 3.5.7.4 as appropriate.	(b) In accordance with the timetable; and (c) Consistent with the check data submitted by the Trading Participant under <b><u>WESM Rules e</u></b> Clauses 3.5.5.3, <b><u>3.5.5.7</u></b> , 3.5.6.3, and 3.5.7.4 as appropriate.	
	3.5.12.2	The Market Operator shall send to each Trading Participant horn whom it has received a valid generation offer, reserve offer or valid demand bid, an electronic confirmation of receipt and acceptance of that generation offer, reserve offer or demand bid in accordance with the timetable.	The Market Operator shall send to each Trading Participant <b><u>horn from</u></b> whom it has received a valid generation offer, <b><u>valid nomination of loading level, valid reserve offer, valid demand bid or valid projected output</u></b> , an electronic confirmation of receipt and acceptance of that <b><u>generation offer, nomination of loading level, reserve offer, demand bid or projected output</u></b> in accordance with the timetable <b><u>prescribed in the relevant Market Manual</u></b> .	To ensure the Market Operator acknowledges the receipt of output forecasts from must/priority dispatch plants  To provide the Dispatch Protocol with the basis to prescribe the timetable for offer/bid/forecast acknowledgement (currently the term timetable is not defined in the WESM Rules.  To correct a minor typo (changing horn to from)
	3.5.12.3	If a Trading Participant does not receive confirmation of receipt under clause 3.5.12.2, from the Market Operator in accordance with the timetable, the Trading Participant shall contact the Market Operator to determine whether or not the generation offer, reserve offer or demand bid was received.	If a Trading Participant does not receive confirmation of receipt under <b><u>WESM Rules e</u></b> Clause 3.5.12.2, from the Market Operator <b><u>in accordance with the timetable</u></b> , the Trading Participant shall contact the Market Operator to determine whether or not the <b><u>generation offer, nomination of loading level, reserve offer, demand bid, or projected output</u></b> was received.	To include project output and nomination of loading level provision in the current bid/offer process  To remove the reference to "timetable" as it is redundant, since this clause already references clause 3.5.12.2 which provides the basis for timing for sending confirmation receipts.



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Title	Clause	Provision	Proposed Amendment	Rationale
	3.5.12.4	If the offer or bid is invalid, the Market Operator shall promptly inform the Trading Participant to resubmit a corrected generation offer, reserve offered demand bid in accordance with clause 3.5.11.	If the <u>generation offer, reserve offer, demand bid, or projected output</u> is invalid, the Market Operator shall promptly inform the Trading Participant to resubmit a corrected generation offer, <u>reserve offer, demand bid or projected output</u> in accordance with <u>WESM Rules</u> <del>Clause</del> 3.5.11	To include output forecast provision in the current bid/offer process  To explicitly specify what type of data is being submitted.  To correct a typo – this clause referred to “reserve offered demand bids” when it should read “reserve offers, demand bids”
MARKET DISPATCH OPTIMIZATION MODEL - Model Definition	3.6.1.4(a)	In formulating the market dispatch optimization model, the Market Operator and System operator shall ensure that the dispatch for each trading interval is made subject to: (a) Constraints representing limits on generation offer, demand bid and when applicable reserve quantities as specified by Trading Participants in accordance with clause 3.5, except to the extent that as they may be relaxed in accordance with clause 3.5.13;	In formulating the <i>market dispatch optimization model</i> , the <i>Market Operator and System eOperator</i> shall ensure that the dispatch for each trading interval is made subject to: (a) Constraints representing limits on <i>generation offers, demand bids, nomination of loading levels, projected outputs</i> , and, when applicable, <i>reserve quantities offers</i> as specified by <i>Trading Participants</i> in accordance with <u>WESM Rules</u> <del>Clause</del> 3.5, except to the extent that as they may be relaxed in accordance with <u>WESM Rules</u> <del>Clause</del> 3.5.13;	To specify that non-scheduled generators and must/priority dispatch plants are included in the MDOM “offering” at their nominated loading level and forecasted output, respectively
	3.6.1.5(a)	The market dispatch optimization model shall be designed so that, subject to the approximations and adjustments provided for by clause 3.6.4: (a) It will produce an optimal dispatch given the objective defined by clause 3.6.1.3, and the constraint structure	The <i>market dispatch optimization model</i> shall be designed so that, subject to the approximations and adjustments provided for by <u>WESM Rules</u> <del>Clause</del> 3.6.4: (a) It will produce an optimal dispatch given the objective defined by <u>WESM Rules</u> <del>Clause</del> 3.6.1.3,	To clarify that MDOM will produce schedules for must/priority dispatch units as well as scheduled generating units and loads.



