



# Technical Committee 2025 Annual Report

January 2025 to December 2025

**MARCH 2026**

This Report is prepared by the  
Philippine Electricity Market Corporation –  
Market Assessment Group for the WESM Technical Committee

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The information contained in this document is based on data that are subject to continuous verification by the Philippine Electricity Market Corporation (PEMC). The same information is subject to change as updated figures come in.

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## 1.0 INTRODUCTION

Pursuant to Section 3.3.1 of the Technical Committee (TC) Market Manual<sup>1</sup> Issue 3.0, this Report is submitted to the PEM Board to provide the Committee's accomplishment, pending issues, and activities for the period covering January to December 2025. This Report likewise include the work plan of the Committee for the year 2026.

## 2.0 TC RESPONSIBILITIES AND MEMBERSHIP

### 2.1 Responsibilities

The responsibilities of the TC are set out in the WESM Rules<sup>2</sup> as follows:

- i. Monitor technical matters relating to the operation of the spot market;
- ii. Provide a report to the PEM Board on any matter of a technical nature relating to any WESM member which in the reasonable opinion of the TC causes:
  - a. that WESM Participant to be unable to comply with the WESM Rules; or
  - b. unintended or distortionary effects to the operation of the WESM;
- iii. Assist the PEM Board by providing expertise in relation to:
  - a. Information technology;
  - b. Metering technology and metering data; and
  - c. Any other matter of a technical nature relating to the spot market;
- iv. From time to time if the TC in its discretion deems necessary or appropriate, propose amendments to the WESM Rules in relation to technical matters, in accordance with chapter 8 with a view to:
  - a. Improve the efficiency and the effectiveness of the operation of the spot market; and
  - b. Improve or enhance the prospects for the achievement of the WESM objectives; and
- v. Assist the Rules Change Committee in relation to its assessment of proposals of a technical nature to amend the WESM Rules under chapter 8.

In addition, the TC is also tasked to conduct technical reviews and studies pursuant to the guidelines<sup>3</sup> set forth in the TC Market Manual.

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<sup>1</sup> Section 3.3.1 of the Technical Committee Market Manual – The TC shall prepare an Annual Report to be submitted to the PEM Board not later than three (3) months from the end of the calendar year. The report shall cover the Committee's accomplishments and pending issues and activities for the stated period. It shall also include the work plan of the Committee for the succeeding calendar year.

<sup>2</sup> WESM Rules Clause 1.7.2. *Responsibilities of the Technical Committee*

<sup>3</sup> WESM-TCMM-003 Section 4.3 *Procedures*

## 2.2 Membership

Pursuant to Section 8.1 of the WESM Manual on Guidelines Governing the Constitution of the WESM Governance Committees (Issue 5.0), the TC shall consist of seven (7) members:

<b>Composition</b>	<b>PEM Board-Appointed Member/Representative</b>	<b>Date of Appointment</b>
Three (3) Independent Members	Mario R. Pangilinan	<ul style="list-style-type: none"> <li>March 2022 to present (as Chairperson)</li> <li>November 2021 to February 2022 (as Member)</li> </ul>
	Jaime V. Mendoza	<ul style="list-style-type: none"> <li>December 2022 to present</li> </ul>
	Wilbert Rey D. Tarnate	<ul style="list-style-type: none"> <li>March 2023 to present</li> </ul>
One (1) Member representing the System Operator	Ermelindo R. Bugaoisan Jr.	<ul style="list-style-type: none"> <li>August 2018 to present</li> </ul>
One (1) Member representing the Market Operator One (1) Member representing the Market Operator	Arthur P. Pintado – Principal Member	<ul style="list-style-type: none"> <li>May 2025 to present</li> </ul>
	Ervin M. Santos – Alternate Member	
One (1) member representing the Generation Sector registered under the WESM Rules	Edwin N. Mosa – Principal Member	<ul style="list-style-type: none"> <li>January 2023 to May 2025</li> </ul>
	Cyril Recto S. Calub – Alternate Member	
One (1) member representing the Distribution Sector registered under the WESM Rules	Daniel H. Valeriano, Jr. – Principal Member	<ul style="list-style-type: none"> <li>May 2023 to present</li> </ul>
	Dennis L. Enciso – Alternate Member	
One (1) member representing the Distribution Sector registered under the WESM Rules	Froilan J. Savet – Principal Member	<ul style="list-style-type: none"> <li>May 2023 to present</li> </ul>
	Danilo C. Bagtasos – Alternate Member	

