MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 1 of 112

ATTENDEES

	Name	Designation/Position	Department/ Company
1.	Rachel Angela P. Anosan	Chairman, Independent	RCC
2.	Jesusito G. Morallos	Independent	RCC
3.	Jordan Rel C. Orillaza	Independent	RCC
4.	Emmanuel Genesis T. Andal	Independent	RCC
5.	Dixie Anthony R. Banzon	Member (Principal), Generation Sector	RCC
6.	Jayson A. Francisco	Member (Principal), Generation Sector	RCC
7.	Carlito C. Claudio	Member (Principal), Generation Sector	RCC
8.	Jose Ildebrando B. Ambrosio	Member (Principal), Generation Sector	RCC
9.	Ignacio Francisco K. Gonzalez	Member (Alternate), Generation Sector	RCC
10.	Ryan S. Morales	Member (Principal), Distribution Sector	RCC
11.	Russel S. Alabado	Member (Principal), Distribution Sector	RCC
12.	Nelson M. Dela Cruz	Member (Principal), Distribution Sector	RCC
13.	Virgilio C. Fortich, Jr.	Member (Principal), Distribution Sector	RCC
14.	Gian Karla C. Gutierrez	Member (Principal), Supply Sector	RCC
15.	Bryan Alvin A. Calasanz	Member (Alternate), Supply Sector	RCC
16.	Darryl Lon A. Ortiz	Member (Principal), Transmission Sector	RCC
17.	Kristoffer Monico S. Ng	Member (Principal), Market Operator	RCC
18.	John Paulo O. Castro	DOE Observer	RCC
19.	Dan Michael A. Lontok	DOE Observer	RCC
20.	Jane May M. Mea	DOE Observer	RCC
21.	Karen A. Varquez	Secretariat	PEMC
22.	Karlo D. Martin	Secretariat	PEMC
23.	Mark Froilan L. Lingao	Secretariat	PEMC
24.	Mary Rose L. Bisnar	Secretariat	PEMC
25.	Erika Guia M. Espiritu	Secretariat	PEMC
26.	Bienvenido C. Mendoza, Jr.	Chief Market Assessment Officer	PEMC
27.	Elissa B. Pastrana	Assistant – Market Assessment Group	PEMC
28.	Ira Lee P. Corectico	MSC Secretariat – MAG	PEMC
29.	Darrell M. Sardina	IGMC Secretariat - MAG	PEMC
30.	Elvin Hayes E. Nidea	President	PEMC
31.	Joanna B. Pangilinan	Assistant – Office of the President	PEMC

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

ATTENDEES

	Name	Designation/Position	Department/ Company
32.	Andrea J. Mendiola	Chief Legal Officer	PEMC
33.	Earl James G. Reyes	Legal	PEMC
34.	Ma. Hazel M. Gubaton-Lopez	Chief Enforcement and Compliance Officer	PEMC
35.	Carl Angelo B. Dela Cruz	Enforcement and Compliance Office	PEMC
36.	Paolo C. Alegre	Enforcement and Compliance Office	PEMC
37.	Hilary Romeli C. Florendo	Enforcement and Compliance Office	PEMC
38.	Darlene C. Dublar	Enforcement and Compliance Office	PEMC
39.	Gabbor M. Dichoso	Enforcement and Compliance Office	PEMC
40.	Nofernex B. Raymundo	Enforcement and Compliance Office	PEMC
41.	Vince Luigi B. Maliwanag	Enforcement and Compliance Office	PEMC
42.	Jace A. Tesaluna	Enforcement and Compliance Office	PEMC
43.	Jhezreel John G. Caramat	Enforcement and Compliance Office	PEMC
44.	Joyzel B. Glumal	Enforcement and Compliance Office	PEMC
45.	Francesca Claire B. Sta. Ana	Enforcement and Compliance Office	PEMC
46.	Ryan Lester De Castro	Proponent	SNAP
47.	Hil Olat	Proponent	SNAP
48.	Shara Camille Landicho	Proponent	SNAP
49.	Andrea May Toyoda	Proponent	SNAP
50.	Willard Madarang	Proponent	SNAP
51.	Dennis Enciso	Commenter – Technical Committee	PEMC
52.	Maricel E. Mondijar	Commenter	GNPK
53.	Nicole Alezandria Y. Nethercott	Commenter	GNPK
54.	Clloyd O. Panuncillon	Commenter	GNPK
55.	Daryl Andrew M. Llanes	Commenter	SMGP
56.	Kathleen Heloise B. Formoso	Commenter	SMGP
57.	Rolando P. Ponsica Jr.	Commenter	SMGP
58.	Krizzaline A. Landicho	Commenter	SMGP
59.	Ermelindo Jr. R. Bugaoisan	Commenter	NGCP
60.	Robert Ivan G. Tacorda	Commenter	NGCP
61.	Christian J. Del Rosario	Commenter	NGCP
62.	Joselito C. Quilala	Commenter	NGCP

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 3 of 112

ATTENDEES

	Name	Designation/Position	Department/ Company
63.	Rodrigo Jr. B. Dacanay	Commenter	NGCP
64.	John Louie J. Ochave	Commenter	NGCP
65.	Jeselle A. Zafra	Commenter	NGCP
66.	Aaron S. Tadeos	Commenter	NGCP
67.	Mary Grace G. Gangoso	Commenter	NGCP

1.0 Call to Order

The meeting was called to order at 9:07 AM.

2.0 Determination of Quorum

For the morning session, a quorum was established with fifteen (15) principal members, and two (2) alternate members present. In addition, three (3) DOE observers attended the meeting.

For the afternoon session, a quorum was likewise established with fourteen (14) principal members present. In addition, three (3) DOE observers attended the meeting.

3.0 Adoption of Agenda

The RCC approved the revised agenda with the following additional item presented by Ms. Mary Rose L. Bisnar (Secretariat).

- Agenda 5.3. 2026 RCC Work Plan Updates

4.0 Draft Minutes of Previous Meetings

Ms. Bisnar presented the revised draft minutes of the 259th RCC (Regular) Meeting held on 19 June 2026, noting the corrections in Agenda 5.1. Updates in the RCC Work Plan had been incorporated.

- ✓ The RCC approved the revised draft minutes of the 259th RCC (Regular) Meeting.
- ✓ The Secretariat shall finalize and route the minutes via Adobe Sign for the Committee's signature.

5.0 Matters Arising from Previous Meeting

5.1 Proposed General Amendments to the WESM Ancillary Services Monitoring Manual Issue 1.2 regarding Additional Criteria for Qualifying a Frequency Driven Event (FDE)

- Presentation of the Proponent's Responses to Comments from Interested Parties and the Corresponding Insights of NGCP and PEMC-ECO

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For Discussion
- Material/s:

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Adsditional Conditions for Qualifying FDE
Annex C – SMGP's Presentation Relative to their Comment
Annex D – PEMC-ECO Simulation and Assessment of FDE Criteria
Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying FDE

Proceeding/s:

Ms. Bisnar discussed the updates on the proposal and the flow of the discussion as follows:

- Discussion of SNAP's responses to comments received;
- Presentation of PEMC-ECO simulation results; and
- Presentation and response from NGCP regarding information previously requested by the RCC.

The SNAP representative, Mr. Ryan Lester De Castro (Proponent-SNAP), presented the proponent's responses to each of the consolidated comments on the proposal. The matrix of the consolidated comments is attached as Annex B.

- Mr. Virgilio C. Fortich, Jr. (RCC-Distribution Sector) inquired about the frequency of overlapping FDEs and whether such events occur significantly. Mr. De Castro confirmed that during the establishment of the Reserve Market, they had been flagged for multiple instances of non-compliance due to the occurrence of overlapping FDEs, which resulted in both operational and financial impacts.

- Mr. Jordan Orillaza (RCC-Independent) asked whether the proponent had contracted reserves with the System Operator (SO) and what performance metrics were being applied. Mr. De Castro confirmed that reserve contracts are in place and explained that reserve providers are assessed based on response accuracy metrics. Mr. Darryl Lon A. Ortiz (RCC-System Operator) corroborated this, emphasizing the importance of maintaining consistency in monitoring the performance and compliance of ancillary services, whether contracted directly with the SO or traded in the market.

- On PEMC-ECO's response to GNPK's comments, Mr. Carlito C. Claudio (RCC-Generation Sector) asked whether PEMC-ECO had issued any updated advisories regarding the WESM Compliance Bulletins. Mr. Paolo C. Alegre (Commenter-PEMC) informed the Committee that the publication of the Compliance Bulletin advisory had initially been scheduled for 15 July 2026. However, additional analysis was necessary to finalize the guidelines. He added that the advisories would be published within next week, and that both the Ancillary Service Providers (ASPs) and the RCC Secretariat would be formally notified.

- Mr. Robert Ivan G. Tacorda (Commenter-NGCP) asked whether the proposed 25-second recovery period was derived from the Automatic Generation Control (AGC) response time requirement. Mr. De Castro confirmed that the proposed recovery period was based on the AGC's 25-second recovery requirement, taking into account the mechanical limitations of the generating plant.

In relation to NGCP's inquiry, Mr. Jayson A. Francisco (RCC-Generation Sector) asked whether the proponent remained open to adopting an alternative recovery period that might be recommended by NGCP or other ASPs. The proponent confirmed its openness to further recommendations, noting the limitations of the data that are available to them.

- Mr. Rolando P. Ponsica Jr. (Commenter-SMGP), representing a Battery Energy Storage System (BESS) facility operator, explained that the proposed recovery period could result in Regulating Reserve (RR) facilities being deemed non-compliant due to the manner in which the state-of-charge (SOC) is managed to provide both regulating up and regulating down services. An illustration, attached as Annex C, was presented to further explain the analysis. He noted that, under certain operating conditions, a BESS provider may be classified as non-compliant despite having responded appropriately to the system event, as the proposed recovery period may not fully account for the technical limitations associated with SOC management. He further observed that although the proposal includes an additional qualifying condition requiring the system frequency to return to 60 Hz, this modification may not fully address the concerns of battery storage providers. The Committee took note of these observations and acknowledged the operational considerations raised by the BESS sector.

  In response, the proponent referred to PEMC-ECO's study and its counterproposal introducing an additional criterion for the termination of an FDE. However, Mr. Ponsica explained the limitation of the counterproposal using the illustration in Annex C. He pointed out that, in cases where the system frequency does not return to 60 Hz but only reaches the deadband, the FDE would not be terminated even after the 25-second recovery period. As a result, the BESS would be required to initiate SOC management, potentially reducing its FDE response capability by 4 MW.

- Following the discussion on battery storage facilities, Mr. Clloyd O. Panuncillon (Commenter-GNPK), explained their comment by introduced a proposed revision to the Response Accuracy Formula which addressed RR lower response. He also noted that GNPK provides necessary explanations and supporting information to PEMC-ECO for such occurrences, as part of the compliance review process.

  In response to the comments raised by GNPK, Mr. Claudio observed that the proposed revision to the Response Accuracy Formula constitutes a separate policy matter and does not appear to be directly related to the issues being addressed by the proposed amendments on FDE. Likewise agreed by Ms. Anosan (RCC-Independent), the GNPK's proposed revision to the Response Accuracy Formula was not within the scope of the current agenda item. She explained that any stakeholder who seeks amendments to existing market rules, manuals, or performance assessment methodologies may submit formal rules change proposal for evaluation by the RCC. In light of this clarification, Ms. Anosan noted GNPK's comments for the record and acknowledged the company's support for SNAP's proposed amendments.

Following the presentation of comments from stakeholders and the responses of the proponent, the Committee proceeded to discuss the assessment conducted by PEMC-ECO on the potential impact of the proposed amendments to the qualification criteria for FDEs, as

presented by Mr. Carl Angelo B. Dela Cruz (Commenter-PEMC). The discussion focused on the methodology used in the analysis, the interpretation of the simulation results, the considerations for additional criteria, and the recommendations of the study, as shown in Annex D.

- Mr. Orillaza sought clarification regarding the presentation of the simulation results, particularly the apparent differentiation of results for the number of FDEs among the reserve type and technology. He inquired whether the analysis conducted by PEMC-ECO for the FDEs were technology-dependent. He likewise requested clarification on how the Committee should interpret the findings presented in the assessment.

  In response, Mr. Dela Cruz explained that the analysis was not designed to be technology-dependent. Rather, the analysis was expanded to the level of multiple technologies to assess the general impact of the different recovery settings on various technologies, consistent with the approach previously presented. He clarified that the findings show that the number of FDEs that needs to be addressed daily differ depending on the period of recovery settings, influenced by the deadband setting of the plant technologies.

- To further clarify the significant number of FDEs in the PEMC-ECO's assessment, Mr. Ortiz explained that while the reduction in the number of FDEs appeared significant, it was likewise important to evaluate the actual triggering events and the underlying causes of frequency deviations rather than relying solely on the volume of FDEs identified.

  Responding to the observation, Mr. Dela Cruz clarified that PEMC-ECO's assessment was based on the existing provisions and definitions of FDE contained in the ASM Manual. He explained that frequency fluctuations are identified according to the Manual's criteria, and depending on a plant's deadband setting, even minor fluctuations may be counted as FDEs.

  To provide additional context, Mr. Ermelindo Jr. R. Bugaoisan (Commenter-NGCP) explained that FDEs should not be viewed as synonymous with actual Contingency Reserve (CR) events. He noted that an FDE count is based on the frequency thresholds and qualification criteria established in the definition in the ASM Manual. Accordingly, the number of FDEs may not necessarily correspond to the number of actual system disturbances or contingency events experienced by the power system. He further observed that the impact of the proposed amendment may vary among plant technologies due to differences in deadband settings, operational characteristics.

- During the same discussion, Mr. Fortich, Jr. inquired whether ancillary service providers are assessed using technology-specific standards or whether a common set of monitoring criteria is applied to all technologies. In response, Mr. Dela Cruz explained that PEMC-ECO applies the same monitoring criteria across all qualified technologies in accordance with the ASM Manual. However, he acknowledged that operational parameters, including deadband and droop settings, may influence how events are identified and qualified, and how providers respond to particular frequency disturbances.

Continuing the discussion, Ms. Andrea May Toyoda (Proponent-SNAP), observed that the results presented by PEMC-ECO may have been influenced by the number of ASPs available under each reserve classification rather than by the technologies themselves. She suggested that the observed differences among technologies may be attributable not only to their technical characteristics but also to the number of participating providers within a particular reserve category that are called to respond per FDE.

Mr. Dela Cruz agreed with the observation and noted that the number of providers participating in a reserve type can materially affect the FDE counts observed in the given assessment.

- Mr. Ortiz sought clarification on whether the recovery period of 0–35 seconds could be normalized across technologies, provided that there are sufficient service providers. He also asked about the potential impact on compliance and ancillary service providers if the recovery period were relaxed. Mr. Dela Cruz responded that the assessment focused on the established metrics, particularly the number of FDEs under the current Manual.

- Mr. Emmanuel Genesis T. Andal (RCC-Independent) likewise commented on the implications of the ongoing energy transition within the Philippine power sector. He observed that the increasing number of Variable Renewable Energy (VRE) resources could potentially increase the frequency and volume of FDEs over time.

  In response, Mr. Dela Cruz stated that the evaluation of broader system impacts from potential increase in renewable energy integration may be best assessed by the SO. Nevertheless, he acknowledged that, from a compliance perspective, an increase in frequency fluctuations would likely lead to a corresponding increase in the number of events that satisfy the criteria for FDEs. Mr. Ortiz concurred with this observation, noting that a higher share of VRE resources could result in more frequent frequency variations, which may consequently increase the incidence of monitored FDEs.

- To further understand the assumptions used in the study related to the metrics for the total seconds not responded, Mr. Ortiz requested clarification regarding the RR assessment for coal-fired ASPs. Specifically, he asked whether the analysis was based on a single or on multiple coal facilities operating within the reserve market. Mr. Dela Cruz clarified that the analysis incorporated multiple coal-fired ASPs participating in the reserve market, including facilities located in both the Visayas and Mindanao grids.

- On the discussion on the attainment of maximum capacity for CR and RR, Mr. Claudio asked whether the analysis considered the Minimum Stable Load (MSL) and operating constraints of providers. Mr. Dela Cruz confirmed that the assessment includes both minimum and maximum operational capacities of the ASPs.

- Ms. Toyoda recommended that future studies and simulations extend beyond simply evaluating the number of triggering events. She suggested that future analyses should also consider provider participation and the number of available providers in each reserve category to provide a more comprehensive understanding of the proposal's effects.

- Meanwhile, Mr. Fortich, Jr. asked whether the assessment included any evaluation of possible impacts on reserve market settlements or electricity costs or merely focused on the compliance. In response, Ms. Toyoda clarified that the proposed amendment primarily concerns compliance monitoring and penalty assessment mechanisms and does not directly affect electricity costs. Mr. Bugaoisan added clarification that the effects on penalty mechanisms should as well be considered for Ancillary Services Procurement Agreements (ASPA) providers noting also their participation and offer in the reserve market.

- Mr. Francisco likewise sought clarification on whether the proposed amendment would affect the operational response of ASPs when responding to SO dispatch instructions as well as to the ASP operations. Mr. Bugaoisan explained that all providers remain obligated to respond to frequency deviations and dispatch instructions regardless of any changes to compliance assessment methodologies from this proposal. Ms. Toyoda added that the mechanical and operational response of providers would remain unchanged considering that the proposal seeks to address how compliance performance is evaluated after the event.

  Mr. Francisco then sought confirmation that the impact of the proposal is primarily on compliance requirements. Mr. Dela Cruz agreed with the observation and stated that the proposal is largely compliance-related. However, he noted that it remains difficult to determine whether modifications to compliance assessment criteria could indirectly influence other ASP behavior in the future.

- Mr. Ortiz recommended that additional studies be undertaken to determine whether the proposed amendments should be applied uniformly across reserve categories and technologies. He observed that response characteristics vary among RR providers, CR providers, and battery storage facilities. He suggested that further analysis may be necessary in determining whether differentiated approaches may be appropriate for specific technologies or reserve classifications. Mr. Dela Cruz acknowledged the recommendation and agreed that the varying response capabilities of different technologies may need further assessment and analysis, particularly for RR services.

Moving to the information requested by the RCC to the NGCP, Mr. Tacorda and Mr. Bugaoisan presented their response and stand to the consolidated comments on the proposal, as shown in Annex E.

- Mr. Francisco suggested that the proponent provide a written response to the information and comments presented by NGCP to the Committee. This would serve as a reference for the Committee in its further deliberations during the succeeding RCC meetings.

- Towards the end of the discussion, Mr. Orillaza inquired whether the performance assessment methodologies applied by NGCP to contracted ancillary services are comparable to those procured from the WESM.

Responding to the inquiry, Mr. Tacorda confirmed that the methodologies are generally similar for the parameters used to assess performance used by PEMC-ECO, with the main difference being the penalty mechanism. Mr. Dela Cruz likewise confirmed that PEMC-ECO utilizes assessment parameters that are generally consistent with those applied by NGCP.

Considering the mentioned similar parameters used to assess performance, Mr. Orillaza sought clarification on why this concern had not been raised with respect to the ASPAs, but had been raised in relation to the Reserve Market. Ms. Toyoda supported the clarification, stating that based on SNAP's experience, there are differences in the performance assessment methodologies applied under the ASPAs and in the Reserve Market.

Mr. Dela Cruz clarified that one factor contributing to the difference in monitoring is the monitoring period adopted by PEMC-ECO and NGCP, which are the five-minute market interval and hourly monitoring period, respectively.

In support of this explanation, Mr. Bugaoisan informed the Committee that, pursuant to a DOE directive and in compliance with the ASM Manual, NGCP is undertaking efforts to harmonize the performance assessment methodologies for both the ASPAs and the Reserve Market. Once the harmonization is completed, NGCP will implement an ASPA-based performance assessment that is consistent with the Reserve Market.

- In response to Mr. Orillaza's inquiry on whether the proposed rules change could be deferred to allow NGCP and PEMC to first complete the harmonization of their performance assessment methodologies, Ms. Toyoda emphasized the purpose of the proposal. She explained that, aside from the financial impact and instances of non-compliance being recorded despite providing the required ancillary services, the proposal also seeks to address the reputational impact on the company arising from such performance assessments. Nevertheless, she stated that the proponent remains open to further discussions and analyses that the Committee may deem necessary in support of its deliberations, with the objective of addressing the operational limitations not only of SNAP but also of other ASPs.

- Prior to concluding the agenda item, Ms. Anosan requested clarification from the proponent regarding the timing of compliance-related reporting. Specifically, she asked whether such cases are reported upon flagging of an event, or upon issuance of a compliance citation, or only after a final decision by PEMC-ECO.

  Ms. Anosan asked when SNAP reports such cases whether upon the initial flagging of an event, upon issuance of a citation, or only after a final decision by PEMC-ECO.

  In response, Ms. Toyoda explained that the cases referenced by the proponent pertain only to incidents where actual payments had already been made. She noted, however, that this differs from the reserve market, where payments remain pending and are subject to submission to the BSC and SEC, pending clarification from the DOE and the corresponding payment requirement imposed by PEMC.

Agreement/s:

- ✓ The RCC will further discuss the proposal, in consideration of the comments and responses presented, during the next RCC meeting.

5.2 Review of the RCC Internal Rules Issue 9.0

- Presentation of Comments from the Committee

- Presenter/s: Mr. Karlo D. Martin (Secretariat)
- Action Requested: For Discussion
- Material/s: Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

Proceeding/s:

Mr. Martin (Secretariat) presented the consolidated comments received from Committee members and discussed the corresponding proposed revisions to the RCC Internal Rules Issue No. 8.0 for consideration by the Committee.

As part of the discussion, the Secretariat presented the proposed amendments to the provisions governing the preparation and circulation of meeting outputs, including the provisions relating to meeting highlights. The Secretariat explained the rationale behind the proposed revisions and noted that the amendments were intended to reflect existing practices of the RCC Secretariat.

During the deliberations, Mr. Orillaza sought clarification on the treatment and publication of meeting highlights. He observed that the Internal Rules appeared to introduce requirements related to final meeting highlights and questioned whether such documents are published in the same manner as approved minutes of meetings.

In response, the Secretariat clarified that only approved minutes of meetings are published in the PEMC website. The Secretariat explained that meeting highlights serve as interim meeting outputs intended to facilitate the review of discussions and decisions by Committee members.

At the conclusion of the discussion, the Secretariat informed the Committee that members may continue to submit comments on the draft revised RCC Internal Rules until 22 July 2026. The Secretariat further advised that all comments received would be consolidated and considered in the preparation of the final draft. The Secretariat also informed the Committee that a draft RCC Resolution approving Issue 9.0 of the RCC Internal Rules would be prepared and circulated for consideration during the next regular RCC meeting.

Agreement/s:

- ✓ The RCC noted the information, approved the draft RCC Internal Rules Issue 9.0, and encouraged members to submit any remaining comments within the prescribed period.
- ✓ The Secretariat was directed to circulate the draft RCC Resolution and the revised Internal Rules, Issue 9.0, for approval at the next RCC Meeting.

5.3 2026 RCC Work Plan Updates

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)

- Action Requested: For Discussion
- Material/s: Annex G – Updated RCC Work Plan

Proceeding/s:

Ms. Bisnar presented updates to the 2026 RCC Work Plan in consideration of the discussions during previous RCC meetings regarding the need to include DOE and ERC mandated Rules Change Proposals in the Committee's work plan.

