



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

**DEPARTMENT CIRCULAR NO. DC2014-05-0010**

**AMENDING THE INTERIM MINDANAO ELECTRICITY MARKET RULES AND  
PROVIDING FOR TRANSITORY ARRANGEMENTS**

**WHEREAS**, Section 2 (b) of Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001" (EPIRA) states the declared policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power;

**WHEREAS**, Republic Act No. 7638 or the "Department of Energy Act of 1992", as amended by Section 7 of the EPIRA, authorized the Department of Energy (DOE) to exercise supervision and control over all government activities relative to energy projects and to formulate rules and regulations necessary to implement the objectives of these laws;

**WHEREAS**, on 24 May 2013 and 17 September 2013, the DOE issued Department Circular Nos. DC 20013-05-0008 and DC 2013-09-0020, respectively, for the Interim Mindanao Electricity Market (IMEM) after the conduct of public consultations and Information, Education and Communication (IEC) campaigns to address the power supply situation in Mindanao;

**WHEREAS**, on August 2013, the Energy Regulatory Commission (ERC) issued an Order granting the provisional authority for the IMEM price determination methodology;

**WHEREAS**, trial operations were held from 26 August 2013 until 25 September 2013 to familiarize the market participants with the processes under the IMEM Rules;

**WHEREAS**, after a preliminary determination of participant readiness, the DOE issued Department Circular No. DC2013-09-0023 declaring the launch of initial operations on 26 September 2013 and full commercial operations on 03 December 2013 to allow the market participants additional time to familiarize themselves with the processes under the IMEM;

**WHEREAS**, for the first billing period covering 03 December to 25 December 2013, several issues and operational concerns were experienced that prompted the DOE to initiate the conduct of series of reconciliation consultations of the First IMEM Billing between and among the IMEM Participants, and thereafter undertook studies of the concerns and recommendations to improve the implementation of IMEM;

**WHEREAS**, in view of the initial market results, the IMEM Governance Committee (IGC) endorsed to the DOE that a transition period be provided, to enable the IMEM trading participants be fully acquainted with their obligations under the IMEM Rules and to consider relaxation of existing policies to ensure a smooth and successful implementation of the IMEM;

**WHEREAS**, as a result of the reconciliation and consultations with the IMEM Participants, the DOE in consultations with PEMC, deemed it necessary to amend certain provisions of the IMEM Rules, and to introduce Demand-Side Bidding and as

such provide the IMEM Participants with additional time to adjust their respective systems and processes on the IMEM Rules;

**NOW, THEREFORE**, premises considered, the DOE declares as follows:

**Section 1. IMEM Commercial Operations Transition Period.** A transition period is hereby declared for the implementation of the IMEM commencing 03 December 2013 until 25 June 2014 unless sooner revoked by the DOE: *Provided*, That during the transition period, the IMEM Operator shall be guided by the following:

**Section 1.1.** The application of settlement amounts as provided in Clauses 5.4.1.2 (b), 5.4.1.2 (c), 5.4.1.2 (d), 5.4.1.4 (a) and 5.4.1.5 of the IMEM Rules, as well as financial penalties as a consequence of breach of the IMEM Rules and Manuals shall be suspended to avoid financial impact to participants while familiarizing themselves with the IMEM trading process.

**Section 1.2.** The Timetable for Settlement and Billing as provided in Section 5.1.2 of the IMEM Rules shall be relaxed to ensure the calculation of correct settlement amounts in view of the need for familiarizing the IMEM trading participants with the IMEM trading and settlement processes.

When the circumstances warrant, the transition period for the application of Section 1.1 of this Circular may be extended by the DOE until one (1) year from the commencement of the IMEM.

**Section 2. Incorporation of the Demand-Side Bidding in the IMEM.** To afford the IMEM customers greater participation in the IMEM, demand-side bidding is hereby incorporated in the IMEM and shall be implemented as part of the price discovery process. Details of the Demand-Side Bidding are provided for in Annex "A" hereof.

For this purpose, PEMC is hereby directed, as may be necessary, to file with the Energy Regulatory Commission (ERC) an amendment to the IMEM Price Determination Methodology (PDM) to incorporate demand-side bidding.

PEMC is likewise directed to conduct the trial operation of the demand-side bidding pending the approval of the ERC.

**Section 3. Other Provisions.** Recognizing the need for a seamless implementation of IMEM and the role that Power Sector Assets and Liabilities Management Corporation (PSALM) capacity plays, the following amendments to the IMEM Rules detailed in Annex "B" are hereby made:

**Section 3.1. Treatment of PSALM Capacity.** All available capacity of PSALM shall be dispatched in-day without incurring charges under the IMEM Rules for the deviations. In situations of reduced production by PSALM in-day, affected customers which used resources from IMEM shall be responsible for the full compensation of re-dispatched resources required to meet their actual energy requirements. Otherwise, customers may choose to maintain their reduced contract allocation from PSALM or source from other bilateral contracts.

**Section 3.2. Real-time Monitoring by the Mindanao System Operator.** The Mindanao System Operator (MSO) will coordinate with the IMEM Customers in

situations when additional IMEM resources are needed to maintain real-time system energy balance.

MSO shall likewise provide real-time loading on the feeders to enable customers to monitor their load. In case the customer opts not to get energy from the IMEM, the customers are expected to be responsible for managing their actual energy requirements.

**Section 3.3. Recognition of Contract Provisions.** The IMEM Rules shall be further harmonized with the existing power contracts in the Mindanao Grid through the implementation of the following amendments:

**Section 3.3.1. Re-Nomination of Contracts.** IMEM Trading Participants may adjust their contract nominations up to one (1) hour before the start of the delivery interval. The IMEM Operator shall take account of the re-nomination of contracts in its calculation of the variations of the IMEM Trading Participants for the purpose of settlement.