In performing its responsibilities, the TC conducted regular monthly meetings and special meetings, as necessary. For 2025, the TC conducted twelve (12) regular meetings in an alternate manner of either face-to-face or online (via MS Teams). The TC likewise participated in various external meetings, hearings, and events with various stakeholders, including the Department of Energy (DOE) and the Energy Regulatory Commission (ERC).

### **3.0 TC ACCOMPLISHMENTS FOR 2025**

#### **3.1 TC 2024 Annual Report and 2025 Work Plan**

The TC submitted its 2024 Annual Report and 2025 Work Plan to the PEM Board on 21 March 2025, and published the same on the PEMC website on 28 March 2025 in accordance with Sections 3.3.1 and 3.4.1 of the Technical Committee Market Manual (WESM-TCMM).

The TC's 2024 Annual Report contains the Committee's accomplishments, pending issues, and activities for the period covering January to December 2024 while the 2025 Work Plan provides the program of activities for 2025 consistent with the PEMC's Corporate Strategic Plan for 2024-2026.

#### **3.2 Day-Ahead Market (DAM) in the WESM (Part 2): Capacity Market Development**

On 03 July 2025, the DOE published the draft department circular entitled "*Adopting a General Framework Governing the Establishment of a Capacity Market in the Philippines.*" This publication triggered ongoing discussions among industry stakeholders on the development of a Capacity Market (CM), which aims to ensure electricity resource adequacy. The matter emanated from a study on Loss of Load Expectations (LOLE), which claims to indicate insufficient capacity in the coming years.

A notable feature of a CM design in the draft circular is the necessity of a day-ahead scheduling mechanism, which is not currently part of the existing WESM design and operations. In light of this, the TC revisited the study conducted by Intelligent Energy Systems (IES) in 2014 commissioned by PEMC on the possible implementation of a Day-Ahead Market (DAM) in the Philippines, as well as a position paper by the TC advocating the pursuit of DAM through Day-Ahead Bilateral Scheduling (DABS) as an immediate measure.

Based on its review, the Committee developed its position on the draft policy, summarized as follows:

- It can be concluded that there is no single market design that can always address dynamic supply and demand conditions in the grid effectively. For this reason, there are different types of electricity market and products that are being developed in different jurisdictions to address the challenge.
- Electricity markets must be designed or implemented based on the following considerations: (1) purpose and desired outcome, (2) trading mechanism and operating timeframe, (3) participant acceptance and (4) interactions with other markets.
- The development of the CM in the WESM requires careful and deliberate planning to ensure that no operational gaps exist during actual implementation. Using available information on market developments locally and from other jurisdictions, a step-by-step approach is proposed by the TC with guardrails to guide the implementation process and provide an objective measure of success every step of the way.
- In the WESM, operational gaps between the spot market and CM will have to be bridged with an intermediate scheduling process which is currently not part of its design and operation. The TC proposed the following tasks for a step-by-step approach to address the gaps:
  1. Prepare market performance metrics
  2. Modify spot market design.
  3. Introduce day-ahead bilateral scheduling
  4. Develop day-ahead market
  5. Develop forward energy market
  6. Develop forward capacity market
- The TC anticipates that if the DOE decides to pursue the development of CM in the WESM, it will have to resolve the current issues in the market one way or another.

The foregoing views of the TC were discussed with the DOE during Focus Group Discussions on 01 and 12 September 2025 (see Section 3.3.3).

