



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

ADVISORY

TO : MINDANAO ELECTRIC POWER INDUSTRY PARTICIPANTS
FROM : SECRETARY OF ENERGY
DATE : JUN 25 2021
SUBJECT : IMPLEMENTATION OF WESM CENTRAL SCHEDULING

GUIDANCE ON THE IMPLEMENTATION OF WESM CENTRAL SCHEDULING

Upon evaluation of the reports submitted by the Philippine Electricity Market Corporation (PEMC) on the readiness of the conditions for the commercial operation of Enhanced WESM Design and Operations (EWDO)¹ in Luzon, Visayas, and Mindanao and with the submission of the Independent Electricity Market Operator of the Philippines (IEMOP) of the results of the LLDO², the Department of Energy (DOE) is affirming that the needed preparations for the implementation of EWDO have been fulfilled. However, for the Mindanao grid, pending the commercial operation of WESM in Mindanao, the DOE deemed the continued implementation of WESM Central Scheduling in accordance with the following:

1. The implementation of WESM Central Scheduling shall continue for a period of one (1) month, starting 26 June 2021 to 25 July 2021 based on WESM Central Scheduling Guidelines as provided for in Annex "A".
2. All Mindanao Electric Power Industry Participants are mandated to participate in the WESM Central Scheduling and shall comply with the guidelines, procedures, and instructions of the Market Operator and the System Operator in the implementation of WESM Central Scheduling.
3. The resulting energy prices will not be binding on any party and will not be used for the settlement of the energy transactions during the WESM Central Scheduling implementation.
4. The energy transactions in Mindanao shall be settled by the trading participants with their counterparties in accordance with Power Supply Agreements.
5. All the mandated participants shall complete their registration in the WESM during the WESM Central Scheduling period, otherwise appropriate sanctions

¹ On 27 May 2021, PEMC submitted to the DOE a certification on the readiness of the Luzon, Visayas and Mindanao Grids to the implementation of EWDO based on readiness criteria pursuant to DC2017-05-0009

² On 11 June 2021 IEMOP submitted to the DOE the report on the Limited Live Dispatch Operations ("LLDO") from 29 May 2021 to 04 June 2021

shall be imposed in accordance with the WESM Rules and applicable issuances of the Energy Regulatory Commission and DOE.

The participants may email their concerns on the WESM Central Scheduling to IEMOP at nmms_trial@iemop.ph or through the following contact details:

Concerns	Contact Details
Registration Concerns	registration@iemop.ph
Operational Concerns	(632) 5 318 9376, dial 9 + local 293 or 295
IT Concerns	(632) 5 318 9376, dial 9 + local 218

For other concerns and clarifications, please coordinate directly with the Electric Power Industry Management Bureau of the DOE through telephone nos. (02) 8840-1773 and (02) 8479-2900 loc. 264/387 or e-mail at pmdd.wesm@doe.gov.ph.

This Advisory is effective immediately and please be guided accordingly. Thank you.


ALFONSO G. CUSI
Secretary





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LGB / ADICE / DMCM / MRFR / DATT / AGDE / ARED / UEPJ



GUIDELINES ON THE WESM CENTRAL SCHEDULING IN MINDANAO

18 June 2021



1. BACKGROUND

All Mindanao Generator Trading Participants are expected to implement the 5-minute dispatch schedules generated from the New Market Management System (MMS) during the WESM Central Scheduling (or WCS) period. Settlement shall be based on the existing contractual arrangements in Mindanao. There shall be no settlement of transactions in the WESM.

All Generators that are required to register in the WESM, including those that voluntarily registered, shall participate in the WCS. These shall include grid-connected and embedded generators.

