



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. DC2017-04-0007

**ADOPTING THE WHOLESALE ELECTRICITY SPOT MARKET (WESM) MARKET
MANUAL ON DISPATCH PROTOCOL AND ITS FURTHER AMENDMENTS**

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 including its Market Manuals shall be undertaken in accordance with the provisions of Chapter 8 thereof;

WHEREAS, in 2015, the Market Operator, SN Aboitiz Power, Petron Corporation, and the WESM-Technical Committee submitted to the Rules Change Committee (RCC) various proposed amendments to the WESM's Dispatch Protocol Manual, which include among others, to address the audit findings that emanated from the 2nd Market Operations Audit, to revise the Dispatch Tolerance Limits for generators with low real-time dispatch schedules, to address the co-generation facilities' concerns on must offer rule, and to revise the Manual for consistency with the Philippine Grid Code;

WHEREAS, on 03 March 2016, the Market Operator submitted to the RCC the additional proposed amendments to the said Dispatch Protocol Manual for consistency with the provision of the WESM Rules on the implementation of Preferential Dispatch;

WHEREAS, 16 August 2016, the System Operator also submitted to the RCC the proposed amendments to the Dispatch Protocol Manual concerning data format;

WHEREAS, the RCC, during its monthly regular meetings, discussed and studied thoroughly the abovementioned proposed amendments to the Dispatch Protocol Manual, and approved the publication of the proposals in the WESM website to solicit comments from market participants and other interested parties;

WHEREAS, on 05 October 2016, the RCC during its 119th RCC Meeting, further deliberated on the said proposed amendments giving due course to the comments received from the stakeholders, and thereafter, approved the consolidated proposals to the Dispatch Protocol Manual for endorsement to the PEM Board;

WHEREAS, on 29 November 2016, after due evaluation and deliberation, the PEM Board during its 121st PEM Board Meeting approved for endorsement to the DOE the above stated RCC proposal to the Dispatch Protocol Manual;

WHEREAS, on 09 December 2016, the above stated PEM Board-approved amendments to the Dispatch Protocol Manual were submitted to the DOE for final approval, in compliance with Chapter 8 of the WESM Rules;

WHEREAS, the DOE reviewed the said PEM Board-approved proposal, and deems it appropriate and consistent with the WESM Rules and the objectives of the WESM; and

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

Section 1. Amendments to the Market Manual. Pursuant to DOE Circular No. DC2015-07-0013 entitled "Adopting Further Amendments to the WESM Rules (Procedure for Changes to the WESM Rules and Market Manuals)," the WESM Market Manual on "Dispatch Protocol" presented as "Annex A" to this Circular is hereby approved and adopted.

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 after fifteen (15) days following the completion of their publication either in the Official Gazette or two (2) newspapers of general circulation in the Philippines, and shall remain in effect until otherwise revoked.

Issued this ____ March 2017 at the DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila.


ALFONSO G. CUSI
Secretary



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