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Title	Clause	Provision	Proposed Amendment	Rationale
		defined by clause 3.6.1.4, and specifying dispatch targets for each scheduled generating unit, scheduled load and reserve facility;	and the constraint structure defined by <u>WESM Rules</u> <del>clause</del> 3.6.1.4, and specifying <i>dispatch</i> targets for each <i>scheduled generating unit</i> , <i>non-scheduled generating unit</i> , <i>must dispatch generating unit</i> , <i>priority dispatch generating unit</i> , <i>scheduled load</i> and <i>reserve facility</i> ;	
	3.6.1.6 (new)	(Blank)	<u>The Market Operator shall include each non-scheduled generating unit, must dispatch generating unit and priority dispatch generating unit in its Market Dispatch Optimisation Model as a price taker – that is, the generating unit is deemed to be available to run at the level specified in its nomination of loading level or projected output submitted in accordance with WESM Rules Clause 3.5.5 regardless of the prevailing market clearing price but subject to WESM Rules Clause 3.6.1.7.</u>	To explicitly specify the treatment of non-scheduled generators, and must and priority dispatch plants in the MDOM
	3.6.1.7 (new)	(Blank)	<u>The Market Operator may restrict the dispatch target of a non-scheduled generating unit, must dispatch generating unit or a priority dispatch generating unit in relation to a potential system security contingency but only insofar as the constraint forms part of the output of the market dispatch optimization model and is in accordance with the</u>	To explicitly specify the treatment of non-scheduled generators, and must and priority dispatch plants in the MDOM



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Title	Clause	Provision	Proposed Amendment	Rationale
			<u>hierarchy provided in WESM Rules Clause 3.6.1.8.</u>	
	3.6.1.8 (new)	(Blank)	<p><u>When restricting <i>dispatch targets</i> under <i>WESM Rules Clause 3.6.1.7</i>, the <i>market dispatch optimization model</i> shall consider the following hierarchy when a combination of the groups are to be restricted arranged from the last group to be restricted to the first group to be restricted:</u></p> <p><u>(a) Minimum stable load of scheduled generating units</u></p> <p><u>(b) Must dispatch generating units</u></p> <p><u>(c) Priority dispatch generating units</u></p> <p><u>(d) Non-scheduled generating units</u></p> <p><u>(e) Market offers of scheduled generating units beyond its minimum stable load</u></p>	To reflect in the WESM Rules the hierarchy to be considered in dispatch scheduling provided in DC2015-03-0001
MARKET PROJECTIONS – Preparation of Market Projections	3.7.3(e)	<p>Each <i>market projection</i> shall take into consideration:</p> <p>XXX</p> <p>(e) The <i>loading levels</i> for each <i>non-scheduled</i> and <i>NRE generating units</i> with <i>intermittent energy resource</i> in accordance with clause 3.5.5</p>	<p>Each <i>market projection</i> shall take into consideration:</p> <p>XXX</p> <p>(e) The <u><i>nomination of loading levels</i></u> for each <i>non-scheduled <u>generating unit</u> and the <u>projected output</u></i> for each <i>must dispatch generating unit</i> and <i>priority</i></p>	To explicitly include must/priority dispatch plants in the pre-dispatch projections



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Title	Clause	Provision	Proposed Amendment	Rationale
			<del>dispatch generating units</del> submitted under <del>WESM Rules</del> <del>Clause 3.5.5</del>	
MARKET PROJECTIONS – Published Information	3.7.4.1(d)	Based on the information referred to in clause 3.7.3, each market projection published by the Market Operator in accordance with the timetable shall contain the following information for each trading interval in the period covered by the market projection:  XXX  (d) Projected aggregate dispatch of scheduled generating units and scheduled load at each market network node;	Based on the information referred to in <b>WESM Rules Clause 3.7.3</b> , each <i>market projection</i> published by the <i>Market Operator</i> in accordance with the timetable <b><u>specified in the relevant Market Manual</u></b> shall contain the following information for each <i>trading interval</i> in the period covered by the <i>market projection</i> :  XXX  (d) Projected aggregate dispatch of <i>scheduled generating units, <u>must dispatch generating units, priority dispatch generating units, non-scheduled generating units</u>, and scheduled load</i> at each <i>market network node</i> ;	To explicitly include must/priority dispatch plants in the pre-dispatch projections.  To include non-scheduled generators in this change for completeness.
SCHEDULING AND DISPATCH IMPLEMENTATION – Responsibilities of the Market Operator	3.8.1(e)	Prior to commencement of each trading interval, the Market Operator shall, in consultation with the Grid Operator, and in accordance with the timetable:  XXX  (e) Use the market dispatch optimization model to determine the target loading level in MW for each scheduled generating unit or scheduled load and for each reserve facility for the end of that trading	Prior to commencement of each trading interval, the <i>Market Operator</i> shall, in consultation with the <i>Grid Operator</i> , and in accordance with the timetable <b><u>prescribed in the relevant Market Manual</u></b> :  XXX  (e) Use the <i>market dispatch optimization model</i> to determine the target loading level in MW for each <i>scheduled generating unit, <u>must</u></i>	To explicitly include must/priority dispatch plants in the real time scheduling and dispatch.  To include non-scheduled generators in this change for completeness.  To add a basis for the Dispatch Protocol to prescribe the RTD/RTX timetable, as the term timetable is not defined in the WESM Rules or in