2. RESPONSIBILITIES

2.1. Generators

- 2.1.1. Generators shall ensure that they have access to their generation resources in the User Interface of the MMS' Market Participant Interface (MPI). For this purpose, they shall have an updated Digital Certificate and valid user credentials.
- 2.1.2. Alternatively, Generators can transact in the MMS using the MPI's API Web Service (optional).
- 2.1.3. Trading Participants and their counterpart plant operators shall ensure that they have a communication protocol in place for the timely communication and coordination of dispatch targets.
- 2.1.4. Generators shall inform the Market Operator on any issues and/or concerns encountered during the WCS.

2.2. System Operator

- 2.2.1. The System Operator shall ensure that its Energy Management System (EMS) is available for the Market Operator to capture real-time data via the Inter-Control Center Communications Protocol (ICCP).
- 2.2.2. The System Operator shall submit the input constraints in the MMS (e.g. overriding constraints, outages, transmission limits, reserve requirements, etc.).
- 2.2.3. The System Operator shall submit information on all their re-dispatch instructions to the Market Operator.
- 2.2.4. The System Operator shall submit a report to the Market Operator on their observations on the WCS implementation.
- 2.2.5. The Metering Services Providers shall continue to submit metered quantity (MQ) data to the Central Registration and Settlement System (CRSS). It is provided, however, settlements during the WCS shall be in accordance with the current contracted arrangements in Mindanao.

2.3. Market Operator

- 2.3.1. The Market Operator shall regularly update regional demand forecasts for the market projections (WAP, DAP, and HAP) and for the real-time dispatch (RTD) market runs.
- 2.3.2. The Market Operator shall ensure that the MMS is available to provide accurate and timely dispatch schedules to the Generators and the System Operator.
- 2.3.3. The Market Operator shall ensure that the Market Participant Interface (MPI) is always available for access by the Market Participants.
- 2.3.4. The Market Operator shall submit to the DOE an evaluation of the WCS considering all inputs from the Generators and the System Operator.

3. PROCEDURES DURING WCS

- 3.1. Current Contractual Obligations and Implementation of Interim Mindanao Dispatch Protocol
 - 3.1.1. All generators and customers shall still perform their existing processes in accordance with their contracts.
 - 3.1.2. All generators and customers are still expected to perform their responsibilities as provided for in the Interim Mindanao Dispatch Protocol.
- 3.2. Submission of Working Offers
 - 3.2.1. Scheduled Generators are expected to submit working offers in the MMS based on their Day-Ahead Generation Schedule (DAGS).
 - 3.2.1.1 The MW quantity block up to the DAGS should be offered at P0.00/MWh.
 - 3.2.1.2 Scheduled generators shall submit their preferred offer price for MW quantity block beyond the DAGS up to their maximum available capacity.

Figure 1. Sample Offer Profile Based on DAGS

INFO	MW	OFFER PROFILE IN NMMS-MPI		
		QUANTITY	PRICE	
DAGS	100	0	0.00	ZERO PMIN
MAX AVAILABILITY	120	100	0.00	DAGS
		120	4,000*	MAX AVAILABILITY

*Based on TP input (e.g. production cost)

- 3.2.2. Generators shall also consider the commitment of the technical Pmin of their generation units when submitting offers in the MMS.
 - 3.2.3. Generators shall revise their working offers in the MMS in consideration of their in-day re-nominations.
 - 3.2.4. During tripping of their generation units, generators shall cancel their working offers in the MMS.
 - 3.2.5. Generators can only declare up to three (3) ramp rate break quantities for their generation unit's ramp rate profile.
- 3.3. Central Scheduling of Contracted Ancillary Services in the WESM
- 3.3.1. Scheduled Generators that obtained a Day-Ahead Ancillary Service Schedule (DAASS) from the System Operator shall update their working offers to include reserve offers.
 - 3.3.2. All reserve offers should contain two offer break quantities: the first MW should be zero, the next MW should be based on the DAASS (except for regulation reserve).
 - 3.3.2.1 Regulation reserve providers shall submit half of their DAASS for regulation up (RU), and another half for regulation down (RD).
 - 3.3.2.2 For contingency and dispatchable reserve providers, their reserve offers should be equal to their DAASS
 - 3.3.3. The two (2) reserve offer break quantities should be offered at P0.00/MWh.
 - 3.3.4. Generators may revise their reserve offers based on re-nominations with the System Operator.
- 3.4. Submission of Working Nominations
- 3.4.1. Must-Dispatch, Priority Dispatch, and Non-Scheduled Generators are expected to submit accurate 5-minute MW nominations in the MMS' MPI.
 - 3.4.2. Must-Dispatch, Priority Dispatch, and Non-Scheduled Generators shall amply revise their working nominations to reflect the best estimate of their generator's output in the immediate horizon.
 - 3.4.3. During tripping of their generation units, the Generators shall cancel their working nominations in the MMS.
- 3.5. Submission of Standing Offers and Nominations
- 3.5.1. Scheduled Generators shall submit Standing Offer Profiles in the MMS.
 - 3.5.2. Must-Dispatch, Priority Dispatch, and Non-Scheduled submit Standing Nomination Profiles in the MMS.