**Section 3.3.2. Procedures during Shortage in Supply.** The IMEM Operator shall perform calculation of Load-to-Maintain levels of all customers based on the power supply contracts they entered into to serve as basis of actual dispatch during supply shortage situations. IMEM Resources are required to submit to the IMEM Operator the supply contract level for each of its customer as an additional registration requirement.

**Section 3.4. Deviations of Intermittent Generators.** In addition to the option of contract re-nomination to reflect in-day adjustments as stated in Section 3.3.1, IMEM Generators with intermittent energy resources shall not incur charges for any deviations of their generating units from their schedule.

**Section 3.5. Technical Constraints.** The IMEM Operator shall consider additional constraints in its scheduling and settlement processes to reflect the technical characteristics of the facilities in the Mindanao Grid. The technical characteristics shall include, but not limited to, the minimum stable loading and ramping capabilities of the IMEM Generators.

**Section 3.6. Publication of Resource Outages.** The Mindanao System Operator shall publish forced and planned outages of generating plants in the Mindanao Grid on a daily basis. The planned outages included in the publication shall be those whose start is scheduled within seven (7) days from the publication of the outage report.

**Section 4. Assessment of the Transition Period and the Amendments.** The IMEM Operator shall submit to the DOE an assessment report on the impact and results of the provisions in this Department Circular one (1) month before the end of the Transition Period.

**Section 5. Repealing Clause.** All rules and issuances inconsistent herewith or contrary to the provisions of this Circular are deemed amended, modified or repealed accordingly.

**Section 6. Effectivity.** This Circular shall take effect immediately after publication.

Done this 6<sup>th</sup> day of MAY at Taguig City, Metro Manila, Philippines.

  
**CARLOS JERICO L. PETILLA**  
Secretary



Republic of the Philippines  
DEPARTMENT OF ENERGY

IN REPLYING PLS CITE:

SOE-JLP-14002975



## Annex “A”

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 2.3.3.3	[New Provision]	<u>By default, the <i>Bid Type</i> of all <i>IMEM Customers</i> is <i>Standard Bid Type</i>. However, the <i>IMEM Operator</i> shall assign, upon provision of proof, the <i>Bid Type</i> of an <i>IMEM Customer</i> whose operations require the scheduling of its full <i>Demand Capacity</i> to an <i>All-or-Nothing Bid Type</i> for use in the process described in Section 3.3.</u>
Clause 3.1.2.9	Each day by 1300H, each <i>IMEM Customer</i> shall submit to the <i>Mindanao System Operator</i> and to the <i>IMEM Operator</i> their <i>Week-Ahead Customer IMEM Demand</i> .	[Deleted]
Clause 3.1.2.11	Each day by 1500H, the <i>IMEM Operator</i> shall prepare and publish the <i>Week-Ahead IMEM Demand Report</i> .	<u>Each day by 1500H, the <i>IMEM Operator</i> shall cease receiving <i>IMEM Demand Bids</i> from <i>IMEM Customers</i> for each <i>IMEM Interval</i> in the following day.</u>
Clause 3.1.2.14	Each day by 1600H, the <i>IMEM Operator</i> shall transmit the <i>IMEM Merit Order Table</i> and <i>IMEM Day-Ahead Schedule</i> of all <i>IMEM Resources</i> for each <i>IMEM Interval</i> to the <i>Mindanao System Operator</i> in the following day.	<u>Each day by 1600H, the <i>IMEM Operator</i> shall transmit the <i>IMEM Merit Order Table</i> and <i>IMEM Day-Ahead Schedule</i> of all <i>IMEM Resources</i> and <i>IMEM Day-Ahead Load Schedule</i> of all <i>IMEM Customers</i> for each <i>IMEM Interval</i> to the <i>Mindanao System Operator</i> in the following day.</u>
Clause 3.1.2.15	Each day by 1600H, the <i>IMEM Operator</i> shall transmit to each <i>IMEM Resource</i> its	<u>Each day by 1600H, the <i>IMEM Operator</i> shall transmit to each <i>IMEM Resource</i> its <i>Day-Ahead Schedule</i> and to</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
	<i>Day-Ahead Schedule</i> for each <i>IMEM Interval</i> in the following day.	<u>each IMEM Customer its Day-Ahead Load Schedule</u> for each <i>IMEM Interval</i> in the following day.
Clause 3.1.2.17	The <i>Mindanao System Operator</i> may issue <i>In-Day Dispatch Instructions</i> to <i>IMEM Resources</i> in accordance with Section 3.5.1.	[Moved to Clause 3.1.3.8]
Clause 3.1.2.18	The <i>IMEM Operator</i> shall publish the <i>Day-Ahead Schedules</i> and <i>Day-Ahead IMEM Schedules</i> for each <i>IMEM Trading Interval</i> in the <i>Market Information Website</i> two (2) <i>Business Days</i> after the publication of the <i>IMEM Day-Ahead Price</i> .	The <i>IMEM Operator</i> shall publish the <i>Day-Ahead Schedules</i> and <i>Day-Ahead <u>Load Schedules</u></i> for each <i>IMEM Trading Interval</i> in the <i>Market Information Website</i> two (2) <i>Business Days</i> after the publication of the <i>IMEM Day-Ahead Price</i> .
Section 3.2.7	The <i>Week-Ahead Customer IMEM Demand</i>	[Deleted]
Clause 3.2.8.2	The <i>Expected Demand</i> for an <i>IMEM Load Curtailment Resource</i> which is also an <i>IMEM Customer</i> , or <i>Grid IMEM Load Curtailment Resource</i> , is the total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Customer</i> plus its <i>Customer IMEM Demand</i> .	The <i>Expected Demand</i> for an <i>IMEM Load Curtailment Resource</i> which is also an <i>IMEM Customer</i> , or <i>Grid IMEM Load Curtailment Resource</i> , is the total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Customer</i> plus its <u><i>IMEM Hour-Ahead Load Schedule</i></u> .
Section 3.2.9	The <i>Week-Ahead IMEM Demand Report</i>	[Deleted]
Section 3.3	<i>Submission and Validation of IMEM Offers</i>	<i>Submission and Validation of IMEM Offers</i> <u>and <i>IMEM Demand Bids</i></u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Section 3.3.5	[New Section]	Form of Demand Bids
Clause 3.3.5.1	[New Provision]	<u>A valid IMEM Demand Bid for an IMEM Customer in an IMEM Interval shall consist of the following information:</u> <u>(a) The Bid Type;</u> <u>(b) The Bid Capacity; and</u> <u>(c) The Bid Price.</u>
Clause 3.3.5.2	[New Provision]	<u>An IMEM Demand Bid with an All-Or-Nothing Bid Type, assigned to the IMEM Customer in accordance with Clause 2.3.2.6, will be scheduled in full or not at all.</u>
Clause 3.3.5.3	[New Provision]	<u>The Bid Capacity shall be a single megawatt amount, not split out into blocks and shall be in megawatts (MW) expressed to a precision of one decimal place (0.1MW, or 100kW).</u>
Clause 3.3.5.4	[New Provision]	<u>The Bid Price shall be in Philippine Pesos per megawatt-hour (PhP/MWh) and shall be made in whole Philippine Pesos per megawatt-hour.</u>
Clause 3.3.5.5	[New Provision]	<u>By default, the IMEM Demand Bid of an IMEM Customer for an IMEM Interval is zero (0) MW at zero (0) Philippine Pesos per megawatt-hour.</u>
Section 3.3.6	[New Section]	Submission of Demand Bids
Clause 3.3.6.1	[New Provision]	<u>When submitting an IMEM Demand Bid for a specified IMEM Interval, the IMEM Customer shall provide to the IMEM Operator the information required under Section 3.3.5 in accordance with the electronic communication procedures in Section 6.1.2.</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.3.6.2	[New Provision]	<u>An IMEM Demand Bid for an IMEM Interval submitted after the deadline of submission of IMEM Demand Bids for that IMEM Interval specified in Clauses 3.1.2.11 and 3.1.3.2 will be rejected by the IMEM Operator and the latest valid IMEM Demand Bid shall apply.</u>
Clause 3.3.6.3	[New Provision]	<u>The IMEM Operator shall, upon receipt of a valid IMEM Demand Bid from an IMEM Customer, issue an electronic confirmation of receipt immediately.</u>
Clause 3.3.6.4	[New Provision]	<u>If an IMEM Customer does not receive confirmation of receipt under Clause 3.3.6.3 from the IMEM Operator within a period of thirty (30) minutes, the IMEM Customer shall contact the IMEM Operator to determine whether or not the IMEM Demand Bid was received.</u>
Section 3.3.7	[New Section]	<u>Validation of Demand Bids</u>
Clause 3.3.7.1	[New Provision]	<u>To be valid, IMEM Demand Bids shall be submitted by the relevant IMEM Customer.</u> <u>(a) Prior to any relevant deadline; and</u> <u>(b) Inclusive of the information specified in, and consistent with the requirements of, Section 3.3.5.</u>
Clause 3.3.7.2	[New Provision]	<u>The IMEM Operator, upon receipt of a valid IMEM Demand Bid from an IMEM Customer, shall verify whether the IMEM Demand Bid is valid in accordance with Clause 3.3.7.1 and shall issue an electronic notification to the IMEM Customer indicating its validity within a period of thirty (30) minutes.</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.3.7.3	[New Provision]	<u>The IMEM Operator shall, if an IMEM Demand Bid is determined not to be valid, include in the electronic notification sent under Clause 3.3.7.2 the reason or reasons that the IMEM Demand Bid is not valid so that the IMEM Customer may correct and resubmit the IMEM Demand Bid.</u>
Section 3.4.1	Day-Ahead IMEM Schedules	<u>IMEM Schedules and IMEM Load Schedules</u>
Clause 3.4.1.1	The IMEM Operator shall determine the <i>Day-Ahead IMEM Schedule</i> of each IMEM Resource in accordance with the <i>IMEM Schedule Optimization Model</i> generally described in Section 3.4.3 and in detail in the <i>IMEM Price Determination Methodology</i> approved by the ERC.	The IMEM Operator shall determine the <i>IMEM Schedule</i> of each IMEM Resource and <u><i>IMEM Load Schedule</i></u> of each IMEM Customer in accordance with the <i>IMEM Schedule Optimization Model</i> generally described in Section 3.4.3 and in detail in the <i>IMEM Price Determination Methodology</i> approved by the ERC.
Clause 3.4.1.2	If there is insufficient capacity across all <i>IMEM Offers</i> to meet the <i>IMEM Demand</i> , the IMEM Operator shall fully schedule all <i>IMEM Offers</i> and declare an <i>Insufficient Supply Condition</i> in accordance with Section 3.6.1.	[Deleted]
Clause 3.4.2.4	[New Provision]	<u>The <i>Day-Ahead Load Schedule</i> or <i>Hour-Ahead Load Schedule</i> of an IMEM Customer in an IMEM Interval shall be its <i>Day-Ahead IMEM Load Schedule</i> or <i>Hour-Ahead IMEM Load Schedule</i>, respectively, determined in accordance with Section 3.4.1 plus its most recent total <i>Ex-Ante Contract Allocation</i> for that IMEM Interval during the determination of the <i>Load Schedules</i>.</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.4.3.1	The <i>IMEM Schedule Optimization Model</i> determines the <i>Day-Ahead IMEM Schedule</i> of each <i>IMEM Resource</i> for an <i>IMEM Interval</i> .	The <i>IMEM Schedule Optimization Model</i> determines the <i>IMEM Schedule</i> of each <i>IMEM Resource</i> and the <i>IMEM Load Schedule</i> of each <i>IMEM Customer</i> for an <i>IMEM Interval</i> .
Clause 3.4.3.2	The objective of the <i>IMEM Schedule Optimization Model</i> shall be to minimize the total cost of purchasing energy from <i>IMEM Offers</i> in order to meet the <i>IMEM Demand</i> .	The objective of the <i>IMEM Schedule Optimization Model</i> shall be to minimize the total cost of purchasing energy from <i>IMEM Offers</i> <u>with consideration of the <i>IMEM Demand Bids</i></u> .
Clause 3.4.3.3	In formulating the <i>IMEM Schedule Optimization Model</i> , the <i>IMEM Operator</i> shall ensure that the determination of the <i>Day-Ahead IMEM Schedule</i> of <i>IMEM Resources</i> is made subject to: (a) Constraints representing the <i>Offered Capacities</i> of <i>IMEM Resources</i> ; (b) Constraints representing the <i>Offer Type</i> of <i>IMEM Resources</i> ; and (c) An energy balance equation ensuring that the <i>IMEM Demand</i> will be met.	In formulating the <i>IMEM Schedule Optimization Model</i> , the <i>IMEM Operator</i> shall ensure that the determination of the <i>IMEM Schedule</i> of <i>IMEM Resources</i> and <i>IMEM Load Schedule</i> of <i>IMEM Customers</i> is made subject to: (a) Constraints representing the <i>Offered Capacities</i> of <i>IMEM Resources</i> ; (b) Constraints representing the <i>Offer Type</i> of <i>IMEM Resources</i> ; (c) An energy balance equation; (d) <u>Constraints representing the <i>Demand Capacities</i> of <i>IMEM Customers</i>; and</u> (e) <u>Constraints representing the <i>Bid Type</i> of <i>IMEM Customers</i>.</u>
Clause 3.4.3.5	[New Provision]	In the case of <i>IMEM Demand Bids</i> with equal <i>Bid Prices</i> , the <i>IMEM Demand Bids</i> shall be scheduled based on a <i>Random Daily Priority</i> , which is generated and assigned to all <i>IMEM Customers</i> on a daily basis.