On 11 August 2025, the TC submitted its written position paper to the PEMC's Office of the President (OP) and WESM Governance Officer (WGO) to seek guidance and endorsement to elevate the Committee's position to the PEM Board and ultimately to the DOE as the policy maker. The TC highlighted in their submission that the big leap from a real-time 5-minute spot market to a multi-year capacity market will create an operational gap in the scheduling and dispatch.

On 24 September 2025, the subject study was presented to the PEM Board, as endorsed by the OP and WGO.

### **3.3 Provision of Comments to Various Draft Rules Changes and DOE Issuances**

The TC submitted various comments in response to various calls for comments, as follows:

#### **3.3.1 Rules Change Committee (RCC) Call for Comments on the Proposed Amendments to the WESM Manual on Dispatch Protocol relative to the Validation Process of Reported Discrepancies in the Dispatch Instruction Report (ORCP-WM-25-01)**

The draft rules change proposal, initiated by NGCP, seeks to include a provision for the revalidation of reported discrepancies in the Dispatch Instruction Report (DIR) and provide the System Operator an additional seven (7) working days for such process. The proposal aims to provide the System Operator, Market Operator and Generation Companies a sufficient period to assess and validate reported discrepancies thoroughly.

The written comments of the TC were submitted to the RCC on 16 April 2025. The general comments of the TC are as follows:

1. To provide further context and justification for the proposed amendments, the proponent should present relevant data detailing the reported discrepancies that led to the System Operator's validation and revalidation of DIR. This should include historical information about the validation periods conducted by the System Operator
2. The term 'validation' or 'revalidation' is more appropriate than 'reconciliation,' which is typically associated with the WESM settlement process.
3. The criteria for determining valid discrepancies in the DIR should be clearly defined and clarified.

4. Conduct further review of other WESM Manuals that may be affected by this proposal, noting that the proposed amendments could impact other processes in the WESM, such as billing and settlement.
5. Consider incorporating the flagging of trading participants undergoing validation or re-validation of DIR into the MO process, if this activity is not yet in place.

The TC likewise participated in the RCC deliberation of the subject proposal.

### **3.3.2 DOE Call for Comments on the Proposed Department Circular (DC) on the Framework for the Integration of Nuclear Energy in the Clean Energy Scenario (CES) under the Philippine Energy Plan (PEP) 2023 - 2050**

The subject draft DOE policy establishes a “framework to instill potential investor interest for the first nuclear power generation facility in the Philippines, while... ensuring a seamless and efficient integration of nuclear energy in the power generation mix.” The written comments of the TC was submitted to the DOE on 15 July 2025 as part of PEMC’s submission.

In its submitted comments, the TC raised the following concerns and clarification:

1. The draft policy does not prescribe capacity limits, leaving a broad scope which can range from small modular reactors (SMR) to a more conventional nuclear power plant (NPP).
2. Construction of large NPP projects are often delayed which translates to substantial interest (i.e., increased cost).
3. There is a need for an enabling law to support the policy.
4. It takes about 50 years to decommission a large NPP.
5. Disposal of nuclear waste is a significant issue that needs to be addressed.
6. In the US, the first SMR project failed to commercially operate.
7. The target to have 1,200 MW from NPP by 2032 is too near. The consideration should be at least 10 years (in reference to Bataan NPP which took around 12 years to build).
8. In terms of policy direction, this policy implies that the country’s renewable energy (RE) initiative is not sustainable.

On 15 July 2025, the TC representatives attended the virtual public consultation regarding the proposal.

### **3.3.3 DOE Call for Comments on the Proposed Department Circular (DC) on Adopting a General Framework Governing the Establishment of a Capacity Market in the Philippines**

The draft policy seeks to provide a framework for establishing a Capacity Market as “a mechanism to encourage additional investments in the power industry” and a “viable mechanism to improve the quality, reliability, and security of the electric power supply.”

