



ADVISORY
2024-08-001-SEC

TO : WHOLESALE ELECTRICITY SPOT MARKET (WESM)
PARTICIPANTS

INDEPENDENT ELECTRICITY MARKET OPERATOR OF THE
PHILIPPINES (IEMOP)

PHILIPPINE ELECTRICITY MARKET CORPORATION (PEMC)

NATIONAL GRID CORPORATION OF THE PHILIPPINES (NGCP)

CC : ENERGY REGULATORY COMMISSION (ERC)

FROM : SECRETARY OF ENERGY

SUBJECT : RESUMPTION OF THE FULL COMMERCIAL OPERATIONS OF
THE RESERVE MARKET (RM)

DATE : **AUG 02 2024**

On 27 March 2024, the Department of Energy (DOE), through its Advisory No. 2024-03-001-SEC, directed the reversion of the RM to Trial Operations. This was to mitigate the impact that may arise from the suspension by the ERC of the implementation of Section 8 of the Price Determination Methodology (PDM) Manual on Billing and Settlement. The suspension covered the March 2024 billing period until lifted by the ERC.

In a Notice of Resolution (NOR) dated 26 July 2024, the ERC resolved to lift the suspension of the implementation of Section 8 of the PDM Manual and extended the Interim Relief granted in its 24 August 2023 Order, subject to certain conditions including, among others, the implementation of the same time interval for the co-optimized energy and reserve market, offering of multiple reserve types, directives for the System Operator in determining the reserve requirements, and enhancing its systems and processes to comply with the conditions of the NOR, and defining further responsibilities of the Market Operator.

In view of the foregoing, the DOE hereby directs the Market Operator to resume commercial operation of the RM effective at dispatch interval 0005H of 05 August 2024 pursuant to the WESM Rules and Market Manuals and the Supplemental Operating Guidelines (SOG) for the Commercial Operations of the RM herein attached as Annex "A". The SOG shall supersede all the operating guidelines provided under DOE Advisory No. 2024-01-001-SEC and DOE Advisory No. 2024-03-001-SEC.

Upon resumption of the RM commercial operations, the Market Operator shall implement a single reserve type offer. Starting 26 September 2024, all reserve providers must submit offers for all their certified reserve types as provided in the ERC NOR.

The Governance Arm, the Market Operator and the System Operator are directed to ensure compliance with the conditions under the ERC NOR and perform all actions required to ensure the alignment of rules, systems and procedures for the successful commercial operations of the co-optimized energy and reserve market.

All Trading WESM Participants are directed to observe and comply with their responsibilities under this Advisory, the WESM Rules and Market Manuals and other relevant issuances by the DOE and the ERC.

The Governance Arm is directed to enforce the WESM Rules and Market Manuals and adhere to its responsibilities therein.

For other concerns and clarifications, kindly 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 email at pmdd.wesm@doe.gov.ph.

Please be guided accordingly. Thank you.


RAPHAEL P.M. LOTILLA
Secretary

