Philippine Electricity Market Corporation

Rules Change Committee

2016 Semestral Report

(July to December 2016)

This Report is prepared by the Philippine Electricity Market Corporation-Market Assessment Group for the Rules Change Committee.

December 2016

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Philippine Electricity Market Corporation

RCC- REP-16-02

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Philippine Electricity Market Corporation

RCC- REP-16-02

I. INTRODUCTION

In compliance with its mandate under the WESM Rules[1] and the WESM Manual on the Procedures for Changes to the WESM Rules (Rules Change Manual), the Rules Change Committee (RCC) submits this Report, covering the period January to June 2016. This report sets out the following:

i. All Market Rules and Manuals change proposals which have been submitted to and deliberated upon by the RCC for the covered period; and
ii. Status of RCC priorities outlined in the 2016 RCC Work Plan.

II. ACCOMPLISHMENTS AND WORK PROGRESS

The RCC met seven (7) times during the period July to December 2016, to discuss and deliberate upon several amendments to the WESM Rules and Manuals, which are aimed at enhancing market design, as well as refining processes and operations appropriate for the current market setting.

The RCC activities for the covered period are discussed in detail in the succeeding sections.

II.A. Approved Amendments

1. Proposed Amendments to the WESM Manual on Management of Net Settlement Surplus (NSS)

The Philippine Electricity Market Corporation (PEMC) submitted its proposal to amend the WESM Market Manual on the Management of Net Settlement Surplus on 24 February 2016. During the 111th RCC meeting on 03 March 2016, PEMC presented its proposal which essentially aims to enhance the NSS allocation methodology through the following:

a) determination of line loss and congestion charges (LLCC) payments attributed to each Trading Participant;
b) consideration of bilateral contract transaction when calculating the total LLC of each Trading Participant; and
c) application of the lowest Market Clearing Price as the reference price for calculating the LLCCs of the Trading Participants.

The Net Settlement Surplus (NSS) is defined in the WESM Rules as the "settlement surplus remaining after all market transactions have been accounted for, including the assignment of transmission line rentals to Network Service Providers".

[1]WESM Rules, Clause 8.6.5

The Energy Regulatory Commission (ERC) through ERC Resolution No. 6 Series of 2009 provides that that allocation of the NSS to trading participants shall be on a pro-rata basis depending on the recipient's contribution to the total NSS. Based on the said ERC NSS Rules, PEMC calculates the NSS allocation using the following formula:

$$R_{j,k} = NSS_k \times \frac{\sum LLCC_{j,k}}{\sum LLCC_k}$$

Where,

$R_{j,k}$	- rebate amount or NSS allocation for recipient j for trading interval k
NSS_k	- the Net Settlement Surplus for the trading interval k
$\sum LLCC_{j,k}$	- sum of the line loss and congestion charges payments of recipient j for trading interval k
$\sum LLCC_k$	- sum of the line loss and congestion charges payments of all paying WESM customers for the trading interval k

On the other hand, the Line Loss and Congestion Charges (LLCC) payments of each trading participant is calculated as follows:

$$\mathrm{LLCC}_{j,k} = \left(\mathrm{LMP}_{RTD,j,k} - \mathrm{MCP}_{RTD,h,k}\right) \times \mathrm{EAQ}_{j,k} + \left(\mathrm{LMP}_{RTX,j,k} - \mathrm{MCP}_{RTX,h,k}\right) \times \left(\mathrm{MQ}_{j,k} - \mathrm{EAQ}_{j,k}\right)$$

Where,

$\mathrm{LLCC}_{j,k}$ – line loss and congestion charges payments of trading participant *j* for trading interval *k*
(Note: LLCC may only be negative or zero. If the formula results to a positive value, LLCC is set to zero.)

$\mathrm{LMP}_{RTD,j,k}$ – locational marginal price from the ex-ante run of trading participant *j* for trading interval *k*

$\mathrm{MCP}_{RTD,h,k}$ – highest market clearing price from the ex-ante run for trading interval *k*

$\mathrm{EAQ}_{j,k}$ – ex-ante quantity of trading participant *j* for trading interval *k*

$\mathrm{LMP}_{RTX,j,k}$ – locational marginal price from the ex-post run of trading participant *j* for trading interval *k*

$\mathrm{MCP}_{RTX,h,k}$ – highest market clearing price from the ex-post run for trading interval *k*

$\mathrm{MQ}_{j,k}$ – metered quantity of trading participant *j* for trading interval *k*

In line with the proposed enhancements to the current NSS allocation methodology, the PEMC proposal recommended the following changes to the above formulae:

a) Methodology for calculating LLCC payments with consideration to bilateral contract transactions:

$$\mathbf{LLCC_{j,k} = LLCP_{RTD,j,k} \times (EAQ_{j,k} - \Sigma BCQ_{j,c,k}) + LLCP_{RTX,j,k} \times (MQ_{j,k} - EAQ_{j,k}) + \Sigma\ Line\ Rental_{j,\,c,k}}$$

Where:

$LLCC_{j,k}$ - line loss and congestion charges payments of recipient **j** for the trading interval **k**
$LLCP_{RTD/X,j,k}$ - line loss and congestion price during the ex-ante or ex-post run of recipient **j** for trading interval **k**
$EAQ_{j,k}$ - ex-ante quantity of recipient **j** for trading interval **k**
$BCQ_{j,c,k}$ - bilateral contract quantity of the bilateral contract between recipient **j** and counterparty **c** for trading interval **k**
$MQ_{j,k}$ - metered quantity of recipient **j** for trading interval **k**
Σ Line Rental - line rental trading amount associated with the bilateral contract between recipient **j** and counterparty c for trading interval k (this amount may be zero if the trading participant is not the assigned payer of the line rental trading amount)

b) Use MCP_{Lowest} instead of $MCP_{Highest}$ as the reference price for calculating LLCP for a more appropriate allocation to Trading Participants that paid more due to congestion

$$\mathbf{LLCP_{RTD/X,j,k} = LMP_{RTD/X,j,k} - MCP_{lowest,k}}$$

During its meeting on 03 March 2016, the RCC approved the publication of the above proposal to seek comments from concerned WESM Participants. Said proposal was published on 11 March 2016 and comments thereafter received from the DOE, SN Aboitiz Power (SNAP) and Aboitiz Power Corporation (APC), together with the PEMC's responses to said comments discussed by the RCC during its 116th Meeting held on 07 July 2016.