The Secretariat explained that the proposed annex was intended to serve as a monitoring tool for the Committee and would be updated periodically as new regulatory issuances are promulgated. It was likewise noted that most of the identified initiatives involve rule changes to be initiated by the Market Operator (MO) and other responsible entities pursuant to regulatory directives.

Considering the continuous issuance of DOE Circulars and ERC issuances that may need to be incorporated into the annexes of the 2026 RCC Work Plan, Mr. Francisco inquired whether updates to the attached annexes would still require the Committee's approval. He suggested that such updates no longer be subject to Committee approval and that the updated list of applicable DOE Circulars and ERC issuances be published administratively. This suggestion was supported by Ms. Anosan. Furthermore, Mr. Ortiz proposed including a provision in the 2026 RCC Work Plan authorizing the updating and publication of the attached annexes without the need for further Committee approval.

During the discussion, Mr. Francisco raised a procedural question concerning DOE Circulars and ERC issuances that direct the implementation of certain amendments but do not specify a corresponding timeline for submission of Rules Change Proposals. He asked whether the RCC should proactively request the concerned entity to submit the required proposal or whether the Committee should wait for the responsible entity to initiate the submission process.

Responding to the inquiry, Mr. Kristoffer Monico S. Ng (RCC-Market Operator), representing the MO, explained that entities identified in DOE or ERC issuances remain responsible for complying with applicable regulatory directives and initiating the necessary proposals once the corresponding requirements and policy directions are established. He further emphasized that although specific entities may be identified as responsible parties in a regulatory issuance, such designation should not be restrictive to the other stakeholders to initiate proposals.

Agreement/s:

- ✓ The RCC agreed to include provisions in the RCC work plan allowing update of the supplemental annex and publication, as necessary.
- ✓ The RCC noted the updates to the 2026 RCC Work Plan.

6.0 New Business

6.1 RCC Semestral Report for January to June 2026

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)

- Action Requested: For Approval
- Material/s: Annex H – Draft RCC Semestral Report (January to June 2026)

Proceeding/s:

Ms. Bisnar presented the draft RCC Semestral Report covering the period January to June 2026. The report summarized the accomplishments of the Committee during the covered period, including the number of meetings conducted, rules change proposals processed, resolutions approved, matters submitted to the PEMC Board, and initiatives undertaken in relation to the implementation of the 2026 RCC Work Plan. The report likewise included updates on ongoing proposals, deferred proposals, DOE-promulgated amendments, and the status of activities identified in the Committee's approved work plan.

Following the presentation, the RCC noted that members had already been provided sufficient time to review the draft report and suggested that the Committee proceed with its approval, subject to any additional comments that may still be submitted until 22 July 2026.

Agreement/s:

✓ The RCC approved the Semestral Report covering January to June 2026, subject to the submission of any additional comments or corrections not later than 22 July 2026, after which the report would be finalized and submitted to the PEMC Board.

7.0 Other Matters

7.1 Updates on Proposed Amendments

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For information
- Material/s: Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

Proceeding/s:

Ms. Bisnar provided the following updates on rules change proposals.

Status	Topic
A. Urgent Amendment with Ongoing Implementation	Ancillary Services Monitoring Manual regarding Reserve Conformance Standards and related Enforcement Actions
B. General Amendments under RCC Evaluation	Additional Condition for Qualifying a Frequency Driven Event (FDE)
C. General Amendment for DOE Promulgation	1. Ancillary Services Monitoring Manual regarding Reserve Conformance Standards and related Enforcement Actions 2. Market Surveillance Committee Processes

Status	Topic
	3. Enforcement Proceedings and Clarifying Compliance Guidelines
D. Deferred Proposals	1. Energy Storage System (ESS) 2. Must-Offer Rule (MOR) 3. Harmonization of Market Rules ad Manuals with ERC Resolution No. 13 Series of 2014

The Secretariat informed the Committee of developments concerning the Rules Change Proposal on Energy Storage Systems (ESS), which had previously been deferred pending the issuance of relevant regulatory guidelines. The Secretariat advised that the Market Operator had emailed its intention to withdraw the existing proposal and submit a revised proposal incorporating the recently issued DOE Supplemental Guidelines for ESS.

To provide additional context, Mr. Ng confirmed the MO's intention to withdraw the current proposal and subsequently file a substantially revised version. He explained that the issuance of the DOE Supplemental Guidelines introduced new policy directions and requirements that were not yet reflected in the original proposal. As a result, the MO considered it more appropriate to withdraw the existing submission and develop a revised proposal that incorporates both the supplemental guidelines and the comments received during the consultation process.

Seeking clarification on the timetable for the revised submission, Mr. Francisco inquired whether the MO had already established a target date for filing the new proposal. In response, Mr. Ng informed the Committee that, based on their current internal calendar, the Market Operator intends to submit the revised ESS proposal not later than October 2026. He likewise explained that the MO had coordinated with the DOE on matters relating to ESS implementation and that the revised proposal would take into consideration any relevant regulatory developments.

Agreement/s:

- ✓ The RCC noted the updates provided by the MO regarding the withdrawal of the existing ESS proposal and its intention to submit a revised proposal incorporating the DOE Supplemental Guidelines for ESS and stakeholder comments. The Committee likewise noted the target submission date of October 2026.
- ✓ The RCC noted the updates on the rules change proposals.

7.2 DOE Updates

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For information
- Material/s: N/A

•

Proceeding/s:

Ms. Bisnar relayed that the DOE Observers confirmed via Viber that they have no updates.

Agreement/s:

✓ The RCC noted this information.

7.3 Schedule of Activities

- Presenter/s: Ms. Mary Rose L. Bisnar (Secretariat)
- Action Requested: For information
- Material/s: Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

Proceeding/s:

Ms. Bisnar presented the following schedule of activities for RCC's information.

Activities	Schedule
RCC Meeting	14 August 2026 (Online) 18 September 2026 (Online) 16 October 2026 (Face-to-face)
Electricity Market Exchange (EMX) and Market Participants' Townhall (MPT)	19 August 2026

The Secretariat informed to Committee of the new PEMC Office located at One Filinvest, Ortigas Center, Pasic City starting 28 September 2026.

Agreement/s:

✓ The RCC noted the schedule of activities and the PEMC office relocation.

8.0 Adjournment

The meeting was adjourned at 2:01 PM.

Prepared by:

[redacted]

MARK FROILAN L. LINGAO
Rules Review Senior Analyst
Market Assessment Group

Reviewed by:

[redacted]

KAREN A. VARQUEZ
Rules Review Sr. Manager
Market Assessment Group

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Noted by:

[redacted]

BIENVENIDO C. MENDOZA, JR.
Chief Market Assessment Officer

Approved by:

[redacted]

RACHEL ANGELA P. ANOSAN
Chairperson, Independent

[redacted]

JESUSITO G. MORALLOS
Member, Independent

[redacted]

JORDAN REL C. ORILLAZA
Member, Independent

[redacted]

EMMANUEL GENESIS T. ANDAL
Member, Independent

[redacted]

DIXIE ANTHONY R. BANZON
Member, Generation Sector
Masinloc Power Partners Co. Ltd. (MPPCL)

[redacted]

JAYSON A. FRANCISCO
Member, Generation Sector
Aboitiz Power Corporation (APC)

[redacted]

CARLITO C. CLAUDIO
Member, Generation Sector
Panasia Energy, Inc./Strategic Energy Development Inc. (PEI/SEDI)

[redacted]

JOSE ILDEBRANDO B. AMBROSIO
Member, Generation Sector
ACEN Corporation (ACEN)

[redacted]

R
Member, Distribution Sector
Manila Electric Company (MERALCO)

[redacted]

VIRGILIO C. FORTICH, JR.
Member, Distribution Sector
Cebu III Electric Cooperative, Inc. (CEBECO II)

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

[redacted]
RUSSEL S. ALABADO
Member, Distribution Sector
Angeles Electric Corporation (AEC)

[redacted]CRUZ
Member, Distribution Sector
Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area I)

[redacted]
GIAN KARLA C. GUTIERREZ
Member, Supply Sector
First Gen Corporation (FGEN)

[redacted]
KRISTOFFER MONICO S. NG
Member, Market Operator
Independent Electricity Market Operator of the Philippines, Inc. (IEMOP)

[redacted]
DARRYL LON A. ORTIZ
Member, System Operator
National Grid Corporation of the Philippines (NGCP)

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 17 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

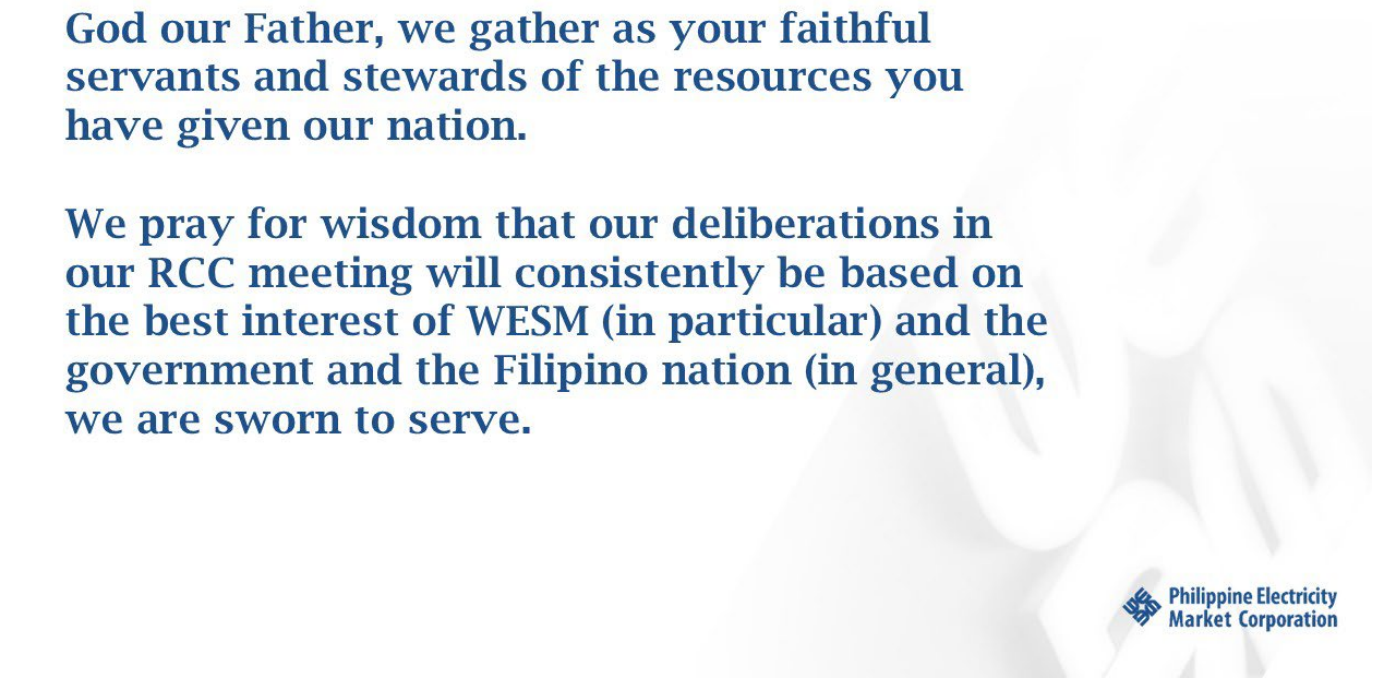


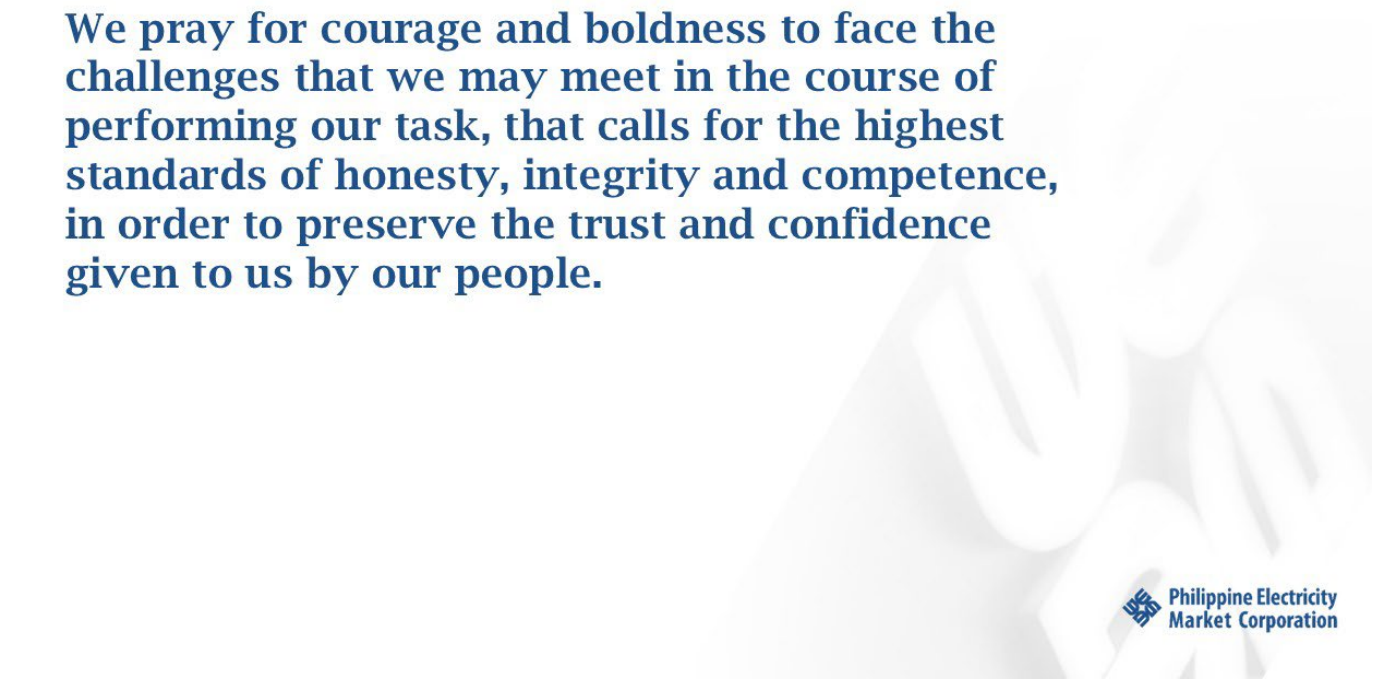


MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 18 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



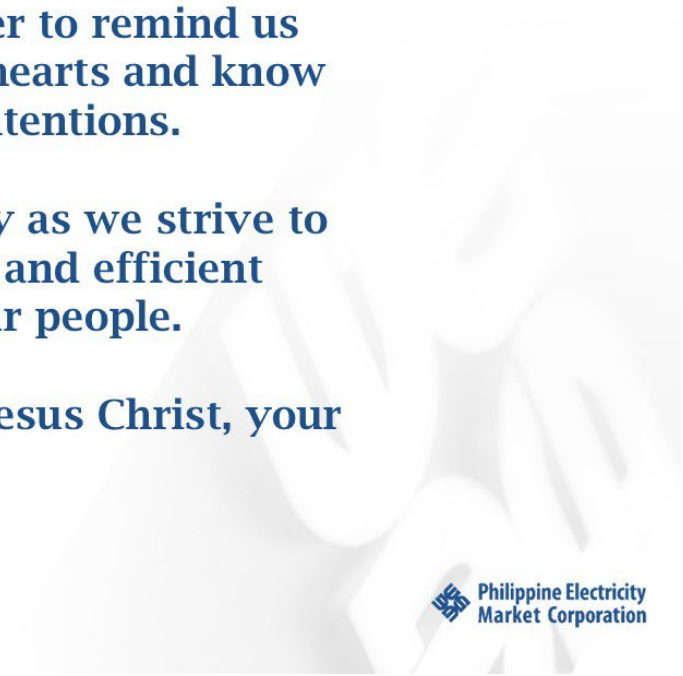


MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 19 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

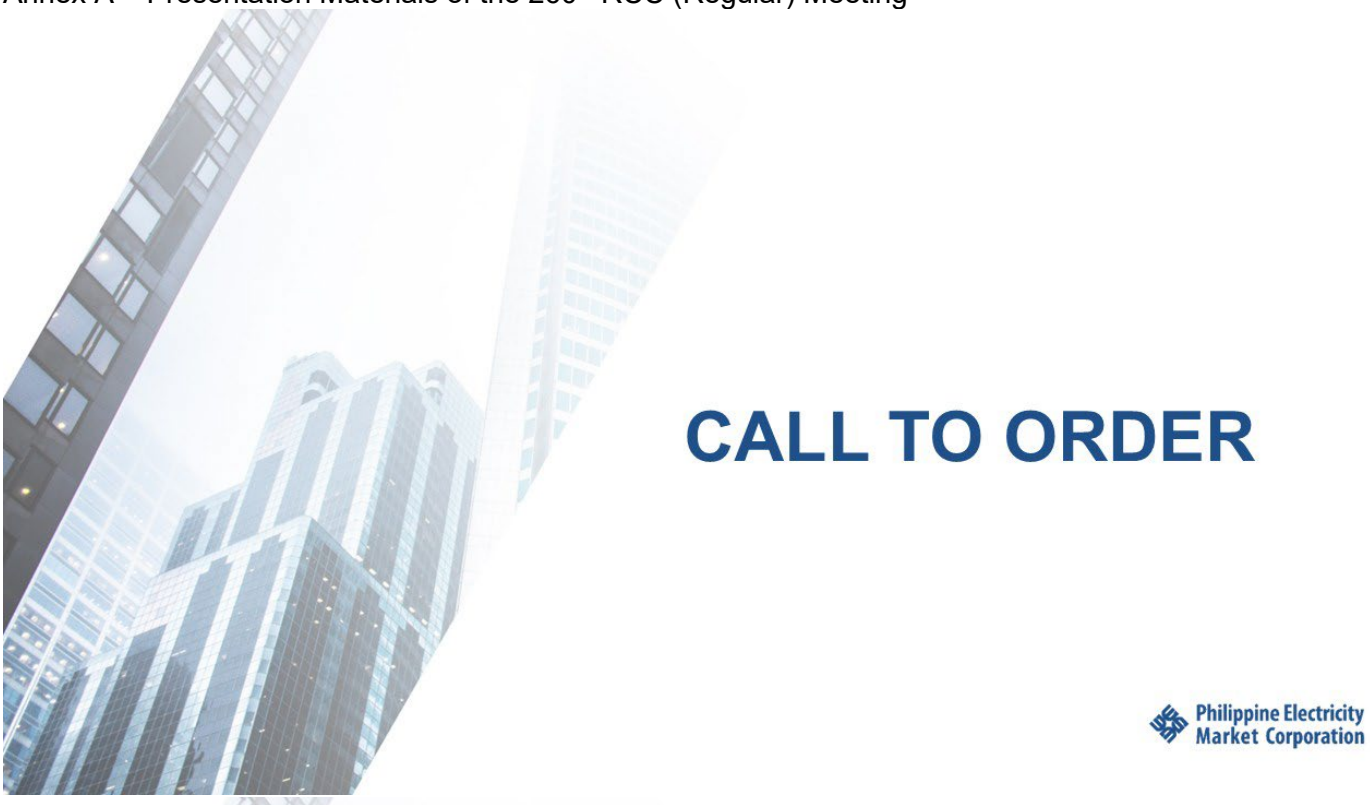




MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 20 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting





MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 21 of 112

Philippine Electricity Market Corporation

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

DETERMINATION OF QUORUM

Representation/ Sector	Principal Member / Alternate Member		Attendance (AM)		Attendance (PM)	
Independent	Rachel Angela P. Anosan		✓		✓	
	Jesusito G. Morallos		✓		✓	
	Jordan Rel C. Orillaza		✓		✓	
	Emmanuel Genesis T. Andal		✓		✓	
Generation	Dixie Anthony R. Banzon	Michael Valer G. Mariano	✓		✓	
	Jayson A. Francisco	Charm Krizia L. Medina	✓		✓	
	Carlito C. Claudio	Jessie B. Victorio	✓		✓	
	Jose Ildebrando B. Ambrosio	Ignacio Francisco K. Gonzalez	✓	✓	✓	
Distribution	Ryan S. Morales	Manuel Luis Zagala	✓		✓	
	Russel S. Alabado	Alfredo C. Sanaga, Jr.	✓		✓	
	Virgilio C. Fortich, Jr.	Getulio Z. Crodua	✓		✓	
	Nelson M. Dela Cruz	Darwin T. Daymiel	✓		✓	
Supply	Gian Karla C. Gutierrez	Bryan Alvin A. Calasanz	✓	✓		
Transmission	Darryl Lon A. Ortiz	Clark N. Agustin*	✓		✓	
Market Operator	Kristoffer Monico S. Ng	Lilibeth Grace L. Vetus-Magtalas	✓		✓	

** - RCC Alternate Member awaiting PEM Boards' confirmation of their reappointment.*

Philippine Electricity Market Corporation



ADOPTION OF THE AGENDA

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 22 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

ADOPTION OF THE AGENDA

Proposed Agenda	Presenter	Action Required
I. Call to Order		
II. Determination of Quorum		
III. Adoption of Agenda	Secretariat	For Approval
IV. Draft Minutes of Previous Meetings • 259th RCC (Regular) Meeting, 19 June 2026	Secretariat	For Approval
V. Matters Arising from Previous Meeting		
5.1 Proposed General Amendments on Additional Criteria for Qualifying a Frequency Driven Event (FDE)	Proponent (SNAP Group) / PEMC-ECO / NGCP-SO	For Discussion
5.2 Review of the RCC Internal Rules Issue 8.0	Secretariat	For Discussion
5.3 2026 RCC Work Plan Updates	Secretariat	For Approval
VI. New Business		
6.1 Draft RCC Semestral Report for period of January to June 2026	Secretariat	For Approval
VII. Other Matters		
7.1 Updates on the Proposed Amendments	Secretariat	For Information
7.2 DOE Updates	DOE Observers	For Information
7.3 Schedule of Activities	Secretariat	For information
VIII. Adjournment		

11

Philippine Electricity Market Corporation



IV. DRAFT MINUTES OF PREVIOUS MEETING

- 259th RCC (Regular) Meeting, 19 June 2026

Action Requested: *For Approval*

Philippine Electricity Market Corporation

MEETING MINUTES

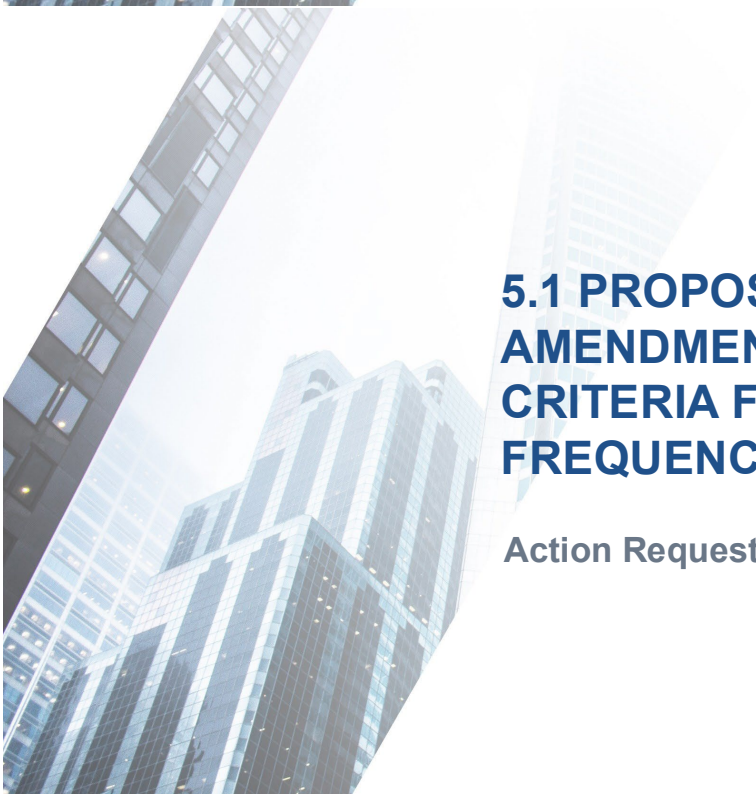
Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



V. MATTERS ARISING FROM PREVIOUS MEETING

Philippine Electricity Market Corporation



5.1 PROPOSED GENERAL AMENDMENTS ON ADDITIONAL CRITERIA FOR QUALIFYING A FREQUENCY DRIVEN EVENT (FDE)

Action Requested: *For Discussion*

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 24 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

OUTLINE OF THE DISCUSSION

- Updates on the Proposal
- Discussion of SNAP's Responses to the Comments
- Presentation of ECO's Simulation
- Presentation/Response from NGCP on the RCC's requested information

15

Philippine Electricity Market Corporation

ADDITIONAL CONDITION FOR QUALIFYING A FREQUENCY DRIVEN EVENT (BY SNAP GROUP)

Rationale: To amend Section 5.6.2 of the ASMM by introducing an additional condition to determine the termination of an FDE, in view of the following:

- Give ample time for the Reserve Facility to normalize its loading near the Unit setpoint, which is the initial reference of the Unit governor in computing the desired response.
- Variances from the Reserve Facility's Frequency Reference compared to the System Frequency.
- Reduction of multiple Frequency Driven Events occurrences.

