

MSC-QR-2018-03

Market Surveillance Committee Quarterly Accomplishment Report

July, August and September 2018

November 2018

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



**Philippine Electricity
Market Corporation**

TABLE OF CONTENTS

I. Introduction.....	1
II. Accomplishments.....	1
A. Submission of Market Reports.....	1
B. Review of Compliance with the Real-Time Dispatch Schedule and Must-Offer Rule ...	4
C. Review of Compliance with the Submission of Nomination of Loading Level and Projected Output	5
D. Review of Over-riding Constraints.....	6
E. Review of ECO Investigation Reports.....	8
F. Review of Proposed WESM Penalty Manual Issue 2.0.....	9
G. Review of Consolidated Comments on the Proposed Market Surveillance Manual ..	10
H. Review of Proposed WESM Industry Code of Ethics	11
I. Meetings with Other Stakeholders.....	11
J. Other Matters	13

MARKET SURVEILLANCE COMMITTEE QUARTERLY ACCOMPLISHMENT REPORT

I. Introduction

Pursuant to the WESM Rules Clause 1.6.2, the Market Surveillance Committee (MSC) continuously monitors the activities of the WESM participants in the spot market. In performing its responsibilities under the WESM Rules and the Market Surveillance Compliance and Enforcement Manual (MSCEM), the MSC regularly conducts monthly meetings to deliberate on various MSC topics and communicates with its members and the MSC Secretariat through email and other means on subject matters of concern to the Committee.

During the third quarter of 2018, the MSC conducted three (3) regular monthly meetings and four (4) special meetings¹. The MSC's accomplishments for the covered period are outlined in the succeeding section of this report.

II. Accomplishments

A. Submission of Market Reports

A.1. Monthly Market Assessment Report for May, June and July 2018

Pursuant to MSCEM Section 6.2.1 (b)², the MSC regularly reviews the market development and assesses the activities of Market Participants, the supply and demand condition, and the significant events affecting the market.

During the covered period, the MSC reviewed and deliberated the monthly Market Assessment Reports for the billing months May, June and July 2018, submitted by the Market Assessment Group (MAG). The Market Assessment Report is prepared for the purpose of monitoring and assessing the performance of the electricity market, including the evolution and analysis of the market monitoring indices.

¹ MSC (Regular) Meeting No. 2018-10 held on 19 July 2018; MSC (Special) Meeting No. 2018-11 held on 01 August 2018; MSC (Special) Meeting No. 2018-12 held on 10 August 2018; MSC (Regular) Meeting No. 2018-13 held on 15 August 2018; MSC (Special) Meeting No. 2018-14 held on 31 August 2018; MSC (Special) Meeting No. 2018-15 held on 10 September 2018; and MSC (Regular) Meeting No. 2018-16 held on 12 September 2018.

² MSCEM Section 6.2.1(b) *The MSC shall have following responsibilities: (a) xxx; (b) Review market monitoring indices and Market Assessment Report prepared by the Market Assessment Group; xxx*

After due deliberation, the MSC approved and subsequently submitted to the Philippine Electricity Market (PEM) Board, for its information, the MSC Monthly Monitoring Reports, detailing its monthly accomplishments, together with the Market Assessment Reports.

A.2. Annual Market Assessment Report for 2017

The MSC reviewed and deliberated the annual Market Assessment Report for the period December 2016 to December 2017 submitted by the MAG. The annual Market Assessment Report, with the Catalogue of Market Monitoring Data and Indices as the basis for assessment, provides an overview of the results of market performance, trends and drivers which in turn provide the means by which to assess competition and conditions in the WESM, as well as the bidding behavior of trading participants.

After due deliberation, the MSC approved the annual Market Assessment Report and subsequently submitted the same to the PEM Board on 22 August 2018 for its information.

A.3. Quarterly Retail Market Assessment Report for Q2 2018

Pursuant to the Catalogue of Market Monitoring Data and Indices (CMMDI) Section 3.1.2³, the MSC continuously monitored the activities of the WESM participants, including the Contestable Customers (CCs) in the spot market.

During the period, the MSC reviewed and deliberated the quarterly Retail Market Assessment Report submitted by the MAG. The Retail Market Assessment Report provides an analysis on how the retail market performed during the period in review and how it fared with the previous period's performance.