The written comments of the TC on the draft DOE DC were submitted on 17 July 2025. The TC highlighted the following comments on this matter:

1. The concept of the Capacity Market is a big jump from the real-time (5-minute) market which obviously requires an intermediate process such as a day-ahead market or day-ahead scheduling. This was mentioned in the draft policy but to date there are no rules and procedures in WESM to support this requirement.
2. There were two relevant documented studies relating to WESM design on day-ahead processes: Day Ahead Market (DAM) in 2014 by IES (WESM Design Study Phase 3) and Electricity Derivative Market (EDM) 2017 by NordPool. In both studies the need for a binding day-ahead market was considered to address price volatility and demand-supply uncertainties. A working DAM facilitates the development of a forward market (FM) which according to NordPool can be initially physical and later evolving to a financial market, subject to legal feasibility.
3. The TC supports the development of a DAM as expressed in their report “DAM in the WESM” in 2022 with the hope that it will facilitate forward markets even at the physical level. The study recommended a day-ahead bilateral scheduling (DABS) which could serve as an intermediate step for DAM development.
4. Compared to Capacity Market (CM), the TC favors DAM and FM for the following reasons:
  - DAM provides more flexibility, transparency and accountability in bilateral supply contracting. The flexibility is greatly enhanced by FM which would allow parties to handle contractual imbalances (over- or under-contracting) efficiently.

- In the process, DAM decongests the real-time market (5-minute) to allow more time for MO and SO to coordinate their real-time operations and for generators to use their bilateral contract to deal with self-commitment issues without the need for centralized (i.e., gross-pool requiring pseudo-offers) scheduling.
- CM is a single buyer model with requirements established by a single entity, SO, and approved by DOE using only LOLE as a deciding factor. It serves as a compulsory “reliability” insurance policy which effectively imposes a capacity fee on the WESM energy market. Cost recovery of CM is an additional burden to market participants and ultimately to consumers.
- This contrasts with bilateral supply contracting which allows both parties to consider their specific needs and limitations in their transactions to manage their own business risks. The standard tariff of Power Purchase Agreements (PPAs) already includes fixed and variable charges to handle capacity and energy costs. CM will definitely add to this cost structure.
- From the point of view of TC, which is also the Interim Grid Management Committee, there are two missing links that will help improve in ensuring supply adequacy and system security; (1) an effective reliability assessment mechanism that measures supply adequacy and system security, and, (2) an effective day-ahead scheduling process supported by a DAM/FM platform.
- Finally, CM as proposed in this draft policy may look simpler to implement compared to DAM/FM (especially physical model), but there already exist more detailed studies for the latter. It is recommended that more detailed studies be undertaken for CM development in the Philippines.

The TC’s comments was shortly developed into a position paper with recommendation of a phased approach for establishing a Capacity Market (see Section 3.2). This position was likewise discussed with the DOE during Focus Group Discussions (FGD) on 01 and 12 September 2025.

### **3.4 Request for Technical Study/Review**

The TC completed the following requests for technical study and review:

#### **3.4.1 DOE Directive to Conduct a Technical Study on Setting the Testing Periods for Test and Commissioning (T&C) per Plant Type**

On 03 February 2025, the TC received a letter from the Market Surveillance Committee (MSC) requesting that the TC conduct a study on the subject matter, as directed by the DOE. Following the discussion during the TC Regular Meeting held on 05 February 2025, the TC submitted its response to the MSC letter on 10 February 2025.

The TC highlighted the following recommendations, which were reiterations of their previous communication with the MSC on the same matter in 2019:

- a. Proponents to the ERC for power plant T&C should submit their detailed plans which includes information such as: (i) the type of tests to be performed, (ii) the conditions for testing (including input parameters such as wind speed and water flow), (iii) the parameters to be observed during testing, the standards to be met, and more importantly the period for the conduct for each component of the tests.

The TC realized that prescribing a blanket two-month period (or even an extended 6-month period) for the entire test is counter-productive for the industry if these details are not provided. It was further recommended that the testing and commissioning plans submission be done under oath by the proponent's authorized representative.

- b. Benchmarking for the industry across various power plant technologies may only be done upon the availability of such detailed plans from generation companies.

The TC believes that such benchmarking is an important step in recognizing that each generating plant and technology involve different complexities and processes, that must be carefully considered in the rules and procedures on the conduct of testing and commissioning.