24 Mar 2026	01 Apr 2026	10 Apr 2026	29 Apr 2026	04 May to 17 Jun 2026	17 Jul 2026	14 Aug 2026	18 Sep 2026	16 Oct 2026
❑Receipt of the Proposal*	❑Submission of the Preliminary Assessment of the proposed amendment to the RCC	❑RCC re-classified the proposal as General Amendment and approved the publication of proposal for comments in the PEMC Website**	❑PEM Board concurred with RCC's Decision***	❑Commenting period of the proposal ❑Commenters: ACEN, Cleanergy, DOE, PEI & SEDI, PEMC, SMGP, NGCP, GNPK & TC	❑Discussion of proposal and comments/ response to the RCC	❑Deliberation of the proposal	❑Presentation and review of the draft resolution	❑Approval of the RCC Resolution.

Concluded Activities
Current Activity
Upcoming Activities

*Originally submitted as Urgent Proposal
** RCC Resolution No. 2026-03
***PEM Board Resolution No. 2026-95-03

16

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



5.2 REVIEW OF THE RCC INTERNAL RULES ISSUE 8.0

Action Requested: *For Discussion*

Philippine Electricity Market Corporation

TIMELINE

Review of the RCC Internal Rules Issue 8.0

19 June 2026	19 June -14 July 2026	14 July 2026	17 July 2026	14 August 2026	20 August 2026
❑Submission of the document to the RCC for review and comments	❑Solicitation of comments from the RCC	❑Submitted the Consolidated Comments to the RCC	❑Discussion of Consolidated Comments	❑Finalization of the RCC Internal Rules Issue 9.0 and approval of RCC resolution	❑Publication of the RCC resolution in the PEMC website

Concluded Activities
Current Activity
Upcoming Activities

18

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 26 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting





MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



6.1 RCC SEMESTRAL REPORT (JANUARY TO JUNE 2026)

Action Requested: *For Approval*

Philippine Electricity Market Corporation

TIMELINE OF SUBMISSION

15 July 2026	17 July 2026	22 July 2026	24 July 2026	29 July 2026
❑Submission of the draft report to the RCC	❑Presentation of the draft report	❑Receive comments from the RCC	❑Finalization and final approval of the report	❑Endorsement to the PEM Board and publication of the report in the PEMC Website

Concluded Activities
Current Activity
Upcoming Activities

22

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 28 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



VII. OTHER MATTERS

Philippine Electricity Market Corporation



7.1 UPDATE ON THE PROPOSALS

Action Requested: *For Information*

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 29 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

UPDATES ON THE PROPOSALS

Urgent Amendments – Ongoing implementation (1)

	Proposal	Proponent	Update/Status
1	Proposed **Revision to the Urgent Amendments** to the Ancillary Services Monitoring Manual (WESM ASMM) regarding **Reserve Conformance Standards** and related Enforcement Actions	PEMC	• 10 December 2024 - Approval of proposal (PEM Board Resolution No.2024-79-01) • 28 May 2025 – 1st Extension of effectivity PEM Board Resolution No. 2025-85-03 • 27 Nov 2025 – 2nd Extension of effectivity (PEM Board Resolution No. 2025-90-02) • 29 Apr 2026 – 3rd Extension of effectivity (PEM Board Resolution No. 2026-95-02) • **Effectivity of the WESM ASMM Issue 1.2: 12 June 2026 to 12 December 2026**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – Under RCC Evaluation (1)

	Proposal	Proponent	Update/Status
1	Proposed Urgent Amendments to the WESM Ancillary Services Monitoring Manual Issue 1.2 regarding Additional Criteria for Qualifying a **Frequency Driven Event (FDE)**	SN Aboitiz Group	• 24 Mar 2026 – Submission of the Proposal • 27 Mar 2026 – Submission of the Revised Proposal • 10 Apr 2026 – RCC discussed the proposal and reclassified it as a General Amendment. • 29 April 2026 – PEM Board concurred with the RCC's reclassification and approved posting of the proposal on the PEMC website for stakeholder comments (PEM Board Resolution No. 2026-95-03) • **04 May 2026 to 17 June 2026 – posting in the PEMC Website to solicit comments** • **Comments received from: ACEN, Cleanergy, DOE, PEI & SEDI, PEMC, SMGP, NGCP, GNPK & TC**

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 30 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

UPDATES ON THE PROPOSALS

General Amendments – RCC Evaluation Deferred (3)

	Proposal	Proponent	Update/Status
1	Proposed General Amendments to the WESM Rules and various WESM Market Manuals regarding **Energy Storage Systems** in view of the DOE DC2023-04-0008	IEMOP	• Commenting period 22 August 2024 to 07 October 2024 • Received comments from MERALCO, MEI/PEI, SPC/SIPC, MGEN, SNAP, APC, NGCP, ACEN, PEMC, and Technical Committee (TC) • 13 December 2024 - Deferred (As requested by proponent) pending the forthcoming issuance of the ERC Rules on Energy Storage Systems • 02 December 2025 - DOE IEC on CSP Policy and Public Consultation on ESS Policy • 15 April 2026 – RCC sent a letter to IEMOP requesting updates on this matter. • 15 May 2026 – IEMOP will provide response to RCC's letter, awaiting revision of ESS Rules • **03 July 2026 – IEMOP informed, via email that they intend to withdraw the proposal and submit new proposal that incorporates the supplemental guidelines for ESS.**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – RCC Evaluation Deferred (3)

	Proposal	Proponent	Update/Status
2	Proposed Amendment to the WESM Rules and WESM Manual on Dispatch Protocol regarding **Must-Offer Rule**	GNPK	• 18 October 2024 – RCC deferred deliberations pending DOE's response to GNPK • 25 October 2024 – GNPK letter to DOE on issues and concerns (cc RCC) • 05 March & 14 August 2025 – RCC letter to GNPK requesting for updates on the proposal • 16 September 2025 – Receipt of GNPK response (GNPK is requesting the RCC to await the results of GNPK's consultation with DOE) • **19 September 2025 – Deferred (Approved GNPK's request for deferment of their proposal)**

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 31 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

UPDATES ON THE PROPOSALS

General Amendments – RCC Evaluation Deferred (3)

	Proposal	Proponent	Update/Status
3	Proposed General Amendments on the Harmonization of the WESM and Retail Rules and Market Manuals with **ERC Resolution No. 13 Series of 2024** ("A Resolution Adopting the Omnibus Rules for Customer Choice Programs")	IEMOP	• Commenting period: 08 September 2025 to 20 October 2025 • Comments received from ACEN, APC, MERALCO, RESA and PEMC • 21 Nov & 12 Dec 2025 – RCC Deliberation (2 Meetings) • **16 Jan 2026 – Deferred (as requested by the Proponent) pending ERC's revision of the Omnibus Rules**

Philippine Electricity Market Corporation

UPDATES ON THE PROPOSALS

General Amendments – For DOE Promulgation (3)

	Proposal	Proponent	Update/Status
1	Proposed **Revision** to the Urgent Amendments to the **Ancillary Services Monitoring Manual regarding Reserve Conformance Standards** and related Enforcement Actions	PEMC	• 28 May 2025 – Approval of proposal (PEM Board Resolution No. 2025-85-02) • 11 June 2025 – Submitted to DOE for approval and ERC for information • **02 & 24 September & 07 October 2025 – DOE public consultation**
2	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the **Market Surveillance Committee Processes**	MSC	• 28 Jan 2026 – Approval of the Proposal (PEM Board Resolution No. 2026-92-03) • **23 Feb 2026 – Submitted to DOE for approval and to ERC for information**
3	Proposed General Amendments on **Enforcement Proceedings and Clarifying Compliance Guidelines**	PEMC	• 15 May 2026 – RCC's Approval • **27 May 2026 – approved by PEM Board (PEM Board Resolution No. 2026-96-01)** • **03 June 2026 – endorsed to DOE for approval; furnished to ERC for information**

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 32 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



7.2 DOE UPDATES

Action Requested: *For Information*

Philippine Electricity Market Corporation



7.3 SCHEDULE OF ACTIVITIES

Action Requested: *For Information*

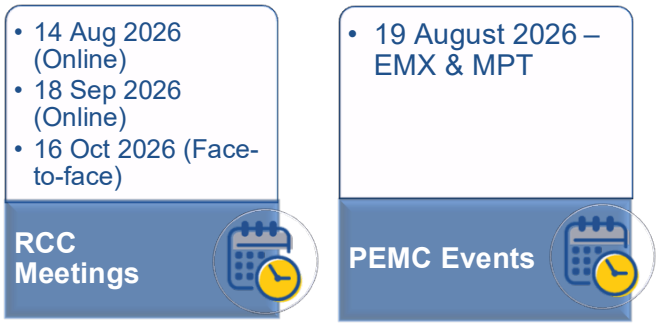
Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 33 of 112

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting

SCHEDULE OF ACTIVITIES



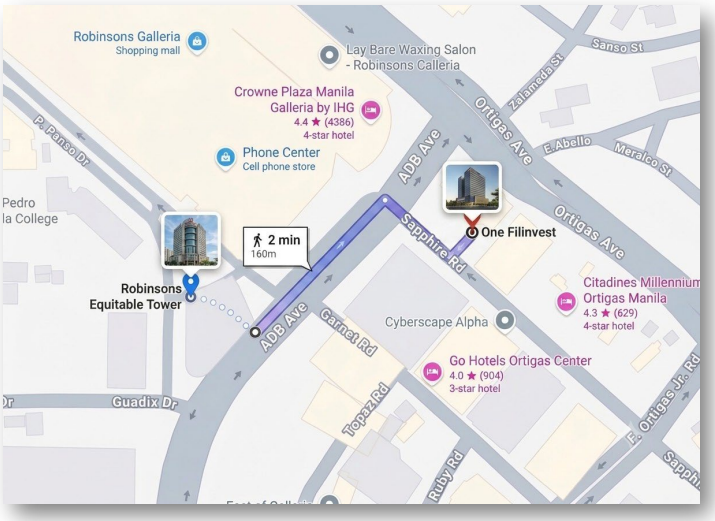
Note: There is no RCC agenda for the BRC and PEM Board Meetings in July 2026.

33

Philippine Electricity Market Corporation

PEMC OFFICE RELOCATION

When: 28 September 2026
Where: One Filinvest, Ortigas Center, Pasig City.



34

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex A – Presentation Materials of the 260th RCC (Regular) Meeting



VIII. ADJOURNMENT

Philippine Electricity Market Corporation



MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 35 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
DOE	We would like to express our **conditional support** for **PEMC-ECO's proposed rewording** of the proposal attached below, taking into consideration PEMC-ECO's simulations and comparative metrics for Regulating Reserve (RR) and Contingency Reserve (CR) to mitigate overlapping Frequency Driven Events in relation to the proposal. However, such support remains subject to further comments and recommendations, as well as the concurrence and further simulation and analysis of the National Grid Corporation of the Philippines (NGCP), in its capacity as the System Operator (SO) and sole buyer of reserves in the Reserve Market, with the revised proposal. It is likewise noted that certain parameters in the Reserve Conformance Standards under the Ancillary Services Monitoring Manual (ASMM) utilize compliance monitoring parameters established by the SO for contracted Ancillary Services (AS) Procurement Agreements. Therefore, the **concurrence of the SO** with PEMC-ECO's proposed rewording of the proposal is **essential** to ensure that PEMC-ECO's revised proposal remains fully aligned with the operational realities of AS procurement by the SO in the Reserve Market, including the corresponding technical parameters governing CR and RR.	We thank the DOE for its conditional support of PEMC-ECO's proposed rewording, which SNAP likewise supports. We recognize the DOE's position that the System Operator's (SO's) concurrence is necessary to ensure that the revised proposal remains aligned with the operational realities of Ancillary Services (AS) procurement in the Reserve Market, including the technical parameters governing Contingency Reserve (CR) and Regulating Reserve (RR). We respectfully request the DOE to consider either SNAP's proposal or PEMC-ECO's counterproposal, subject to continuous and regular monitoring, periodic review, and further technical evaluation by the relevant stakeholders, following its implementation. This approach would allow the proposal to be implemented without further delay, ensuring fair and practical monitoring of merchant Ancillary Services Providers (ASPs), while enabling the methodology to be refined based on actual operating experience and the accumulation of sufficient operational data. Considering both the general and specific comments of NGCP, we note that there is currently insufficient operational data to comprehensively assess the applicability of either SNAP's proposal or PEMC-ECO's counterproposal, particularly for hybrid and fast-responding technologies and scenarios involving capacity

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 36 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
	PEMC-ECO's Proposed Rewording (as discussed during the 257th RCC Meeting) ASMM 1.2 5.6.2 xxx xxx xxx The event will qualify as Frequency-Driven Event, for this purpose, if: a. the event lasts for more than five (5) seconds; and b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems; **The Frequency Driven Event shall be deemed to have terminated when:** **ac.** the frequency has normalized within the deadband setting by 0.02Hz for conventional generating units and 0.01 Hz for battery energy storage systems; and **bd.** the frequency has normalized and stayed within such the threshold (as defined in item c.) for at least 25 seconds **or has reached the nominal frequency of 60Hz, whichever comes first**. ~~**For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d) determine the end of a FDE.**~~	constraints. Given that the Reserve Market only commenced operations in 2024, the available operational data remains limited. We would also like to note that the continued delay in the implementation of this proposal puts merchant ASPs at a difficult situation wherein provision of AS are always under the risk of both penalty and non-payment as a result of inherent constraints arising from overlapping multiple Frequency-Driven Events (FDEs). Thus, even if an ASP was able to contribute to the grid through the provision of AS in actuality, it is still being unfairly penalized due to the inherent mechanical and physical constraints during these events. This results in a potential "chilling effect" wherein merchant ASPs would re-evaluate/reconsider providing ancillary services due to the implementation of the current FDE definition. Moreover, implementing this proposal, subject to consistent and regular review, will benefit the Reserve Market and the grid by ensuring fair and physically feasible standards under the ASMM. We believe this represents a practical and balanced approach to immediately addressing the issue of overlapping FDEs, which currently expose ASPs to non-compliance findings, penalties, and potential non-payment, while allowing the methodology to be validated, refined, and enhanced over time through evidence-based technical assessment.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 37 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
PEMC	PEMC supports the proposal to have clear conditions to define the end of a Frequency Driven Event (FDE). However, the proposed amendment may require insights from the System Operator (SO) on the following: • The impact of overall operation and monitoring and whether the current 80% Average Response Accuracy per relevant settlement interval needs to be updated as the proposed amendment suggests in increase in accuracy due to longer evaluation period rather than an actual change in plant performance. • The difference in data measurements between generating companies (GenCo) and the Enforcement and Compliance Office (ECO). The Proponent raised that while GenCo respond based on plant-level frequency, ECO's performance monitoring uses system frequency, which is measured up to three decimal places. • Whether the 25-second normalization period is applicable to all reserve types and technologies. • Whether the SO will adopt this rule into its contracted ASPs once the proposal is approved. • Any risks to system security if this proposal will be implemented	We appreciate PEMC-ECO's support for SNAP's proposal. We also note PEMC-ECO's position that the SO's inputs are necessary in evaluating the proposal. Considering the general and specific comments provided by NGCP, we reiterate that there is currently insufficient operational data to comprehensively assess the applicability of either SNAP's proposal or PEMC-ECO's counterproposal, particularly for hybrid and fast-responding technologies and scenarios involving capacity constraints. As the Reserve Market has only been operational since 2024, we respectfully request that either SNAP's proposal or PEMC-ECO's counterproposal be implemented without further delay, subject to continuous monitoring, regular review, and further technical evaluation by the relevant stakeholders. This approach will enable the methodology to be refined based on actual operating experience and the availability of sufficient operational data. As previously noted, the delay in the implementation of this proposal places merchant ASPs in a difficult situation where the provision of AS remains under the threat of both penalty and non-payment as a result of inherent constraints arising from overlapping FDEs. Thus, even if an ASP has actually contributed to grid reliability through the provision of AS, it may still be unfairly penalized due to the mechanical and physical constraints associated with these events. This results in a "chilling effect," wherein merchant ASPs may re-

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 38 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
	For reference, we refer to the simulation presented by PEMC-ECO during the RCC meeting held on 10 April 2026. The results confirm that the proposal's objective—to prevent unnecessary flagging of possible breaches arising from sequential frequency disturbances—will be achieved through the consolidation of FDEs. From the compliance monitoring perspective, this approach is deemed to improve the clarity of compliance assessments. *(Please refer to Page 4 to 22, Minutes of 257th RCC Meeting)* Monitoring on the implementation of the revised rules, should they be approved, would be warranted to assess the impact to actual RR and CR response. What could be the possible metrics and criteria to state that this proposal, once implemented, is deemed effective?	evaluate/reconsider their participation in the provision of AS under the current FDE definition. Accordingly, implementing this proposal, subject to continuous monitoring and periodic review, will benefit both the Reserve Market and the grid by ensuring fair, technically feasible, and operationally realistic compliance standards under the ASMM. With respect to the proposed fixed 25-second recovery period, we understand the SO's concern that its adoption may have implications on existing testing procedures and therefore requires careful evaluation. In this regard, we respectfully request an alternative proposal on the recovery period that the SO may recommend. In the meantime, considering the current impact on ASPs, as previously discussed, we recommend adopting the proposed 25-second recovery period immediately, subject to periodic review and refinement by the SO as additional operational experience and supporting data become available. In relation to PEMC's comment on the metrics and criteria for determining the effectiveness of the proposed methodology after its implementation, we suggest checking the SO's frequency violations as one of the metrics. If the implementation of the proposal does not result in a significant increase in frequency violations it would demonstrate that the proposal is effective in addressing the compliance issue without compromising grid reliability.

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 39 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
NGCP	NGCP would like to note that SNAP's proposed amendment/methodology is not consistent with the System Operator's practice for considering an FDE a valid event for both testing and compliance monitoring.	We acknowledge NGCP's observation that SNAP's proposed methodology is not fully aligned with the SO's current practice. The intent behind SNAP's proposal is not to overwrite SO established practices, but to address a critical gap that has emerged since the commercial implementation of the Reserve Market- the penalization of ASPs for overlapping FDEs, despite them providing appropriate, sustained physical responses to grid disturbances. Because there is a lack of sufficient historical data under the new Reserve Market regime to fully understand the impact of these overlapping events on capacity-constrained or hybrid technologies, we cannot resolve this disconnect without the expertise of the SO. Therefore, we respectfully request SO's collaboration in a joint, trial implementation of this methodology. By partnering in continuous monitoring and periodic reviews, the SO and PEMC-ECO can gather the necessary operational data to jointly refine these metrics ensuring that compliance rules accurately reflect the physical realities and security needs of the grid. We further note that SNAP's proposal is intended to address operational scenarios that have emerged following the implementation of the Reserve Market, particularly instances where overlapping FDEs result in ASPs being assessed for non-compliance despite responding appropriately to sustained frequency

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 40 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
		disturbances. As the Reserve Market has only been operational since 2024, there remains limited operational data to fully evaluate these scenarios and their impact on emerging technologies and capacity-constrained conditions. In view of this, we respectfully recommend that the proposed methodology be implemented, subject to continuous monitoring, periodic review, and further technical assessment by the SO, PEMC-ECO, and other relevant stakeholders. This approach would allow the methodology to be validated and refined based on actual operating experience while providing immediate relief to ASPs from potential non-compliance arising from overlapping FDEs. SNAP respectfully reiterates the impact of continued non-implementation of this proposal to merchant ASPs.
GNPK	This comment is intended for the ECO and/or relevant groups of PEMC: GNPK respectfully requests to provide the event categories for Reserve Conformance Standards and Reserve Offered Capacity Compliance. This will serve as guidance for Ancillary Service Providers in accomplishing non-compliance notices and in identifying the applicable supporting documents required for each event category.	**SNAP Group:** We respectfully refer GNPK's comment to PEMC for its appropriate response. **PEMC-ECO:** The ECO affirms that it will provide the event categories for RCS and ROCC. These categories will be integrated into and reflected in the updates to the WESM Compliance Bulletin 21.1 (Guidelines for RCS Monitoring Rev. 1) and 22.0 (Guidelines for ROCC Monitoring).