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Title	Clause	Provision	Proposed Amendment	Rationale
		interval using the latest data from the System operator and Trading Participants;	<u><i>dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit, scheduled load and reserve facility for the end of that trading interval using the latest data from the System operator and Trading Participants;</i></u>	Dispatch Protocol.
	3.8.1(g) (new)	(Blank)	The Market Operator shall:  XXX  <u><i>(g) Send to all trading participants a dispatch schedule that contains target loading levels in respect of their scheduled generating unit, must dispatch generating unit, priority dispatch generating unit and non-scheduled generating units calculated under WESM Rules Clause 3.8.1(e) for each trading interval prior to the commencement of that trading interval in accordance with the relevant Market Manual.</i></u>	To align the rules with current practice (i.e., the Market Operator sends out RTD schedules to trading participants)  To explicitly specify that the Market Operator must send dispatch schedules in respect of all generating units (including must/priority dispatch)  To provide the basis for the Dispatch Protocol to provide further procedures around the dissemination of dispatch schedules.
	3.8.1(h) (new)	(Blank)	The Market Operator shall:  XXX  <u><i>(h) Ensure that the dispatch schedule issued to a must dispatch generating unit or priority dispatch generating unit includes the information on whether or not the scheduled</i></u>	To specify that the dispatch schedules of must dispatch and priority dispatch plants should indicate whether or not their output has been restricted



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Title	Clause	Provision	Proposed Amendment	Rationale
			<u>output of the generating unit has been restricted in accordance with WESM Rules Clause 3.6.1.7</u>	
SCHEDULING AND DISPATCH IMPLEMENTATION – Responsibilities of the System operator	3.8.2.2(g) (new)	(Blank)	<p>After each <i>trading interval</i>, in accordance with the timetable prescribed in the relevant <i>Market Manual</i>, the <i>System Operator</i> shall advise the <i>Market Operator</i> of:</p> <p>XXX</p> <p><u>(g) The following information in respect of <i>must dispatch generating units</i> and <i>priority dispatch generating units</i> :</u></p> <p><u>(i) Any output restrictions imposed by the <i>System Operator</i> or <i>Market Operator</i> on <i>must dispatch generating units</i> and <i>priority dispatch generating units</i>;</u></p> <p><u>(ii) The compliance of those units with those output restrictions;</u></p> <p><u>(iii) The compliance of <i>must dispatch generating units</i> and <i>priority dispatch generating units</i> with the other operating parameters imposed by the <i>Grid Code</i>; and</u></p> <p><u>(iv) Any other information prescribed in the relevant <i>Market Manual</i>.</u></p>	<p>To add extra post-dispatch reporting requirements of the System Operator to include dispatch compliance of must/priority dispatch plants.</p> <p>To add a basis for the Dispatch Protocol to prescribe the post dispatch reporting timelines, as the term "timetable" is not defined in the WESM Rules or in the Dispatch Protocol. This change would need to be made to the first paragraph of clause 3.8.2.2.</p>



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Title	Clause	Provision	Proposed Amendment	Rationale
	3.8.2.3 (new)	(Blank)	<u>Before each trading interval, in accordance with the timetable prescribed in the relevant Market Manual, the System Operator shall submit to the Market Operator the VRE Aggregated Generation Forecast for each interconnected system it operates in accordance with the Grid Code.</u>	To reflect the required submission of the System Operator provided in the Grid Code
SCHEDULING AND DISPATCH IMPLEMENTATION – Communication of target loading levels	3.8.3	Communication of target loading levels	<del>Communication of target loading levels</del> <u>System Operator implementation of real-time dispatch</u>	Insert new heading:
	3.8.3.1 (previously 3.8.3)	The System Operator shall communicate target loading levels to Trading Participants for each trading interval prior to the commencement of that trading interval in accordance with the timetable and consistent with the Grid Code.	<del>The System Operator shall communicate with each other with regard to the target loading levels to Trading Participants for each trading interval prior to the commencement of that trading interval in accordance with the timetable and consistent with the Grid Code.</del> <u>The System Operator and trading participants shall communicate with each other with regard to the target loading levels to Trading Participants for each trading interval prior to the commencement of that trading interval in accordance with the timetable and consistent with the Grid Code.</u>	To align the WESM Rules with operational practice (currently the System Operator only communicates changes to dispatch schedules, otherwise trading participants just follow the RTD schedule).  To provide the Dispatch Protocol with the basis to specify procedures around deviation from dispatch schedules (e.g. use of the Merit Order table).



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<b>Title</b>	<b>Clause</b>	<b>Provision</b>	<b>Proposed Amendment</b>	<b>Rationale</b>
	3.8.3.2 (new)	(Blank)	<u>All <i>Scheduled Generating Units</i> and <i>priority dispatch generating units</i> shall follow all instructions from the <i>System Operator</i>, in accordance with the <i>Grid Code</i> the WESM Rules and pertinent manuals.</u>	To explicitly specify the obligation of scheduled and priority dispatch generators to follow System Operator instructions.
	3.8.3.3 (new)	(Blank)	<u>Subject to WESM Rules Clause 3.8.3.4, if, in real-time, the available generation from a <i>must dispatch generating unit</i> differs from the available generation assumed in the <i>dispatch schedule</i> provided to the <i>System Operator</i>, the <i>System Operator</i> shall allow the <i>must dispatch generating unit</i> to generate at its <i>Maximum Available Output</i>, and, if all available frequency regulation is exhausted during a <i>trading interval</i>, shall adjust the <i>dispatch</i> of other <i>generating units</i>, to compensate as required in accordance to relevant <i>Market Manuals</i>.</u>	To prescribe the rules the System Operator must follow in issuing dispatch instructions to must and priority dispatch generators.