### **3.4.2 MSC Request for Study on Islanding Situation in the WESM Leading to Market Intervention and Suspension**

On 06 August 2025, the TC submitted its report on the subject MSC Request for Study, which contains the TC's position and recommendations.

Based on the Committee's appreciation of the process, the TC believes that Market Intervention (MI) and Market Suspension (MS) have become synonymous terms because both end up with the System Operator (SO) taking over dispatch scheduling and administered prices being employed. The critical decision of SO or the Market Operator (MO) to intervene in the market requires accountability and transparency which are not clearly defined in the WESM Rules and procedures, leading to potential conflicts between the two entities.

The result of the review and assessment prompted the TC to offer its insights and recommendations as follows:

- a. Any incidents, including islanding situations, leading to the declaration of MI/MS, whether applied system-wide or regional or by island grid, should be comprehensively reviewed to determine the root cause which can be used as basis for possible enhancement to the Market Management System (MMS) or in the rules and procedures, as necessary
- b. In terms of guiding principle, the TC believes that logically, only the SO can intervene in the market operations while the MO can only suspend, and not intervene in its own business process. The TC suggests that:
  - The SO has sole authority to declare market intervention for any grid security-related incidents
  - The MO has sole authority to declare market suspension for any market system-related incidents
  - The exercise of authority by the ERC and/or DOE does not need to be embedded in the operational aspect of the market and the system. Their authority to intervene and when to do so are already implied without spelling it out. However, their actions are limited as to when they can intervene because the criteria are already defined in the rules or policy.

- c. It is recommended to develop or update the existing procedures on MI and MS to clearly define the criteria and procedures employed by SO and MO, and to have a clear delineation of responsibility and accountability
- d. Lastly, the updated process or protocol should be agreed upon by both the MO and SO which may be used as basis for the attribution of MI, notwithstanding the result of the assessment of the MSC.

### **3.4.3 PEM Board Directive to Conduct a Report on the Implementation of Capacity Market based on the Study of DOE-USAID Consultant**

On 24 September 2025, the TC presented its study on the Day-Ahead Market to the PEM Board, highlighting the Committee's recommendations in relation to the establishment of a Capacity Market in the Philippines, as outlined in Section 3.2 of this report. In the same presentation, the TC also discussed the premise of the draft Capacity Market Development Framework, which is based on a study commissioned by the DOE.

Since the DOE had provided PEMC with a copy of the study on 17 September 2025, the PEM Board directed the TC to incorporate the results of the DOE study on the capacity market into its report.

On 23 October 2025, the TC presented to the PEM Board the Committee's review of the subject DOE study. The TC review suggests a need for a day-ahead scheduling mechanism which prompted the TC to revisit earlier report on DAM/DABS in the WESM.

The following are the TC observations and recommendations on this matter:

- The ongoing consultation on Capacity Market development by the DOE is intended to ensure long-term electricity resource adequacy using market-based approach.
- However, the factors to be considered in resource adequacy varies in the short-, medium- and long-term demand-supply conditions of the grids and their interconnections.
- LOLE is a suitable metric for medium- to long-term but it should be complimented by other metrics such as Energy Not Served (ENS) /Expected Unserved Energy (EUE) and

semi-probabilistic/deterministic operating reserve requirements particularly for short- and medium-term demand and supply conditions

- Over/under estimation of capacity margins resulting from errors in assumptions, input data and computational modelling can be reconciled with the WESM (5-minute) market through day-ahead scheduling mechanisms.
- Continuity and consistency in the design and development of the electricity market is crucial to overall success and sustainability of the power industry. The TC suggests benchmarks such as reliability, affordability, environment and resilience as guiderails.

The TC cautioned that the above conclusions are based on the limited understanding of the TC on CM development and should be subjected to further study and FGD with industry players.

### **3.5 Participation to Various Consultations and Discussions**

The TC attended and/or participated in various consultations and discussions, as organized by various stakeholders.