<i>IMEM RULES REFERENCE</i>	<i>ORIGINAL PROVISION</i>	<i>REVISED PROVISION</i>
Section 3.6	IMEM Trading Intervals with Insufficient Supply	[Deleted]

## Annex “B”

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 2.3.2.6	[New Provision]	<u>IMEM Resources with intermittent energy source that are certified by the DOE shall be exempted from payments to the IMEM.</u>
Section 3.1.2	Timetable for Operation of the IMEM	<u>Day-Ahead</u> Timetable for Operation of the IMEM
Section 3.1.3	[New Section]	<u>In-Day</u> Timetable for Operation of the IMEM
Clause 3.1.3.1	[New Provision]	<u>Up to one (1) hour prior to the start of an IMEM Interval, an IMEM Generator may submit to the IMEM Operator updates to its Ex-Ante Contract Allocations for that IMEM Interval. If an IMEM Generator submit updates to its Ex-Ante Contract Allocations, it shall also submit its total Ex-Ante Contract Allocation for that IMEM Interval.</u>
Clause 3.1.3.2	[New Provision]	<u>Up to one (1) hour prior to the start of an IMEM Interval, an IMEM Customer may submit to the IMEM Operator updates to the Demand Capacity of its IMEM Demand Bid for that IMEM Interval.</u>
Clause 3.1.3.3	[New Provision]	<u>Up to five (5) minutes prior to the start of an IMEM Interval, the IMEM Operator shall publish the IMEM</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
		<u>Hour-Ahead Price for that IMEM Interval in the Market Information Website.</u>
Clause 3.1.3.4	[New Provision]	<u>Up to five (5) minutes prior to the start of an IMEM Interval, the IMEM Operator shall transmit the Hour-Ahead IMEM Merit Order Table, IMEM Hour-Ahead Schedule of all IMEM Resources, and IMEM Hour-Ahead Load Schedule of all IMEM Customers for that IMEM Interval to the Mindanao System Operator.</u>
Clause 3.1.3.5	[New Provision]	<u>Up to five (5) minutes prior to the start of an IMEM Interval, the IMEM Operator shall transmit to each IMEM Resource its Hour-Ahead Schedule and each IMEM Customer its Hour-Ahead Load Schedule for that IMEM Interval.</u>
Clause 3.1.3.6	[New Provision]	<u>Up to five (5) minutes prior to the start of an IMEM Interval, the IMEM Operator shall transmit to each Mindanao Distribution Utility that has IMEM Resources directly connected to its Mindanao Distribution System the Hour-Ahead Schedules of those IMEM Resources.</u>
Clause 3.1.3.7	[New Provision]	<u>The IMEM Operator shall publish the Hour-Ahead Schedules and Hour-Ahead Load Schedules for each IMEM Interval in the Market Information Website at the end of each day.</u>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.1.3.8	[New Provision]	<u>The Mindanao System Operator may issue In-Day Dispatch Instructions to IMEM Resources in accordance with Section 3.5.1.</u>
Clause 3.2.5.7	[New Provision]	<u>At all times, the valid Ex-Ante Contract Allocations of an IMEM Generator for an IMEM Interval shall be the Ex-Ante Contract Allocations that were most recently submitted to the IMEM Operator.</u>
Clause 3.2.6.8	At all times, the valid <i>Ex-Ante Contract Allocations</i> for an <i>IMEM Interval</i> shall be that in the most recently submitted <i>Week-Ahead Contract Allocations Report</i> that include that <i>IMEM Interval</i> .	[Deleted]
Section 3.4.2	Day-Ahead Schedules	Day-Ahead <u>and Hour-Ahead</u> Schedules
Clause 3.4.2.1	For each <i>IMEM Interval</i> , the <i>IMEM Operator</i> shall determine the <i>Day-Ahead Schedule</i> of all <i>IMEM Resources</i> at the end of that <i>IMEM Interval</i> .	For each <i>IMEM Interval</i> , the <i>IMEM Operator</i> shall determine the <i>Day-Ahead Schedule</i> and <i>Hour-Ahead Schedule</i> of all <i>IMEM Resources</i> , and the <i>Day-Ahead Load Schedule</i> and <i>Hour-Ahead Load Schedule</i> of all <i>IMEM Customers</i> at the end of that <i>IMEM Interval</i> .
Clause 3.4.2.2	The <i>Day-Ahead Schedule</i> of an <i>IMEM Generator</i> in an <i>IMEM Interval</i> shall be its <i>Day-Ahead IMEM Schedule</i> determined in accordance with Section 3.4.1 plus its total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Interval</i> .	The <i>Day-Ahead Schedule</i> or <i>Hour-Ahead Schedule</i> of an <i>IMEM Generator</i> in an <i>IMEM Interval</i> shall be its <i>Day-Ahead IMEM Schedule</i> or <i>Hour-Ahead IMEM Schedule</i> , respectively, determined in accordance with Section 3.4.1 plus its <u>most recent</u> total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Interval</i> <u>during the determination of the Schedules</u> .