After due deliberation, the MSC approved and subsequently submitted to the Philippine Electricity Market (PEM) Board, for its information, the quarterly Retail Market Monitoring Report, together with the Retail Market Assessment Report.

The list of the Market Reports submitted by the MSC to the PEM Board are as follows:

- Monthly Market Assessment Report for May 2018, submitted on 03 August 2018
- Annual Market Assessment Report for 2017, submitted on 22 August 2018
- Monthly Market Assessment Report for June 2018, submitted on 07 September 2018

³ CMMDI Section 3.1.2 *The Market Surveillance Committee shall have the following responsibilities: 3.1.1 xxx; 3.1.2. Review the retail market monitoring indices and reports submitted by the Market Assessment Group. Xxx*

- Monthly Market Assessment Report for July 2018, submitted on 24 September 2018
- Quarterly Retail Market Assessment Report for Q1 2018, submitted on 24 September 2018

The MSC reports were also furnished to the Energy Regulatory Commission (ERC) and the Department of Energy (DOE), and published in the market information website⁴.

A.4. Interesting Pricing Events Reports

The MSC reviewed and deliberated the Interesting Pricing Events Reports submitted by the MAG for the period under review. These reports provided an in-depth analysis of intervals determined to have price outliers, also known as “interesting pricing events”⁵. The determination of the interesting pricing events was based on the methodology approved by the MSC.

- **Interesting Pricing Event on May 2018**

During the billing month of May 2018, three (3) interesting pricing events were observed as follows:

Date	Hour	Supply Margin (MW)	Market Price (PhP/MWh)	Reference Price Threshold (PhP/MWh)
May 4	1600H	818	32,454	15,201
May 8	1600H	612	17,146	16,424
May 19	1900H	568	16,711	16,424

The interesting pricing event on 04 May 2018 was primarily driven by the higher-priced capacities of certain power plants. It was noted that the 818 MW supply margin was offered at PhP 32,000/MWh during the subject interval. At the same time, a large natural gas plant went on forced outage resulting in the dispatch of high priced-capacities.

The other two interesting pricing events, which occurred on 08 May 2018 at 1600H and on 19 May 2018 at 1900H, were attributed to the low effective supply following the high

⁴ Links: http://www.wesm.ph/inner.php/downloads/monthly_market_assessment_reports;
http://www.wesm.ph/inner.php/downloads/retail_market_assessment_report

⁵ Price outlier refers to an interval where market price breached the reference price threshold, established based on the historical relationship of market prices and supply margin.

capacity on outage and the observed decline in the available capacity from solar plants. In terms of generator offer pattern, no change was observed in the offer structure of generating units when compared with its historical and previous hour's offer structure.

- **Interesting Pricing Event on June 2018**

During the billing month of June 2018, three (3) interesting pricing events were observed, as follows:

Date	Hour	Supply Margin (MW)	Market Price (PhP/MWh)	Reference Price Threshold (PhP/MWh)
June 1	1400H	268	18,563	18,092
June 4	1900H	277	19,211	18,063
June 20	1000H	896	15,466	14,825

The interesting pricing events were primarily driven by the high demand during the subject intervals which were all peak hours, and low effective supply due to the high level of capacity on outage among generating units. No significant change was observed in the offer structures of the generating units during the interesting pricing events.

Upon due deliberation, the MSC approved the reports on interesting pricing events that occurred on May and June 2018. The reports were subsequently submitted to the DOE on 13 August 2018 and 06 September 2018, respectively. The MSC also provided copies of the said reports to the ERC for its information.

B. Review of Compliance with the Real-Time Dispatch Schedule and Must-Offer Rule

The MSC reviewed the activities of the Trading Participants in terms of their compliance with the real-time dispatch (RTD) schedule and must-offer rule (MOR) as contained in the Compliance Monitoring Reports submitted by the MAG. The said reports contain the list of Trading Participants in Luzon and Visayas, and the number of trading intervals with deviations from the RTD schedule and with capacity gaps.

The MSC also reviewed the results of evaluation of the Significant Event Reports and supporting documents submitted by Trading Participants for possible non-compliance with the MOR for the period December 2016 to December 2017.

On the basis of its review of the Compliance Monitoring Reports and the Significant Event Reports, the MSC found possible non-compliances with the RTD schedule and the MOR for the billing months of May to July 2018, and the period December 2016 to December 2017. The MSC thereafter submitted a total of 265 requests for investigation (RFI) to the PEM Board pursuant to MSCEM Section 6.2.1(d)⁶.

