

DEPARTMENT CIRCULAR NO. DC2005-11-00

## proj

## CALLING ON ALL ELECTRIC INDUSTRY PARTICIPANTS TO PARTICIPATE IN THE LIMITED LIVE DISPATCH OPERATIONS OF THE WHOLESALE ELECTRICITY SPOT MARKET

WHEREAS, Section 30 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" or "EPIRA", enjoined the Department of Energy (DOE) to establish the Wholesale Electricity Spot Market (WESM) that would facilitate a transparent, competitive and reliable market for electricity;

WHEREAS, significant progress has been made towards the commencement of WESM commercial operation and, at this final phase of the Trial Operations Program (TOP) for Luzon, the WESM is now ready to conduct limited Live Dispatch Operations to test the implementation of the Security-Constrained Dispatch Schedule (SCED) produced by the market dispatch optimization model in the Market Management System (MMS);

WHEREAS, for the effective undertaking of this final phase of the TOP for Luzon and to assist the Philippine Electricity Market Corporation (PEMC), currently chaired by the DOE, in putting in place all the necessary components for the successful implementation of the WESM, there is a need for the active participation of the National Transmission Corporation (TransCo) as the System Operator together with other industry participants;

WHEREAS, in order to meet the target date of WESM's commercial operations in January 2006 and in accordance with the schedule approved by the PEM Board, the Live Dispatch Operations will be conducted within the period of 15 November to 15 December 2005, with actual schedules to be provided by PEMC to all industry participants from time to time;

NOW, THEREFORE, premises considered, the DOE hereby calls on all industry participants, especially the TOP participants, to actively participate in the WESM's Live Dispatch Operations and cooperate with the PEMC on the implementation and dispatch schedule, parameters and terms, with the end in view of bringing about WESM commercial operations in Luzon in January 2006.

This Department Circular shall take effect immediately and shall remain in effect until otherwise revoked.

Fort Bonifacio, Taguig, Metro Manila, Il November 2000

RAPHAEL P. M. LOTILLA

Secretary