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.4.2.3	The <i>Day-Ahead Schedule</i> of an <i>IMEM Load Curtailment Resource</i> in an <i>IMEM Interval</i> shall be equal to its <i>Day-Ahead IMEM Schedule</i> determined in accordance with Section 3.4.1 for that <i>IMEM Interval</i> .	The <i>Day-Ahead Schedule</i> or <i>Hour-Ahead Schedule</i> of an <i>IMEM Load Curtailment Resource</i> in an <i>IMEM Interval</i> shall be equal to its <i>Day-Ahead IMEM Schedule</i> or <i>Hour-Ahead IMEM Schedule</i> , <u>respectively</u> , determined in accordance with Section 3.4.1 for that <i>IMEM Interval</i> .
Section 3.4.4	IMEM Day-Ahead Price	IMEM Price
Clause 3.4.4.1	The <i>IMEM Day-Ahead Price</i> for an <i>IMEM Trading Interval</i> shall correspond to the highest <i>Offer Price</i> fully or partially scheduled by the <i>IMEM Schedule Optimization Model</i> for that <i>IMEM Trading Interval</i> .	The <i>IMEM Price</i> for an <i>IMEM Trading Interval</i> shall correspond to the highest <i>Offer Price</i> fully or partially scheduled by the <i>IMEM Schedule Optimization Model</i> for that <i>IMEM Trading Interval</i> .
Clause 3.4.4.2	The <i>IMEM Day-Ahead Price</i> is the price that applies to the settlement of <i>IMEM Resources</i> in accordance with Chapter 5 of these <i>IMEM Rules</i> .	The <i>IMEM Hour-Ahead Price</i> of an <i>IMEM Trading Interval</i> , which is the <i>IMEM Price</i> published in accordance with Clause 3.1.3.3, is the price that applies to the settlement of <i>IMEM Resources</i> for that <i>IMEM Trading Interval</i> in accordance with Chapter 5 of these <i>IMEM Rules</i> .
Clause 3.4.5.6	[New Provision]	For each <i>IMEM Interval</i> , the <i>IMEM Operator</i> shall construct the <i>Hour-Ahead IMEM Merit Order Table</i> . The <i>Hour-Ahead IMEM Merit Order</i> shall be prepared using the same guidelines for preparing an <i>IMEM Merit Order Table</i> in this Section 3.4.5 but using the most recent <i>IMEM Offers</i> and <i>Ex-Ante Contract Allocations</i> at the time of its publication required under in Clause 3.1.3.4.