C. Review of Compliance with the Submission of Nomination of Loading Level and Projected Output

The MSC reviewed the compliance with the WESM Rules on the submission of nomination of loading level and projected output of Trading Participants with non-scheduled, must-dispatch and priority dispatch generating units for the billing period April to July 2018.

As of 25 July 2018, there were 77 resources registered as non-scheduled, must-dispatch and priority dispatch generating units, with a total registered capacity of about 1,500 MW. During the period in review, two (2) solar and three (3) hydro resources started its WESM participation.

Two (2) biomass resources were on outage for the entire billing month of July 2018, while 15 registered resources were still on testing and commissioning (from 20 resources by the end of the previous period). By the end of the July 2018 billing month, only 60 resources were monitored for compliance with the submission of nomination of loading level and projected output.

Out of the 60 resources monitored, 38 resources did not submit its nomination of loading level and projected output in some or all of the covered trading intervals for the billing month of July 2018. This comprised of four (4) biomass, four (4) hydro, one (1) oil-based, one (1) wind and 28 solar resources.

The MSC regularly sends monthly letters of inquiry to identified Trading Participants, requesting for an explanation for their non-submission of nomination of loading level and projected output. The MSC also reviews and discusses explanations by the Trading Participants for non-submission of loading level and projected output, in the previous billing month.

⁶ MSCEM Section 6.2.1(d) *The MSC shall have following responsibilities: (a) xxx; (d) In the conduct of its market surveillance function, identify acts or omissions which may constitute Breaches, abuse of market power and Anti-Competitive Behavior, and initiate an Investigation; xxx*

The MSC and the ECO discussed that at present, the Financial Penalty Manual provides a minimum penalty of Php 100,000/breach, but noted that imposing the same penalty amount to VRE resources for breach of the WESM Rules would be excessive considering that most of VRE resources were small plants. Also, the MSC emphasized that the primary intention was to foster a culture of compliance rather than to impose financial penalties for breaches of the WESM Rules.

In view of the foregoing and noting the responses provided by some Trading Participants in the MSC letters of inquiry, the MSC saw the need to inform/educate the Trading Participants of their responsibilities/obligations under the WESM Rules and Manuals, specifically on the submission of nomination of loading level and projected output, and forecasts accuracy standards. In this regard, the MSC sent a letter dated 29 August 2018, addressed to PEMC, requesting that a workshop/training be conducted for this purpose.

In its response letter to MSC dated 03 September 2018, the PEMC-ECO informed the MSC that the PEMC plans to hold a workshop for WESM Compliance Officers integrating into said workshop the MSC's proposed training.

The MSC agreed that in the meantime, it would defer the issuance of RFIs on the identified Trading Participants, for possible non-compliance with the WESM Rules on submission of nomination of loading level and projected output.

D. Review of Over-riding Constraints

Pursuant to MSCEM Section 6.2.1 (i)⁷, the MSC reviewed the over-riding constraints imposed by the System Operator on generators for the billing period of 26 April to 25 July 2018.

A total of 6,271 over-riding events were recorded during the May billing month, 3,538 events in June and 3,586 events in July 2018. During the period covered, the highest number of over-riding events recorded in a single interval occurred at 17 events on 27 April 2018 from 1100H to 1200H and on 28 April at 1700H.

The MSC regularly sends letters of inquiry, requesting for reasons/ explanations for the prolonged conduct of testing and commissioning, to Trading Participants that exceeded the allowable two (2)-month period for the conduct of testing and commissioning provided

⁷ MSCEM Section 6.2.1(i) *The MSC shall have following responsibilities: (a) xxx; (i) Review Over-Riding Constraints; xxx*

under the ERC Resolution No.16, Series of 2014⁸. The MSC also reviews and discusses the responses and explanations provided by the concerned Trading Participants for its prolonged conduct of testing and commissioning.

With regard to the capability test of one generator that was still undergoing testing and commissioning, the MSC agreed to send a letter addressed to the said generator requesting for updates on the result of its capability test.