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Title	Clause	Provision	Proposed Amendment	Rationale
	3.8.3.4 (new)	(Blank)	<u>The System Operator shall instruct a must dispatch generating unit or a priority dispatch generating unit to restrict its output or constrain its ramp rate to a level specified by the System Operator, but only while the Grid is not operating in Normal State, in accordance with the Grid Code and the relevant Market Manual.</u>	To prescribe the rules the System Operator must follow in issuing dispatch instructions to must and priority dispatch generators.
	3.8.3.5 (new)	(Blank)	<u>If the System Operator has instructed a must dispatch generating unit or a priority dispatch generating unit to restrict its output, the System Operator shall instruct the generating unit to remove the restriction as soon as practicable after the actual or potential system security issue has been resolved.</u>	To prescribe the rules the System Operator must follow in issuing dispatch instructions to must and priority dispatch generators.
	3.8.4.1 (Previously 3.8.4)	Trading Participants who are dispatched shall use reasonable endeavors to achieve a linear ramp rate over the trading interval reach the target loading level by the end of that trading interval and within the dispatch tolerances specified in clause 3.8.7 and those Trading Participants will not be required to operate in any different fashion unless required to: (a) Respond in accordance with reserve or ancillary service contracts;	<u>Scheduled generating units and priority dispatch generating units</u> <del>Trading Participants who are dispatched shall use reasonable endeavors to achieve a linear ramp rate over the trading interval reach the target loading level by the end of that trading interval and within the dispatch tolerances specified in</del> <u>WESM Rules</u> <del>Clause 3.8.7 and those Trading Participants will not be required to operate in any different fashion unless required to:</del>	To ensure that priority dispatch generating units are required to meet their dispatch schedule within the required tolerance



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Title	Clause	Provision	Proposed Amendment	Rationale
		or (b) Respond to a direction in accordance with clauses 6.3 and 6.5.	(a) Respond in accordance with reserve or ancillary service contracts; or (b) Respond to a direction in accordance with <u>WESM Rules</u> <del>Clause</del> 6.3 and 6.5.	
	3.8.4.2 (new)	(Blank)	<u>A priority dispatch generating unit shall follow the dispatch schedule issued by the Market Operator, unless otherwise instructed by the System Operator under WESM Rules</u> <del>Clause</del> 3.8.3.	To explicitly specify a priority dispatch generator's obligation to comply with the RTD schedule.
	3.8.4.3 (new)	(Blank)	<u>If the projected output of a must dispatch generating unit has been restricted, as communicated in accordance with WESM Rules</u> <del>Clause</del> 3.8.1(h), <u>the must dispatch generating unit shall ensure its output does not exceed the value included in the dispatch schedule.</u>	To specify a must dispatch generator's obligation to restrict output when instructed to do so by the Market Operator.
	3.8.4.4 (new)	(Blank)	<u>A must dispatch generating unit shall generate at its Maximum Available Output at all times, unless the Market Operator or System Operator has instructed the generating unit to restrict output under WESM Rules</u> <del>Clause</del> s 3.8.1(h) or 3.8.3.4.	To specify a must dispatch generator's obligation to generate at its maximum available output.
	3.8.7.1	Dispatch tolerances shall be set to allow limits on the extent to which Trading Participants may deviate	<u>Dispatch tolerances shall be set to allow limits on the extent to which</u> <del>scheduled generating units, and</del>	To specify that priority dispatch generating units are covered by dispatch tolerances



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Title	Clause	Provision	Proposed Amendment	Rationale
		from dispatch targets issued by the System operator.	<b><u>priority dispatch generating units</u></b> <del>Trading Participants</del> may deviate from dispatch targets issued by the System operator.	
DISPATCH IMPLEMENTATION – Dispatch Tolerances	3.8.7.2	The Market Operator shall maintain and publish dispatch tolerances standards developed by the System operator for each type of plant, and location, in accordance with the Grid Code and Distribution Code.	The Market Operator shall maintain and publish <i>dispatch tolerances</i> standards developed by the System operator for each type of plant, and location, in accordance with <b><u>WESM Rules cClause 3.8.7</u></b> , the Grid Code, and the Distribution Code.	To clarify that the WESM Rules also provides the basis for the publication and calculation of dispatch tolerances
DISPATCH IMPLEMENTATION – Sanctions of Trading Participants	3.8.8.1 (previously 3.8.8)	Any Trading Participant who consistently fails to use its reasonable endeavors to act in accordance with dispatch instructions issued under clause 3.8.3, or who breaches the dispatch tolerance standards published under clause 3.8.7.2, may be liable of a sanction imposed under clause 7.2.	Any Trading Participant who consistently fails to use its reasonable endeavors to act in accordance with <b><u>dispatch schedules issued under WESM Rules cClause 3.8.1(g)</u></b> , dispatch instructions issued by the System Operator, or who breaches the <i>dispatch tolerance</i> standards published under <b><u>WESM Rules cClause 3.8.7.2</u></b> , may be liable of a sanction imposed under <b><u>WESM Rules cClause 7.2</u></b> .	Minor change to indicate that WESM members must comply with dispatch schedules sent by the Market Operator (unless otherwise instructed by the System Operator under Section 3.8.3).