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 41 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
		The updated Compliance Bulletins will be issued/ published in the PEMC website by 15 July 2026, and an advisory will likewise be sent to all ASPs to ensure proper dissemination. This will serve as guidance for all ASPs in: • Standardizing responses to flagged non-compliances • Documenting explanation with the appropriate supporting materials for each event category. Implementation of these updated guidelines will commence on 26 July 2026 and onwards.
Technical Committee	The Technical Committee has no further comments on the proposed amendments. However, the Committee requests the System Operator to provide its assessment on the potential impacts of the proposed revisions on system operation, and its effect on the technical performance of Generators and Ancillary Service Providers (ASPs). Further, considering the varying technical characteristics and response capabilities of different Ancillary Service technologies, the TC seeks clarification on the basis and applicability of the proposed 25-second period for determining	We take note of the Technical Committee's comments and respectfully refer to our previous responses above. We reiterate our recommendation that the proposed methodology be implemented, subject to continuous monitoring, periodic review, and further technical assessment by the SO, PEMC-ECO, and other relevant stakeholders. This approach will allow the methodology to be validated and refined based on actual operational experience while addressing the current compliance concerns faced by ASPs. We likewise acknowledge the TC's observation regarding the varying technical characteristics and response capabilities of different AS technologies. We wish to clarify that the proposed 25-second recovery period is intended to provide a practical and objective

MEETING MINUTES

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	Proponent's Response
	the termination of a Frequency-Driven Event (FDE), and whether such duration is technically appropriate and representative across the different types of AS resources.	reference for determining the termination of a FDE, thereby reducing ambiguity in identifying distinct frequency events. As previously stated, we welcome any alternative recovery period or methodology that NGCP may recommend to address this concern. In the meantime, considering the current impact on ASPs as discussed previously, we reiterate our recommendation to implement the proposed 25-second recovery period, subject to continuous monitoring, periodic review, and refinement by NGCP and the relevant stakeholders, as warranted by actual operating experience.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 43 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
Section 5.6 Measuring Reserve Response Compliance of Generators on	5.6.2.	A *reserve facility's* response accuracy via GCM shall be calculated as follows.[12] xxx The event will qualify as *Frequency-Driven Event*, for this purpose, if: a. the event lasts for more than five (5) seconds; and	A *reserve facility's* response accuracy via GCM shall be calculated as follows.[12] xxx The event will qualify as *Frequency-Driven Event*, for this purpose, if:	To provide the Reserve Facilities an additional tolerance with the following considerations: a. Give ample time for the Reserve Facility to normalize its loading near the Unit setpoint, which is the initial	**SMGP:** Please also provide an illustration for Regulating Reserve (RR) demonstrating how the proposed FDE qualifier improves the response accuracy of an AS provider.	**SMGP** In SMGP's comment, we respectfully clarify that SNAP's proposed amendment is not intended to improve response accuracy. Rather, it seeks to refine the criteria for qualifying FDE by taking into account the technical characteristics and operational		

MEETING MINUTES

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
		b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems. xxx	a. the event lasts for more than five (5) seconds; ~~and~~ b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy	reference of the Unit governor in computing the desired response. b. Variances from the Reserve Facility's Frequency Reference compared to the System Frequency	**NGCP:** On 5.6.2 d, the proposed FDE termination condition may require further refinement, including consideration of termination upon restoration to the nominal 60 Hz, its applicability to	limitations of generating plants. **NGCP** In NGCP's comments, we respectfully refer to our responses provided above. We reiterate that there is currently insufficient operational data to comprehensively assess the applicability of either SNAP's proposal or PEMC-ECO's counterproposal,		

MEETING MINUTES

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			storage systems~~.~~**;** **c. the frequency deviation normalizes below the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage; and**	c. Reduction of multiple Frequency Driven Events occurrences The additional provisions aim to combine the evaluation of multiple FDEs, and not exclude any FDE. This ensures that the	hybrid or fast-responding technologies, and scenarios involving capacity constraints. Supporting studies should be conducted to validate these considerations and to benchmark against practices adopted in	particularly for hybrid and fast-responding technologies and scenarios involving capacity constraints. Given that the Reserve Market commenced only in 2024, operational experience and supporting data remain limited. Accordingly, we respectfully request the SO to consider the SNAP proposal or PEMC-ECO's counterproposal,		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 46 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			d. the frequency deviation normalizes below the threshold for at least 25 seconds. **For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d)**	system frequency has sufficiently recovered before registering a new event. It prevents premature triggering of multiple FDEs caused by short-lived or oscillatory frequency dips around the threshold.	other jurisdictions. In addition, the adoption of a fixed 25-second recovery period may have implications on existing test procedures and should be carefully evaluated.	subject to continuous monitoring, periodic review, and further technical evaluation by the SO, PEMC-ECO, and other relevant stakeholders following its implementation. This approach will allow the methodology to be refined based on actual operating experience and the accumulation of sufficient operational data.		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 47 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
			determine the end of a FDE. xxx			With respect to NGCP's concern that adopting a fixed 25-second recovery period may have implications for existing testing procedures, we acknowledge this concern and respectfully request NGCP to provide further clarification on the specific technical or operational issues identified. We also welcome any alternative		

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 48 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
						recommendation that NGCP may propose to address these concerns. In the meantime, considering the current impact on ASPs as mentioned previously, we reiterate our recommendation to implement the proposed 25-second recovery period, subject to continuous monitoring, periodic review, and refinement by NGCP and the		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 49 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
					<u>Cleanergy:</u> We note that this event is similar to Cleanergy 9 Power Inc. (C9)'s KPSPP's behavior	relevant stakeholders, as warranted by actual operating experience. **Cleanergy** We express our agreement for Cleanenergy's comments		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 50 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
					during generation. Following a Frequency Driven Event, the system frequency of KPSPP may briefly stabilize, prompting the unit output to begin normalization, only for the deadband to be breached			

MEETING MINUTES

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
					once more. Hence, we note that such rapid successions of governor commands may prevent the facility from executing an appropriate and stable response. Further, we note that making the FDE complete			

MEETING MINUTES

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
					after 25 seconds normalization is a rational machine reaction that should be considered during this event. *Please see the table below for comments and proposed wording based on*			

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 53 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

WESM ANCILLARY SERVICES MONITORING MANUAL 1.2								
Title	**Section**	**Provision**	**Proposed Amendment**	**Rationale**	**Comments**	**Proposed Wording based on Comments**	**Original Proponent's Response**	**RCC Decision**
					*comments from **ACEN**, **PEMC**, **PEI/SEDI**, and **GNPK**.*			

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 54 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
PEMC	PEMC supports the proposal to have clear conditions to define the end of a Frequency-Driven Event. PEMC conducted a simulation applying the proposed condition for the August 2025 billing period. The results indicate that the proposed 25-second period to return to the nominal frequency must account for the rapid nature of frequency fluctuations, which can lead to overlapping events. This overlapping is most likely to occur in regulating reserves. Consequently, PEMC proposes an additional criterion to help prevent the occurrence of overlapping events.	A *reserve facility's* response accuracy via GCM shall be calculated as follows.[12] xxx The event will qualify as *Frequency-Driven Event*, for this purpose, if: a. the event lasts for more than five (5) seconds; and b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems~~.~~**;** ~~**c. the frequency deviation normalizes below the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage; and**~~	We support PEMC's proposed rewording of our proposal.	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 55 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		~~d. the frequency deviation normalizes below the threshold for at least 25 seconds.~~ ~~For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d) determine the end of a FDE.~~ The Frequency-Driven Event shall be deemed to have terminated when: a. the frequency has normalized within the deadband setting by 0.02Hz for conventional generating units and 0.01 Hz for battery energy storage systems; and b. the frequency has normalized and stayed within such threshold for at least 25 seconds or has reached the nominal frequency, whichever comes first. xxx		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 56 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
ACEN	We support the intent of the proposed amendment to introduce explicit end-conditions for an FDE, recognizing the operational issues caused by oscillatory frequency deviations around the deadband threshold that result in multiple FDE tagging within a single disturbance. However, we have also noted the following concerns with the proposed wording: a. Proposed item (c) contains a directional ambiguity. The phrase "*normalizes below the deadband setting by 0.02 Hz*" could be read as requiring the frequency to fall further below 59.84 Hz (i.e., toward 59.82 Hz), which is the	A *reserve facility's* response accuracy via GCM shall be calculated as follows.[12] xxx The event will qualify as *Frequency-Driven Event*, for this purpose, if: a. the event lasts for more than five (5) seconds; ~~and~~ b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems~~.~~**;** **c. the system frequency has recovered to at least ~~deviation normalizes below the deadband setting by~~ 0.02 Hz above the deadband setting for conventional generating units (i.e., recovered to at least 59.86 Hz) and 0.01 Hz above for battery energy storage; and**	We appreciate ACEN's comments on SNAP's proposal. With respect to the proposed amendment under letter c, we understand ACEN's proposed revision and note that the proposal raised is already addressed by PEMC-ECO's counterproposal, which SNAP likewise supports. With respect to letter d, we find merit in ACEN's proposal, subject to further technical evaluation by the RCC, particularly in consideration of the mechanical and	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 57 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
	opposite of the intended recovery direction. To accurately reflect the proposal's intent, item (c) should clearly state that the system frequency must recover to at least 0.02 Hz above the deadband setting (i.e., to at least 59.86 Hz for conventional generating units). b. Proposed item (d) does not explicitly anchor the 25-second sustain period to the satisfaction of item (c). As currently worded, it is unclear whether the 25-second clock begins only after the frequency has reached the recovery threshold in item (c). The wording should make the sequential relationship between the two conditions explicit and enforceable.	**d. the system frequency has sustained the recovery ~~deviation normalizes below the threshold~~ for at least 25 continuous seconds. (i.e., the system frequency has recovered to at least 59.86Hz for 25 seconds).**	physical constraints affecting the provision of AS during overlapping FDEs. With respect to the system frequency identified by ACEN, SNAP maintains its position that the applicable reference should remain the plant or unit frequency, as this more accurately reflects the actual operating conditions and the physical response of the generating unit during a FDE.	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 58 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
PEI & SEDI	A Frequency-Driven Event (FDE) is defined as a situation that activates or triggers the need for immediate response from Ancillary Services Providers to maintain the grid stability due to power system frequency variation. Clause 5.6.2 of the Ancillary Services Monitoring Manual specifies the criteria for the qualification of an event as an FDE. While we agree that multiple fragmented FDEs triggered by a single system disturbance should be appropriately addressed, we see no need of redefining the FDE and expanding the qualification criteria for an FDE. Instead, we suggest that the moment when the FDE and the provision of the corresponding reserve service are considered to have ended be clearly established. This moment	A *reserve facility's* response accuracy via GCM shall be calculated as follows.[12] xxx The event will qualify as *Frequency-Driven Event*, for this purpose, if: a. the event lasts for more than five (5) seconds; and b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems. ~~c. the frequency deviation normalizes below the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage; and~~	We likewise find merit in the proposals of PEI and SEDI; however, we defer to the RCC's further deliberation on their proposals.	

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 59 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
	is described by the proponent in their proposal.	~~d. the frequency deviation normalizes below the threshold for at least 25 seconds.~~ ~~For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d) determine the end of a FDE.~~ The Frequency-Driven Event and the corresponding provision of reserve service are considered to have ended when (1) the frequency has stabilized within the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage; and (2) the frequency has remained within such threshold for at least 25 seconds. xxx		
GNPK	GNPK would like to respectfully suggest that instead of introducing these as additional qualifying	A *reserve facility's* response accuracy via GCM shall be calculated as follows[12].	SNAP's proposal does not pertain to response accuracy; therefore, we	

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 60 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
	conditions for an FDE, it is suggested that they be positioned as conditions for determining the start and end of an FDE. We would also like to propose an amendment to **Section 5.6.2 – Response Accuracy Formula**.	Response Accuracy (%) = (Real-Time Actual Gross MW Response ~~Capacity~~ / Real-Time Expected MW Response ~~Capacity~~) × 100~~%~~ ~~a. When System Frequency falls below the lower deadband:~~ ~~Where:~~ ~~Actual MW Response Capacity~~ ~~= Highest Actual MW Output – MW Output Prior to Frequency-Driven Event~~ ~~Where: The Highest Actual MW Output is the value obtained 20 seconds after the Lowest frequency that occurred during the Frequency-Driven Event~~ ~~Frequency Change~~ ~~= Frequency Prior to Frequency-Driven Event – Lowest Frequency During Frequency-Driven Event~~ ~~Frequency Prior to Frequency-Driven Event~~ ~~= Nominal Frequency – Deadband Setting~~	have no comment on that aspect. While we agree with GNPK's proposal on the deadband setting, we note that its implementation and compliance monitoring may present challenges. As such, we defer to the RCC's deliberation on the proposal.	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 61 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		~~b. When System Frequency breaches the upper deadband:~~ ~~Actual MW Response Capacity~~ ~~= Lowest Actual MW Output – MW Output Prior to Frequency-Driven Event~~ ~~Where: The Lowest Actual MW Output is the value obtained 20 seconds after the highest frequency that occurred during the Frequency-Driven Event~~ ~~Frequency Change~~ ~~= Frequency Prior to Frequency-Driven Event – Highest Frequency During Frequency-Driven Event~~ ~~Expected MW Response Capacity~~ ~~= Static Gain x Frequency Change~~		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 62 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		$$Static\ Gain = \frac{Rated\ Capacity}{Droop\ Setting\ x\ Nominal\ Frequency}\ x\ 100\%$$ **Where:** • **Real-Time Actual Gross MW Response = Actual Gross MW − Capped Gross Load Demand** • **Capped Gross Load Demand is defined as the sum of the Net Energy Schedule and House Load, taking into account the Unit's ramping limitations during and after load changes resulting from the Net Energy Schedule, MOT requests, or Secondary Response.** • **Real Time Expected MW Response = {(Nominal Frequency – Deadband Setting) – Actual Frequency During Frequency-Driven Event} * Static Gain** • **Notes:** 1. **The Capped Gross Load Demand represents the Unit's actual gross MW target or reference point**		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 63 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		during and after normal load changes, excluding any contribution from Primary Frequency Response contribution 2. The Unit's control system calculates the expected Primary Response Output using the Capped Gross Load Demand as the reference point and applies an additional output adjustment corresponding to the expected response determined by the control system. For purposes of computing static gain, the determination of *rated capacity* shall be established by reference to: (a) the rated capacity as appearing in WESM registration records; or (b) the declared capacity from which the reserve facility was tested during the ancillary services certification. In the event of any discrepancy, the latter shall prevail for this purpose. If the system frequency breaches the upper deadband threshold, the reserve facility needs to react by		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 64 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		decreasing generation to correct the frequency and vice versa. In this case, the Actual MW Response Capacity shall be calculated as the difference between the Highest or Lowest Actual MW Output, as the case may be, and the MW Output prior to the Frequency-Driven Event. The event will qualify as *Frequency-Driven Event,* for this purpose, if: a. the event lasts for more than five (5) seconds; **and** b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems.~~;~~ **An FDE shall cease when the frequency deviation normalizes in accordance with the deadband setting for the relevant reserve type and remains within such deadband setting for at least twenty-five (25) seconds.** ~~**c. the frequency deviation normalizes below the deadband setting by 0.02 Hz for conventional**~~		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 65 of 112

Annex B – SNAP Response to the Comments on the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Proponent	Comments	Proposed Wording based on Comments	Original Proponent's Response	RCC Decision
		~~generating units and 0.01 Hz for battery energy storage; and~~ ~~d. the frequency deviation normalizes below the threshold for at least 25 seconds.~~ ~~For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d) determine the end of a FDE.~~ In cases where the Expected MW Response Capacity, as calculated based on the formula, exceeds the *Reserve Schedule*, reserve facilities are authorized to operate within their scheduled reserves for ancillary service provision, subject to *System Operator's* re-dispatch instructions[13]. In such instances, the *System Operator* shall include details of re-dispatch instructions in its dispatch instruction report.		

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex C – SMGP's Presentation Relative to their Comment

San Miguel Global Power

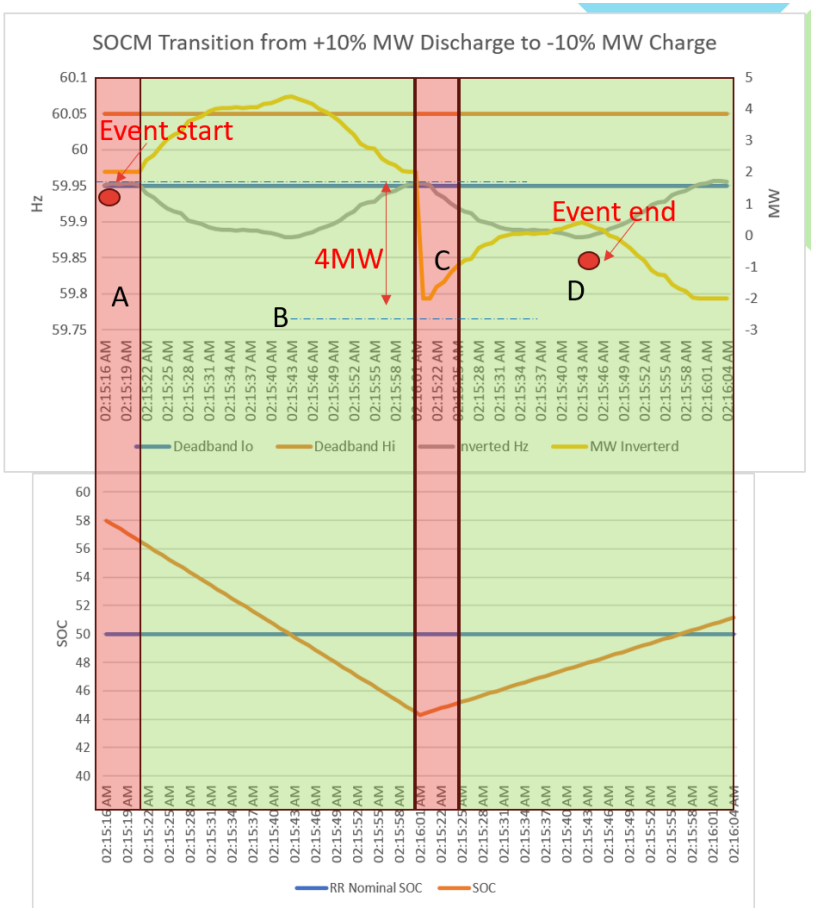
The identified implication of the proposed revision of FDE for RR:

The MW response of SMGP BESS facilities during RR may fall short in certain scenarios, specifically during the transition of SOCM from the discharging region to the charging region, and vice versa.

The graph assumes a 20 MW BESS facility that is allowed to manage its SOC within ±10% of its capacity (±2 MW) when operating within the grid frequency bandwidth of 59.95 Hz to 60.05 Hz.

Area A: The event starts with the SOC above 50%, where the BESS is allowed to discharge +2 MW to manage its SOC.
Area B: The grid frequency drops below 59.95 Hz, prompting the BESS to provide a discharge response, which is on top of the +2 MW provided in Area A.
Area C: The grid frequency returns to the SOCM bandwidth within less than 25 seconds; however, the BESS SOC in this area has already fallen below 50%. As a result, the BESS manages its SOC by charging at -2 MW. The delta MW from Area A to Area C is 4 MW.
Area D: The event ends at Area D, where the BESS response is reduced by 4 MW due to the inherent characteristics of SOCM management.

Due to the inherent SOCM characteristics of BESS, the revision of FDE for RR will have implications on the response compliance of BESS.



MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 67 of 112

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

Philippine Electricity Market Corporation

ECO SIMULATION AND ASSESSMENT OF FREQUENCY- DRIVEN EVENT (FDE) CRITERIA

17 July 2026 | RCC Meeting

AGENDA

- Background & Context
- Methodology
- Exploratory Analysis and Simulation Results
- Additional Criteria Considered (Capacity, ROCOF, Measurement)
- Conclusions & Recommendations

Philippine Electricity Market Corporation

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

BACKGROUND & CONTEXT

BACKGROUND AND OBJECTIVE

RCC Requested Further Assessment

- Simulate Contingency Reserve (CR) scenarios where an Ancillary Service Provider (ASP) reaches its maximum response capability.
- Assess the optimal recovery period for both Regulating Reserve (RR) and Contingency Reserve (CR).
- Evaluate whether frequency slope and frequency fluctuations should be incorporated into the FDE termination criteria.

Key Technical Consideration

Measurement discrepancy between plant-level and system-level frequency

- Generating units respond based on plant-level frequency, while ECO evaluates compliance using system frequency (three-decimal precision). This difference may influence the determination of when frequency has fully normalized.

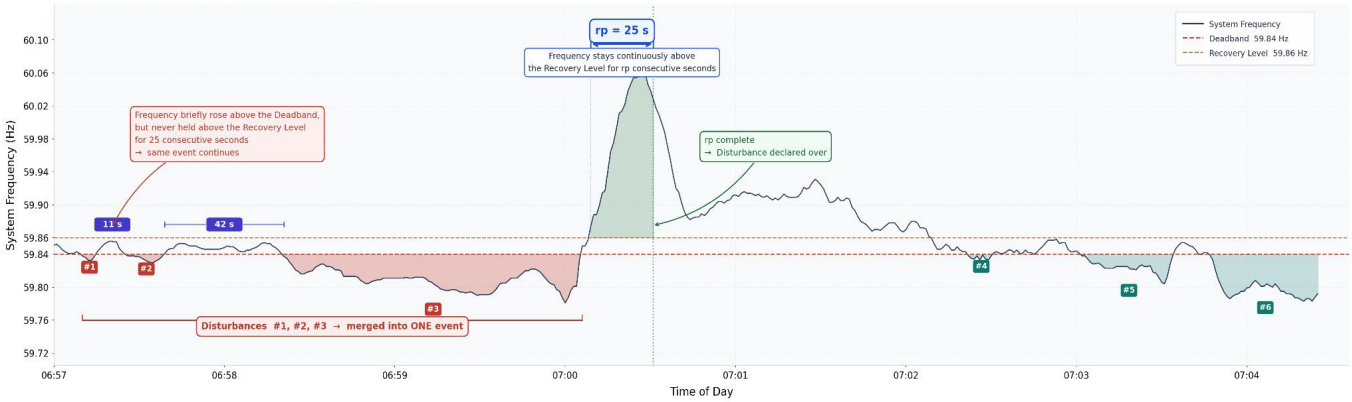
MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 69 of 112

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

UNDERSTANDING THE RECOVERY PERIOD (RP)

- RP = minimum continuous duration frequency must stay within the normalization threshold before an FDE is considered terminated.
- Initially proposed value: 25 seconds
- Brief re-entries that don't hold the full 25 seconds do not terminate the event
- Only a re-entry that holds the full 25 seconds ends it -- all preceding events merge into ONE continuous FDE



ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

Philippine Electricity Market Corporation



METHODOLOGY

ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 70 of 112

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

TWO-PHASE STUDY DESIGN

Covered Period: January 2026

Phase 1 – Exploratory Analysis

Purpose: To identify candidate **Recovery Period (RP)** values using the raw regional system frequency data.

- Analyzed the regional system frequency data across different deadband settings and observed the gaps between disturbances.
- Characterized disturbance gaps and frequency recovery behavior.
- Identified candidate RP values that are used in the simulation.

Phase 2 – Simulation Assessment

Purpose: To evaluate the candidate RP values using actual reserve conformance performance.

- Simulated reserve performance under different RP settings.
- Assessed the impact on Regulating Reserve (RR) and Contingency Reserve (CR) conformance across different technologies.

ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

Philippine Electricity Market Corporation



PHASE 1 – EXPLORATORY ANALYSIS

ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

Philippine Electricity Market Corporation

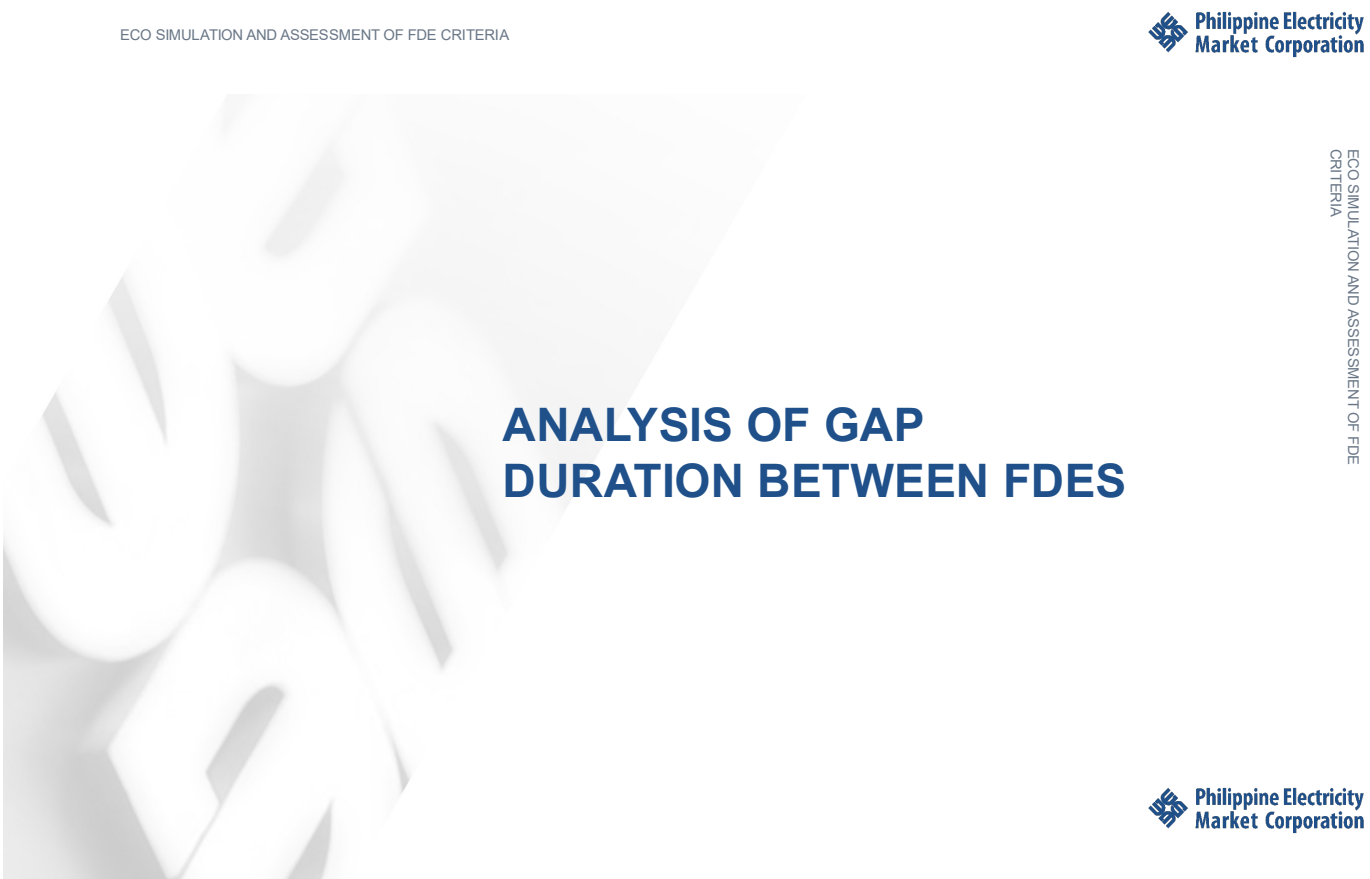
Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

EXPLORATORY ANALYSIS SETUP

Primary Analysis Variable: Gap Duration Between Consecutive FDEs

The exploratory analysis focused on the **gap duration** between successive **Frequency-Driven Events (FDEs)** to characterize disturbance recurrence and identify candidate **Recovery Period (RP)** values for simulation.

- **FDE Definition:** A frequency disturbance was identified when the system frequency fell below the selected deadband threshold and ended upon recovery above the threshold.
- **Gap Definition:** The interval between the end of one disturbance and the start of the next.
- **Deadband Levels Evaluated:** 59.84 Hz to 59.96 Hz, tested in 0.02 Hz increments *(7 threshold levels)*.
- **Dataset:** January 2026 one-second resolution system frequency data, analyzed separately for Luzon, Visayas, and Mindanao.



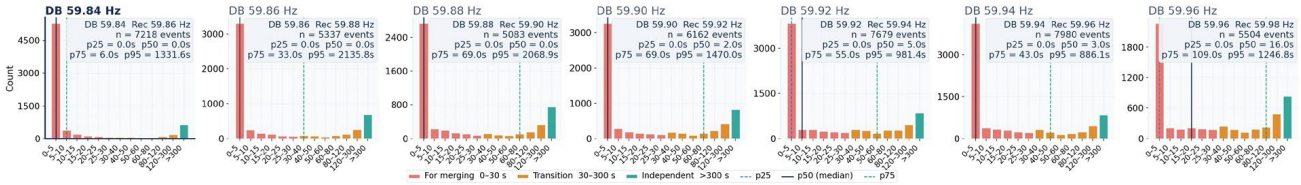
MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 72 of 112

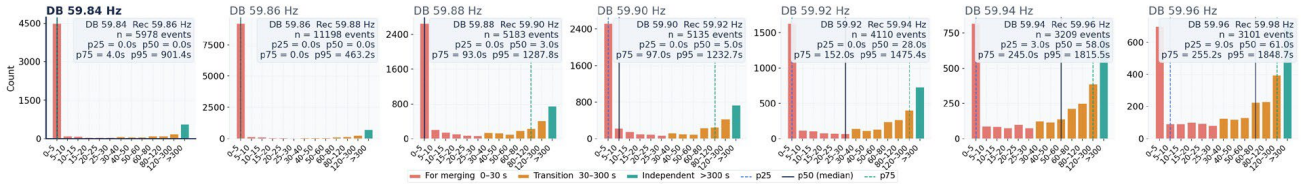
Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

GAP DISTRIBUTION BY DEADBAND SETTING

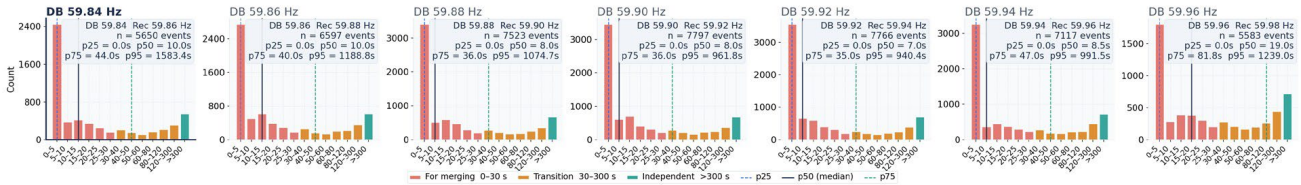
Gap Distribution by Deadband Setting — Luzon



Gap Distribution by Deadband Setting — Visayas



Gap Distribution by Deadband Setting — Mindanao



GAP DISTRIBUTION BY DEADBAND SETTING

Key Observations

- At the 59.84 Hz deadband, the majority of disturbance gaps were concentrated within 30 seconds across Luzon, Visayas, and Mindanao.
- Luzon and Visayas exhibited highly concentrated gap distributions, with median gap durations of 0 seconds and 75th percentiles of 6 and 4 seconds, respectively.
- Mindanao exhibited greater variability (median = 10 s; 75th percentile = 44 s), although most observed gaps still occurred within the ≤30 second zone.
- Across all deadband settings, disturbance gaps consistently exhibited a strong concentration within the ≤30 seconds region. As the deadband increased, a second concentration of longer-duration gaps became more evident, while the intermediate-duration gaps remained comparatively less frequent.

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

GAP ZONE CLASSIFICATION

To facilitate interpretation of the observed gap distributions, disturbance gaps were grouped into three duration-based zones. These zones provide a consistent framework for comparing gap behavior across regions and deadband settings

Zone	Duration	Interpretation
Merge	≤ 30 seconds	Disturbances close enough to be one continuous event
Transition	30 - 300 seconds	Ambiguous -- not re-triggering, not clearly independent
Independent	> 300 seconds	Clearly separate, unrelated disturbances

The predominance of short-duration gaps (≤30 seconds) supported the definition of the Merge Zone for exploratory analysis. The Merge Zone subsequently served as the basis for selecting the candidate Recovery Period (RP) values evaluated in the simulation phase.



Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

SIMULATION DESIGN: RECOVERY PERIOD EVALUATION

Recovery Period Settings

The exploratory analysis identified a **Merge Zone (≤30 seconds)**, representing the predominance of short-duration disturbance gaps. This Merge Zone formed the basis for selecting the candidate Recovery Period (RP) values evaluated, together with a **0-second baseline**, in the simulation.

BASIS FOR SELECTION	RECOVERY PERIODS EVALUATED
Merge Zone: ≤30 s	0 (Baseline), 5, 10, 15, 20, 25, 30, 35 s

Simulation Approach

- Each RP setting was applied consistently across all reserve-registered resources.
- Every FDE was evaluated under each RP setting.
- Results were compared across RP settings using identical events and datasets.

SIMULATION DESIGN: RECOVERY PERIOD EVALUATION

Performance Metrics

- Daily FDE Count
- FDE Duration
- Total Seconds Not Responded
- Response Accuracy

Evaluation Method

- Results grouped by Technology and Reserve Type
- Median used as the primary statistic to represent typical performance and reduce the influence of extreme values.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 75 of 112

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

SIMULATION RESULTS

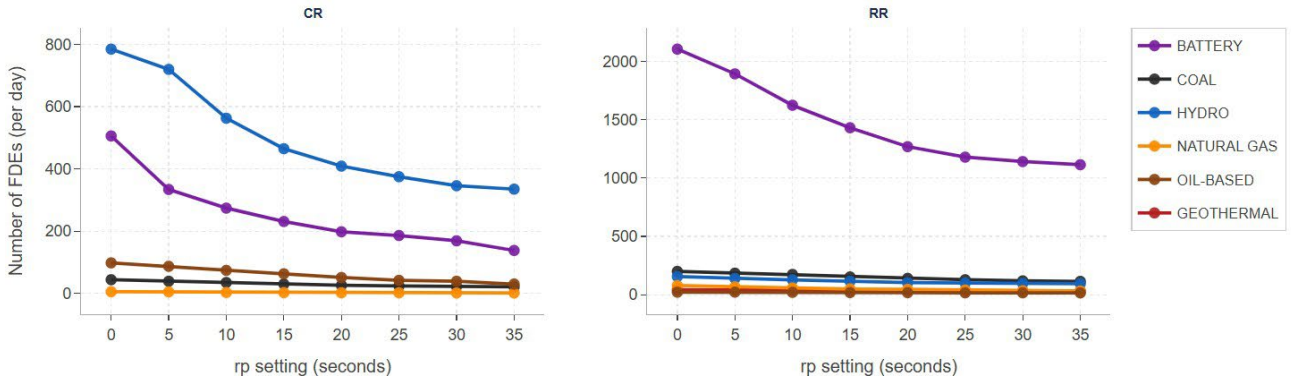
Philippine Electricity Market Corporation

NUMBER OF FDES

FDE count declines as recovery period lengthens

- CR: Hydro has the highest baseline count and the steepest decline; Battery follows a similar pattern at a lower level
- CR: Oil Based & Coal stay low with a modest decline; Natural Gas stays near zero throughout
- RR: Battery dominates event count and declines substantially; other RR technologies stay low with modest declines
- Hydro is the most rp-sensitive technology for event count (both Reserve Types); Natural Gas & Geothermal are the least sensitive

Number of FDEs (per day) — Reserve Type × Technology



Philippine Electricity Market Corporation

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 76 of 112

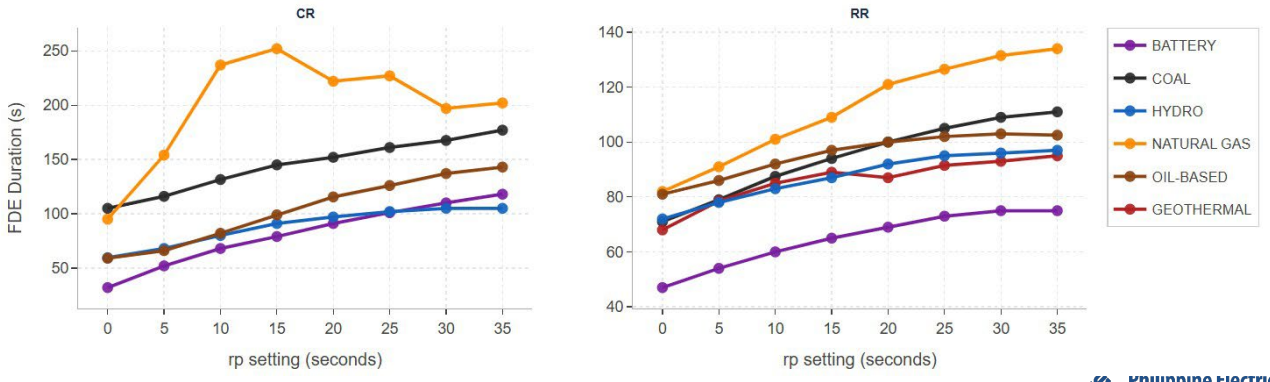
Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

FDE DURATION

Duration generally increases as merged events span longer

- CR: Natural Gas shows a distinctive rise-peak-decline pattern (the only such pattern in this metric) -- flagged low-confidence
- CR: Coal & Oil Based rise steadily with no reversal; Battery & Hydro track together, with Battery overtaking Hydro at the upper end
- RR: all six technologies show a continuous increase, with less separation between them than in CR
- RR: Natural Gas ends highest, followed by Coal and Oil Based (which plateaus); Hydro & Geothermal converge by the end; Battery stays shortest throughout

FDE Duration (s) — Reserve Type × Technology



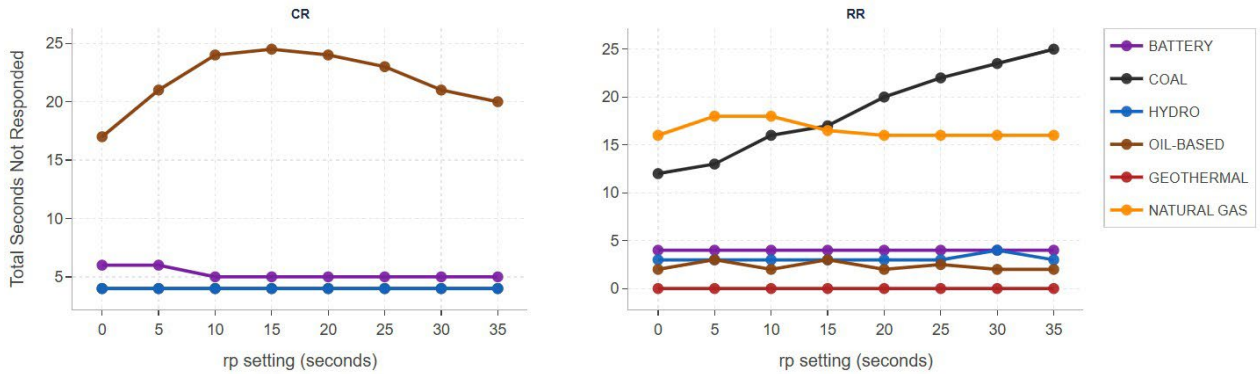
ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

TOTAL SECONDS NOT RESPONDED

Mostly flat, with two notable exceptions

- CR: Oil Based peaks at an intermediate rp then declines -- the most pronounced pattern in this metric; Battery & Hydro stay low/unchanged; Coal tracks almost identically to Hydro
- CR Natural Gas excluded from the chart's scale (values too high, would obscure other lines) -- considered alone, stays above 100 seconds throughout; low-confidence
- RR: Coal shows a steady, continuous increase with no plateau -- the only category with this pattern; other RR technologies stay low/unchanged

Total Seconds Not Responded — Reserve Type × Technology



ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 77 of 112

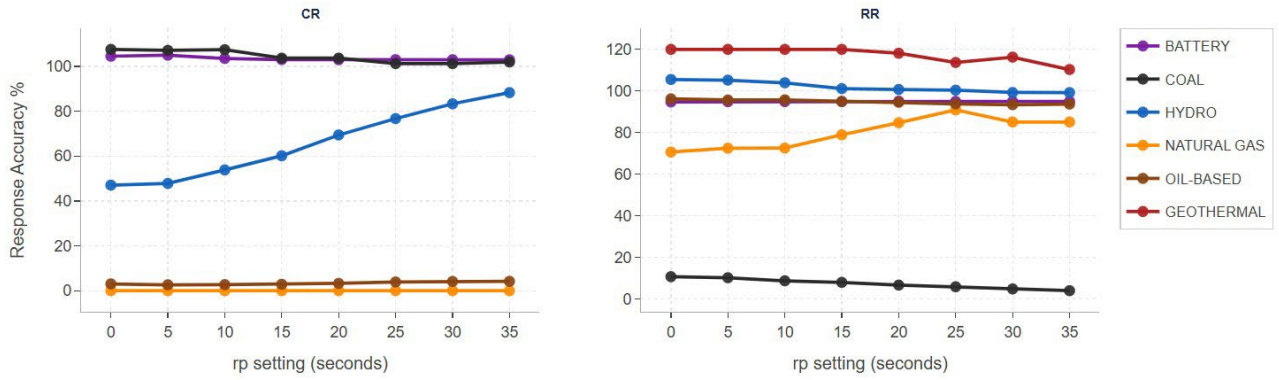
Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

RESPONSE ACCURACY

The widest range of behavior across all four metrics

- CR: Hydro shows the largest, most sustained improvement -- rising steadily with no leveling off
- CR: Battery & Coal begin and remain high with marginal change; Oil Based & Natural Gas remain low with negligible sensitivity
- RR: Geothermal & Hydro start high and decline modestly; Oil Based stays flat
- RR: Natural Gas rises to a peak at intermediate rp then declines slightly (only RR category with this shape)
- RR: Coal is the ONLY category declining steadily and substantially across the full range, from an already-low baseline

Response Accuracy % — Reserve Type × Technology



ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

RESULTS SUMMARY

Directionally consistent, with two flagged exceptions

- Extending rp from 0 to 35s is directionally consistent with rp's definition: fewer, longer-duration events
- FDE count declines almost universally, steepest for CR Hydro & RR Battery
- FDE duration generally increases; exception: CR Natural Gas (peaks then declines, low-confidence)
- Total seconds not responded is relatively unchanged for most categories; exceptions: CR Oil Based, CR/RR Natural Gas, and RR Coal (no plateau)
- Response accuracy shows the widest range of behavior -- from CR Hydro's steady improvement to RR Coal's steady decline

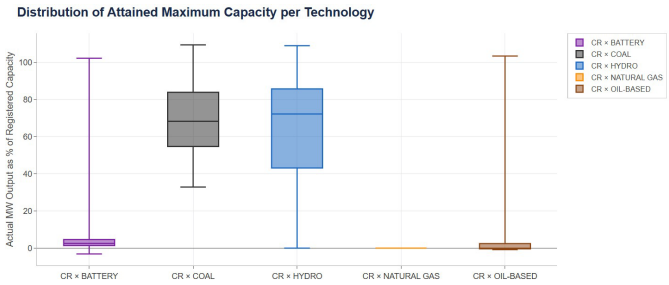
MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 78 of 112

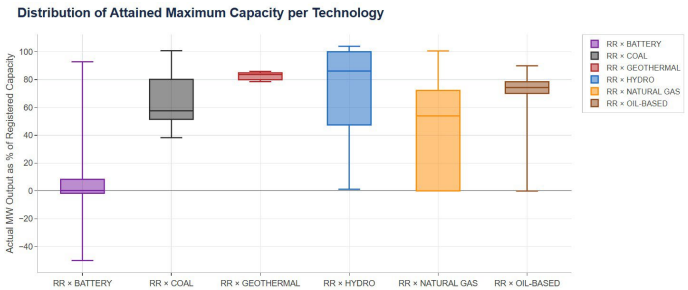
Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria



MAXIMUM CAPACITY ATTAINMENT (CR VS RR)



Technology	Key Observation
Hydro (Median ≈ 72%)	Frequently operates close to registered capacity during FDEs.
Coal (Median ≈ 68%)	High utilization, indicating operation near maximum capability.
Battery (Median ≈ 3%)	Rarely approaches registered capacity.
Oil-Based (Median ≈ 1%)	Predominantly operates well below registered capacity.
Natural Gas	No attainment of registered capacity observed.
Geothermal	No CR observations available.



Technology	Key Observation
Hydro (Median ≈ 86%)	High utilization with greater variability across events.
Geothermal (Median ≈ 83%)	Consistently operates close to registered capacity.
Oil-Based (Median ≈ 75%)	Frequently operates near registered capacity.
Coal (Median ≈ 57%)	Moderate to high utilization with greater variation.
Natural Gas (Median ≈ 54%)	Broad distribution, indicating inconsistent utilization.
Battery (Median ≈ 1%)	Rarely operates close to registered capacity.

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

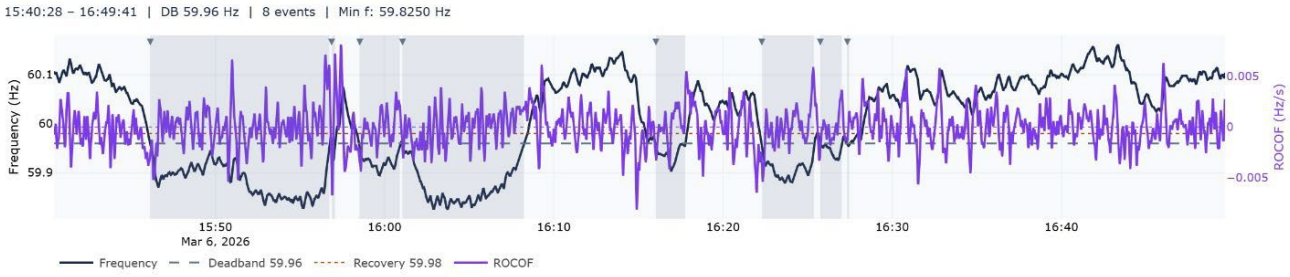
CAPACITY ATTAINMENT: IMPLICATIONS & RECOMMENDATION

- Capacity attainment should NOT by itself be a termination basis -- termination remains governed by frequency-based criteria
- Recommendation: once a resource reaches registered capacity and can no longer respond further, the event may be considered exempt from the applicable assessment criterion (not exempt from being flagged as an FDE)
- Exemption impact scales with how concentrated a technology's distribution is near the capacity ceiling: substantial for RR Geothermal, Coal & Hydro; minimal for Battery & Oil Based
- Natural Gas depends on Reserve Type: CR Natural Gas -- no events would qualify; RR Natural Gas - a meaningful share would qualify
- Recommendation: apply the exemption at the ASSESSMENT stage, not the flagging stage

ROCOF & MEASUREMENT PRECISION

Two further considerations RCC raised

- ROCOF (Rate of Change of Frequency): Luzon data shows it generally stays within ~±0.005 Hz/s, regardless of whether frequency shows a deep excursion or stable conditions
- ROCOF magnitude does not vary consistently with frequency level in this sample - hard to distinguish active disturbance from normal operation using ROCOF alone
- Recommendation: existing frequency-based criteria remain primary for now; ROCOF needs a more comprehensive assessment before a robust threshold can be set
- Measurement precision: assessment uses 3-decimal-place SCADA system frequency, used as-received



MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 80 of 112

Annex D – PEMC-ECO Simulation and Assessment of Frequency-Driven Event (FDE) Criteria

CONCLUSIONS AND RECOMMENDATIONS

Adopt / Retain	Further Assessment / Monitoring
Recovery Period (RP) Retain the proposed 25-second RP as the FDE termination criterion. • Supported by both the exploratory analysis and simulation. • Continue monitoring CR Hydro and RR Coal to validate technology-specific behavior.	**ROCOF (System Frequency Slope)** Do not adopt at this time. • Does not consistently distinguish active disturbances from normal operating conditions. • Requires further technical assessment before future consideration.
Measurement Precision Continue using SCADA system frequency (3-decimal precision) for compliance assessment. • Plant-level versus system-level frequency differences are considered a measurement/reporting issue rather than an analytical limitation.	**Maximum Capacity Attainment** Do not adopt as an FDE termination criterion. • Instead, exempt resources from further assessment once registered capacity is reached and no additional frequency response can be provided. • Greatest impact is expected for Hydro, Coal, and RR Geothermal.