On another note, the MSC noted that based on the report provided by the System Operator, the three (3) security limit events during the June 2018 billing month were categorized under Must-Run Unit (MRU) involving a diesel plant's "hotspot correction". In the course of its discussions, the MSC noted that during "hotspot correction" the plant should be shut down which seemed inconsistent since the security limit event was categorized under MRU. In this regard, the MAG requested clarification from the System Operator on the remark "hotspot correction" for imposing over-riding constraints on the concerned diesel plant.

- **Request for the Grid Management Committee to Revisit the Allowable Duration of the Conduct of Testing and Commissioning**

In view of its discussions on the review of the over-riding constraints imposed by the SO on generators, the MSC sent a letter to the Grid Management Committee (GMC) on 10 July 2018, copy furnished the ERC, regarding the impact of the prolonged conduct of testing and commissioning of generators, requesting the GMC to revisit the allowable duration of the conduct of testing and commissioning noting its impact to the market.

In its letter dated 25 July 2018, the GMC informed the MSC that it has submitted to the ERC its proposal to extend the test and commission period to five (5) months from the current two (2) months indicated in the ERC Resolution No. 16, Series of 2014. Upon the ERC's directive, the GMC is currently gathering data relevant to test and commissioning of newly-built generating plants classified per technology, for the GMC to come up with more reliable study to support its proposal to the ERC.

- **Meeting with PEMC-Corporate Planning and Communications**

In the course of its review of the report on over-riding constraints, the MSC observed the number of generators on testing and commissioning and the questions raised were the

⁸ A Resolution Adopting the 2014 Revised Rules for the Issuance of Certificates of Compliances (COCs) for Generation Companies, Qualified End-users and Entities with Self-Generation Facilities

following: a) whether the registration process allowed Trading Participant to already register even with just a provisional Certificate of Compliance (COC); and b) whether the WESM Rules provided that the requirement for registration was the final COC.

On 15 August 2018, a meeting was convened upon the MSC's agreement to meet with representative(s) from PEMC-CPC (Registration) for a presentation on the WESM registration process. In view of the discussions, the MSC suggested that PEMC-CPC (Registration) clarify with ERC if the certification from the ERC was an acceptable document when registering in the WESM, in the absence of a provisional COC or provisional Authority to Operate.

E. Review of ECO Investigation Reports

Pursuant to MSCEM Section 6.2.1(f)⁹, the MSC is tasked to review the ECO Investigation Reports with respect to the compliance by the ECO with the procedures set forth in the MSCEM for the conduct of Investigation, and validity and completeness of the data and documents upon which the factual findings are based.

On 31 August 2018 and 10 September 2018, the MSC conducted special meetings to review and deliberate on the remaining ECO Investigation Reports for alleged violations by various Trading Participants of the WESM Rules regarding compliance with the submission of offers and RTD schedule, and finalize its agreements and recommendations to be incorporated in the MSC Review Report for submission to the PEM Board.

There were a total of sixty (60) ECO Investigation Reports which the MSC reviewed:

Description	Received in:	Reviewed on:
15 ECO IR	Apr 2016 to Oct 2016	14 Mar 2017
20 ECO IR	Oct 2016 to Jan 2018	05 Mar 2018
09 ECO IR	Mar to Apr 2018	15 May 2018
13 ECO IR	May to Jul 2018	10 Aug 2018
3 ECO IR	Aug 2018	10 Sep 2018
Total: 60 ECO IRs		

⁹ MSCEM Section 6.2.1(f) *The MSC shall have following responsibilities: (a) xxx; (f) Review Investigation Reports prepared by the ECO pursuant to an Investigation of an alleged Breach, abuse of market power or Anti-Competitive Behavior, and submit its review to the PEM Board; xxx*

Upon due deliberation, the MSC agreed as follows:

- a. that ECO substantially complied with the procedural requirements provided in the MSCEM without materially affecting the rights of the parties;
- b. that the credibility of the data and documents upon which the ECO based its factual findings are complete; and
- c. that it concurs with the ECO's findings, relative to its investigation of the Trading Participants' compliance with the submission of offers and RTD schedule of no breach in 31 submitted report and with breach in 29 other reports for which MSC recommended appropriate penalties.

Further, premises considered, the MSC adopted the factual findings of the ECO that there were no breaches committed by concerned Trading Participants in all the intervals investigated in 31 reports, and there were breaches committed by concerned Trading Participants for various identified intervals in 29 reports. Further, the MSC adopted the ECO's recommendations to enhance compliance to the WESM Rules on submission of offers and RTD schedules, and address issues relative to ECO investigated cases as enumerated in the submitted ECO Investigation Reports.