Noting the comments received from the stakeholders and PEMC's responses to the said comments, and after deliberations, the RCC agreed to entirely adopt PEMC's proposal, as embodied in RCC Resolution No. 16-09 dated 07 July 2016, for endorsement to the PEM Board for its subsequent submission to the DOE.

The PEM Board approved for endorsement to the DOE the proposed amendments to the WESM Market Manual on Management of Net Settlement Surplus during its meeting held on 10 November 2016.

2. Proposed Dispatch Protocol Manual Issue No. 12

The RCC finalized the proposed Dispatch Protocol Manual (DPM) Issue No. 12 during its 119th meeting on 05 October 2016. Included in the Proposed DPM Issue 12 were the various proposals[2] earlier approved by the RCC during its 114th and 115th RCC meetings held on 28 April 2016 and 01 June 2016, respectively. In receipt of another proposal by the NGCP-System Operator (NGCP) on 16 August 2016, also amending the current DPM Issue 11, the RCC, after deliberations, agreed to include said NGCP proposal in the proposed DPM Issue 12.

	Proponent	Topic of Proposals	Proposed Manual Version
a)	PEMC	Proposed Dispatch Protocol Manual Issue 12	**Dispatch Protocol Manual Issue 12**
b)	SNAP/ RCC	Dispatch Tolerance Limit	
c)	Petron/ RCC	Cogeneration Facilities	
d)	Technical Committee	Market Intervention	
e)	PEMC	Preferential Dispatch	
f)	NGCP-SO	Data Format	

The NGCP's proposal called for revisions in the required format and naming convention of the data exchanged between the SO and the MO. The RCC initially reviewed the proposal on 07 September 2016. After noting that the proposed DPM Issue 12 is already subject for final review, the RCC requested the proponent to already reflect its proposal in the draft new version of the manual (i.e., Issue 12). Said proposal was then reviewed and finalized by both the PEMC-MO and the NGCP-SO, as the affected parties in the said proposal, for RCC approval.

During the RCC's 119th regular meeting held on 05 October 2016, the Proposed Dispatch Protocol Manual Issue 12, incorporating six (6) proposals amending the said manual, was approved by the body for endorsement to the PEM Board.

The PEM Board approved the endorsement of the manual to the DOE during its meeting held on 29 November 2016.

[2] For a more thorough discussion of the proposals from a) to e), please refer to the RCC Semestral Report for January to June 2016 at http://www.wesm.ph/inner.php/downloads/rcc_reports.

3. Proposed Amendments to the WESM Rules regarding Bilateral Contract Quantities (BCQ) Declaration and Line Rental Calculation

On 06 January 2016, PEMC submitted its proposed amendments to the WESM Rules regarding BCQ Declaration and Line Rental Calculation to the RCC. The same was presented to the RCC during its 109th meeting held on 03 February 2016.

The proposal aims to address the findings of the Market Operation Audit conducted in 2014. The proposal included changing the timeline of declaring BCQ from ex-post (D+1) to ex-ante (H-1), and to net out the equivalent settlement amount of bilateral contracts based on the agreed reference market price of the counterparties from the gross settlement amount of each trading participant. The purpose of shifting the timeline for declaring BCQ is to eliminate the potential for gaming in the declaration process. Subsequently, the RCC approved the proposal for posting in the Market Information Website to solicit stakeholders' inputs. The proposal was published on 04 February 2016.

After the commenting period from 04 February to 18 March 2016, comments from the DOE, Aboitiz Power Corporation, First Gen, MERALCO, Retail Electricity Suppliers Association and SNAP were received and thereafter duly considered during the deliberations in the RCC's 113th meeting held on 27 April 2016. To better appreciate the implications of the proposal, the RCC requested the proponent to provide a general list of conditions when re-declaration of bilateral contract quantities at ex-post may be allowed.

Noting the RCC's request, PEMC presented the list of instances when the Trading Participants can re-declare BCQs as follows: (1) changes due to metered quantities; (2) changes on the generator node assignment for line rental flexibility; and (3) changes based on ex-post agreements by the counter-parties. The RCC afterwards sought for the submission by PEMC of the proposed amendments to the affected manuals, to better understand how the proposal was to be operationalized and for a holistic deliberation of the proposal.

During the RCC's 121st regular meeting held on 09 November 2016, PEMC presented the revisions to its initially proposed amendments to the WESM Rules. On the timeline for BCQ declaration, instead of the proposed 'hour before' (H-1) submission, PEMC proposed to retain the 'day after' (D+1) timeline of counter-party confirmations as detailed in the affected WESM Market Manuals.

On the Line Rental Calculation, it was proposed that the term "Line Rental" be deleted in the WESM Rules to clarify that the same is not a separate quantity from the ex-ante energy trading amount. Noting that Line Rental will still be calculated for informational purposes, the RCC disagreed with the proposed deletion of the term in the WESM Rules and recommended its retention in the same with a qualification that the MO will still calculate for line rental trading amounts for informational purposes only.

As embodied in the RCC Resolution No. 2016-14 dated 09 November 2016, the RCC approved the proposed amendments to the WESM Rules for endorsement to the PEM Board.

The PEM Board subsequently approved the submission of the amendments to the DOE during its meeting held on 29 November 2016.

4. Proposed Amendments to the Guidelines Governing the Constitution of PEM Committees

On 27 April 2016, the RCC received the Technical Committee's proposal to amend the WESM Market Manual on the Guidelines Governing the Constitution of PEM Committees. During the RCC's 115th meeting on 01 June 2016, the proposed amendments were initially discussed by the body. The proposal recommends to adopt consensus approval instead of majority voting for the Technical Committee's decisions regarding matters of technical nature. Clerical enhancements to certain provisions also form part of the proposal.

The RCC approved the posting of the proposal in the Market Information Website to gather comments from concerned Market Participants. The proposal was published on 03 June 2016.

