



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. _____

**ADOPTING FURTHER AMENDMENTS TO THE WHOLESALE ELECTRICITY
SPOT MARKET (WESM) MARKET MANUAL ON DISPATCH PROTOCOL
(Provisions for Must-Run Unit Accounting)**

WHEREAS, Sections 30 and 37(f) of the Electric Power Industry Reform Act (EPIRA) provides that the DOE, jointly with the electric power industry participants, shall establish the Wholesale Electricity Spot Market (WESM) and formulate the detailed rules governing the operations thereof;

WHEREAS, on 28 June 2002, the DOE, with the endorsement of the electric power industry participants, promulgated the WESM Rules through Department Circular No. DC2002-06-003;

WHEREAS, any changes, amendments, and modifications to the WESM Rules, Retail Rules and their Market Manuals shall be undertaken in accordance with the provisions of Chapter 8 of the WESM Rules;

WHEREAS, on 14 October 2019, the Market Operator submitted its proposed amendments to the Rules Change Committee (RCC) on WESM Market Manual on Dispatch Protocol to enhance procedures in must-run unit accounting;

WHEREAS, the proposal aims to improve the accounting of energy produced due to a must-run unit dispatch instruction and processing of discrepancy reports;

WHEREAS, on 18 October 2019, the RCC during its 157th RCC Meeting approved the publication of the proposal in the PEMC website to solicit comments from industry stakeholders and interested parties;

WHEREAS, on 06 December 2019, during its 159th RCC Meeting, the RCC deliberated on the proposal considering the comments received from stakeholders and interested parties, together with the proponent's responses to the mentioned comments;

WHEREAS, on 24 January 2020, during its 160th the RCC deliberated upon the Market Operator's additional changes to the proposal which includes the following:

- To consider that the generator is fully ramping down to zero (0) MW or ramping up from zero (0) MW in the identification of additional dispatch intervals where the generator is additionally tagged as a must-run unit; and
- To treat the ramping-up of a must-run unit during synchronization as MRU.

WHEREAS, on 12 February 2020, during its 161st Meeting, the RCC approved the proposal for endorsement to the PEM Board;

WHEREAS, on 07 April 2020, the PEM Board-approved proposed amendments to the Market Manual on Dispatch Protocol was submitted to the DOE for final approval, in compliance with Chapter 8 of the WESM Rules;

WHEREAS, on -----, the DOE posted the proposed amendments in the DOE website to solicit further comments from the market participants and other interested parties;

WHEREAS, on _____, the DOE conducted Public Consultations on the proposed amendments to solicit further comments from the market participants and other interested parties;

WHEREAS, the DOE reviewed the said PEM Board-approved proposal, made minor revisions on the proposed amendments for consistency with the objectives of the WESM and the DOE policies on the enhancements of WESM design and operations;

NOW THEREFORE, pursuant to its authority under the EPIRA and the WESM Rules, the DOE hereby adopts, issues, and promulgates the following amendments to the WESM Rules and its Market Manuals:

Section 1. Amendments to the WESM Market Manual on Dispatch Protocol. The following provisions in the WESM Market Manual on Dispatch Protocol Issue 13.0 in the attached matrix (ANNEX A) are hereby amended:

Section 2. Separability Clause. If for any reason, any section or provision of this Circular is declared unconstitutional or invalid, such parts not affected shall remain valid and subsisting.

Section 3. Effectivity. This Circular shall take effect fifteen (15) days following its publication in two (2) newspapers of general circulation. Copies thereof shall be filed with the University of the Philippines Law Center – Office of National Administrative Register (UPLC-ONAR).

Issued on _____ 2020 at the Energy Center, Rizal Drive, Bonifacio Global City, Taguig City.

ALFONSO G. CUSI
Secretary