During its regular meeting on 12 September 2018, the MSC finalized the draft presentation for the BRC and PEM Board, on the MSC's Review of the 60 ECO Investigation Reports, including the draft transmittal letter addressed to the PEM Board. The MSC Review of ECO Investigation Reports was afterwards submitted to the PEM Board on 19 September 2018.

The MSC then presented the MSC Review Report during the BRC Meeting on 17 September 2018 and the PEM Board Meeting on 26 September 2018, during which the PEM Board approved the MSC recommendations.

F. Review of Proposed WESM Penalty Manual Issue 2.0

The MSC continued with its ongoing review of the proposed WESM Penalty Manual Issue 2.0.

The MSC was informed that the ECO presented the proposed WESM Penalty Manual (Version 2.1) to the Philippine Independent Power Producers Association (PIPPA) on 05 July 2018, upon PIPPA's request. In view of the 30-day commenting period which began on 24 May 2018 until 06 July 2018, PIPPA requested to extend the submission of comments on the proposals until 18 July 2018, which request the MSC approved. An

advisory was subsequently disseminated through WESM Info for information of the stakeholders and interested parties on 05 July 2018.

The MSC was also informed that the MAG and the ECO met with the DOE on 30 July 2018 for an initial discussion regarding the transition period or moratorium on the application of the proposed WESM Penalty Manual (Version 2.1), and the proposal to incorporate the proposed guidelines and procedures on the utilization of the penalty in the proposed Manual, noting that the guidelines and procedures would no longer undergo consultation process as it was just later proposed to be included after the comments from stakeholders and interested parties were received.

During the said meeting with the DOE, the DOE agreed to already include the guidelines and procedures on the utilization of the penalty in the proposed Manual. Further, the DOE also agreed to consider having a six-month transition period for the application of the Manual.

During its special meeting held on 01 August 2018, the MSC deliberated the initial inputs from the DOE and the consolidated comments on the proposed WESM Penalty Manual Issue 2.0 submitted by PEMC Transition Committee, Board Review Committee, PEM Board, Rules Change Committee and other stakeholders.

On 14 August 2018, the MSC received additional comments from the DOE on the proposed WESM Penalty Manual Issue 2.0, which the MSC discussed during its meeting to finalize the proposal on 15 August 2018.

On 31 August 2018, the MSC reviewed the draft documents on the proposed WESM Penalty Manual Issue 2.0 and thereafter revised the same accordingly for submission to the DOE. The MSC finalized its proposed WESM Penalty Manual Issue 2.0 and subsequently approved the same, for endorsement to the DOE for its final approval. The proposal was endorsed to the DOE on 10 September 2018.

G. Review of Consolidated Comments on the Proposed Market Surveillance Manual

In preparation for the RCC meeting on 03 August 2018, the MSC reviewed the consolidated comments on the proposed Market Surveillance Manual and thereafter provided its responses accordingly.

During its special meeting held on 10 August 2018, the MSC was informed that the RCC approved the proposals for submission to the PEM Board and that many of the comments were with regard to the responsibility of the MSC to decide on an appeal as proposed under the Penalty Manual Issue 2.0.

The proposed Market Surveillance Manual together with the proposed Enforcement and Compliance Manual and corresponding changes to the WESM Rules were approved by the PEM Board during its meeting in August 2018 and subsequently submitted to the DOE for final approval.

H. Review of Proposed WESM Industry Code of Ethics

During its meeting on 15 August 2018, the MSC discussed the need to have a code of conduct for Market Participants and recalled that it has long called for such a code to be adopted to guide Market Participants. The MAG mentioned that PEMC has previously submitted to the DOE its proposed WESM Industry Code of Ethics in 2011.

On 12 September 2018, the MSC reviewed the PEMC proposal and subsequently revised the same. The MSC also agreed to issue a resolution recommending to the DOE the adoption of the proposed WESM Industry Code of Ethics.

I. Meetings with Other Stakeholders

J.1. Meeting with Cebu Energy Development Corporation

On 19 July 2018, the MSC convened a meeting with Cebu Energy Development Corporation (CEDC), in reference to CEDC's request for a conference, communicated through its letter dated 19 June 2018, regarding the findings and recommendations in the ECO Investigation Report on CEDC CFTPP for its possible non-compliance with the RTD schedule.