The DOE agreed with the proposed consensus voting for the Technical Committee. On the other hand, SNAP and MERALCO both disagreed with the proposal, citing that such a decision-making method might drag the Technical Committee in addressing time-sensitive issues or delay completion of studies and recommendations. The RCC agreed to adopt the proposed consensus manner of voting for the Technical Committee, taking into consideration its rationale that the members should have common understanding on technical matters.

The RCC, during its 117th meeting held on 03 August 2016, approved the proposed amendments. The corresponding RCC Resolution No. 2016-10 dated 03 August 2016 was submitted to the PEM Board. During its meeting held on 29 November 2016, the PEM Board approved the proposed revisions to the subject manual, except for the following: a) on the proposal for consensus voting – the Board decided to retain majority voting instead of consensus for committee decisions; and b) on the number of independent members proposed to be at least two (2) independent members – the Board approved that **only two** independent members shall comprise the TC.

5. Proposed Amendments to the WESM Rules and WESM Market Manuals on Price Determination Methodology and Constraint Violation Coefficients for the Implementation of WESM Design Enhancements

Pursuant to the DOE Department Circular No. DC2015-10-0015 providing the guidelines for the implementation of enhancements to the WESM Design, the PEMC-Market Operator, on 01 June 2016 during the RCC's 115th meeting, presented its proposal to amend and merge several WESM Market Manuals into two (2) manuals:

a) Proposed WESM Manual on Price Determination Methodology (PDM) Issue 1.0

This proposal aims to consolidate pricing and settlement provisions and equations into one (1) manual which will supersede and render obsolete the other relevant manuals, as follows:

1) Procedure for Determining Ex-Post Nodal Energy Prices (EPNEP), Issue 2
2) Methodology for Determining Pricing Errors and Price Substitution Due to Congestion for Energy Transactions in the WESM (PSM), Issue 4
3) Administered Price Determination Methodology (APDM), Issue 5
4) Segregation of Line Rental Trading Amounts (SLRTA), Issue 1
5) Management of Net Settlement Surplus, Issue 2
6) Management of Must-run and Must-stop Units (MRU Manual), Issue 6

b) WESM Manual on Constraint Violation Coefficient (CVC) and Pricing Re-run Manual

The proposed amendments to the CVC Manual cover the proposed changes to the CVC hierarchy, implementation of automatic pricing re-runs and the conduct of market pricing re-runs upon the issuance of pricing error notices. This proposal intends to consolidate the provisions related to CVC and market pricing re-runs into the revised CVC Manual.

Taken as a whole, the proposal aims to facilitate more efficient pricing, scheduling and dispatch of energy and reserves, and also to facilitate the filing of the proposed pricing and settlement methodologies to the ERC.

The table below summarizes the proposed revisions to the affected manuals:

Current Design/ Rules/ Implementation	Proposed Changes	Affected Manuals	Rationale
Current title of Market Manual: Constraint Violation Coefficients	Proposed new title of Market Manual: Constraint Violation Coefficients and Pricing Re-Runs	CVC	To include the processes for automatic pricing re-runs and manual pricing re-runs
Provides values and priorities of CVCs	Provides changes in the values and priorities of CVCs.	CVC	Considers the modelling of DU networks in the Market Network Model and the imminent implementation of the WESM Reserve Market
Constraint violations result to pricing errors; manual market re-runs	Automatic management of constraint violations and market re-runs. Shortage pricing at the offer price cap for under-generation and excess pricing at the offer price floor for over-generation.	Price Determination Methodology (PDM), CVC, Pricing Error Notices and Conduct of Market Re-Run Manual (PEN-MRR)	To produce prices in real-time based on relaxation of constraints with non-zero violation variables, reducing the high frequency of pricing errors
Manual market re-runs PEN-MRR process is provided under the PEN-MRR Manual.	PENs and manual re-runs are only for instances of bad input-data. Provisions for manual pricing re-runs are provided under the CVC Manual, as revised. Abolition of the PEN-MRR Manual.	PDM, CVC, PEN-MRR	Expedite determination of prices during pricing errors Consolidate rules for pricing re-runs in one Market Manual
Generation energy Administered Price (AP) is computed based on ex-post price and metered quantity.	Generation energy AP is computed based on nodal energy dispatch prices and schedules. Added formula for determining AP when node is newly modelled based on GWAP of other generators.	Administered Price Determination Methodology (APDM)	Timely provision of administered prices. Formula for new nodes is in compliance with the ERC's direction during the APDM hearing

Current Design/ Rules/ Implementation	Proposed Changes	Affected Manuals	Rationale
	Also includes AP for reserves based on the schedule weighted average of the reserve prices for each reserve category of the 4 most recent similar trading day and similar dispatch intervals that have not been administered.		
Customer settlement amounts are based on the allocation of total generation payments for intervals under market suspension or intervention.	Customer energy AP is computed based on nodal energy dispatch prices and schedules.	APDM	Same as above.
Determination of import and export amounts use Ex-Post Price (EPP) and Metered Quantity (MQ) Determination of adjustment to non-administered region use EPP and MQ	Use GWAP of non-administered region (instead of EPP) and snapshot of High-Voltage, Direct Current (HVDC) flow (instead of MQ)	APDM	Generalize reference price in non-administered region
MRUs are paid based on the Generation Price Index (GPI) and, subject to approval, are able to claim additional compensation.	MRUs, including constrained-on generators, are price-takers and, subject to approval, are able to claim additional compensation.	MRU	To ensure that units are compensated for providing energy to ensure system security and reliability.
MRU quantity is based on total metered quantity of that generating unit minus the higher between the Ex-ante Quantity and the bilateral contract quantity (BCQ) declared for that unit	MRU quantity is based on total metered quantity of that generating unit minus the BCQ declared for that unit	MRU	Consistent with the reduction of dispatch intervals to 5-minutes.
Calculation of settlement amount every hour (trading interval) based on ex-ante and ex-post prices.	Calculation of settlement amount every hour (settlement interval) based on the weighted-MW (RTD) average of the 5-	PDM	Consistent with the ex-ante only pricing.