#### **3.5.1 National Grid Corporation of the Philippines' (NGCP) Transmission Development Plan (TDP) 2025-2050 Consultation**

On 28 March 2025, NGCP organized a consultation on the draft TDP for 2025–2050, which was attended by representatives from PEMC and the Market Operator, including the TC and other WESM Governance Committees (WGC). The consultation aimed to gather inputs from stakeholders on the following key components of the plan:

1. NGCP's strategies to address the growing power demands
2. Integrating renewable energy sources from the DOE's Green Energy Auction Program (GEAP), particularly GEA-1 and GEA-2 projects
3. Available transmission capacities per year through 2030
4. Projects with adjusted timelines
5. Proposed solutions to the challenges of integrating Variable Renewable Energy (VRE) into the grid.

During the discussion, the TC raised the following comments for NGCP's consideration:

- Include in the planning the impact on transmission rates and cost of service, to also give signal to the policy makers;
- Include discussion regarding regulatory barriers resulting in transmission project delays, which also affect investors;
- Include readiness of transmission infrastructures on the entry of nuclear power plants, highlighting its effect in grid reliability;
- Expedite projects that will alleviate the frequent imposition of MRU in Mindanao; and
- Identify transmission projects that are critical for cross-border interconnection

### **3.5.2 DOE's Focus Group Discussion (FGD) on Capacity Market**

On 01 September 2025, the DOE conducted an FGD with PEMC to solicit inputs on the proposed Capacity Market Framework in the Philippines. The TC, as one of the WGCs, participated in this activity, considering their submitted comments as outlined in Section 3.3.3 of this report.

Recognizing the Committee's significant inputs on this matter, the DOE requested a follow-through FGD with the TC to discuss the following:

1. Draft DOE Framework on Capacity Market
2. USAID's Study on Capacity Market
3. Comparison of LOLE Calculations (NGCP and USAID)

On 12 September 2025, the DOE and TC proceeded with the follow-through FGD. The TC raised concerns on the following topics:

1. Consider EUE to model magnitude of supply deficit
2. Technology neutrality in the capacity market design
3. Cost recovery, given that the insurance capacity payment will be passed on to customers or consumers
4. Introduction of DABS and DAM concept prior the establishment of the Capacity Market.

Taking note of the TC's comments, the DOE informed the Committee that a separate meeting would be necessary to further discuss the implementation of DAM in the WESM.

### **3.5.3 Presentation of the Key Findings on the Review of WESM Price Mitigation Measures**

On 01 December 2025, PEMC and UNOPS organized a knowledge-sharing activity to present the results of a study entitled *Enhancing the Spot Market to Attract Investments to Renewables*. This project was implemented under the UNOPS Southeast Asia Energy Transition Partnership.

The TC Chairperson participated in the discussion, during which the following comments were raised:

1. The TC expressed reservations about the study's claim that renewable energy (RE) would lower electricity prices while increasing supply reliability, noting that price spikes are generally considered signals of unreliability.
2. In other jurisdictions, governments often provide a safety net (through taxpayers) to cover additional charges due to RE, unlike in the Philippines, where ratepayers shoulder the cost.
3. The consultant should have gathered data from large DUs, as market movers in bilateral and spot transactions, to enable a more comprehensive financial assessment.

The TC continued its discussion on this matter during the TC Regular Meeting on 03 December 2025, where it remarked that PEMC, as the Governance Arm of the WESM, should promote a level playing field in the market regardless of the type of technology, rather than leaning toward increasing the price cap to accommodate RE investments.

## **3.6 Interim Grid Management Committee (IGMC) Activities**

The ERC Resolution No. 04, Series of 2023, entitled *A Resolution Constituting an Interim Grid Management Committee (GMC) for a specific purpose and Perform Limited Functions Under the Philippine Grid Code*, promulgated on 03 May 2023 constituted the IGMC with the PEMC TC as its

initial core members together with representatives from the ERC's Regulatory Operations Service (ROS), and the Market Operations Service (MOS).