ECO SIMULATION AND ASSESSMENT OF FDE CRITERIA

Philippine Electricity Market Corporation



MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 81 of 112

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
DOE	We would like to express our **conditional support** for **PEMC-ECO's proposed rewording** of the proposal attached below, taking into consideration PEMC-ECO's simulations and comparative metrics for Regulating Reserve (RR) and Contingency Reserve (CR) to mitigate overlapping Frequency Driven Events in relation to the proposal. However, such support remains subject to further comments and recommendations, as well as the concurrence and further simulation and analysis of the National Grid Corporation of the Philippines (NGCP), in its capacity as the System Operator (SO) and sole buyer of reserves in the Reserve Market, with the revised proposal. It is likewise noted that certain parameters in the Reserve Conformance Standards under the Ancillary Services Monitoring Manual (ASMM) utilize compliance monitoring parameters established by the SO for contracted Ancillary Services (AS) Procurement Agreements. Therefore, the **concurrence of the SO** with PEMC-ECO's proposed rewording of the proposal is **essential** to ensure that PEMC-ECO's revised proposal remains fully aligned with the operational realities of AS procurement by the SO in the Reserve Market, including the corresponding technical parameters governing CR and RR. **PEMC-ECO's Proposed Rewording** (as discussed during the 257th RCC Meeting)	From the SO perspective, the proposed re-wording introducing explicit termination conditions (i.e., recovery within deadband and a 25 second sustain period) provides clarity for compliance monitoring. However, FDE recognition in real-time operations is closely tied to actual system disturbance behavior and dispatch requirements, rather than fixed-duration recovery thresholds. The introduction of a fixed 25 second termination criterion may not reflect the dynamic nature of RR operations, where frequency may cross the deadband multiple times within short intervals. The proposal requires further harmonization with SO dispatch logic and validation methodologies, including simulations based on actual events, before it can be considered fully aligned.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 82 of 112

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
	ASMM 1.2 5.6.2 xxx xxx xxx The event will qualify as Frequency-Driven Event, for this purpose, if: a. the event lasts for more than five (5) seconds; and b. the frequency deviation exceeds the deadband setting by 0.02 Hz for conventional generating units and 0.01 Hz for battery energy storage systems; **The Frequency Driven Event shall be deemed to have terminated when:** **ac.** the frequency has normalized within the deadband setting by 0.02Hz for conventional generating units and 0.01 Hz for battery energy storage systems; and **bd.** ~~.~~ the frequency has normalized and stayed within such the threshold (as defined in item c.) for at least 25 seconds **or has reached the nominal frequency of 60Hz, whichever comes first**. ~~**For clarity, item (a) and item (b) determine the start of a FDE, while item (c) and item (d) determine the end of a FDE.**~~	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 83 of 112

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
PEMC	PEMC supports the proposal to have clear conditions to define the end of a Frequency Driven Event (FDE). However, the proposed amendment may require insights from the System Operator (SO) on the following: • The impact of overall operation and monitoring and whether the current 80% Average Response Accuracy per relevant settlement interval needs to be updated as the proposed amendment suggests in increase in accuracy due to longer evaluation period rather than an actual change in plant performance. • The difference in data measurements between generating companies (GenCo) and the Enforcement and Compliance Office (ECO). The Proponent raised that while GenCo respond based on plant-level frequency, ECO's performance monitoring uses system frequency, which is measured up to three decimal places. • Whether the 25-second normalization period is applicable to all reserve types and technologies. • Whether the SO will adopt this rule into its contracted ASPs once the proposal is approved. • Any risks to system security if this proposal will be implemented For reference, we refer to the simulation presented by PEMC-ECO during the RCC meeting held on 10 April 2026. The results	• The SO recognizes that the proposed amendment may lead to an apparent increase in compliance (Average Response Accuracy) due to consolidation of multiple FDEs into a single event, and extension of the evaluation period via the 25 second normalization condition. However, this improvement is methodological rather than physical, as it does not necessarily indicate improved generator response capability. The longer evaluation window may mask short-term response deficiencies. Any change to FDE definition should be accompanied by a review of the 80% threshold, supported by historical back-testing, comparative performance analysis, and validation that system reliability is not compromised. Until such analysis is completed, no immediate adjustment to the threshold is recommended. • The system frequency submitted from the SO to PEMC-ECO is based on the GPS-synchronized frequency extracted from the eDNA historian, which is recorded to more than three decimal places. Depending on the application used, the displayed value may be rounded to either two or three decimal places. To trigger the control logic of a generating facility, GenCo uses its own frequency measurement from its own device. The Regional Control Center does not provide an analog frequency output to generating facilities for system frequency monitoring. Therefore, a discrepancy between the system frequency reported by the

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
	confirm that the proposal's objective—to prevent unnecessary flagging of possible breaches arising from sequential frequency disturbances—will be achieved through the consolidation of FDEs. From the compliance monitoring perspective, this approach is deemed to improve the clarity of compliance assessments. *(Please refer to Page 4 to 22, Minutes of 257th RCC Meeting)* Monitoring on the implementation of the revised rules, should they be approved, would be warranted to assess the impact to actual RR and CR response. What could be the possible metrics and criteria to state that this proposal, once implemented, is deemed effective?	Control Center and the frequency measured at GenCo is expected, as these values are derived from different sources. The Regional Control Center obtains its frequency measurement from the building power supply, while a power plant station may derive its frequency from a specific reference bus. In addition, if the devices at the power plant stations are not synchronized using GPS, frequency values may be captured at different instants, resulting in visible differences, particularly during rapidly changing system conditions. • From an AGC perspective, the Resource's response to the desired generation setpoint issued by the AGC, are typically assessed within the 32-second period, as this corresponds to the maximum execution cycle configured in the AGC. However, there are instances when the AGC issues a new command before the 32-second interval elapses, depending on the prevailing Area Control Error (ACE). As a result, the response evaluation may be based on a shorter interval whenever a new AGC command supersedes the previous one. This is because the Market Resource may not be given the full 32-second execution period to respond to the initial desired generation setpoint. When the Area Control Error (ACE) changes significantly, the AGC may recalculate the required regulating action and issue a new setpoint before the completion of the 32-second execution cycle. In such cases, the resource's performance should be evaluated only up to the time immediately preceding the issuance of the

[redacted]

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
		subsequent AGC command, since the resource is already expected to transition toward the new target. Evaluating the response beyond that point against the previous setpoint would not accurately reflect the resource's compliance or control capability, as the operating objective has already changed. Therefore, the assessment period should be limited to the actual duration for which the command remained valid. A similar principle may also apply to Governor Control Mode. Depending on the generator's configured deadband, the unit may respond immediately to frequency deviations. However, applying a criterion such as "at least 25 seconds or until nominal frequency is reached, whichever comes first" may result in an unfair performance evaluation. A generator operating in Governor Control Mode responds in accordance with its governor droop characteristics (static gain), and its expected output is determined by the magnitude of the frequency deviation. The generator's role is to provide a proportional response to support frequency stabilization, not necessarily to restore the system frequency to the nominal 60 Hz on its own. Frequency restoration is a system-wide outcome that depends on the collective response of multiple generating units and control mechanisms. Therefore, performance evaluation should consider the actual response delivered during the period

MEETING MINUTES

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
		in which the frequency deviation persists, rather than requiring complete attainment of the nominal frequency. Based on the above, the SO does not consider a uniform 25 second normalization period universally applicable across all reserve types and technologies. A differentiated approach (by reserve type and/or technology) or further technical justification is required. • Adoption will only proceed after completion of technical validation, confirmation of operational consistency, and formal regulatory and contractual alignment. The rule should be carefully assessed to ensure that the revised requirement remains technically achievable and aligned with the actual response characteristics of the resource. • Identification of any potential risks to system security requires rigorous simulation and sensitivity analysis.
NGCP	NGCP would like to note that SNAP's proposed amendment/methodology is not consistent with the System Operator's practice for considering an FDE a valid event for both testing and compliance monitoring.	
GNPK	This comment is intended for the ECO and/or relevant groups of PEMC: GNPK respectfully requests to provide the event categories for Reserve Conformance Standards and Reserve	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 87 of 112

Annex E – NGCP Response to the Comment to the Proposed General Amendments on Additional Conditions for Qualifying a Frequency Driven Event (FDE)

Commenter	General Comments	NGCP's Response
	Offered Capacity Compliance. This will serve as guidance for Ancillary Service Providers in accomplishing non-compliance notices and in identifying the applicable supporting documents required for each event category.	
Technical Committee	The Technical Committee has no further comments on the proposed amendments. However, the Committee requests the System Operator to provide its assessment on the potential impacts of the proposed revisions on system operation, and its effect on the technical performance of Generators and Ancillary Service Providers (ASPs). Further, considering the varying technical characteristics and response capabilities of different Ancillary Service technologies, the TC seeks clarification on the basis and applicability of the proposed 25-second period for determining the termination of a Frequency-Driven Event (FDE), and whether such duration is technically appropriate and representative across the different types of AS resources.	The proposal should undergo joint technical validation and event-based simulation using actual system data prior to approval and implementation. Current ASPs are tested and certified without consideration of the termination based on the 25s logic. Such proposal will affect current testing procedures which require re-testing of all ASP's operating on GCM.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 88 of 112

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
V. MEETINGS/DISCUSSION g. Highlights of the Meeting	g. Highlights of the Meeting. Initially, draft highlights of the previous regular and caucus meeting shall be sent by the Secretariat to the Committee members present no later than one (1) working day after the said meeting, for comments and approval. If no comments are received by the Secretariat within three (3) working days upon transmittal of the draft highlights, then the same shall be deemed approved. Subsequently, the approved highlights of the previous regular meeting shall be sent out to all Committee members, concerned PEMC personnel and other resource persons.	g. Highlights of the Meeting. Initially, draft highlights of the previous regular and caucus meeting shall be sent by the Secretariat to the Committee members present no later than ~~one (1)~~ **three (3)** working day**s** after the said meeting, for comments and approval. If no comments are received by the Secretariat within three (3) working days upon transmittal of the draft highlights, then the same shall be deemed approved. Subsequently, the approved highlights of the previous regular meeting shall be sent out to all Committee members, concerned PEMC personnel and other resource persons. **The Final Meeting Highlights shall be emailed within one (1) working day from RCC's approval or confirmation of the revisions made per comment/s.**	To be consistent with the Secretariat's internal business procedures and current practice.
VI. CONDUCT OF MEETINGS I. Video or Teleconference.	I. Video or Teleconference. Committee members who are out of the country or whose location and/or circumstance (e.g. health and other emergencies) prevents them from physically attending	I. **Special Arrangements for** Video or Teleconference. **If a meeting or caucus will be held in-person**, Committee members who are out of the country or	Revised the title to clarify that this sub-section does not apply to the usual meetings held online.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 89 of 112

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
	a meeting may participate through video or teleconference. Any Member who wishes to participate in a meeting through video or teleconference must notify the Secretariat at least three (3) calendar days before the scheduled meeting to enable the Secretariat to undertake the necessary preparations.	whose location and/or circumstance (e.g. health and other emergencies) prevents them from physically attending ~~a~~**the** meeting may participate through video or teleconference. Any Member who wishes to participate in a meeting through video or teleconference must notify the Secretariat at least three (3) calendar days before the scheduled meeting to enable the Secretariat to undertake the necessary preparations.	The notice requirement should only apply to in-person or on-site meetings, as advance notice is most relevant when participants are required to attend physically.
VIII. RULES CHANGE PROCESS c. Processing of PEM Board-approved Urgent Amendments	c. Processing of PEM Board-approved Urgent Amendments. The Committee shall observe the following rules for all PEM Board-approved Urgent Amendments: 1. Upon the PEM Board's approval of the Urgent Amendments, the Committee Secretariat shall publish the Board-approved Urgent Amendments in the market information website. Subsequently, the Secretariat shall	c. Processing of ~~PEM Board-approved~~ Urgent Amendments **per PEM Board Decision**. The Committee shall observe the following rules for all ~~PEM Board-approved~~ Urgent Amendments **that have been decided by the PEM Board**: 1. ~~Upon the~~ PEM Board's approval of the Urgent Amendment~~s~~ **a). The**~~, the~~ Committee Secretariat shall publish the Board-approved Urgent	To clarify that the procedures apply not only to Urgent Amendments directly approved by the PEM Board but also to those for which the PEM Board concurs with an RCC decision. This ensures that publication, stakeholder notification, and subsequent processing requirements are consistently applied regardless of the form of PEM Board action.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 90 of 112

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
	notify all WESM Members and other interested parties of such approval. 2. Within ten (10) days from ratification by the PEM Board of the urgent amendments or upon approval by the PEM Board, the RCC shall notify and invite all WESM Members and all other interested parties of the amendment to make written submissions as a general amendment in accordance with Section 6 hereof. 3. Upon due deliberation and based on the implementation assessment submitted by the Market Assessment Group, the Committee shall re-submit the Urgent Amendments with further changes, if any, as General Amendments to the PEM Board, following the applicable process provided for in the Manual.	Amendments in the market information website. Subsequently, the Secretariat shall notify all WESM Members and other interested parties of such approval. ~~2~~**b)**. Within ten (10) days from ratification by the PEM Board of the urgent amendments or upon approval by the PEM Board, the RCC shall notify and invite all WESM Members and all other interested parties of the amendment to make written submissions as a general amendment**,** ~~in accordance with Section 6 hereof~~ **following the applicable process provided for in the Manual.** ~~3~~ **c)**. Upon due deliberation and based on the implementation assessment submitted by the Market Assessment Group, the Committee shall re-submit the Urgent Amendments with further changes, if any, as General Amendments to the PEM Board,	

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
		following the applicable process provided for in the Manual. **2. PEM Board's Confirmation of RCC's Recommendation to Reclassify the Proposal** **Within three (3) working days from the PEM Board's approval of the RCC's recommendation to reclassify the Urgent Amendment to General Amendment, the Committee Secretariat shall publish the proposal in the market information website. Subsequently, the Secretariat shall invite all WESM Members and all other interested parties of the amendment to make written submissions as a general amendment, following the applicable process provided for in the Manual.** **3. PEM Board's Confirmation of RCC's Recommendation to Disapprove the Proposal**	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
		Within three (3) working days from the PEM Board's approval of the RCC's recommendation to disapprove the Urgent Amendment, the RCC shall notify the Proponent of such decision.	
VIII. RULES CHANGE PROCESS d. Presentation to the PEM Board of Committee-approved Rules Changes Proposals	d. Presentation to the PEM Board of Committee-approved Rules Changes Proposals. The Chairperson shall do the presentation of rules changes proposals approved by the Committee during Board Review Committee (BRC) and PEM Board meetings. In cases where the Chairperson will not be available, the Chairperson shall assign a presenter from among the members of the Committee. Upon the discretion of the Chairperson, the original proponent may be requested to be present during BRC and PEM Board meetings to serve as resource persons.	d. Presentation to the PEM Board of Committee-approved **or disapproved** Rules Changes Proposals. The Chairperson shall do the presentation of rules changes proposals approved **or disapproved** by the Committee during Board Review Committee (BRC) and PEM Board meetings. In cases where the Chairperson will not be available, the Chairperson shall assign a presenter from among the members of the Committee. Upon the discretion of the Chairperson, the original proponent may be requested to be present during BRC and PEM Board meetings to serve as resource persons.	To ensure that both approved and disapproved Rules Change Proposals are reported to the BRC and PEM Board.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 93 of 112

Annex F – Consolidated Comments for RCC Internal Rules Issue 8.0

RCC Internal Rules			
Section and Title	**Original Provision**	**Amendments**	**Rationale**
IX. CODE OF ETHICS AND PROFESSIONAL CONDUCT	xxx d. Discharge their collective responsibilities under the WESM Rules in accordance with Section 10.01 of the WESM Manual on the Guidelines Governing the Constitution of the PEM Board Committees.	xxx d. Discharge their collective responsibilities under the WESM Rules in accordance with Section ~~10.01~~**7.4** of the WESM Manual on the Guidelines Governing the Constitution of the PEM Board Committees.	To correct an erroneous cross-reference and ensure consistency with the WESM Manual.

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 94 of 112

Annex G – Updated 2026 RCC Work Plan

517 **Annex C: DOE/ERC-mandated Rules Change Proposals**

DOE Circular/Advisory No. or ERC Order/Resolution No.	Title	Date Issued	Mandate	Responsible Entity
DOE DC No. DC2022-12-0039	Declaring the Commercial Operation of the WESM in the Mindanao Grid	23 December 2022	Section 8.3.2: IEMOP to recommend procedures to implement the Circular and ensure seamless transition and WESM operations in Mindanao.	Market Operator
DOE DC No. DC2023-04-0008	Prescribing the Policy for Energy Storage System in the Electric Power Industry	20 April 2023	Section 5.7.1 Requires the Market Operator submit to the Rules Change Committee a proposed changes to the WESM Rules and Market Manuals in accordance with the policy provided in the Circular.	Market Operator
DOE DC No. DC2023-07-0022	Implementing Guidelines on the Decommissioning and Mothballing of a Generating Plant or Unit Pursuant to Section 2.8 of DOE Department Circular (DC) No. DC2010-03-0003	17 June 2023	Section 7: Requires the development of Market Operator procedures aligned with decommissioning and mothballing requirements.	Market Operator
DOE DC No. DC2023-10-0029	Providing Specific Auction Policy and Guidelines for Non-Fit- Eligible Renewable Energy Technologies in Green Energy Auction Program	12 December 2023	Section 8 (c) Within thirty (30) days from the ERC's approval of the Settlement Mechanism, the Market Operator shall file an urgent amendment to the relevant provisions of the Market Rules and Manuals to reflect the approved Settlement Mechanism	Market Operator
DOE Advisory 2024-01-001	Commencement of the Full Commercial Operations of the Reserve Market	25 January 2024	These issuances direct the Governance Arm, Market Operator, and System Operator to ensure compliance with ERC Notice of Requirements and undertake all necessary actions to align rules, systems, and	Governance Arm
DOE Advisory 2024-01-002-SEC	Interim Pricing Guidelines for Reserves in the Reserve Market	25 January 2024		Market Operator
DOE Advisory 2024-08-001	Resumption of the Full Commercial Operations of the Reserve Market	02 August 2024		System Operator

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 95 of 112

Annex G – Updated 2026 RCC Work Plan

DOE Circular/Advisory No. or ERC Order/Resolution No.	Title	Date Issued	Mandate	Responsible Entity
			procedures for the co-optimized energy and reserve market.	
ERC Order on ERC Case No. 2023-002 RC	Price Determination Methodology for the WESM (Co-optimization of Energy and Reserves)	24 July 2024	Additional constraints for respective reserve types shall be made part of the Dispatch Protocol Manual of the WESM (pages 22 & 53 of 65)	Market Operator
ERC Resolution No. 13, Series of 2024	A Resolution Adopting Omnibus Rules for Customer Choice Program in the Retail Market	14 August 2024	Module Q, Q1.1 (j), States that the Central Registration Body and/or Market Operator shall adapt and implement necessary processes to operationalize Retail Aggregation within 60 calendar days from the effectivity of the Omnibus Rules.	Market Operator
DOE DC No. DC2025-04-006	Providing Specific Policy for the Optimal Utilization of the Kalayaan Pumped-Storage Power Plant Phases I & II	15 April 2025	Section 9.4(b): Requires the Market Operator to file urgent amendments to relevant Market Rules and Manuals within 30 days from the ERC's approval of the settlement mechanism.	Market Operator
DOE DC No. DC2026-01-0002	Promulgating the Revised Rules and Guidelines Governing the Implementation of GEOP	26 January 2026	Section 15.6: Requires the CRB/RE Registrar to facilitate amendments to the WESM and Retail Rules and Manuals, if necessary.	Market Operator
DOE DC No. DC2026-02-0008	Supplemental and Amendatory Policy Framework for the Department Circular (DC) No. DC2023-04-0008	16 February 2026	Section 5.7.1: Requires the Market Operator to propose changes to the WESM Rules considering the ESS capability to submit bi-directional offers and provide grid reliability support.	Market Operator

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 96 of 112

Annex G – Updated 2026 RCC Work Plan

DOE Circular/Advisory No. or ERC Order/Resolution No.	Title	Date Issued	Mandate	Responsible Entity
DOE DC No. DC2026-06-0013	Prescribing the Guidelines for the Conduct of the Mid-Merit Natural Gas Capacity Auction for Gas-Fired Power Generation or the "Gas Auction Guidelines"	03 June 2026	Section 19.2.1 Submit proposed Settlement Mechanism to ERC within 30 calendar days from effectivity of the Circular. Section 19.3.1 (WESM Governance Arm to) Facilitate the rules change process for any proposed amendments submitted by the Market Operator	Market Operator
DOE DC No. DC2026-07-0014	Prescribing Supplemental Policy and Guidelines for the Optimal Utilization of the Kalayaan Pumped-Storage Power Plant Phases I and II (KPSPP) and Green Energy Auction (GEA) Winning Bidders for Pumped-Storage Hydropower (PSH)	07 July 2026	Section 8 (b) Requires the Market Operator to propose necessary amendments to the WESM Rules and Market Manuals to implement the scheduling and dispatch of the PSH Facilities for energy and AS, consistent with the provisions of the Circular.	Market Operator
DOE DC No. DC2026-07-0015	Prescribing Amendments to Department Circular No. DC2026-04-0011, Entitled "Amended Framework for the Integration of Waste-To-Energy Facilities in the Country's Power Generation Mix to Implement the Clean Energy Scenario Under the Philippine Energy Plan 2023-2050, Providing Incentives for Pioneer Waste-To-Energy Projects and Supplementing the Green Energy Auction Program Guidelines Under	08 July 2026	Rule IV Section 8.3 (2), Requires Transmission Network Provider and System Operator, in collaboration with the Market Operator, the dispatch protocols for electricity generated from the Waste-to-Energy (WTE) facilities, with consideration of WTE' role as a reliable baseload source.	Transmission Network Provider and System Operator
			Rule IV Section 8.4 (3), Requires the Market Operator to propose and facilitate amendments to the WESM Rules and Market Manuals, particularly the Dispatch Protocol, in coordination with the SO and the	Market Operator

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 97 of 112

Annex G – Updated 2026 RCC Work Plan

DOE Circular/Advisory No. or ERC Order/Resolution No.	Title	Date Issued	Mandate	Responsible Entity
	Department Circular No. DC2021-11-0036 for the Purpose"		WESM-Rules Change Committee, to ensure the preferential dispatch and baseload characteristics of WTE projects are efficiently and transparently integrated into market operations, subject to the approval of the DOE.	

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 98 of 112

Annex H – Draft Semestral Report (January to June 2026)



Rules Change Committee
2026 Semestral Report

January to June 2026

July 2026

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

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.