Current Design/ Rules/ Implementation	Proposed Changes	Affected Manuals	Rationale
	minute nodal dispatch prices.		
Settlements include line rental amounts for bilateral contract quantities	Formulas do not include calculation of line rental	PDM	To reflect the actual cost of electricity purchased and sold in the WESM by netting out the equivalent settlement amount of bilateral contracts based on the agreed reference market price from the gross settlement amount of each trading participant.
Formula for determining total trading and settlement amounts are implied in the PDM and documented in internal business procedures.	Added formula in Market Manual for determining total trading and settlement amounts (concept not changed)	PDM	For transparency and clarity
Allocation does not consider contract declarations.	Allocation considers contract declarations and is referenced to the minimum loss and congestion payments	NSS	To shift the allocation of NSS to trading participants that paid more due to congestion.

The body agreed to have the proposal published in the Market Information Website to gather Market Participants' and stakeholders' comments. The proposal was published on 03 June 2016 to gather comments from Market Participants and stakeholders who were given until 18 July 2016 to submit their comments.

After the 30-working day commenting period, the DOE, the Technical Committee, Aboitiz Power Corporation and SN Aboitiz Power submitted their respective comments regarding the proposals, which were given due consideration during the RCC's deliberation during its 118th, 119th and 121st meetings held on 07 September, 05 October and 26 October 2016, respectively.

The RCC's adoption of the proposed settlement calculation as suggested by SNAP necessitated further amendments to the updated version of the WESM Rules as promulgated through the DOE Department Circular No. DC2016-010-0014[3].

The RCC approved the proposal to amend the WESM Rules and WESM Market Manuals for endorsement to the PEM Board on 09 November 2016 through RCC Resolution No. 2016-13.

Subsequently, the PEM Board, during its meeting on 29 November 2016 approved the said proposal for endorsement to the DOE.

6. Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures

On 03 August 2016, the Dispute Resolution Administrator (DRA) presented two (2) proposals before the RCC during the latter's 117th Meeting, as follows:

a) Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures regarding WESM Disputes; and
b) Proposed Amendments to the WESM Rules and Dispute Resolution Market Manual regarding Dispute Resolution Process

Said proposals were published in the Market Information Website to solicit comments from Market Participants and stakeholders. The RCC resumed the deliberation of the proposals during its 119th Meeting on 05 October 2016 with consideration to the comments received and the DRA's responses to the same.

The descriptions of the proposals are presented as follows:

a) Proposed Amendments to the WESM Rules and WESM Manuals on Dispute Resolution and Registration, Suspension and De-registration Criteria and Procedures regarding WESM Disputes;

The proposal sought to align the relevant provisions of the WESM Rules and subject WESM Manuals with the agreement-based or commercial arbitration framework that the WESM Dispute Resolution Process was designed and contemplated to be. Specifically, the proposal aims to:

(i) Remove the PEM Board as an impleadable entity in WESM Disputes under Clause 7.3.1.1 of the WESM Rules

[3] The effectivity of the WESM Rules per DC-2016-010-0014 is subject to the DOE's issuance for another Department Circular on the commencement of the New Market Management System

WESM Dispute Resolution only intends to resolve disputes that are civil, commercial or business in nature. Disputes arising out of PEM Board decisions or actions, however, are more administrative and/or regulatory in nature considering its mandate to implement policies in the WESM. Such disputes are outside the jurisdiction of WESM Dispute Resolution.

(ii) Delete the disapproval of WESM Membership application as a subject matter of disputes cognizable under WESM Dispute Resolution Process

The disapproval of a WESM membership application is merely an administrative issue, which is a subject matter of disputes admissible in WESM Dispute Resolution. Disputes cognizable under WESM Dispute Resolution are only those that are civil, commercial or business in nature, which the disapproval of a WESM membership application is not.

Following the deliberation which considered the comments from the DOE, MERALCO and SNAP and the proponent's clarifications thereto, the RCC subsequently adopted the revisions to the WESM Rules and relevant WESM Manuals, as revised.

b) Proposed Amendments to the WESM Rules and Dispute Resolution Market Manual (DRMM) regarding Dispute Resolution Process;

The proposal intends to enhance and clarify vague procedures in the WESM Dispute Resolution Process. In summary, the proposal calls for the following revisions:

(i) addition of provisions in the WESM Rules allowing for Emergency Arbitration and its procedures in the DRMM;
(ii) revision of the default schedule of arbitration fees under the applicable section in the DRMM;
(iii) revision of the default schedule of administrative costs under the applicable section in the DRMM; and
(iv) general revisions throughout various sections in the DRMM, for enhancement and clarity.

The RCC considered the DOE and MERALCO's comments and suggestions to the proposal, as well as the proponent's responses and clarifications thereto. Following the deliberation, the RCC adopted the proposed changes to the WESM Rules and the Dispute Resolution Market Manual, as revised.

The RCC submitted to the PEM Board RCC Resolution No. 2016-12 dated 05 October 2016 approving both proposals. The same were presented before the PEM Board during its meetings on 10 and 29 November 2016. The PEM Board subsequently approved the proposals during its November 29 meeting, except on the matter of the

proposed revision of arbitrators' fees and arbitration costs, which were remanded to the RCC for further discussions.

Noting the PEM Board's instructions, the RCC, during its 122nd meeting on 07 December 2016, agreed to request from the DRA a formal documentation (i.e., sample computations, etc.) justifying the proposed schedule of arbitrators' fees and administrative expenses to help the body better assess the reasonableness of the proposal.

II.B. On-Going Proposals / Discussions

During the period covered in this report, the RCC discussed the following amendments to the WESM Rules and Manuals and other relevant matters.

1. Proposed Amendments to the WESM Manual on Metering Standards and Procedures

a) Proposed Amendments relative to Metering Service Provider Performance Rating

During the 112th RCC meeting on 30 March 2016, PEMC presented its proposed amendments to Section 10 of the WESM Manual on Metering Standards and Procedures. The proposal aims to add new categories for the new Metering Service Provider (MSP) rating computation. This proposal emanated from the discussions between PEMC and the NGCP which resulted to the recommendation to adjust the percentage weights of the different performance factors in order to follow the requirements of the Grid Code on the accuracy of monthly meter data and testing of metering installation. Following the presentation, the proposal was then approved by the RCC for publication in the Market Information Website to seek comments from Market Participants.