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Title	Clause	Provision	Proposed Amendment	Rationale
	3.8.8.2 (new)	(Blank)	<u>A Trading Participant that fails to comply with a directive from the System Operator issued under Chapter 6 of these WESM Rules, the relevant Market Manual, and the Philippine Grid Code in respect to its must dispatch generating unit may be liable for sanctions imposed under WESM Rules cClause 7.2.</u>	To provide the WESM Rules with a basis to impose sanctions on must dispatch plants for not capping output when directed by the System Operator.
Determination of Ex-Post Nodal Energy Price	3.10.6	XXX  (d) A market network configuration and network state which the Market Operator, in consultation with the System operator, in its reasonable opinion determines to best represent network conditions pertaining for the duration of the trading interval, as provided for by the procedures developed under clause 3.10.7; and (e) Any relevant constraints recommended by the System Operator to represent system security conditions or actual generation performance over the trading interval, as provided for by the procedures developed under clause 3.10.7.	XXX  (d) The <u>real-time instantaneous injection at the end of that trading interval of non-scheduled generating units in place of their nomination of loading levels;</u>  (e) The <u>real-time instantaneous injection at the end of that trading interval of must dispatch generating units and priority dispatch generating units in place of their projected outputs;</u>  (df) A market network configuration and network state which the Market Operator, in consultation with the System operator, in its reasonable opinion determines to best represent network conditions pertaining for the duration of the trading interval,	To specify that, when available, the actual injection of non-scheduled generating units and preferential dispatch generating units will be used in determining the ex-post prices instead of their nomination of loading levels or projected output, respectively (Note: the proposed clauses are inserted in the middle of the list for better context)



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			as provided for by the procedures developed under <b>WESM Rules</b> <del>e</del> Clause 3.10.7; and (eg) Any relevant constraints recommended by the System Operator to represent system security conditions or actual generation performance over the trading interval, as provided for by the procedures developed under <b>WESM Rules</b> <del>e</del> Clause 3.10.7.	
Procedures for Ex-Post Nodal Energy Price	3.10.7	The <i>Market Operator</i> , in consultation with <i>WESM participants</i> , and subject to approval by the <i>PEM Board</i> , shall develop and publish the procedures to be employed in clauses 3.10.6 (d) and (e) in establishing the network configuration and other constraints to be assumed for the determination of <i>ex-post nodal energy prices</i> for circumstances in which power system conditions materially change during the <i>trading interval</i> , with a view to ensuring that: (a) Consistency is maintained between the market network configuration and state determined in accordance with clause 3.10.6 (d), any constraints determined in accordance with clause 3.10.6 (e) and the unrestrained net loads measured or estimated for each market network node in accordance with clause 3.10.6 (c); and (b) The ex-post prices produced in accordance with clause 3.10.6, properly and fairly represent conditions at the end of the trading	The <i>Market Operator</i> , in consultation with <i>WESM participants</i> , and subject to approval by the <i>PEM Board</i> , shall develop and publish the procedures to be employed in <b>WESM Rules</b> <del>e</del> Clauses 3.10.6 (d), and <del>(e)</del> , <b>(f)</b> , <b>and (g)</b> in establishing the <b><u>real-time instantaneous injection of non-scheduled generating units, must dispatch generating units, and priority dispatch generating units</u></b> , network configuration and other constraints to be assumed for the determination of <i>ex-post nodal energy prices</i> for circumstances in which power system conditions materially change during the <i>trading interval</i> , with a view to ensuring that: (a) Consistency is maintained between the market network configuration and state determined in accordance with <b>WESM Rules</b> <del>e</del> Clause 3.10.6 (ef), any constraints determined in accordance with <b>WESM Rules</b> <del>e</del> Clause 3.10.6 (eg),	To be consistent with the changes in clause 3.10.6



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Title	Clause	Provision	Proposed Amendment	Rationale
		interval.	and the unrestrained net loads measured or estimated for each market network node in accordance with <b>WESM Rules</b> cClause 3.10.6 (c), <u>and the real-time instantaneous injection of non-scheduled generating units, must dispatch generating units, and priority dispatch generating units in accordance with WESM Rules cClauses 3.10.6 (d) and (e);</u> and (b) The ex-post prices produced in accordance with <b>WESM Rules</b> cClause 3.10.6, properly and fairly represent conditions at the end of the trading interval.	
MARKET INFORMATION – Market Information	3.11.1.3	Each trading day, in accordance with the timetable, the Market Operator shall publish: The scheduled generation or scheduled load and scheduled reserves for each scheduled generating unit and scheduled load, respectively, in each trading interval for the previous trading day	Each <i>trading day</i> , in accordance with the timetable, the <i>Market Operator</i> shall publish: The <del>scheduled generation or scheduled load and scheduled reserves</del> <u>dispatch schedule</u> for each <u>scheduled generating unit, must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit</u> and <del>scheduled load</del> , respectively, in each <i>trading interval</i> for the previous trading day	The Market Operator should publish the dispatch schedules produced for all registered generating units (including must, priority and non-scheduled generators).