3.6. Start-up and Shutdown Procedures

- 3.6.1. Generators whose generating units are scheduled to start-up or shutdown shall request clearance from the System Operator at least four (4) hours before scheduled start-up.
- 3.6.2. Once cleared by the System Operator, Generators shall manage the start-up and shutdown sequence of their generation facilities through their offers (e.g. reflect accurate ramp rate profiles, manage offer MW/price blocks, etc.).

3.7. Implementation of 5-minute Dispatch Schedules

- 3.7.1. Except for scheduled ancillary service providers, generators are expected to ramp to their target 5-minute dispatch schedules as generated from the MMS while considering their DAGS or in-day re-nominations.
 - 3.7.1.1 If the 5-minute dispatch schedule is greater than their DAGS or in-day re-nomination, then generators are expected to dispatch their generating facility up to their DAGS or in-day re-nomination.
- 3.7.2. The System Operator shall provide dispatch instructions to scheduled ancillary service providers.
- 3.7.3. The System Operator may re-dispatch generators based on the following.
 - 3.7.3.1 Available ancillary services; or
 - 3.7.3.2 Load Adjustment Notice.
- 3.7.4. Generators are expected to follow SO re-dispatch instructions.
 - 3.7.4.1 For compliance reporting purposes, Generators are expected to ask for the reason of SO's re-dispatch instruction: (i.e. ancillary service and Load Adjustment Notice)
 - 3.7.4.2 Generators should log reason provided by the System Operator in the MMS-MPI's Dispatch Conformance Display.
- 3.7.5. In cases where 5-minute RTD schedule is below Pmin:
 - 3.7.5.1 If expected to start-up/shutdown, ramp towards RTD schedule; or
 - 3.7.5.2 If currently online, ramp towards Pmin; or
 - 3.7.5.3 If currently offline, stay offline.
 - 3.7.5.4 Immediately revise offers to ensure generating unit is scheduled at intended MW level (e.g offline or at least at Pmin).
 - 3.7.5.5 The above guidelines may still be overridden by the System Operator for reliability reasons.



3.8. Settlement During WCS

- 3.8.1. Generators, Customers, the System Operator, and the Market Operator shall perform their responsibilities as provided for in the Interim Mindanao Dispatch Protocol.
- 3.8.2. Settlement shall be based on the existing contractual arrangements between Generators and Customers in Mindanao.
- 3.8.3. There is no settlement of WESM transactions.

3.9. Complying to the 5-minute Dispatch Schedules and Instructions

- 3.9.1. Generators are expected to follow the procedures of generation dispatch as provided in section 3.7 of this document.
- 3.9.2. Should Generators be unable to comply with the procedures of generation dispatch in section 3.7 of this document, they shall report the reasons for such non-compliances to PEMC's Enforcement and Compliance Office. They shall provide the same reason for non-compliance to the Market Operator near real-time through the Dispatch Conformance Standards (DCS) module of the Market Participant Interface.