Following a 30-working day commenting period from 01 April to 16 May 2016, comments from the Technical Committee and MERALCO were considered during the 115th RCC meeting held on 01 June 2016. Upon its request, the NGCP-MSP was granted a two-week extension to submit its comments to the proposal.

During the RCC's 117th meeting on 03 August 2016 when the body resumed the deliberation of the proposal, an RCC Sub-committee was created composed of an independent member and three sector representatives from the RCC, as well as the representatives from the NGCP-MSP and PEMC-MO to work out the details of the proposal. The results of the RCC Sub-committee meeting held on 17 August 2016 was considered by the RCC during the continuation of the deliberations during its 118th and 119th regular meetings held on 07 September and 05 October 2016, respectively, as

regards the appropriate formula and criteria to be used to assess the performance of the MSP.

The RCC approved the proposed amendments to the WESM Manual on Metering Standards and Procedures regarding MSP Performance Rating, as revised. The proposal's submission to the PEM Board was deferred pending the finalization of the proposed amendments to the same WESM Manual relative to back-up meters.

b) Proposed Amendments relative to Back-up Meters

The RCC discussed anew the Proposed Amendments to the WESM Manual on Metering Standards and Procedures relative to Back-up Meters on 27 April 2016, with said proposal being a consolidation of proposals submitted by PEMC and the Technical Committee. The proposal previously was submitted to the PEM Board through RCC Resolution No. 2014-18 dated 01 October 2014. The PEM Board remanded the proposal to the RCC and raised the following issues:

1. that pertinent provisions relating to RCOA such as "distribution revenue meter" (e.g. Section 2.4.2) be deleted if the Proposal intends to be applicable only to the WESM;
2. whether or not it is mandatory to have a backup meter for all WESM participants; and
3. the cost impact of the metering equipment required by the Proposal (i.e., *who shall bear the cost*, etc.)

The RCC again discussed and revised the proposal during its 95th and 96th meetings on 03 December 2014 and 14 January 2015 so as to make the same applicable solely to the wholesale level, including the mandatory installation of back-up meters. However, no consensus was arrived at to address the issue on who should bear the cost of the back-up meter installation. The body ultimately decided to defer re-submitting the proposal pending the results and findings of the 2nd Metering Audit, which was on-going at that time, from where inputs may be adopted.

With the conclusion of the 2nd Metering Audit in March 2016, and considering that its findings have no relevant impact to the subject proposal, the RCC, during its 113th meeting on 27 April 2016, agreed to have the proposals, as revised, posted in the Market Information Website to seek further comments from WESM Members and interested parties.

The RCC re-deliberated on the proposal during its 117th Meeting on 03 August 2016 considering the inputs from the Technical Committee, NGCP and MERALCO. The body agreed to retain its original proposal to make the installation of back-up meters mandatory for WESM metering points, including those serving Feed-In-Tariff generators. The RCC also agreed to propose to have the costs for the installation shouldered by the MSP (i.e.,

NGCP) since there is already a cost recovery mechanism in place such that seeking the approval of the ERC for additional capital expenditure will not be necessary.

The proposal was finalized on 07 December 2016 during the RCC's 122nd meeting. Together with the proposed amendments to the Metering Manual regarding MSP Performance Rating (as discussed above), the proposals are set to be submitted to the PEM Board within the first quarter of 2017.

2. Proposed Amendments to the WESM Rules and Market Manual on Billing and Settlement

Aboitiz Power Corporation's proposal was submitted to the RCC during its 99th meeting held on 08 April 2015, which sought to harmonize the requirements of the Bureau of Internal Revenue (BIR) for claiming deductible expenses with PEMC. The proposal intends to enable affected WESM Members/Trading Participants to provide sufficient documentation in claiming deductible expenses from the BIR and ensure that deductible expenses are recognized.

The proposal was approved for posting in the Market Information Website to collect inputs from WESM stakeholders during the said presentation. The RCC deliberated on the proposed amendments during its 101st RCC meeting held on 03 June 2015. During the discussion, PEMC informed the body that it already took the initiative to revise the invoice to be used once the PEMC's settlement system has been put into place. Said revised format has been submitted to the BIR with PEMC just awaiting the BIR's approval of the same. The RCC agreed to defer its decision on the matter relating to invoicing pending the BIR's resolution on the matter.

Relative to this proposal, on 27 April 2016, the RCC received inputs from the Power Sector Assets and Liabilities Management Corp. (PSALM), which similarly proposed that a computation be provided segregating the details of the sales and purchases of the WESM member and other relevant data for the pertinent billing period in the Final Statement. This is to properly identify WESM revenues and expenses for VAT computation purposes when filing with the BIR. PEMC then informed PSALM that a proposed new format of the WESM Bill addressing PSALM's concerns has been filed with the BIR, awaiting the BIR's approval. PEMC also informed the RCC, that to facilitate among other things, the billing processes, PEMC is developing the Account Management System (AMS), hopefully to be completed by year end. In consideration of the above, the RCC agreed to hold in abeyance its decision on the matter pending the resolution of the BIR of PEMC's proposed invoice format.

3. **Proposed Amendments to the WESM Market Manual on Management Procedures for Load Shedding**

On 20 July 2016, the NGCP-SO submitted its proposal to amend the WESM Market Manual on Management Procedures for Load Shedding which aims to clarify that the annual review of the Load Shedding Allocation Program does not actually need to be approved by the PEM Board. The said proposal was presented to the RCC during its 117th RCC regular meeting held on 03 August 2016 and was thereafter approved to be published in the Market Information Website with corresponding notices to the WESM stakeholders.

The proposal received comments from the DOE and MERALCO, which were amenable with the amendments and submitted their respective recommendations for the enhancement of the provision. From the RCC's 119th to 122nd meetings, held from October to December 2016, the body twice revised the proposal giving due consideration to the comments received from the Board Review Committee.

The proposal was discussed on 07 December 2016 during the RCC's 122nd meeting and the matrix of proposed amendments as agreed upon in the meeting accordingly prepared by the Secretariat for the RCC confirmation.