The MSC informed the CEDC, that in its intent to ensure and foster a culture of compliance in the WESM, the MSC together with the ECO, already made major amendments to the Market Surveillance, Compliance and Enforcement Manual and the current Financial Penalty Manual. The MSC noted that this would streamline the processes in monitoring compliance with the WESM Rules and in the imposition of appropriate levels of penalties. The MSC expects that the WESM members would be supportive of this endeavor for the improvement of the market.

As regards CEDC's case, the MSC noted that the matter would have to be further discussed within the MSC, together with the ECO, taking into consideration the information presented, before agreeing on a final decision.

In the course of its review of the ECO Investigation Reports, the MSC agreed to adopt the factual findings and recommendations of the ECO in the ECO Investigation Report on CEDC CFTPP for its possible non-compliance with the RTD schedule.

J.2. Meeting with Power Sector Assets and Liabilities Management Corporation

On 15 August 2018, the MSC convened a meeting with Power Sector Assets and Liabilities Management Corporation (PSALM) to discuss its observations on Kalayaan Pumped Storage Power Plant's (PSPP) trading activities.

In reference to the protocol on central scheduling of energy and reserve, PSALM highlighted the issue on the requirement to submit offers for energy even when the plant was scheduled for ancillary service. Further, PSALM confirmed that it would be penalized by the SO if Kalayaan complied with its dispatch schedule for energy resulting to its inability to provide dispatchable reserve. The MSC discussed that if a generator was scheduled for dispatchable reserve and the said generator was also scheduled for energy due to limited supply, said generator should not be penalized by the SO due to its inability to provide dispatchable reserve since the said generator just complied with its dispatch schedule for energy. The MSC agreed that there is a need to review the SO's Ancillary Service Procurement Agreement to address the issue raised by PSALM.

On another note, the MSC also suggested that PSALM develop a protocol in documenting and communicating the technical constraints of the generators, between the plant operator to the trader, and from the trader to the PEMC, MSC, ERC and DOE. The MSC noted that if this information was properly documented and communicated, the plant's possible non-compliances with the WESM Rules would be easily monitored and assessed.

J.3. Meeting with NGCP-System Operator

In reference to its agreement during its review of the Market Assessment Report, the MSC met with NGCP-System Operator, on 12 September 2018 for a presentation on the process of developing the Grid Operating and Maintenance Program (GOMP). The meeting covered the GOMP's objectives and preparation considerations, process, and timeline.

The MSC then requested the NGCP-SO to provide to PEMC the quarterly revised GOMP for the MAG and MSC's reference in its monitoring, having noted that the GOMP is updated every quarter.

J. Other Matters

J.4. Discussions on ECO-related Matters

- **ECO's Proposal on the Compliance Monitoring Post Transition**

During the period in review, the MSC and ECO discussed the arrangements in view of the transition in the compliance monitoring function from the MAG to the ECO effective on 26 September 2018. The ECO discussed with the MSC the compliance monitoring procedures including the reporting to the MSC of the results.

Further, the MSC was updated that the final Compliance Monitoring Report to be prepared and submitted by the MAG to the MSC would cover the billing month of 26 August to 25 September 2018, for submission on 25 October 2018. The subsequent Compliance Monitoring Reports would already be prepared and submitted by the ECO.

The MSC noted that the MAG should ensure the smooth transition of the function from the MAG to the ECO.

- **Status of ECO Investigations**

During its special meeting held on 10 September 2018, the ECO informed the MSC that during one of the recent PEM Board meetings, the PEM Board requested for the status of the investigations that were still pending with the ECO and with the MSC for review. In addition, the PEM Board also requested if there were remedies available for Trading Participants that were still being investigated.

The ECO then presented the procedures for Offer for Settlement as provided under the WESM Rules including the sample simulation for the computation of the Offer for Settlement amount. The MSC noted the information presented and suggested that the ECO (a) inform the PEM Board of the pros and cons of allowing offers for settlement; and (b) to include factors to be considered when determining offers for settlement – e.g. deviation, etc.

On another note, the MSC requested the ECO for the summary of the PEM Board decision on the previous MSC recommendations including updates on the same.