In the said resolution, the IGMC are mandated to perform limited functions as provided under the PGC:

1. Monitor the implementation of the PGC;
2. Monitor, evaluate, and make recommendations on Grid planning and Grid operations;
3. Review and recommend standards, procedures, and requirements for Grid connection, operation, maintenance, and development; and
4. Other tasks that the commission may specifically delegate other than the regulatory power of the Commission.

### **3.6.1 Significant Incident Report (SIR) Monitoring**

In compliance with the subject resolution issued by the Commission, the TC, as the IGMC, has continuously monitored grid-related significant incidents as reported by the System Operator.

On 31 March 2025, the IGMC submitted a report to the ERC consolidating all Significant Incident Report Schedule II (SIR II) received for the year 2024. To further improve reporting, the IGMC recommended the following:

1. There is a need to review what constitutes a significant incident and refine the reporting process to minimize the number of reports received and ensure that only critical incidents are prioritized for detailed analysis.
2. Submission of a Disturbance Analysis Report (DAR) together with the SIR II in cases where (1) an outage exceeds the N-1 contingency standards, and (2) a power interruption occurs despite an N-1 contingency.
3. Develop a Systematic Reliability and Outage Performance Recording System.

### **3.6.2 Proposed Significant Incident Reporting Protocol**

Since 2023, the IGMC has observed the need to refine existing rules and procedures for significant incident reporting. In 2024, the IGMC submitted and presented its recommendations to the ERC for an alternative operational communication protocol, developed as a result of its continuous

monitoring of significant incidents. These earlier efforts laid the foundation for the IGMC's continuing work in 2025.

On 15 April 2025, the IGMC sent a letter to the ERC, along with the presentation used during the second discussion of the proposed protocol with the ERC and System Operator representatives on 10 April 2025, to seek direction from the latter whether to continue finalizing the proposal.

On 08 May 2025, the ERC requested the IGMC to proceed with the refinement of the proposed protocol for presentation before the Commission to discuss its key features, implementation steps, and any support that may be required moving forward. In response to this request, the IGMC sent a letter to the ERC dated 13 June 2025 informing that (1) the draft SIR Protocol has already been presented and endorsed to the Institute of Integrated Electrical Engineers – Ad hoc Grid Management Committee (IIEE-AGMC) as it will affect some PGC provisions, and (2) the IGMC was coordinating with the System Operator to ensure consistency with their internal procedures.

### **3.6.3 Attendance and Participation in IGMC-Related Tasks or Meetings**

#### **a. Learning Session on the Iberian Grid Outage**

The IGMC participated in a learning session held on 23 May 2025 organized by the ERC to provide insights and perspectives on the market design, grid reliability, and related governance implications regarding the 28 April 2025 massive power outage that struck Spain and Portugal (also known as the Iberian Grid Outage). The session was organized by the Commission to encourage informal and open discussions on (a) a preliminary analysis of the Iberian Grid Outage; (b) possibility of a similar event occurring in the Philippines, from the perspective of the SO and key Distribution Utilities (DUs); and (c) potential short-, medium- and long-term measures to prevent or mitigate such risks locally.

Consequently, the IGMC sent a letter to the ERC dated 20 June 2025 in response to the Commission's letter dated 05 June 2025 regarding the request for comments and proposed timelines for convening the working groups and delivering their respective outputs. No feedback was received as of this Report.

#### **b. DOE's Consultative Meeting on the Conduct of Testing and Commissioning for the MTerra Solar Power Project**

Upon invitation of the DOE through a letter dated 24 June 2025, the IGMC participated in a virtual consultative meeting held on 27 June 2025, which focused on NGCP's technical readiness, procedural requirements, and plans for the Testing and Commissioning activities for Terra Solar Philippines, Inc.'s 3,500 MW Solar Power Plant. During the meeting, the IGMC, through its Chairperson, provided substantive inputs, including key technical considerations and concerns relevant to the project's integration into the grid.

The DOE tasked the Ad Hoc Grid Management Committee and IGMC to develop technical standards and test and commissioning requirements for the solar project taking into accounts its grid-forming inverter technology to be used in facilitating the plant's test and commissioning and eventual commercial launch.