4. **Proposed Amendments to the WESM Market Manuals on Pricing Error Notice and Price Substitution Methodology**

On 19 October 2016, PEMC submitted its proposal to amend the WESM Market Manuals on Pricing Error Notice and Price Substitution Methodology which aims to reflect the actual timeline for the Market Operator's publication of the Pricing Error Notice and Price Substitution in the Market Information Website.

During the RCC's 121st meeting on 09 November 2016, PEMC presented its proposed amendments to the body and was subsequently approved for publication to the Market Information Website with corresponding notice to the WESM stakeholders.

The said proposal is set to be deliberated by the RCC, once the commenting period on the proposal has lapsed after the expiration of the 30-day commenting period.

5. **Proposed Amendments to the WESM Manuals on Billing and Settlement and Registration, Suspension and De-Registration Criteria and Procedures regarding BCQ Declaration and Line Rental Calculation**

During the RCC's 121st meeting, PEMC presented its proposed amendments to the WESM Manuals affected by the proposal to amend the WESM Rules related to BCQ Declaration and Line Rental Calculation. The proposal aims to detail the process for the counter-party

confirmation of the declared bilateral contract quantity, and to clarify that line rental trading amount is not a separate quantity calculated from the Ex-Ante Energy Trading Amount.

Upon initial review, the RCC approved the proposal to be posted to the Market Information Website to solicit comments from the interested WESM stakeholders. The RCC shall deliberate on the proposal once the 30-working day commenting period has lapsed.

III. WAY FORWARD

The RCC agreed to adopt the remaining deliverables in the updated 2016 Work Plan (Annex B) as carry-over activities for 2017.

Approved by: RULES CHANGE COMMITTEE [redacted] **Maria Lourdes G. de Castro** Chairperson Independent	
Members:	
[redacted] **Concepcion I. Tanglao** Independent	[redacted] **Francisco L.R. Castro, Jr.** Independent
[redacted] **Allan C. Nerves** Independent	**Isidro E. Cacho, Jr.** Market Operator Philippine Electricity Market Corporation (PEMC)
Ambrocio R. Rosales Transmission Sector National Grid Corporation of the Philippines (NGCP)	[redacted] **Abner B. Tolentino** Generation Sector Power Sector Assets and Liabilities Management Corporation (PSALM)
Atty. Jose Ildebrando B. Ambrosio Generation Sector North Wind	**Theo C. Sunico** Generation Sector Vivant Corporation
[redacted] **Ciprinilo C. Meneses** Distribution Sector (PDU) Manila Electric Company (MERALCO)	[redacted] **Jose P. Santos** Distribution Sector (EC) IlocosNorte Electric Cooperative, Inc. (INEC)
[redacted] **Juanito O. Tolentino, Jr.** Distribution Sector (PDU) Mactan Electric Company (MECO)	[redacted] **Ludovico D. Lim** Distribution Sector Antique Electric Cooperative, Inc. (ANTECO)
[redacted] **Loreto H. Rivera** Supply Sector TeaM (Philippines) Energy Corporation (TPEC)	Certified True and Correct: **Elaine D. Gonzales** RCC Secretary PEMC

Philippine Electricity Market Corporation

RCC- REP-16-02

ANNEX A: Members of the RCC for the Period July to December 2016

Sector	Representative Organization	Members	
		Regular	Alternate
Independent		Atty. Maila Lourdes G. de Castro *(Chairperson)*	-
		Francisco L.R. Castro, Jr.	-
		Concepcion I. Tanglao	-
		Dr. Allan C. Nerves	-
Market Operations	Philippine Electricity Market Corporation (PEMC)	Isidro E. Cacho, Jr.	Edwin N. Mosa
System Operations	National Grid Corporation of the Philippines (NGCP)	Ambrocio R. Rosales	Henry V. Dela Cruz
Generation	NorthWind	Atty. Jose Ildebrando B. Ambrosio	-
	Power Assets & Liabilities Management (PSALM) Corporation	Abner B. Tolentino	Ma. Erliza C. Casas
	1590 Energy Corporation	Theo C. Sunico	Aris V. Policarpio
Distribution	PDU – Manila Electric Company (MERALCO)	Ciprinilo C. Meneses	Ryan S. Morales
	PDU – Mactan Electric Company (MECO)	Juanito O. Tolentino, Jr.	-
	EC – Ilocos Norte Electric Cooperative (INEC)	Jose P. Santos	Roy Rosario F. Alimbuyuguen
	EC – Antique Electric Cooperative (ANTECO)	Ludovico D. Lim	-
Supply	TeaM (Philippines) Energy Corporation	Lorreto H. Rivera	-
Observers	Department of Energy (DOE)	Usec. Mylene C. Capongcol	Ferdinand B. Binondo Luningning Baltazar
	Energy Regulatory Commission (ERC)	Atty. Debora T. Layugan	-

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
ONGOING PROPOSALS CARRIED OVER FROM 2015							
1	Proposed Amendments to the WESM Rules and Technical Committee Manual Issue 1	-	1st Quarter	WESM Manual	Technical Committee	Completed	**Approved** by the RCC on 13 January 2016 and endorsed to the PEM Board through **RCC-RESO-16-01**
2	Dispatch Protocol Manual to Address audit findings (Proposed "DPM Issue 12")	-	1st Quarter	WESM Manual	PEMC / RCC	Completed	Carry-over from 2015; revised several times and is now referred to as the *Proposed Dispatch Protocol Manual Issue 12;* **approved** by RCC on 05 October 2016 (119th RCC Meeting) through **RCC-RESO-16-11**
3	Proposed Amendments to the WESM Rules Chapter on Intervention and Suspension	-	1st Quarter	WESM Rules	NGCP-SO	Completed	Carry-over from 2015; **approved** by the RCC on 03 March 2016 RCC Meeting and endorsed to the