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Title	Clause	Provision	Proposed Amendment	Rationale
Confidentiality	5.3.2	<p>5.3.2 Exceptions</p> <p>Subject to clause 5.3.3.1, this clause 5.3 does not prevent:</p> <p>(a) The disclosure of information (confidential or otherwise) between anyone or more of the following:</p> <p style="padding-left: 40px;">(1) The <i>ERC</i> and the <i>DOE</i>;</p> <p style="padding-left: 40px;">(2) The <i>System operator</i>,</p> <p>xxx</p> <p>(j) The disclosure of (i) settlement amounts unpaid by the end of the month, and (ii) the specific <i>WESM member</i> that failed to pay the settlement amounts.</p>	<p>5.3.2 Exceptions</p> <p>Subject to <u>WESM Rules</u> <del>Clause</del> 5.3.3.1, this <u>WESM Rules</u> <del>Clause</del> 5.3 does not prevent:</p> <p>(a) The disclosure of information (confidential or otherwise) between anyone or more of the following:</p> <p style="padding-left: 40px;">(1) The <i>ERC</i> and the <i>DOE</i>;</p> <p style="padding-left: 40px;">(2) The <i>System operator</i>,</p> <p>xxx</p> <p>(j) The disclosure of (i) settlement amounts unpaid by the end of the month, and (ii) the specific <i>WESM member</i> that failed to pay the settlement amounts</p> <p><b><u>(k) The disclosure of settlement information of FIT-Eligible generating units to TRANSCO pursuant to the FIT- All Guidelines</u></b></p>	<p>This is to harmonize the WESM Rules with the FIT-All Guidelines of the ERC, which requires TRANSCO, as the FIT-All administrator, access to the WESM settlement information of FIT Eligible Plants. Section 2.2.6 of the FIT-All Guidelines provides as follows:</p> <p>"2.2.6 Transparency and Audit Trail of Collection Process</p> <p>For purposes of monitoring, verifying and counting of the amounts collected from the FIT-All and ACRR and remitted to the Administrator, on the fifth (5th) day of every month, all Collection Agents shall be required to render to the ERC and the (FIT-All) Administrator a statement of account of the FIT-All and ACRR collected from their respective Consumers for the preceding Billing Period. the PEMC shall likewise render a report to the ERC in respect of WESM Proceeds which constituted ACRR for the preceding Billing Period. The ERC and (FIT-All) Administrator shall be authorized to inspect the books of account of each Collection Agent to confirm the timeliness, accuracy, and</p>



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Title	Clause	Provision	Proposed Amendment	Rationale
				completeness of monthly remittances of the FIT-All."
Glossary	Dispatch schedule	The target loading levels in MW for each scheduled generating unit or scheduled load and for each reserve facility for the end of that trading interval, determined by the Market Operator through the use of a market dispatch optimization model in accordance with clause 3.8.1.	The target loading levels in MW for each scheduled generating unit, <u><b>must dispatch generating unit, priority dispatch generating unit, non-scheduled generating unit,</b></u> <del>or</del> scheduled load and for each reserve facility for the end of that trading interval, determined by the Market Operator through the use of a market dispatch optimization model in accordance with <u><b>WESM Rules</b></u> <del>Clause</del> 3.8.1.	To clarify that non-scheduled generators, must dispatch generators and priority dispatch generators will also have dispatch schedules
Glossary	Feed-In Tariff Certificate of Compliance	(Blank)	<u><b>Refers to the certificate secured from the ERC before commercial operation of eligible RE plants that authorizes it to engage in the operation of a renewable energy power plant facility used to generate electricity pursuant to the FIT Rules and the FIT-All Guidelines</b></u>	
Glossary	Feed-In Tariff Rules	(Blank)	<u><b>Annex A of ERC Resolution No 16, Series of 2010, Resolution adopting the Feed-In Tariff Rules, promulgated pursuant to the Renewable Energy Act</b></u>	



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Title	Clause	Provision	Proposed Amendment	Rationale
Glossary	FIT-All Guidelines	(Blank)	<u>Resolution No. 24, Series of 2013 issued by the ERC adopting the Guidelines on the Collection of the FIT-All and the Disbursement of the FIT-All Fund</u>	
Glossary	FIT Eligible RE Plant	(Blank)	<u>A Generating Unit or Generating System in respect of which ERC has issued, in accordance with the Feed- In Tariff Rules, a certificate of compliance authorizing the Generating Unit to operate as a FIT-eligible RE plant.</u>	
Glossary	Feed-In Tariff System (FIT) System	(Blank)	<u>Program established under the Renewable Energy Act to accelerate the development of emerging renewable energy resources whose mechanisms are provided by the FIT Rules</u>	
Glossary	Intermittent Renewable Energy Resource	(Blank)	<u>A Renewable Energy Resource specified in Section 20 of the Renewable Energy Act, those being: wind energy, solar energy, run-of-river hydro, ocean energy or any other Renewable Energy Resource designated as such by the DOE</u>	
Glossary	Maximum Available Output	(Blank)	<u>The highest MW generation output that a must dispatch generating unit is capable of producing at each instant given the instantaneous and intermittent characteristics of the</u>	