#### **4.0 2026 TC WORK PLAN**

Annex A provide details of the TC's program of activities for 2026 consistent with the PEM Board-approved PEMC's Corporate Strategic Plan for 2024-2026.

**Submitted by:**

**TECHNICAL COMMITTEE**



**MARIO R. PANGILINAN**  
Chairperson, Independent



**JAIME V. MENDOZA**  
Member, Independent



**WILBERT REY D. TARNATE**  
Member, Independent



**ARTHUR P. PINTADO**  
Member, Market Operator  
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**ERMELINDO R. BUGAOISAN, JR.**  
Member, System Operator  
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**DANIEL H. VALERIANO, JR.**  
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Member, Distribution Sector  
Manila Electric Company (MERALCO)

## TECHNICAL COMMITTEE 2026 WORK PLAN

March 2026

The table below provides the TC's 2026 Work Plan consistent with the PEM Board-approved 2024-2026 Corporate Strategic Plan of PEMC and various directives from the Department of Energy (DOE) and the Energy Regulatory Commission (ERC).

No.	Activity	Output	Indicative Timeline	Considerations
1	TC 2025 Annual Report and 2026 Work Plan	Submission to the PEM Board and publication in the PEMC website	Q1 2026	In accordance with Section 3.3.1 of the TC Market Manual (Issue 3.0)
2	Provide comments and/or inputs to various PEMC undertakings	A. Provide assistance on PEMC's Market Design and Operations Review (MDOR) Project	As scheduled	Subject to the MDOR project timeline
		B. Provide inputs to PEMC's annual assessment of the threshold for the implementation of Price Substitution Methodology (PSM)	Q1 2026	In accordance with Section 6.2.4 of the WESM Manual on Price Determination Methodology (PDM), assess the application of the price trigger and determine as to whether a change in the value is warranted
		C. Study on Congestion in the WESM	Q4 2026	
3	Assist in the Conduct of Regular Audits for the WESM:  • Review of Metering Installations and Arrangements (RMIA)	Assist the PEM Audit Committee (PAC) in the conduct of activities for RMIA, as required.  Submit comments/suggestions on the report, as required.	As scheduled	Subject to the audit timeline
4	Submit comments to the following as requested or	Provide comments as necessary and/or applicable	As scheduled	As applicable

No.	Activity	Output	Indicative Timeline	Considerations
	required within specified timelines: <ul style="list-style-type: none"> <li>• RCC Rule Change Proposals</li> <li>• Draft DOE Circulars</li> <li>• ERC Issuances</li> </ul>			
5	Submit proposed amendments to the RCC as a result of market studies or best practice recommendations	Submit TC-initiated proposed amendments to the RCC, as applicable	As scheduled	As applicable
6	Conduct Review and Studies as requested through the TC Request for Study or Review Process	Report/Response to the Request for TC Study/Review	As scheduled	As applicable
7	Update TC Internal Rules	Updated Internal Rules	Q2	
8	Attend PEMC events and trainings	Attendance in PEMC Membership meetings, WCO Summit, and trainings	As scheduled	As applicable
9	Regular conduct of TC Meetings (every 1 <sup>st</sup> Wednesday of the month, alternate face-to-face and online)	Participation in TC Meetings	As scheduled	As scheduled
10	Conduct of IGMC Meetings, as necessary	A. Participation in IGMC Meetings, as necessary	As scheduled	As scheduled

No.	Activity	Output	Indicative Timeline	Considerations
		B. Attendance/participation in IGMC-related tasks or meetings, as may be requested by ERC or DOE	As scheduled	As applicable
11	Submit reports, comments, and/or proposed amendments, as required or as necessary	A. IGMC Report on Significant Grid-related Incidents for 2025	Q2 2026	
B. Provide inputs and/or comments in relation to the PGC amendments		As scheduled	Subject to ERC's timeline	
C. Provide comments and/or proposed amendments to ERC resolutions, etc., as required or as necessary		As scheduled	As applicable	
E. Other Reports or Studies, as may be directed by DOE or ERC		As scheduled	As directed by DOE or ERC	