Philippine Electricity Market Corporation

RCC-REP-2026-01

Contents

1.0 INTRODUCTION 1
2.0 ACCOMPLISHMENTS AND WORK PROGRESS 1
2.1 Summary of Proposals 3
2.2 Summary of Processed Proposals by RCC (January to June 2026) 5
A. Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Market Surveillance Committee Processes (ORCP-WR-WM-25-02) 5
B. Proposed General Amendments to various WESM Manuals on the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company (ORCP-WM-25-04) 6
C. Proposed General Amendments Relating to Enforcement Proceedings and Clarifying Compliance Guidelines (ORCP-WM-26-01) 8
D. Proposed Amendments to WESM Manual on Ancillary Services Monitoring on Additional Condition for Qualifying a Frequency Driven Event (FDE) (ORCP-WM-26-02 and ORCP-WM-26-03) 9
2.3 Deferred Proposals and Discussions 10
A. Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol Manual regarding Must-Offer Rule (ORCP-WR-WM-24-02) 10
B. Proposed Amendments to the WESM Rules and Various WESM Manuals regarding Energy Storage Systems (ORCP-WM-24-03) 11
C. Proposed General Amendments on the Harmonization of the WESM and Retail Rules and Market Manuals with ERC Resolution No. 13 Series of 2024 ("A Resolution Adopting the Omnibus Rules for Customer Choice Programs") (ORCP-WR-RR-WM-RM-25-03) 12
2.4 Summary of Proposals Approved by the PEM Board and Submitted to the DOE 14
2.5 Ongoing Implementation of Urgent Amendments as Approved by the PEM Board 15
2.6 General Amendments Promulgated by the DOE (January to June 2026) 15
3.0 STATUS of 2026 RCC WORK PLAN 16
ANNEX A: Members of the RCC as of June 2026 19
ANNEX B: DOE and ERC Observers as of June 2026 20
ANNEX C: Status of the Rules Change Committee Work Plan for 2026 21

Philippine Electricity Market Corporation

RCC-REP-2026-01

1.0 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 2026. This report sets out the following:

i. All proposals to amend the Market Rules and Manuals which have been submitted or remanded to and deliberated upon by the RCC for the covered period; and
ii. Status of RCC priorities outlined in the 2026 RCC Work Plan.

2.0 ACCOMPLISHMENTS AND WORK PROGRESS

The RCC held six (6) regular meetings to discuss and deliberate proposed amendments to the Market Rules and Manuals, focusing on possible option to use the final metered quantity data as the basis for final bilateral contract quantity of a fully-contracted Generation Company, strengthening oversight, aligning market rules with ERC Omnibus Rules on Retail Market, enhancement of procedural clarity and integrate enforcement practices that reflect operational realities and define the termination of a Frequency Driven Event.

For the first half of 2026, the RCC resolved three (3) of the eight (8) proposals processed within the period as shown in the table below, which also shows the tally of the received and resolved proposals per proponent.[2]

Table 1: Proposals Received and Resolved by RCC per Proponent (January to June 2026)

Proponent	Proposals carried over from Previous Periods	Proposals Received	Proposals Resolved
Market Participants / WESM Stakeholders	2[3]	1[4]	2[5]
Market Operator	2[6]	-	-
System Operator	-	-	-
PEMC / WESM Governance Committees (WGCs)		1	1
TOTAL	**6**	**2**	3

The details of the received and resolved proposals are described in sections *2.1 Summary of Proposals*, *2.2 Summary of Processed Proposals by RCC (January to June 2026)*, and *2.3 Deferred Proposals and Discussions (January to June 2026)*.

In line with the established consultation framework, general amendment proposals are posted on the PEMC website for a 30-working-day comment period. Representatives of the organizations who submit comments

[1] WESM Rules, Clause 8.6.5.
[2] Proposals that are not yet approved are undergoing review as of this writing.
[3] (1) Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol regarding Must-Offer Rule by GNPK, and (2) Proposed General Amendments to various WESM Manuals specifically on the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company by JSI
[4] Proposed Urgent Amendments to Ancillary Services Monitoring Manual Issue No. 1.6 on Additional Condition for Qualifying a Frequency Driven Event (FDE) by SNAP Group
[5] (1) Re-classified as General Amendment: Proposed Urgent Amendments to Ancillary Services Monitoring Manual Issue No. 1.6 on Additional Condition for Qualifying a Frequency Driven Event (FDE) by SNAP Group, and (2) Disapproval of Proposed General Amendments to various WESM Manuals specifically on the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company by JSI

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 99 of 112

Annex H – Draft Semestral Report (January to June 2026)

as well as resource persons are invited to participate in RCC deliberations on the proposals. The agreements reached by the RCC are then endorsed to the PEM Board for approval.

As of June 2026, three (3) General Amendments are currently pending DOE promulgation. Further details regarding the proposals endorsed by the PEM Board are presented in *2.4 Summary of Proposals Approved by the PEM Board and Submitted to the DOE.*

The RCC also resolved to extend the implementation of the Proposed Urgent Amendments to the WESM Manual on Ancillary Services Monitoring regarding Reserve Conformance Standards and Related Enforcement Actions. Further details of this Urgent Amendment are provided in section *2.5 Ongoing Implementation of Urgent Amendments as Approved by the PEM Board.*

Additionally, the DOE promulgated Department Circular Nos. DC2026-01-0003, titled "*Adopting Further Amendments to the Wholesale Electricity Spot Market (WESM) Market Manual on Dispatch Protocol concerning the Issuance and Coverage of Dispatch Schedules Below Minimum Stable Load (Pmin)*" and DC2026-03-0009, titled "*Adopting Further Amendments to the Wholesale Electricity Spot Market (WESM) Manual on Dispatch Protocol Relative to the Validation Process of Reported Discrepancies in the Dispatch Instruction Report (DIR)*". The revised market documents were posted on the PEMC website on 13 February 2026 and 01 April 2026, respectively. Further details are provided in section *2.6 General Amendments promulgated by the DOE (January to June 2026).*

All the proposals, minutes of the RCC's deliberations, and resolutions can be found in the PEMC website.[8]

[8] Rules Change | Philippine Electricity Market Corporation (wesm.ph)

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 100 of 112

Annex H – Draft Semestral Report (January to June 2026)

2.1 Summary of Proposals

The tables below present the status of rules change proposals submitted to RCC. Brief discussions on the proposals, both completed and on-going, are further provided in Sections 2.2 and 2.3 of this Report.

Table 2: Summary of Proposals Resolved by RCC (January to June 2026)

Item	Proponent	Control No.	Proposal	Submitted to RCC	Date Approved for Posting	Date Published	End of Commenting Period	Comments Received	Action Taken by RCC	RCC Resolution
1	JSI	ORCP-WM-25-04	Proposed General Amendments to various WESM Manuals providing the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company	07-Aug-2025	15-Aug-2025	26-Aug-2025	07-Oct-2025	ACEN, IEMOP, MEI/PEI, PEMC and SNAP	Disapproved	2026-01 (23 January 2026)
2	PEMC	ORCP-WR-WM-26-01	Proposed General Amendments on Enforcement Proceedings and Clarifying Compliance Guidelines	06-Jan-2026	16-Jan-2026	19-Jan-2026	03-Mar-2026	APC, ACEN, PSALM, SNAP and MERALCO	Approved	2026-04 (15 May 2026)
3	SNAP Group	ORCP-WM-26-02	Proposed Urgent Amendment to the WESM Ancillary Services Monitoring Manual Issue 1.2 regarding Additional Condition for Qualifying a Frequency Driven Event (FDE)	24-Mar-2026	N/A	N/A	N/A	N/A	Re-classified as General Amendment	2026-03 (23 April 2026)

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 101 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

Table 3: Summary of On-going Proposals with RCC

Item	Proponent	Control No.	Proposal	Submitted to RCC	Date Approved for Posting	Date Published	Deadline of Commenting Period	Comments Received	Action Taken by RCC	Remarks
1	SNAP Group	ORCP-WM-26-03	Proposed General Amendment to the WESM Ancillary Services Monitoring Manual Issue 1.2 regarding Additional Condition for Qualifying a Frequency Driven Event (FDE)	N/A[9]	29-Apr-2026[10]	04-May-2026	17-Jun-2026	ACEN, Cleanergy, DOE, GNPK, NGCP, PEI/SEDI, PEMC, SMGP, & TC	For discussion and deliberation	First discussion and deliberation on 17 July 2026
2	IEMOP	ORCP-WR-WM-RR-RM-25-03	Proposed General Amendments on the Harmonization of the WESM and Retail Rules and Market Manuals with ERC Resolution No. 13 Series of 2024 ("A Resolution Adopting the Omnibus Rules for Customer Choice Programs")	5-Aug-2025	5-Sep-2025	8-Sep-2025	20-Oct-2025	ACEN, APC, MERALCO, RESA, PEMC	As of 16 January 2026: Deferred	Deferment requested by proponent pending ERC's revision on the Omnibus Rules
3	IEMOP	ORCP-WR-WM-24-03	Proposed Amendments to the WESM Rules and Various WESM Manuals regarding Energy Storage Systems	19-July-2024	16-Aug-2024	22-Aug-2024	07-Oct-2024	MERALCO, MEI/PEI, SPC/SIPC, MGEN, SNAP, APC, NGCP, ACEN, PEMC, TC	As of 13 December 2024: Deferred	Deferment requested by proponent pending the issuance of ERC Rules on ESS
4	GNPower Kauswagan Ltd. Co.	ORCP-WR-WM-24-02	Proposed Amendments to the WESM Rules regarding Must-Offer Rule	05-Apr-2024	21-Jun-2024	26-Jun-2024	06-Aug-2024	PEMC, IEMOP, WGC-TC, WGC-MSC, MEI-PEI, SNAP, APC, NGCP	As of 16 October 2024: Deferred	Deferment requested by proponent pending the outcome of their consultation with DOE.

[9] Originally submitted as an Urgent Amendment, the proposal was subsequently reclassified as a General Amendment pursuant to RCC Resolution No. 2026-03.
[10] PEM Board concurrence with RCC's decision on the proposal.

Page 4 of 25

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 102 of 112

Annex H – Draft Semestral Report (January to June 2026)

2.2 Summary of Processed Proposals by RCC (January to June 2026)

A. Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Market Surveillance Committee Processes (ORCP-WR-WM-25-02)

The proposal was initiated by the Market Surveillance Committee (MSC) to enhance oversight, provide greater procedural clarity, and establish a more efficient governance structure within the WESM by the MSC.

The proposal was endorsed to the RCC on 14 May 2025. During its 247th RCC Meeting on 20 June 2025, the RCC initially discussed the proposal and approved its publication on the PEMC website to solicit comments from stakeholders.

Following the commenting period from 25 June 2025 to 05 August 2025, the proposal received comments from three (3) parties. During the 250th RCC Meeting held on 19 September 2025, the MSC presented its responses to the comments received from the stakeholders. Several topics were discussed, including:

- The MSC's authority to review and propose amendments to WESM Penalty Manual; and
- The MSC's responsibility on the issuance of notification of possible anti-competitive behavior.

The RCC continued its deliberation of the proposal on 17 October 2025. During the meeting, the RCC discussed the following topics:

- Adoption of the Procedures in Chapter 8 for the amendments in WESM Penalty Manual and penalty provisions; and
- Roles of the MSC, RCC, Compliance Committee (CC), and PEM Board in processing proposed amendments to WESM Penalty Manual and penalty provisions.

On 21 November 2025, the proponent presented the following revisions to the proposal in consideration of the RCC's comments:

1. WESM Rules: added provisions to clarify the role of MSC in the review and amendment of the WESM Penalty Manual and other penalty provisions;
2. WESM Manual on Market Surveillance 2.0 (MSC Manual): revised terms to harmonize use across market documents; and
3. WESM Manual on Penalty Issue 3.0: Under Section 7.1.3, added detailed framework for the MSC regarding its responsibilities on the procedures for reviewing and approving any proposed amendments to the WESM Penalty Manual.

The RCC provisionally approved the proposal for finalization in December 2025, in consideration of the foregoing discussions and the following clarifications:

- Past revisions to the WESM Penalty Manual were coordinated with the RCC, published for stakeholder feedback, and reviewed through consultations;
- Future revisions, especially those affecting other market rules, will follow a more structured process that can be effectively implemented; and

- Most of the changes to the MSC Manual intended to harmonize and streamline MSC's responsibilities for compliance-related provisions and distinguish them from those of the CC.

During the 253rd RCC Meeting on 12 December 2025, the RCC provisionally approved its resolution with the following revisions to the proposal:

- Added the proposed revisions to the Guidelines Governing the Constitution of WESM Governance Committees for consistency with the revisions made to the WESM Rules and MSC Manual providing details on the MSC's responsibilities in the amendments of penalty provisions; and
- Reworded "Market Information Website" to "WESM Governance Arm Website" to refer to the website where MSC reports are published.

The RCC formally endorsed the RCC Resolution No. RCC-RESO-25-06 on 15 January 2026 and subsequently, presented the proposal to the PEM Board meeting on 28 January 2026. During the same meeting, the PEM Board approved the relevant resolution through PEM Board Resolution No. 2026-92-03.

Subsequently, the proposal was submitted to the DOE for approval and to the ERC for information on 23 February 2026.

B. Proposed General Amendments to various WESM Manuals on the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company (ORCP-WM-25-04)

The proposal was initiated by the Jobin-SQM, Inc., to address the incidental WESM transactions (and corresponding tax-related transactions) and Renewable Energy Certificate (REC) issuance of a fully-contracted Generation Company arising from discrepancies between daily MQ and final MQ.

The proposal was endorsed to the RCC on 12 August 2025. During its 249th RCC Meeting on 15 August 2025, the RCC initially discussed the proposal and approved its publication in the PEMC website to solicit comments from stakeholders. It was published on the PEMC website on 26 August 2025 until 07 October 2025. The proposal received comments from five (5) parties.

The proponent discussed its proposal and response to the comments received during the 251st RCC Meeting on 17 October 2025. To aid the RCC in deliberating the proposal, the following presentations were requested:

1. IEMOP/Market Operator – the affected processes of the proposal: from registration to settlements.
2. NGCP/System Operator – the process of providing the market metering data to the MO.
3. JSI/Proponent – clarification on the definition of the final metered quantity and the wording of the provisions.

During the 252nd RCC Meeting, the MO, SO and JSI presented the above-mentioned presentations with the following highlights:

- BCQ is declared in 5-minute intervals and must be submitted by D+1. Based on market rules, the Central Registration and Settlement System (CRSS) enforces a strict daily confirmation requirement. If the submission setup is not confirmed by default, then failure to confirm will result in a zero BCQ for settlement.
- In the CRSS, BCQ declarations do not require metered quantities and may be submitted independently.
- The proposal under discussion seeks to allow the gross energy settlement quantity (GESQ) to serve as the final BCQ, provided it is submitted before the settlement processing run.
- The proposal will cause all WESM exposure to be for the account of the Fully Contracted Generator's counterparty.

The proponent also presented their responses to RCC's request which were raised during the 251st RCC Meeting highlighting the following:

1. The proposed definition of final metered quantity is the GESQ of a trading participant used for the computation and issuance of final settlement statement and subsequent adjustments, and used for the re-calculation of bilateral contract
2. The proposed amendments allow participants to elect whether the final MQ will be used as the final BCQ for fully contracted facilities, subject to customer confirmation; MQ-related issues will follow existing WESM rules.
3. The proposal shall also apply to any metered quantity adjustment on the fully contracted generator, reflecting the correct value of the contracted MQ which shall be settled outside the market.

During the 253rd RCC Meeting, the committee finally deliberated on the proposal in consideration of the following points raised:

For the proposal:

- The current billing and settlement timeline may accommodate redeclaration at the end of the month.
- The proposal may have larger-scale benefits, such as having more accurate BCQs that would improve the accuracy of REC allocation.

For retaining of current rules:

- The proposal will cause disruption in the settlements of Distribution Utilities. While confirmation by the counterparty will still be necessary, there is no way for the counterparty to know for certain that there is metering error or there are resource constraints (e.g. no sunlight).
- Consider appropriateness in changing the WESM Rules to fit a specific situation of a Trading Participant (TP). The proposal is specific to JSI's concerns and may have unintended consequences.

On JSI's issues due to unintended WESM transactions (while being fully contracted):

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 103 of 112

Annex H – Draft Semestral Report (January to June 2026)

- There is a need to find solutions to metering error as part of the solution for JSI's concern. Metering review could be part of the solution.
- JSI may address their concerns through its contract with its counterparty. While the financial aspect of the contract can be addressed through negotiations, the invoicing of unintended WESM transactions will remain. This is a tedious process that is currently experienced by all TPs.
- Power supply agreements/contracts are not submitted to the MO. Thus, the type of contract, e.g. pay-as-bid, is not considered in WESM settlements.
- Allowing BCQ re-declaration option to specific TPs may cause other TPs to request for it also.

Given the salient points raised during the deliberation, the RCC proceeded to a vote, resulting in the proposal being disapproved by majority.

During the 254th RCC Meeting, the committee discussed the draft resolution of the proposal, which was finalized to consider additional comments and feedback on 23 January 2026. Subsequently, on 28 January 2026, the PEM Board approved the RCC's decision on the RCC Resolution No. RCC-RESO-26-01 through PEM Board Resolution No. 2026-92-04, which was endorsed to the DOE and ERC for information on 23 February 2026.

C. Proposed General Amendments Relating to Enforcement Proceedings and Clarifying Compliance Guidelines (ORCP-WM-26-01)

The proposal was initiated by Philippine Electricity Market Corporation (PEMC) to enhance procedural clarity, ensure alignment of rule references with current regulatory frameworks, and integrate enforcement and compliance practices consistent with operational realities.

The RCC received the proposal endorsement on 13 January 2026 and subsequently discussed during its 254th RCC Meeting on 16 January 2026. During the meeting, the RCC approved the publication of the proposal in the PEMC website to solicit stakeholder comments.

Following this approval, the proposal was published on the PEMC website on 19 January 2026. The public consultation period remained open until 03 March 2026, during which comments were received from five (5) parties.

During the 256th RCC Meeting on 13 March 2026, the RCC, together with PEMC (Proponent) and commenters, discussed the PEMC's responses to the comments received from the stakeholders. The discussion focused on the following:

- Clarification regarding the flowback of financial penalties;
- Confidentiality protocols for investigations involving the Market Operator and System Operator;
- Prescribed response periods for notices of non-compliance;
- Criteria and scope for the implementation of remedial measures, including those involving third parties;
- Jurisdiction authority over former WESM members;

- Investigation timelines, including possible extensions up to 45 additional business days
- Compliance Committee resolution deadlines from 90 to 30 business days; and
- Processes, timelines, and grounds for filing requests for reconsideration and appeals, including the Compliance Committee's jurisdiction.

During the same meeting, the RCC requested that PEMC submit a revised proposal for the April 2026 meeting. This revision must include clearer standards for remedial actions, a defined two-year prescriptive period for both current and former WESM members, and the Compliance Committee's position on the shortened resolution timeline. Additionally, PEMC must define "abuse of discretion" and revisit grounds for appeal to include technical errors or new evidence, with discussions to resume upon receipt of these updates.

During the 257th RCC Meeting on 10 April 2026, the committee provisionally approved the proposed amendments to the WESM Rules and WESM Manual on Enforcement and Compliance, as revised, and directed the Secretariat to review the renumbering and flowcharts in the relative manual. During the 258th RCC Meeting on 15 May 2026, the RCC finally approved the proposal through RCC Resolution No. RCC-RESO-26-04.

On 27 May 2026, the PEM Board approved the RCC resolution through PEM Board Resolution No. 2026-96-01. The approved resolution was endorsed to the DOE on 03 June 2026 for approval and furnished to the ERC for its information.

D. Proposed Amendments to WESM Manual on Ancillary Services Monitoring on Additional Condition for Qualifying a Frequency Driven Event (FDE) (ORCP-WM-26-02 and ORCP-WM-26-03)

The proposal was initiated by SN Aboitiz Power – Magat, Inc. and SN Aboitiz Power – Benguet, Inc. (collectively, SNAP Group). The proposal was initially submitted as an Urgent Amendment (ORCP-WM-26-02) to amend Section 5.6.2 of the WESM Manual on Ancillary Services Monitoring Issue No. 1.6 by introducing an additional condition to determine the termination of a Frequency Driven Event (FDE), in view of the following:

- Give ample time for the Reserve Facility to normalize its loading near the Unit setpoint, which is the initial reference of the Unit governor in computing the desired response.
- Variances from the Reserve Facility's Frequency Reference compared to the System Frequency.
- Reduction of multiple Frequency Driven Events occurrences.

The RCC deliberated the submitted proposal during the 257th RCC Meeting on 10 April 2026. During the meeting, the RCC resolved by unanimous vote not to certify the proposal as an Urgent Amendment and re-classified it instead as a General Amendment Proposal, in consideration of the following:

1. The proposal does not address an immediate grid reliability or operational risk and primarily refines compliance monitoring.
2. The proposed additional condition requires a broader technical evaluation given that the Contingency Reserve and Regulating Reserve behave differently, and generation

units with inertia and fast-responding or low-inertia technologies may require differentiated treatment.
3. While the FDE determination may be improved, consultation with WESM stakeholders, especially the System Operator, who is the sole customer of reserves traded in the WESM and the ASPA counterparty of ASPs, may provide further insights especially on the technical parameters being proposed.

The RCC endorsed its decision on the proposal, through RCC Resolution No. RCC-RESO-26-03, on 28 April 2026 and subsequently presented to the PEM Board meeting on 29 April 2026. During the meeting, the PEM Board concurred with the RCC's reclassification of the proposal as a General Amendment (ORCP-WM-26-03) and approved posting of the proposal in the PEMC website to solicit comments from stakeholders through PEM Board Resolution No. 2026-95-03.

The General Amendment was published on the PEMC website on 04 May 2026, with the stakeholders comment period open until 17 June 2026. The proposal received comments from nine (9) parties and is scheduled for discussion on 17 July 2026.

2.3 Deferred Proposals and Discussions

The RCC likewise discussed the following proposals which were deferred awaiting further developments:

A. Proposed Amendments to the WESM Rules and WESM Manual on Dispatch Protocol Manual regarding Must-Offer Rule (ORCP-WR-WM-24-02)

The proposal was initiated by the GN Power Kauswagan Ltd. Co (GNPK) to amend the guidelines on submission of bids and offers in the market and to incorporate the technical conditions of the coal-fired and thermal generating unit.

The proposal was endorsed to the RCC on 11 April 2024. During the 230th RCC Meeting on 19 April 2024, the proposal was presented to the RCC for the approval of its publication in the PEMC Website to solicit comments from the WESM Members and stakeholders. The RCC determined that the proposal is not yet refined therefore suggesting GNPK to further review and revise the proposed amendment and the corresponding technical discussion. The RCC likewise deferred the approval of the publication. The RCC re-deliberated the submitted revised proposal during its 231st Meeting on 17 May 2024. Upon deliberation, RCC still deferred the approval of the proposal's publication due to the pending submission of a revised technical write-up, requesting further to update assumptions that are no longer applicable or are outdated.

Considering the comments from previous discussions, GNPK submitted the revised proposal and technical write-up on 13 June 2024 and presented the revised proposal during the 232nd RCC Meeting held on 21 June 2024. In the same meeting, the RCC approved the publication of the proposal in PEMC's website to solicit comments from the stakeholders and WESM Members. During the 30-day commenting period from 26 June 2024 to 06 August 2024, the proposal received comments from seven (7) parties.

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 104 of 112

Annex H – Draft Semestral Report (January to June 2026)

The RCC deliberated the proposal along with the comments received and the corresponding response of the proponents during the 234th RCC Meeting on 16 August 2024. During the meeting, the RCC agreed that the conditions or mechanics of flame loss and steam bypass in coal plants need more elaborate discussion. As a result, the RCC decided to hold a caucus to further discuss the proposal.