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Title	Clause	Provision	Proposed Amendment	Rationale
			<u>Renewable Energy Resource which fuels the Generating Unit.</u>	
Glossary	Must Dispatch	(Blank)	Preference to intermittent RE-based plants, whether or not under FIT system, such as wind, solar, run-of-river hydro, or ocean energy, in the dispatch schedule whenever generation is available pursuant to Section 20 of the Renewable Energy Act	
Glossary	Must dispatch generating unit	(Blank)	<u>A Generating Unit or Generating System so designated by the Market Operator under WESM Rules Clause 2.3.1.5 and is provided Must Dispatch</u>	
Glossary	Net Load Forecast	A forecast, prepared in accordance with the procedures to be developed under clause 3.5.4, of the load, net of any non-scheduled generation, to be matched, along with any scheduled load, by generation from scheduled generation facilities.	A forecast, prepared by the Market Operator in accordance with the procedures to be developed under WESM Rules clause 3.5.4, of the load, net of any non-scheduled generation, to be matched, along with any scheduled load, by generation from scheduled generating facilities <u>units, non-scheduled generating units, must</u>	To include non-scheduled generating units, must dispatch generating units and priority dispatch generating units in the generation that would meet the net load forecast  Also removed the outright deduction of non-scheduled



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Title	Clause	Provision	Proposed Amendment	Rationale
			<u><del>dispatch generating units, and priority dispatch generating units.</del></u>	generation from load forecasts
Glossary	Normal Operating State	(Blank)	<u>The operating state defined in Section 7.2.1.1 of the Grid Code.</u>	
Glossary	NRE Generating Unit with Intermittent Energy Resource	A new and renewable energy <i>generating unit</i> or group of units connected to a common <i>connection point</i> whose <i>energy</i> resource is location specific and has a natural variability which renders the output unpredictable and the availability of the resource inherently uncontrollable, which include plants utilizing wind or ocean <i>energy</i> .	Delete  <del>A new and renewable energy <i>generating unit</i> or group of units connected to a common <i>connection point</i> whose <i>energy</i> resource is location specific and has a natural variability which renders the output unpredictable and the availability of the resource inherently uncontrollable, which include plants utilizing wind or ocean <i>energy</i>.</del>	Replaced by must dispatch generating unit and priority dispatch generating unit
Glossary	Priority Dispatch	(Blank)	<u>Preference to biomass plants under the FIT system in the dispatch schedule pursuant to Section 7 of the Renewable</u>	



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Title	Clause	Provision	Proposed Amendment	Rationale
Glossary	Priority dispatch generating unit	(Blank)	<u><i>A generating unit or Generating System so designated by the Market Operator under WESM Rules Clause 2.3.1.5A and is provided Priority Dispatch</i></u>	
Glossary	Projected Output	(Blank)	<u><i>The loading level nominated by a generation company for its must dispatch generating units or priority dispatch generating units indicating its forecasted output of its must dispatch generating unit or priority dispatch generating unit at the end of a trading interval.</i></u>	
Glossary	Renewable Energy Act	(Blank)	<u><i>Republic Act No. 9513: An Act Promoting the Development, Utilization and Commercialization of the Renewable Energy Resources</i></u>	



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Title	Clause	Provision	Proposed Amendment and for Other Purposes.	Rationale
Glossary	Renewable Energy Resource	(Blank)	<u>An energy resource as defined in Section 4 (uu) of the Renewable Energy Act.</u>	
Glossary	Variable Renewable Energy (VRE) Aggregated Generation Forecast	(Blank)	<u>A short term forecast, performed by the System Operator, covering at least the following twenty-four (24) hours, of the total aggregated generation expected to be produced by Generation Companies that is authorized by the ERC to operate wind farms and photovoltaic generation systems in each interconnected system as defined under the Grid Code.</u>	
APPENDICES Appendix A				
Appendices to Chapter 3				
	A1.1	Generation Offer  Generation offers: (a) Shall include the location of the <i>connection point</i> and relevant <i>market network node</i> ; (b) Shall include the <i>pricing zone</i> of the <i>connection point</i> , (c) May include up to ten (10) <i>energy offer blocks</i> per (aggregate) unit. The maximum	Generation Offer  Generation offers: (a) Shall include the location of the <i>connection point</i> and relevant <i>market network node</i> ; (b) Shall include the <i>pricing zone</i> of the <i>connection point</i> , (c) May include up to ten (10) <i>energy offer blocks</i> per (aggregate) unit. The maximum	As the intention is to ensure that there is always an offer, it is suggested that for consistency, the following provisions in Appendix A1.1 be deleted as these are inconsistent with the intent of ensuring that standing offers will not expire. Effectively this means that the standing offers are valid until revised and thus,