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Section 3.4.6	Implementation of the Day-Ahead Schedules	Implementation of the <u>Hour-Ahead Schedules</u>
Clause 3.4.6.1	Each day, all <i>IMEM Resources</i> shall review their <i>Day-Ahead Schedule</i> determined by the <i>IMEM Operator</i> for the following day.	Each <i>IMEM Interval</i> , all <i>IMEM Resources</i> and <i>IMEM Customers</i> shall review their <i>Hour-Ahead Schedule</i> and <i>Hour-Ahead Load Schedule</i> , respectively, determined by the <i>IMEM Operator</i> for the following <i>IMEM Interval</i> .
Clause 3.4.6.2	If an <i>IMEM Resource</i> has a non-zero <i>Day-Ahead Schedule</i> for any <i>IMEM Interval</i> in the following day, it shall take all necessary actions to prepare for meeting its <i>Day-Ahead Schedule</i> in each <i>IMEM Interval</i> .	Each <i>IMEM Resource</i> and <i>IMEM Customer</i> shall take all necessary actions to prepare for meeting its <i>Hour-Ahead Schedule</i> for the following <i>IMEM Interval</i> .
Clause 3.4.6.3	In each <i>IMEM Interval</i> that an <i>IMEM Resource</i> has a non-zero <i>Day-Ahead Schedule</i> , it shall use reasonable endeavours to achieve a linear ramp rate over the <i>IMEM Interval</i> to reach its <i>Day-Ahead Schedule</i> at the end of the <i>IMEM Interval</i> .	In each <i>IMEM Interval</i> , <u>each</u> <i>IMEM Resource</i> and <i>IMEM Customer</i> shall use reasonable endeavours to achieve a linear ramp rate over the <i>IMEM Interval</i> to reach its <i>Hour-Ahead Schedule</i> or <i>Hour-Ahead Load Schedule</i> , respectively, at the end of the <i>IMEM Interval</i> .
Clause 3.4.6.4	If an <i>IMEM Resource</i> is not technically capable of maintaining a linear ramp rate over the <i>IMEM Trading Interval</i> , it shall endeavour to inject or withdraw a quantity of energy consistent with the quantity that would have been injected or withdrawn if a linear ramp rate had been maintained.	If an <i>IMEM Resource</i> or an <i>IMEM Customer</i> is not technically capable of maintaining a linear ramp rate over the <i>IMEM Trading Interval</i> , it shall endeavour to inject or withdraw a quantity of energy consistent with the quantity that would have been injected or withdrawn if a linear ramp rate had been maintained.

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
Clause 3.4.6.5	If for any reason an <i>IMEM Resource</i> foresees that it will not be able to meet its <i>Day-Ahead Schedule</i> by the end of an <i>IMEM Interval</i> , it shall inform the <i>Mindanao System Operator</i> immediately.	If for any reason an <i>IMEM Resource or IMEM Customer</i> foresees that it will not be able to meet its <u><i>Hour-Ahead Schedule or Hour-Ahead Load Schedule</i></u> by the end of an <i>IMEM Interval</i> , it shall inform the <i>Mindanao System Operator</i> immediately.
Clause 3.5.1.2	In issuing <i>In-Day Dispatch Instructions</i> , the <i>Mindanao System Operator</i> shall follow the <i>IMEM Merit Order Table</i> received from the <i>IMEM Operator</i> while taking into account the <i>Offer Type</i> and ability to provide in-day dispatch of the facilities established in accordance with Clauses 2.3.2.4 and 2.3.2.5, respectively.	In issuing <i>In-Day Dispatch Instructions</i> , the <i>Mindanao System Operator</i> shall follow the <u><i>Hour-Ahead IMEM Merit Order Table</i></u> received from the <i>IMEM Operator</i> while taking into account the <i>Offer Type</i> and ability to provide in-day dispatch of the facilities established in accordance with Clauses 2.3.2.4 and 2.3.2.5, respectively.
Clause 3.5.1.6	<i>In-Day Dispatch Instructions</i> may be issued for any <i>IMEM Interval</i> for which the <i>Mindanao System Operator</i> has received an <i>IMEM Merit Order Table</i> , including <i>IMEM Intervals</i> that are not <i>IMEM Trading Intervals</i> and so do not have an <i>IMEM Demand</i> .	<i>In-Day Dispatch Instructions</i> may be issued for any <i>IMEM Interval</i> for which the <i>Mindanao System Operator</i> has received an <i>IMEM Merit Order Table</i> , including <i>IMEM Intervals</i> that are not <i>IMEM Trading Intervals</i> .
Clause 5.2.3.1	The <i>IMEM Operator</i> shall determine the <i>Scheduled Quantity</i> for each <i>IMEM Resource</i> as the average of its <i>Day-Ahead Schedules</i> at the beginning and end of the relevant <i>IMEM Trading Interval</i> .	The <i>IMEM Operator</i> shall determine the <i>Scheduled Quantity</i> for each <i>IMEM Resource</i> as the average of its <u><i>Hour-Ahead Schedules</i></u> at the beginning and end of the relevant <i>IMEM Trading Interval</i> .
Clause 5.2.3.2	The <i>IMEM Operator</i> shall determine the <i>Dispatched Quantity</i> for each <i>IMEM</i>	The <i>IMEM Operator</i> shall determine the <i>Dispatched Quantity</i> for each <i>IMEM Resource</i> as the average of

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
	<i>Resource</i> as the average of the most recent <i>Day-Ahead Schedules</i> or <i>Dispatch Targets</i> , whichever is applicable, applying to that <i>IMEM Resource</i> at the beginning and end of the <i>IMEM Trading Interval</i> .	the most recent <i>Hour-Ahead Schedules</i> or <i>Dispatch Targets</i> , whichever is applicable, applying to that <i>IMEM Resource</i> at the beginning and end of the <i>IMEM Trading Interval</i> .
Clause 5.2.3.3	For the purposes of calculating the <i>Scheduled Quantity</i> or <i>Dispatched Quantity</i> under this Section 5.2.3, if the previous <i>IMEM Interval</i> was not an <i>IMEM Trading Interval</i> then the <i>Day-Ahead Schedule</i> at the beginning of the <i>IMEM Trading Interval</i> shall be taken as:	For the purposes of calculating the <i>Scheduled Quantity</i> or <i>Dispatched Quantity</i> under this Section 5.2.3, if the previous <i>IMEM Interval</i> was not an <i>IMEM Trading Interval</i> then the <i>Hour-Ahead Schedule</i> at the beginning of the <i>IMEM Trading Interval</i> shall be taken as:
Clause 5.2.4.1	Subject to Clause 5.2.4.2, the <i>Expected Demand</i> of an <i>IMEM Customer</i> is the total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Customer</i> plus its <i>Customer IMEM Demand</i> .	Subject to Clause 5.2.4.2, the <i>Expected Demand</i> of an <i>IMEM Customer</i> is the <u>most recent</u> total <i>Ex-Ante Contract Allocation</i> for that <i>IMEM Customer</i> plus its <u><i>Hour-Ahead IMEM Load Schedule</i></u> .
Clause 5.2.4.2	In any <i>IMEM Trading Interval</i> for which an <i>Insufficient Supply Condition</i> has been declared, the <i>Expected Demand</i> for an <i>IMEM Customer</i> is the <i>Load-to-Maintain</i> for that <i>IMEM Customer</i> determined in accordance with Section 3.6.2.	[Deleted]
Clause 5.2.6.2	The <i>IMEM Adjusted Metered Quantity</i> of an <i>IMEM Customer</i> is determined as its <i>Metered Quantity</i> less:	The <i>IMEM Adjusted Metered Quantity</i> of an <i>IMEM Customer</i> is determined as its <i>Metered Quantity</i> less:

IMEM RULES REFERENCE	ORIGINAL PROVISION	REVISED PROVISION
	<p>(a) The <i>Metered Quantities</i> of all <i>IMEM Embedded Generators</i> for which the <i>IMEM Customer</i> is the <i>IMEM Network Service Provider</i>, and</p> <p>(b) The differences between the <i>Metered Quantity</i> and the <i>Expected Demand Quantity</i> of all <i>IMEM Load Curtailment Resources</i> which have <i>Day-Ahead Schedules</i> or <i>In-Day Dispatch Instructions</i> in that <i>IMEM Trading Interval</i> and for which the <i>IMEM Customer</i> is the <i>IMEM Network Service Provider</i>.</p>	<p>(a) The <i>Metered Quantities</i> of all <i>IMEM Embedded Generators</i> for which the <i>IMEM Customer</i> is the <i>IMEM Network Service Provider</i>, and</p> <p>(b) The differences between the <i>Metered Quantity</i> and the <i>Expected Demand Quantity</i> of all <i>IMEM Load Curtailment Resources</i> which have <i>Hour-Ahead Schedules</i> or <i>In-Day Dispatch Instructions</i> in that <i>IMEM Trading Interval</i> and for which the <i>IMEM Customer</i> is the <i>IMEM Network Service Provider</i>.</p>
Clause 5.2.8.3	<p>For a <i>Grid IMEM Load Curtailment Resource</i> that does not have a <i>Day-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for the relevant <i>IMEM Trading Interval</i>, its <i>IMEM Trading Quantity</i> shall be determined in accordance with Section 5.2.6. For clarity, the <i>IMEM Trading Participant</i> shall not be treated as an <i>IMEM Load Curtailment Resource</i> but as an <i>IMEM Customer</i> for that <i>IMEM Trading Interval</i> in the absence of a <i>Day-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i>.</p>	<p>For a <i>Grid IMEM Load Curtailment Resource</i> that does not have an <i>Hour-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for the relevant <i>IMEM Trading Interval</i>, its <i>IMEM Trading Quantity</i> shall be determined in accordance with Section 5.2.6. For clarity, the <i>IMEM Trading Participant</i> shall not be treated as an <i>IMEM Load Curtailment Resource</i> but as an <i>IMEM Customer</i> for that <i>IMEM Trading Interval</i> in the absence of an <i>Hour-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i>.</p>
Clause 5.2.8.4	<p>For an <i>IMEM Load Curtailment Resource</i> which is not also an <i>IMEM Customer</i>, or</p>	<p>For an <i>IMEM Load Curtailment Resource</i> which is not also an <i>IMEM Customer</i>, or <i>Embedded IMEM Load</i></p>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
	<i>Embedded IMEM Load Curtailment Resource, and has an Day-Ahead Schedule or an In-Day Dispatch Instruction for that IMEM Trading Interval, its IMEM Trading Quantity is determined as its Metered Quantity less its Expected Demand Quantity.</i>	<i>Curtailment Resource, and has an Hour-Ahead Schedule or an In-Day Dispatch Instruction for that IMEM Trading Interval, its IMEM Trading Quantity is determined as its Metered Quantity less its Expected Demand Quantity.</i>
Clause 5.2.8.5	For an <i>Embedded IMEM Load Curtailment Resource</i> that does not have a <i>Day-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for that <i>IMEM Trading Interval</i> , its <i>IMEM Trading Quantity</i> shall be zero.	For an <i>Embedded IMEM Load Curtailment Resource</i> that does not have an <i>Hour-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for that <i>IMEM Trading Interval</i> , its <i>IMEM Trading Quantity</i> shall be zero.
Clause 5.2.9.2	The <i>IMEM Operator</i> shall determine the <i>Upwards Resource Variation Quantity</i> or <i>Downwards Resource Variation Quantity</i> of each <i>IMEM Load Curtailment Resource</i> with a <i>Day-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> in each <i>IMEM Trading Interval</i> .	The <i>IMEM Operator</i> shall determine the <i>Upwards Resource Variation Quantity</i> or <i>Downwards Resource Variation Quantity</i> of each <i>IMEM Load Curtailment Resource</i> with an <i>Hour-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> in each <i>IMEM Trading Interval</i> .
Clause 5.2.9.3	For a <i>Grid IMEM Load Curtailment Resource</i> that does not have a <i>Day-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for the relevant <i>IMEM Trading Interval</i> , its variation quantities shall be determined in accordance with Section 5.2.7. For clarity, the <i>IMEM Trading</i>	For a <i>Grid IMEM Load Curtailment Resource</i> that does not have an <i>Hour-Ahead Schedule</i> or an <i>In-Day Dispatch Instruction</i> for the relevant <i>IMEM Trading Interval</i> , its variation quantities shall be determined in accordance with Section 5.2.7. For clarity, the <i>IMEM Trading Participant</i> shall not be treated as an <i>IMEM Load Curtailment Resource</i> but as an <i>IMEM</i>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
	<i>Participant shall not be treated as an IMEM Load Curtailment Resource but as an IMEM Customer for that IMEM Trading Interval in the absence of a Day-Ahead Schedule or an In-Day Dispatch Instruction</i>	<i>Customer for that IMEM Trading Interval in the absence of an <u>Hour-Ahead Schedule</u> or an <u>In-Day Dispatch Instruction</u></i>
Clause 5.3.1.1	The price used for settlement purposes shall be the <i>IMEM Day-Ahead Price</i> for an <i>IMEM Trading Interval</i> determined under Section 3.4.4 for that <i>IMEM Trading Interval</i> .	The price used for settlement purposes shall be the <i>IMEM <u>Hour-Ahead Price</u></i> for an <i>IMEM Trading Interval</i> determined under Section 3.4.4 for that <i>IMEM Trading Interval</i> .
Clause 5.3.2.2	The <i>IMEM Base Variation Price</i> for an <i>IMEM Trading Interval</i> shall be the <i>IMEM Day-Ahead Price</i> for that <i>IMEM Trading Interval</i> , except that if no <i>IMEM Day-Ahead Price</i> was determined in accordance with Section 3.4.4, it shall be the average <i>IMEM Day-Ahead Price</i> over all <i>IMEM Trading Intervals</i> in the thirty (30) days prior to the relevant <i>IMEM Trading Interval</i> .	The <i>IMEM Base Variation Price</i> for an <i>IMEM Trading Interval</i> shall be the <i>IMEM Hour-Ahead Price</i> for that <i>IMEM Trading Interval</i> , except that if no <i>IMEM Hour-Ahead Price</i> was determined in accordance with Section 3.4.4, it shall be the average <i>IMEM Hour-Ahead Price</i> over all <i>IMEM Trading Intervals</i> in the thirty (30) days prior to the relevant <i>IMEM Trading Interval</i> .
Clause 5.4.1.4 (b)	Its <i>Upwards Dispatch Cost Recovery Amount</i> , which shall be calculated for each <i>IMEM Resource</i> with an <i>In-Day Dispatch Instruction</i> and an <i>Offer Price</i> exceeding the <i>IMEM Day-Ahead Price</i> and is the product of its <i>Upward</i>	Its <i>Upwards Dispatch Cost Recovery Amount</i> , which shall be calculated for each <i>IMEM Resource</i> with an <i>In-Day Dispatch Instruction</i> and an <i>Offer Price</i> exceeding the <i>IMEM <u>Hour-Ahead Price</u></i> and is the product of the lesser of its <i><u>IMEM Trading Quantity</u></i> and the excess of its <i><u>Dispatched Quantity</u></i> over its <i><u>Hour-</u></i>