During the 235th RCC (Caucus) Meeting on 03 September 2024, the RCC further deliberated the proposal, with key points of the discussion as follows:

1. The classification as "reserve shutdown" of generating units scheduled below their minimum stable load was clarified, indicating that shutting down under these circumstances cannot be labeled as such if the unit is already scheduled;
2. GNPK expressed the need for the proposed amendments to the WESM Rules to prevent penalties for shutdowns, specifically the proposed additional criteria for the Enforcement and Compliance Office's consideration;
3. Adherence to the Must-Offer Rule remains crucial, as it requires generators to submit offers that reflect their available capacity to ensure compliance; and
4. The solution to GNPK's issue could be addressed in the operational level.

In view of the discussions, the RCC suggested GNPK to consider either (1) writing a letter to the DOE to conduct visitation for better appreciation of GNPK's concern, or (2) discussing with the IEMOP on the MDOM's scheduling of generating plants below the minimum stable load.

On 16 October 2024, the RCC received an email update from GNPK, expressing its intention to meet with the DOE to discuss issues and concerns related to their proposal. Additionally, GNPK requested to defer the inclusion of the proposal in the following RCC meeting agenda until after they receive feedback from the DOE. The RCC acknowledged this update and approved GNPK's request during the 238th RCC Meeting held on 18 October 2024.

During the 250th RCC Meeting held on 19 September 2025, the letter submitted by GNPK on 16 September 2025 was presented, providing an update on GNPK's consultation with the DOE and included a request for the RCC to archive the proposal pending the outcome of said consultation. The RCC approved the request and agreed to archive the proposal accordingly.

B. Proposed Amendments to the WESM Rules and Various WESM Manuals regarding Energy Storage Systems (ORCP-WM-24-03)

The proposal was initiated by IEMOP to provide implementing procedures and guidelines related to the participation of Energy Storage Systems (ESS) in the WESM in view of the DOE Department Circular DC2023-04-0008.

The proposal was endorsed to the RCC on 26 July 2024. During the 234th RCC Meeting on 16 August 2024, the RCC agreed to publish the proposal for solicitation of comments, as submitted.

The proposal was published on the PEMC website on 22 August 2024 and was opened to receive comments until 07 October 2024. Within the 30-day commenting period, the proposal received comments from ten (10) parties.

The proponent requested the RCC to defer the deliberation of the proposal, initially during the 238th RCC Meeting on 18 October 2024 and again during the 239th RCC Meeting on 15 November 2024, to allow additional time to review and address stakeholders' comments and likewise reflect further revisions. During the 241st RCC Meeting on 13 December 2024, the RCC approved the IEMOP's request to defer the deliberation of the proposal, formalized through a letter sent to the RCC, which cited the impending issuance by the ERC of its Rules on Energy Storage Systems.

C. Proposed General Amendments on the Harmonization of the WESM and Retail Rules and Market Manuals with ERC Resolution No.13 Series of 2024 ("A Resolution Adopting the Omnibus Rules for Customer Choice Programs") (ORCP-WR-RR-WM-RM-25-03)

The proposal was initiated by the IEMOP to reflect and harmonize the WESM and Retail Rules and Market Manuals with ERC Resolution No. 13, S. of 2024, entitled "A Resolution Adopting the Omnibus Rules for Customer Choice Programs" (the "Omnibus Rules") and institutionalize the procedures adopted by the Central Registration Body for the Customer Choice Programs. With this proposal, IEMOP retracts its earlier submitted proposals on 1) Retail Competition and Open Access, and 2) No Outstanding Balance.

The proposal was endorsed to the RCC on 12 August 2025. During its 249th RCC Meeting on 15 August 2025, the RCC initially discussed the proposal and approved its publication in the PEMC website to solicit comments from stakeholders, noting that the proper formatting, clerical corrections, and transfer of deleted provisions of Retail Manual on GEOP Procedures shall be addressed prior the publication of the proposal.

Following the commenting period from 08 September 2025 to 20 October 2025, the proposal received comments from five (5) parties. During the 252nd RCC Meeting, the proponent facilitated the line-by-line discussion of the proposed amendments, comments and the corresponding response of IEMOP highlighting the following:

1. IEMOP agrees with the comment to align provisions and defined terms with the Omnibus Rules.
2. Issuance of Certificate of Contestability (CCON) should be in accordance with the Omnibus Rules and in consideration of previously issued CCON by the ERC.
3. The WESM Rules and Market Manuals already provide timelines for issuing adjustment bills in cases of Must-Run Unit (MRU), Administered Price (AP), and Secondary (SEC) Price Cap adjustments. To address residual billing concerns, IEMOP recommends establishing a protocol for adjustment billing between RES and customers.
4. Refinement of definitions to ensure flexibility for future threshold changes in line with the Omnibus Rules.
5. Clarification on which party is responsible for providing the information for the monthly report on retail customers to the ERC and DOE.

6. Timeline of the notification of Eligible End-Users to NSP of their intention to switch and intended switch date.

During the 253rd RCC Meeting, the proponent continued to discuss and present the comments received and IEMOP's responses to the proposal, while the following were raised during the deliberation:

1. In relation to Section 3.2.1.3 of the Retail Rules, MERALCO requested the removal of the waiver of the NSP's notification requirement and the issuance of switching documents to the Retail Customer. The ERC noted the ERC Resolution No. 22, Series of 2025 on lowering the retail market threshold to 100 kW that prescribes a target switch date of not less than 90-day period for RCOA and RAP from the receipt of the notice by the NSP.
2. ERC is currently revising the Omnibus Rules with 2Q 2026 as their target date to finish;
3. RESA suggested IEMOP reinstate the breakdown of the WESM charges that were being provided prior the 5-minute market; and
4. IEMOP to check what virtual meter is and how separate it is with DU's Grid Off-take Metering Point

While further deliberations were initially set for the 16 and 23 January 2026 meetings, the RCC deferred the proposal during its 254th RCC Meeting on 16 January 2026. This deferment was requested by IEMOP to await the ERC's finalized revisions to the Omnibus Rules.

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 105 of 112

Annex H – Draft Semestral Report (January to June 2026)

2.4 Summary of Proposals Approved by the PEM Board and Submitted to the DOE

The table below presents the status of rules change proposals approved by the PEM Board and submitted to the DOE for approval.

Table 4: Proposals for DOE's Approval (As of June 2026)

Item	Proponent	Control No.	Proposal	Date Published	Deadline of Commenting Period	Comments Received	Action Taken by RCC	RCC Resolution	Action Taken by PEM Board	PEM Board Resolution	Date Submitted to DOE	DOE Approval
1	PEMC	ORCP-WR-WM-24-06B	Proposed Revision to the Urgent Amendment to the Ancillary Services Monitoring Manual regarding the Reserve Conformance Standards and Related Enforcement Actions	16-Dec-2024	03-Feb-2025	APC, ACEN, MEI/PEI, MERALCO, MSC, NGCP, SMGCP, SNAP, and SPC/SIPC	Approved	2025-02 (08-May-2025)	Approved	2025-85-02 (28-May 2025)	11-Jun-2025	Ongoing
2	MSC	ORCP-WR-WM-25-03	Proposed General Amendments to the WESM Rules and Various WESM Manuals on the Market Surveillance Committee Processes	25-Jun-2025	05-Aug-2025	APC, MEI/PEI, and NGCP	Approved	2025-06 (12-Dec-2025)	Approved	2026-92-03 (28-Jan-2026)	23-Feb-2026	Ongoing
3	PEMC	ORCP-WR-WM-26-01	Proposed General Amendments Relating to Enforcement Proceedings and Clarifying Compliance Guidelines	19-Jan-2026	03-Mar-2026	APC, PSALM, SNAP and MERALCO	Approved	2026-04	Approved	2026-96-01 (27-May-2026)	03-Jun-2026	Ongoing

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 106 of 112

Annex H – Draft Semestral Report (January to June 2026)

2.5 Ongoing Implementation of Urgent Amendments as Approved by the PEM Board

From January to June 2026, the PEM Board approved the continuing implementation of an urgent amendment to ensure continuing implementation of compliance monitoring and enforcement on the Ancillary Services Providers.

The proposed amendment enhanced the monitoring and enforcement of Reserve Conformance Standards (RCS), specifically the issuance of Non-Compliance Notices, the response timelines for Ancillary Services Providers, and the collection of settlement adjustments, while harmonizing deadband settings for reserve facilities. Its extension was approved under RCC Resolution No. RCC-RESO-2026-02, titled "*Extension of Effectivity of Urgent Amendments to the WESM Manual on Ancillary Services Monitoring regarding Reserve Conformance Standards and Related Enforcement Actions*" on 10 April 2026 and PEM Board Resolution No. 2026-95-02 on 29 April 2026 and submitted to the DOE on 11 May 2026.

As discussed during the 257th RCC Meeting, implementation of this proposal from 12 December 2024 showed fairer compliance assessments and penalty enforcement (with collections temporarily paused pending ASM Manual amendments), improved compliance through proactive engagement by service providers, and successful stakeholder education campaigns. This proposal has significantly enhanced Reserve Market compliance and operational efficiency and is currently awaiting approval of the corresponding general amendments.

2.6 General Amendments Promulgated by the DOE (January to June 2026)

During the period, the DOE issued two Department Circular introducing amendments to the Wholesale Electricity Spot Market (WESM) Market Manual on Dispatch Protocol.

The first circular, DOE Department Circular No. DC2026-01-0003, provides guidelines for trading participants and plant operators on managing the dispatch of their generating units if they receive dispatch schedules falling below their minimum stable load (Pmin). This circular became effective on 21 February 2026, and the revised market document, i.e. Dispatch Protocol Issue 24, was posted 13 February 2026.

Meanwhile, DOE Department Circular No. DC2026-03-0009 establishes a clearer, more streamlined workflow for verifying and validating discrepancies identified in the Dispatch Instruction Report (DIR). It addresses how the System Operator, Market Operator, and Trading Participants cross-check errors or inconsistencies in dispatched instructions versus actual market logs. This Circular became effective on 11 April 2026, and the revised market document, i.e. Dispatch Protocol Issue 25, was posted 01 April 2026.

3.0 STATUS of 2026 RCC WORK PLAN

The 2026 RCC Work Plan (Annex C) was developed to align with PEMC's corporate vision, mission, and desired outcomes under its CSP for 2024-2026.

For the first half of the year, the RCC has convened six (6) times[11] to discuss the aforementioned proposals and issued four (4) rules change-related resolutions.

The Committee consistently directs its efforts and resources to realize PEMC's priority activities as reflected in pertinent DOE and ERC directives and PEMC's Corporate Plan, which necessitates continuing review of the Market Rules and Manuals and crafting of new market documents, if necessary.

[11] Six (6) regular RCC meetings.

Approved by: THE RULES CHANGE COMMITTEE	
Independent Members:	
Rachel Angela P. Anosan	**Jesusito G. Morallos**
Jordan Rel C. Orillaza	**Emmanuel Genesis T. Andal**
Generation Sector Members:	
Dixie Anthony R. Banzon Masinloc Power Partners Co. Ltd. (MPPCL)	**Jayson A. Francisco** Aboitiz Power Corp. (APC)
Carlito C. Claudio Panasia Energy, Inc./Strategic Energy Development Inc. (PEI/SEDI)	**Jose Ilderando B. Ambrocio** ACEN Corporation (ACEN)
Distribution Sector Members:	
Virgilio C. Fortich, Jr. Cebu III Electric Cooperative, Inc. (CEBECO III)	**Ryan S. Morales** Manila Electric Company (MERALCO)
Nelson M. Dela Cruz Nueva Ecija II Area 1 Electric Cooperative, Inc. (NEECO II – Area 1)	**Russel S. Alabado** Angeles Electric Corporation (AEC)

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 107 of 112

Annex H – Draft Semestral Report (January to June 2026)

Supply Sector Member:
Gian Karla C. Gutierrez First Gen Corporation/First Gen Energy Solutions, Inc. (FGEN)
Market Operator Member:
Kristoffer Monico S. Ng Independent Electricity Market Operator of the Philippines (IEMOP)
System Operator Member:
Darryl Lon A. Ortiz National Grid Corporation of the Philippines (NGCP)

ANNEX A: Members of the RCC as of June 2026

Sector	Representative Organization	Name	Membership
Independent	-	Atty. Rachel Angela P. Anosan *(Chairperson, 01 Nov 2024 to present)*	-
	-	Atty. Jesusito G. Morallos	-
	-	Engr. Jordan Rel C. Orillaza	-
	-	Prof. Emmanuel Genesis T. Andal	-
Market Operations	Independent Market Operator of the Philippines (IEMOP)	Atty. Kristoffer Monico S. Ng[12]	Principal
		Atty. Lilibeth Grace L. Vetus-Magtalas	Alternate
System Operations	National Grid Corporation of the Philippines (NGCP)	Engr. Darryl Lon A. Ortiz[13]	Principal
		Engr. Clark N. Agustin	Alternate
Generation	Aboitiz Power Corporation (APC)	Atty. Jayson A. Francisco	Principal
		Atty. Charm Krizia L. Medina	Alternate
	Masinloc Power Partners Co. Ltd. (MPPCL)	Engr. Dixie Anthony R. Banzon	Principal
	San Miguel Global Power Holdings Corp. (SMCGP)	Mr. Michael Valer G. Mariano	Alternate
	Millennium Energy, Inc./ Panasia Energy, Inc. (MEI/PEI)	Engr. Carlito C. Claudio[14]	Principal
		Engr. Jessie B. Victorio	Alternate
	ACEN Corporation (ACEN)	Atty. Jose Ildebrando B. Ambrosio[15]	Principal
		Mr. Ignacio Francisco K. Gonzalez	Alternate
Distribution	Manila Electric Company (MERALCO) – Private Distribution Utility	Engr. Ryan S. Morales[13]	Principal
		Mr. Manuel Luis N. Zagala	Alternate
	Angeles Electric Corporation (AEC) – Private Distribution Utility	Atty. Russel S. Alabado	Principal
	Cagayan Electric Power and Light Co., Inc. (CEPALCO) – Private Distribution Utility	Engr. Alfredo C. Sanaga, Jr.	Alternate
	Cebu III Electric Cooperative, Inc. (CEBECO III) – Electric Cooperative	Mr. Virgilio C. Fortich, Jr.	Principal
	Cebu I Electric Cooperative, Inc. (CEBECO I) – Electric Cooperative	Mr. Getulio Z. Crodua	Alternate
	Nueva Ecija II Area 1 Electric Cooperative, Inc.	Engr. Nelson M. Dela Cruz	Principal
	Agusan del Norte Electric Cooperative, Inc.,	Engr. Darwin T. Daymiel	Alternate
Supply	First Gen Corporation/First Gen Energy Solutions, Inc. (FGEN)	Ms. Gian Karla C. Gutierrez[16]	Principal
	TeaM (Philippines) Energy Corporation (TPEC)	Engr. Bryan Alvin A. Calasanz	Alternate

[12] Atty. Kristoffer Monico S. Ng was reappointed effective on 01 February 2026 to 31 January 2029.
[13] Engr. Darryl Lon A. Ortiz was reappointed effective on 20 May 2026 to 19 May 2029.
[14] Engr. Carlito C. Claudio and Engr. Ryan S. Morales were reappointed effective on 29 March 2026 to 28 March 2029.
[15] Atty. Jose Ildebrando B. Ambrosio was appointed effective 29 March 2026 to 28 March 2029, while Mr. Ignacio Francisco K. Gonzalez was appointed as his Alternate effective 29 March 2026 to 28 March 2029. They were preceded by Engr. Mark S. Habana and Engr. Michelle Tuazon, respectively, whose terms ended on 28 March 2026.
[16] Ms. Gian Karla C. Gutierrez was reappointed effective on 29 March 2026 to 28 March 2029.

ANNEX B: DOE and ERC Observers as of June 2026

Organization	Observers
DOE[17]	1) Antonio S. Barcelona 2) Jhannelyn D. Marasigan 3) John Paulo O. Castro 4) Jane May M. Mea 5) Chrizmah Joy D. Quinones 6) Dan Michael A. Lontok
ERC[18]	1) Sharon O. Montañer 2) Antoinette M. Badillo

[17] Designation of DOE observers per DOE letter to PEMC dated 19 January 2026
[18] Designation of ERC observers per ERC letter to PEMC dated 06 December 2022.

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 108 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

ANNEX C: Status of the Rules Change Committee Work Plan for 2026

The Rules Change Committee strives to attain a timely resolution of all rules change proposals it receives and shall continuously direct its efforts to work on priority activities for further enhancements to the Market Rules and Manuals. The activities in the Work Plan are aligned with PEMC's 2024-2026 Corporate Strategic Plan and shall be updated as necessary as more contributions are received from industry sectors and stakeholders or as directed by the DOE or ERC.

Legend: Submission/Completion of Report/Inputs/Comments
Regular Activity

	ACTIVITIES	OUTPUTS	2026 Q1	Q2	Q3	Q4	Remarks
GOAL 1: Provide a Reliable and Transparent WESM and REM through Effective and Efficient Governance							
Objective 3: Market design, review, and implementation of mechanisms for the WESM							
1	Participate in consultation meetings and submit comments on PEMC's Assessment on the Implementation of Enhanced WESM Design Operations (EWDO) including Reserve Market	Attendance during events Response to requests for inputs/comments					*No update as of the covered period.*
Objective 4: Availability of Adequate Support to the PEM Board, WESM Governance Committees, and REM Governance Committee and other assigned committee							
2	Participate in monthly, special, and caucus meetings. Schedule of Monthly RCC Meetings: • 16 January 2026 (Regular) • 20 February 2026 (Regular) • **13 March 2026 (Regular) (in person/hybrid)** • 17 April 2026 (Regular) • 15 May 2026 (Regular) • 19 June 2026 (Regular) • 17 July 2026 (Regular) • 14 August 2026 (Regular) • 18 September 2026 (Regular) • 16 October 2026 (Regular) • 20 November 2026 (Regular)	Minutes of meetings					*Completed for the covered period.* The RCC convened the following: 1. 254th (2026-01) 2. 255th (2026-02) 3. 256th (2026-03) 4. 257th (2026-04) 5. 258th (2026-05) 6. 259th (2026-06) RCC-approved minutes and published in PEMC Website, as follows:

Page 21 of 25

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 109 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

	ACTIVITIES	OUTPUTS	2026 Q1	Q2	Q3	Q4	Remarks
	• **11 December 2026 (Regular) (in person/hybrid)**:						1. 254th (2026-01) 2. 255th (2026-02) 3. 256th (2026-03) 4. 257th (2026-04) 5. 258th (2026-05)
Objective 5: Availability of Accurate and Updated Market Reports, Rules, Manuals, and Other Relevant Public Information About the WESM and REM							
3	Approve Annual Committee Work Plan aligned with PEMC Corporate Strategic Plan	2026 RCC Work Plan	■				*Completed* The 2026 RCC Work Plan was endorsed to PEM Board and published in PEMC Website on 17 March 2026.
4	Approve Semestral Reports	RCC Semestral Reports submitted to the PEM Board	■		■		*Completed* The 2025 RCC Semestral Report (July to December) was endorsed to PEM Board on 26 January 2026 and published in PEMC Website on 27 January 2026.
Objective 6: Provision of Continuing Stakeholder Support and Engagement and Enhanced Market Awareness							
5	Provide information pertaining to rules changes and other activities of the Committee to sector organizations	Sectoral Certifications submitted to the RCC/PEM Board as proof of such activities in the previous calendar year	■				*Completed* 2025 Sectoral Certifications were reported to the PEM Board on 29 April 2026. These certifications were received from the following: 1. Transmission – NGCP 2. Distribution – PEPOA, PHILRECA, MERALCO 3. Generation – PIPPA 4. Supply – RESA

Page 22 of 25

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 110 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

	ACTIVITIES	OUTPUTS	2026 Q1	Q2	Q3	Q4	Remarks
6	Participate in WESM-related events, as requested or scheduled	Attendance to the WESM events					*Completed for the covered period.* The RCC participated in the following WESM Events: 1. Philippine Electric Power Industry Forum 2026 (11-12 March 2026) 2. Annual General Membership Meeting (17 June 2026)
Objective 8: Responsive market rules and manuals							
7	Assess market rules and manuals and propose amendments[19]	RCC Resolutions on rules change proposals submitted to the PEM Board					*Completed for the covered period.* The RCC approved and submitted the following resolutions to the PEM Board: 1. RCC Resolution No. 2026-01 – Final Metered Quantity (FMQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) (published on 04 Feb 2026) 2. RCC Resolution No. 2026-02 – Request for Extension of Effectivity of Urgent Amendments to the WESM Manual on Ancillary Services Monitoring regarding Reserve Conformance Standards and Related Enforcement Actions (published on 16 Apr 2026) 3. RCC Resolution No. 2026-03 - Re-classification of the "Proposed Urgent

[19] *See Lists A and B for the lists of possible rules change proposals*

Page 23 of 25

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 111 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

	ACTIVITIES	OUTPUTS	2026 Q1	Q2	Q3	Q4	Remarks
							Amendments to the WESM Ancillary Services Manual Issue 1.2 on Additional Condition for Qualifying a Frequency Driven Event (FDE)" as General Amendment (published on 04 May 2026) 4. RCC Resolution No. 2026-04 – Enforcement Proceedings and Clarifying Compliance Guidelines (published on 21 May 2026)
8		Presentation during the Board Review Committee (BRC) and PEM Board meetings					*Completed for the covered period.* The RCC presented various rules change proposals in the following meetings: RCC Resolution / BRC Meeting / PEM Board / Status 2026-01 / 19 Jan 2026 / 28 Jan 2026 / Approved 2026-02 / 20 Apr 2026 / 29 Apr 2026 / Approved 2026-03 / 20 Apr 2026 / 29 Apr 2026 / Approved 2026-04 / 18 May 2026 / 27 May 2026 / Approved
9	Participate in DOE/ERC public consultations on market rules and manuals and propose amendments	Attendance to the DOE/ERC public consultations					
10	Enhance rules change process	Updated RCC Internal Rules and, as necessary, proposed amendments to the Rules Change Manual					*Ongoing Activity*
GOAL 3: Achieve Organizational Excellence and Operational Efficiency							
Objective 4: Clear Corporate Targets and Performance Measures							

Page 24 of 25

[redacted]

MEETING MINUTES

Subject/Purpose : 260th RCC (Regular) Meeting No. 2026-07
Date & Time : 17 July 2026, 9:07 AM to 2:01 PM
Venue : Online via Microsoft Teams
Page : 112 of 112

Annex H – Draft Semestral Report (January to June 2026)

Philippine Electricity Market Corporation

RCC-REP-2026-01

	ACTIVITIES	OUTPUTS	2026 Q1	Q2	Q3	Q4	Remarks
11	Participate in activities related to PEMC's strategic planning, e.g. ISO 37000:2021 - Governance of Organizations Training and planning sessions	Attendance to activities and provide inputs, as requested by PEMC					*Completed.* Participated in the following: 1. ISO 3700:2021 – Governance of Organizations Training on 05 March 2026 2. 2026 PEMC Strategic Planning Session on 19 May 2026
Objective 5: Continuing Improvement in the Delivery of Service to Internal and External Clients							
12	Provide feedback on the provision of technical and administrative support to the RCC	Response to survey on WESM Governance Committee (WGC) Support by PEMC					*Completed by July 2026.* Approved and submitted to OP-WGO on 02 June 2026 the Performance Monitoring and Evaluation of Governance Committee (January to December 2025) The Governance Committee Support Survey (January to December 2025) was circulated to the RCC on 10 April 2026 with the deadline for submission set for 10 June 2026 and further extended to 10 July 2026.

Page 25 of 25

[redacted]