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Date Received by Secretariat: DD-Mmm-YYYY

REQUEST FOR WESM PENALTY MANUAL AMENDMENT

Proposals made only under this prescribed form shall be accepted and considered as submitted.

This request for amendments should be submitted to:

Market Surveillance Committee
Attention: WESM Governance Committee Secretariat
Philippine Electricity Market Corporation
21st and 22nd Floor One Filinvest,
Ortigas Avenue cor. ADB Avenue and Sapphire Road,
Ortigas Center, Pasig City, 1605, Philippines
Email address: mag_mad@wesm.ph

[In accomplishing and submitting this form, you give your consent for PEMC to collect, record, organize, and update your personal data as herein provided as part of your information for purposes of rules change process.]

Commenter's Information

Name	[Redacted]
Designation	[Redacted]
Company	ACEN CORPORATION
Company Address	[Redacted]
Telephone No.	[Redacted]
Email Address	[Redacted]

ANNEX A

PROPOSED GENERAL AMENDMENTS TO THE WESM PENALTY MANUAL AND
WESM BILLING AND SETTLEMENT MANUAL ON PENALTY-RELATED
PROVISIONS TO HARMONIZE WITH THE CURRENT MARKET
PRACTICES AND REGULATORY DIRECTIVES

WESM PENALTY MANUAL ISSUE 3.0								
Title	Clause	WESM Penalty Manual Issue 3.0 Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	MSC Decision
Section 5 Schedule of Breach and Penalties Breach 4 — Failure to Comply with Forecast Accuracy Standards	Section 5 Breach No. 4	(Column 1) Failure to comply with forecast accuracy standards in respect to projected output submitted for a must dispatch generating unit. One breach is counted for each year that the failure occurs. One breach is counted for each category of forecast accuracy standard that was not complied with. That is, failure to comply with the prescribed mean absolute percentage error (MAPE) and failure to meet the prescribed percentile 95 of the forecasting error (Perc95) are counted as separate breaches even if they occur on the same periods. Non-compliance shall be determined based on the report of the Market Operator on annual compliance, required under WESM Rules Clause 3.5.5.11. (Column 2) Market Rules Breached: WESM Rules Clauses 3.5.5.5, 3.5.5.8, 3.5.5.10 in relation to the WESM Manual on Procedures for the Monitoring of Forecast Accuracy Standards for Must Dispatch Generating Units.	(Column 1) Failure to comply with forecast accuracy standards in respect to projected output submitted for a must dispatch generating unit, <u>or for an intermittent renewable energy resource-based generating units that opted to be classified as scheduled generating units, respectively.</u> One breach is counted for each year that the failure occurs. One breach is counted for each category of forecast accuracy standard that was not complied with. That is, failure to comply with the prescribed MAPE and failure to meet the prescribed Perc95 are counted as separate breaches even if they occur on the same periods. Non-compliance shall be determined based on the report of the Market Operator on annual compliance, required under WESM Rules Clause 3.5.5.11. (Column 2) Market Rules Breached: WESM Rules Clauses 3.5.5.5, 3.5.5.8, 3.5.5.10, <u>3.5.5.11, 3.5.5.12, 3.5.5.15 and 3.5.5.16</u> in relation to the WESM Manual on	Breach 4 is currently scoped to must-dispatch generating units only. The proposed revisions extend its cover to VREs which opted to be classified as scheduled generators, whose FAS obligation arises under the new Clause 3.5.5.15. Rule citations are updated.				

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WESM PENALTY MANUAL ISSUE 3.0								
Title	Clause	WESM Penalty Manual Issue 3.0 Provision	Proposed Amendment	Rationale	Comments	Proposed Wording based on Comments	Original Proponent's Response	MSC Decision
			Procedures for the Monitoring of Forecast Accuracy Standards for Must Dispatch Generating Units. xxx					
Section 5 Schedule of Breach and Penalties Breach 5 — Failure to Comply with Dispatch Conformance Standards	Section 5 Breach No. 5	(Column 1) Failure of a <i>scheduled generating unit</i> or <i>priority dispatch generating unit</i> to comply with its dispatch schedule in accordance with the <i>dispatch conformance standards</i> .	(Column 1) Failure of a <i>scheduled generating unit</i> or <i>priority dispatch generating unit</i> to comply with its dispatch schedule in accordance with the <i>dispatch conformance standards</i> . <u>This does not cover intermittent renewable energy resource-based generating units that elect to be classified as scheduled generating units pursuant to the WESM Rules.</u>	VREs classified as scheduled generating units would technically fall within Breach 5 as currently written. As they have no DCS obligation under the amendment, the carve-out prevents dual liability exposure and erroneous breach findings.				