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							PEM Board through **RCC-RESO-16-02**
4	Proposed Amendments to the System Security and Reliability Guidelines Manual	-	1st Quarter	WESM Manual	NGCP-SO	Completed	Carry-over from 2015; **approved** by the RCC on 03 March 2016 RCC Meeting and endorsed to the PEM Board through **RCC-RESO-16-03**
5	Proposed Amendments to the Manual on Emergency Procedures	-	1st Quarter	WESM Manual	NGCP-SO	Completed	Carry-over from 2015; **approved** by the RCC on 03 March 2016 RCC Meeting and endorsed to the PEM Board through **RCC-RESO-16-04**
6	Proposed Amendment to the WESM Rules for the Implementation of Enhancements to Market Design and Operations	Dec. 2015	1st Quarter	WESM Rules	PEMC	Completed	Carry-over from 2015; **approved** by the RCC on 03 March 2016 RCC

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							Meeting and endorsed to the PEM Board through **RCC-RESO-16-05**
7	Proposed Amendments to the WESM Rules on Cogeneration Facilities	-	1st Quarter	WESM Manual	Petron / RCC Sub-Committee	Completed	Carry-over from 2015; integrated in the *Proposed DP Manual Issue 12* (item #2 in this Work Plan); **approved (RCC-RESO-16-11** dated 05 Oct 2016 during 119th Meeting)
8	Proposed Amendment to the WESM Rules and Dispatch Protocol Manual (market intervention)	Dec. 2015	1st Quarter	WESM Rules / Market Manual	Technical Committee	Completed	Carry-over from 2015; integrated in the *Proposed DP Manual Issue 12* (item #2 in this Work Plan); **approved (RCC-RESO-16-11)**
9	Proposed Amendments to the WESM Rules on Submission of Offers of Battery Energy Storage Systems	-	1st Quarter	WESM Rules	AES / RCC Sub-Committee	Withdrawn	Carry-over from 2015; **withdrawn** as agreed during

[redacted]

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							the 12 Jan 2016 RCC-Sub-Committee Meeting
NEW PROPOSALS							
10	Site Specific Loss Adjustment	Q1 2016	2nd Quarter	WESM Manual	DU Sector / INEC	Completed	**Disapproved (RCC-RESO-16-06 dated 01 June 2016)**
11	Proposed Amendments to the WESM Rules on Bilateral Contract Quantity Declaration and Line Rental Calculation	Q1 2016	2nd Quarter	WESM Rules	PEMC	Completed	**Approved (RCC-RESO-16-14 dated 09 November 2016)**
12	Proposed Amendments to WESM Manuals for the Implementation of Preferential Dispatch, FIT-All Collection and Non-Expiration of Standing Submission in the WESM	Q1 2016	2nd Quarter	WESM Manuals	PEMC	Completed	• In compliance with DOE directive for PEMC to submit proposed amendments to relevant rules provision and market manuals for the implementation of preferential dispatch

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							• **Approved (RCC-RESO-16-07 dated 01 June 2016)**
13	Proposed Amendments to the WESM Metering Standards and Procedures regarding MSP Performance Rating	Q1 2016	2nd Quarter	WESM Manual	PEMC	On-going	• Approved on 05 Oct 2016 during RCC's 119th Meeting • Incorporated with the WESM Metering Manual proposal regarding Back-up Meters • For finalization and re-submission to the PEM Board, after consistency check with new PGC
14	Proposed Amendments to the WESM Manuals to enhance WESM design and operations (Batch 1) - PDM and CVC Manual	Q1 2016	2nd Quarter	WESM Manuals	PEMC	Completed	• In compliance with DOE Circular No. DC2015-10-0015 • **Approved (RCC-**

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							RESO-16-13 dated 09 November 2016)
15	Proposed Amendments to the WESM Manual on Management of Net Settlement Surplus		2nd Quarter	WESM Manuals	PEMC	Completed	**Approved (RCC-RESO-16-09 dated 07 July 2016)**
16	Proposed Amendments to the WESM Manual on Procedures for Load Shedding			WESM Manuals	NGCP-SO	On-going	• Remanded by the Board Review Committee to the RCC for further review (as of 23 November 2016) • revised by the RCC on 07 Dec 2016 • for re-submission to the PEM Board
17	Proposed Amendments to the WESM Rules, Dispute Resolution Market Manual and Registration Manual regarding WESM Disputes			WESM Rules and Manual	DRA	Completed	**• Approved (RCC-RESO-16-12 dated 05 Oct 2016)**
18	Proposed Amendments to the WESM Rules and Dispute Resolution Market Manual regarding Dispute Resolution Process			WESM Rules and Manual	DRA	Completed	**• Approved (RCC-RESO-16-12 dated 05 Oct 2016)**

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							• Approved by the PEM Board on 29 Nov 2016 except the proposed arbitrators' fees and administrative expenses; • Discussed by the RCC on 07 Dec 2016; agreed to request from the DRA a documentation justifying the proposed fees and costs, and have proposal undergo consultation
19	Proposed Amendments to the Retail Manual on Metering Standards and Procedures	Q1 2016	2nd Quarter	Retail Manual	PEMC	Submitted	• In response to RSM Bird Cameron's findings (5th MO Audit) • Submitted to the RCC on 05 Dec 2016 • Presented to the RCC on 07 Dec

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							2016; approved for publication in the market website • Published in the market website on 12 December 2016, commenting period until 26 January 2017
20	Proposed New WESM Manual: Ancillary Service Manual	Q1 2016	2nd Quarter	WESM Manual	PEMC		• New Manual to discuss reserve categories in the WESM • Contingent on ERC approval of the Reserve Market • Based on existing MMS • Proposal on free governor mode: formulation of compensation for Gencos providing ancillary; corresponding penalties

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
21	Exclusion of Contestable Customers in Registering as Indirect / Direct WESM Members and Establishment of process for their mapping through their Retail Electricity Suppliers (RES)	Q2 2016	3rd Quarter	WESM Rules and Manual	RESA		• To remove requirement for CCs to directly register with the WESM and to propose that CCs' registration be through the RES counter-party • New target date of submission to be confirmed from the proponent
22	Representation of RES in the WESM Model/ Operations	Q2 2016	3rd Quarter	WESM Rules and Manual	RESA		• To represent RESes in the WESM Model/Operations and to revise settlement formula in consideration of RES transactions • New target date of submission to be confirmed from the proponent