<b>IMEM RULES REFERENCE</b>	<b>ORIGINAL PROVISION</b>	<b>REVISED PROVISION</b>
	<i>Dispatched Quantity plus its Variation Tolerance, and the difference between its Offer Price and the IMEM Day-Ahead Price.</i>	<i>Ahead Schedule, and the difference between its Offer Price and the IMEM Hour-Ahead Price.</i>
Clause 5.4.1.7	[New Provision]	The <i>Upwards Resource Variation Penalty Amount</i> and <i>Downwards Resource Variation Penalty Amount</i> of the <i>PSALM Portfolio</i> shall always be zero (0). The <i>Upwards Resource Variation Penalty Amount</i> and <i>Downwards Resource Variation Penalty Amount</i> of an <i>IMEM Resource</i> with an intermittent energy source identified under Clause 2.3.2.6 shall also always be zero (0).
Clause 5.4.4.2 (d)	[New Provision]	Its share from the <i>Resource Dispatch Compensation Recovery Amounts</i> calculated for the <i>PSALM Portfolio</i> or <i>IMEM Resources</i> with intermittent energy sources identified under Clause 2.3.2.6.
Clause 5.4.4.3	[New Provision]	Any <i>Resource Dispatch Compensation Recovery Amount</i> calculated for the <i>PSALM Portfolio</i> for an <i>IMEM Trading Interval</i> shall be allocated to all <i>IMEM Customers</i> proportionate to their <i>IMEM Trading Quantity</i> during the same <i>IMEM Trading Interval</i> .
Clause 5.4.4.4	[New Provision]	Any <i>Resource Dispatch Compensation Recovery Amount</i> calculated for an <i>IMEM Resource</i> with intermittent energy source identified under Clause 2.3.2.6 for an <i>IMEM Trading Interval</i> shall be allocated to the <i>IMEM Customers</i> proportionate to their <i>Downwards Customer Variation Quantity</i> during the

IMEM RULES REFERENCE	ORIGINAL PROVISION	REVISED PROVISION
		<p>same <i>IMEM Trading Interval</i> except for the <i>IMEM Customer</i> who is also the <i>IMEM Network Service Provider</i> of the <i>IMEM Resource</i>. The allocator of the <i>IMEM Customer</i> who is also the <i>IMEM Network Service Provider</i> of the <i>IMEM Resource</i> shall be based on the difference between the excess of the <i>Scheduled Quantity</i> over the <i>Metered Quantity</i> of the <i>IMEM Resource</i> and the excess of its <i>Expected Demand Quantity</i> over its <i>IMEM Adjusted Metered Quantity</i>.</p>

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