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Title	Clause	Provision	Proposed Amendment	Rationale
		combined capacity of <i>generation</i> and <i>reserve offers</i> must not be less than the maximum available capacity of the generator. (d) Shall be for a minimum block size of one (1) MW; (e) Shall have monotonically increasing prices, starting from <i>zero generation</i> ; (f) May include negative prices; (g) Shall include maximum up/down <i>ramp rates</i> ; (h) Shall include a validity period of offers (e.g. valid for specified period or valid until offer is revised.); and (i) Shall include an operating range (upper and lower limit).	combined capacity of <i>generation</i> and <i>reserve offers</i> must not be less than the maximum available capacity of the generator. (d) Shall be for a minimum block size of one (1) MW; (e) Shall have monotonically increasing prices, starting from <i>zero generation</i> ; (f) May include negative prices; (g) Shall include maximum up/down <i>ramp rates</i> ; <b>and</b> <del>(h) Shall include a validity period of offers (e.g. valid for specified period or valid until offer is revised.); and</del> <b>(h) (i)</b> Shall include an operating range (upper and lower limit).	the following provisions no longer apply and thus should be deleted.
	<b>A1.2</b>	<b>Reserve Offers</b> Regulation reserve offers from Generators shall consist of: (a) A maximum response level for the relevant reserve category (MW); (b) A minimum and maximum <i>energy dispatch</i> level (MW) at which any AGC reserve response will be available; (c) Up to 3 reserve offer blocks per aggregate unit (MW/block); (d) A minimum block size of one (1) MW; (e) Monotonically increasing prices starting from zero for the first offer block, which shall correspond to the mandatory <i>reserve</i> capability required from	<b>Reserve Offers</b> Regulation reserve offers from Generators shall consist of: (a) A maximum response level for the relevant reserve category (MW); (b) A minimum and maximum <i>energy dispatch</i> level (MW) at which any AGC reserve response will be available; (c) Up to 3 reserve offer blocks per aggregate unit (MW/block); (d) A minimum block size of one (1) MW; <b>and</b> (e) Monotonically increasing prices starting from zero for the first offer block, which shall correspond to the mandatory <i>reserve</i> capability required from	As the intention is to ensure that there is always an offer, it is suggested that for consistency, the following provisions in Appendix A1.1 be deleted as these are inconsistent with the intent of ensuring that standing offers will not expire. Effectively this means that the standing offers are valid until revised and thus, the following provisions no longer apply and thus should be deleted.



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Title	Clause	Provision	Proposed Amendment	Rationale
		that <i>Generation Company</i> under its connection agreement; and (f) Shall include validity period of <i>reserve offers</i> ;  Contingency <i>reserve offers</i> from <i>Generation Companies</i> shall consist of:  (a) A maximum response level for the relevant <i>reserve category</i> (MW); (b) A minimum <i>energy dispatch</i> level (MW) at which that maximum <i>reserve</i> response will be available; (c) Up to 3 <i>reserve</i> offer blocks per aggregate unit (MW/block); (d) A minimum block size of one (1) MW; (e) Monotonically increasing prices starting from zero to the first offer block, which shall correspond to the mandatory <i>reserve</i> capability required from that <i>Generation Company</i> under its connection agreement. (f) Shall include validity period of <i>reserve offers</i> and (g) Operating range (upper and lower limit)  Contingency <i>reserve offers</i> from Customers shall consist of: (h) A maximum response level for the relevant <i>reserve category</i> (MW); (i) A maximum proportion of the forecast/scheduled load, which	that <i>Generation Company</i> under its connection agreement ; and <del>(f) Shall include validity period of <i>reserve offers</i>; and</del>  Contingency <i>reserve offers</i> from <i>Generation Companies</i> shall consist of:  (a) A maximum response level for the relevant <i>reserve category</i> (MW); (b) A minimum <i>energy dispatch</i> level (MW) at which that maximum <i>reserve</i> response will be available; (c) Up to 3 <i>reserve</i> offer blocks per aggregate unit (MW/block); (d) A minimum block size of one (1) MW; (e) Monotonically increasing prices starting from zero to the first offer block, which shall correspond to the mandatory <i>reserve</i> capability required from that <i>Generation Company</i> under its connection agreement ; and <del>(f) Shall include validity period of <i>reserve offers</i> and</del> <del>(g) Operating range (upper and lower limit);</del>  Contingency <i>reserve offers</i> from Customers shall consist of: (h) A maximum response level for	



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Title	Clause	Provision	Proposed Amendment	Rationale
		maybe interrupted (j) Up to 3 <i>reserve offer</i> blocks (MW/block) (k) A minimum block size of one (1) MW; (l) Monotonically increasing prices; and (m) Shall include validity period of reserve offers.	the relevant <i>reserve category</i> (MW); (i) A maximum proportion of the forecast/scheduled load, which maybe interrupted (j) Up to 3 <i>reserve offer</i> blocks (MW/block) (k) A minimum block size of one (1) MW; <b>and</b> (l) Monotonically increasing prices; <b>and</b> (m) <del>Shall include validity period of reserve offers.</del>	

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