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
23	Proposed Amendments to the Administered Price Determination Methodology Manual in relation to the Settlement Calculation	2nd Quarter 2016 (30 June 2016)	3rd Quarter	WESM Manual	Generation sector (GN Power/ SMC Global)		• To ensure fairness in the settlement calculation of Load Customers • New target date of submission to be confirmed from the proponent
24	Proposed Amendments to the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures	Q4 2016	Q1 2017	WESM Manual	PEMC	Submitted	• To streamline procedures and address audit observations • To incorporate the treatment/ modelling of embedded generation and generation monitoring (gross or net of station use) • Proposal submitted to the RCC on 29 December 2016

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
25	Proposed Amendments to the WESM Manual on Market Network Model Development And Maintenance Criteria and Procedures	Q4 2016	4th Quarter	WESM Manual	PEMC		• Proposal concerning the modelling of DUs, embedded generation, and generation monitoring (gross or net of station use) • Proponent target date of submission moved from Q3 to Q4 2016
26	Proposed Amendments to the Methodology for Determining Pricing Errors And Price Substitution Due To Congestion For Energy Transactions In The WESM	Q2 2016	3rd Quarter	WESM Manual	PEMC	Completed	• To propose new Trigger Factor Thresholds for PSM • Already covered by the approved Proposed Amendments to the Price Determination Methodology (RCC-RESO-16-13)

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
27	Proposed Amendments to the WESM Manual on Billing and Settlement	Q2 2016	3rd Quarter	WESM Rules and Manual	PEMC	Ongoing	• To revise the bilateral declaration timeline and incorporate changes to the line rental calculation to address previous audit findings; • Incorporated in the Proposed Amendments to the WESM Rules (item #11 of this Work Plan); • **Commenting period until 27 December 2016**
28	Proposed Amendments to the WESM Rules and ECO Manual	Q4 2016	3rd Quarter	WESM Rules and Manual	PEMC	On-going	• To provide for the authority of PEMC and the Board to investigate and impose sanctions to non-complying participants; • Target date of submission moved from Q3 to Q4 2016

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							• submitted to the RCC on 06 Dec 2016
29	Proposed Amendments to the WESM Rules and Market Surveillance, Compliance and Enforcement Manual	Q4 2016	4th Quarter	WESM Rules and Manual	PEMC		• To set out the definitions of breaches and the procedures on compliance monitoring and enforcement actions • Target date of submission moved from Q3 to Q4 2016.
30	Proposed Amendments to the Penalty Manual	Q1 2017	Q2 2017	WESM Rules and Manual	PEMC		• To set out the penalty to be applied for each type of breach, and for breach of the dispatch conformance standards based

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							on the enhanced WESM design • To simplify the penalty system • Target date of submission moved from Q3 2016 to Q1 2017 (31 March 2017)
31	Proposed Amendments to the Dispatch Protocol Manual	Q3 2016	3rd Quarter	WESM Manual	PEMC	Completed	• To establish Dispatch Tolerance Standards for Energy Dispatch; • integrated in the *Proposed DP Manual Issue 12* (item #2 of this Work Plan); **• approved (RCC-RESO-16-11 dated 05 Oct 2016 during 119th Meeting)**

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
32	Proposed Amendments to the WESM Manuals to enhance WESM design and operations (Batch 2)	Q3 2016	3rd Quarter	WESM Manuals	PEMC	On-going	• In compliance with DOE Circular No. DC2015-10-0015 • presented to the RCC on 07 Dec 2016 • published in the market website for comments of Market Participants
33	Proposed Amendments to the WESM Manuals to enhance WESM design and operations (Batch 3)	Q4 2016	4th Quarter	WESM Manuals	PEMC		In compliance with DOE Circular No. DC2015-10-0015
DEFERRED PROPOSALS FROM PREVIOUS YEARS							
34	Proposed Amendment to the Retail Rules on Retail Disconnection	-	-	Retail Rules	Supply Sector / RESA	Deferred	Carry-over from 2015; Deferred in response to RESA's request pending result of ongoing discussions between ERC and RESA

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
35	Proposed Amendment to the WESM Rules and Wholesale Metering Manual (Back-up meters)	-	-	WESM Rules / WESM Manual	PEMC / Technical Committee	Ongoing	• Carry-over from 2015; • Deferred awaiting result of Metering Audit; • **approved during 122nd RCC Meeting on 07 Dec 2016**
36	Proposed Amendment to the Retail Metering Manual	-	-	Retail Manual	MERALCO	On-going	Carryover from 2015; Deferred awaiting result of Metering Audit
37	Incorporate policies on the reserves market in the WESM Rules	-	-	WESM Rules	DOE / PEMC	Completed	Carry-over from 2015; Contingent with ERC's approval of PCRM Covered/incorporated in the approved WESM Rules per DOE DC2016-10-0014
38	Proposed Amendment to the WESM Rules and the Billing and Settlement Manual	-	-	WESM Rules / WESM Manual	APC	Deferred	• Carry-over from 2015; • For revision by APC; deferred

ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
							awaiting BIR resolution of proposed new invoicing format and completion of Account Management System (last discussed on 01 June 2016)
39	Proposed Amendment to the WESM Rules and Manuals on MRU-MSU and APDM	-	-	WESM Rules / WESM Manual	APC	Completed	• Carry-over from 2015; • **approved (RCC-RESO-16-08 dated 07 July 2016)**
40	Abolition of Manual of Procedure on Start-Up and Shut-Down	-	-	WESM Manual (abolition)	PEMC	Completed	• Carry-over from 2015; • Incorporated in the Proposed Dispatch Protocol Manual Issue 12 (RCC-RESO-16-11)

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ANNEX B: Status of the 2016 RCC Work Plan

Item	Topics/Proposed Rules Change	Proponent Target	RCC Target	Deliverables	Responsible Party	Status	Remarks
41	Abolition of current Ancillary Services Monitoring Manual	-	-	WESM Manual (abolition)	PEMC / NGCP-SO	Deferred	• Carry-over from 2015; • Per PEMC, the current Manual will be overhauled as part of the amendments related to the enhancement of WESM Design and Operations. The abolition of the current manual is contingent with the approval of the new Ancillary Services Monitoring Manual. • Deferred pending the issuances of the ERC on the Reserve Market