



DEPARTMENT CIRCULAR NO. DC2025-88-0011

ADOPTING FURTHER AMENDMENTS TO THE WHOLESALE ELECTRICITY SPOT MARKET (WESM) RULES AND VARIOUS WESM MARKET MANUALS ON THE INTERRUPTIBLE LOAD PROGRAM IMPLEMENTATION

WHEREAS, Sections 30 and 37(f) of the Electric Power Industry Reform Act (EPIRA) provide that the Department of Energy (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 (DC) 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, the Interruptible Load Program (ILP) was adopted through Energy Regulatory Commission (ERC) Resolution No. 8, Series of 2001, and amended through ERC Resolution No. 8, Series of 2013, aiming to address the imminent power shortage and augment the power supply;

WHEREAS, the ERC further issued Resolution No. 5, Series of 2015, entitled "Adopting the Amended Rules to Govern the ILP," which expanded the coverage to include, among others, Contestable Customers (CCs) through their Retail Electricity Suppliers (RES);

WHEREAS, on 01 June 2015, the DOE issued DC No. DC2015-06-0003, entitled "Providing the Interim Manner of Declaring Bilateral Contract Quantities (BCQ) in the WESM and Directing the Philippine Electricity Market Corporation (PEMC) to Establish Necessary Protocols to Complement the ILP," to provide further policies to ensure the effective participation of CCs in alleviating supply shortages, without prejudice to their existing contractual arrangements with their respective RES as a result of their participation in the ILP;

WHEREAS, in compliance with Section 3 of DOE DC No. DC2015-06-0003, PEMC published in 2015 the "Interim Protocol for the Declaration of BCQ during the Implementation of ILP" (Interim Protocol) to allow BCQ re-declaration of Generation Companies for CCs and Directly Connected Customers (DCCs) that participate in the ILP;

WHEREAS, on 17 February 2023, the Independent Electricity Market Operator of the Philippines (IEMOP) submitted its proposed amendments to the WESM Rules and various WESM Market Manuals on ILP implementation to comply with the DOE directive to conduct a review of the accuracy of Day-Ahead Projection (DAP) submitted by Generation Companies to the WESM;

WHEREAS, after due deliberations, the proposed amendments relating to ILP implementation were approved by the Rules Change Committee (RCC) and the PEM Board on 22 December 2023, and further endorsed to the DOE for final approval on 14 February 2024, in compliance with Chapter 8 of the WESM Rules;

WHEREAS, to ensure transparency and consistency with the objectives of the EPIRA and the WESM, the DOE conducted public consultations on the proposed amendments on the following dates:

Leg	Date	Venue
Mindanao	03 April 2024	Davao City
Visayas	17 April 2024	Virtual via MS Teams
Luzon	23 April 2024	Virtual via MS Teams

WHEREAS, the DOE reviewed and finalized the said PEM Board-approved proposals and made revisions thereto, taking into consideration the comments and recommendations received from stakeholders;

NOW, THEREFORE, after careful review of the PEM Board-approved proposals and the comments and recommendations received on the same, the DOE, pursuant to its authority under the EPIRA and the WESM Rules, hereby adopts, issues, and promulgates the following amendments to the WESM Rules and various WESM Market Manuals on ILP implementation:

Section 1. Amendments to the WESM Rules. The following provisions of the WESM Rules are hereby amended to read as:

a. Section 3.13.1 of the WESM Rules:

“3.13.1 Submission of Bilateral Contract Data for Energy

xxx xxx xxx

- 3.13.1.3 *Trading Participants* which deliver electricity pursuant to bilateral contracts with *Contestable Customers* and/or *Directly Connected Customers* that participate in the *Interruptible Load Program (ILP)*, and intend those *bilateral contracts* to be accounted for in the WESM settlement as *bilateral contract* quantities of the *Distribution Utility* that implemented the ILP, shall submit or re-declare the schedule of *bilateral contract* quantities of the said *Contestable Customers* or *Directly Connected Customers* in accordance with Clause 3.13.1.1 of the *WESM Rules* and the relevant provisions of the WESM Market Manual on Billing and Settlement.

xxx xxx xxx”

b. Chapter 11 of the WESM Rules:

“Chapter II

Glossary

xxx xxx xxx

Interruptible Load Program (ILP). The program set out in relevant *ERC* issuances where an *End-user*, in accordance with its protocol with its *Network Service Providers*, voluntarily agrees to either fully de-load by disconnecting its delivery point that receives electricity, or partially de-load by reducing its load, in response to an alert or notice of an expected power shortage issued by the *System Operator*.

xxx xxx xxx”

Section 2. Amendments to the WESM Market Manual on Dispatch Protocol. The following provisions of the WESM Market Manual on Dispatch Protocol are hereby amended to read as:

“Section 4 WESM Timetable

xxx xxx xxx

4.3 Week-Ahead Projection (WAP)

4.3.1 xxx xxx xxx

4.3.2 xxx xxx xxx

Table 1. WAP Timeline

Time	Activity	Responsible Party
Before 0845H	Submits the most recent <i>self-scheduled nominations</i> , bids and offers for all relevant hours of the WAP run consistent with the provisions of Sections 6.1.7 and 6.13 of this Manual	Trading Participants
Before 0900H	xxx xxx xxx	xxx xxx xxx
Before 0900H	xxx xxx xxx	xxx xxx xxx
0900H	xxx xxx xxx	xxx xxx xxx
Before 1100H	xxx xxx xxx	xxx xxx xxx
	xxx xxx xxx	xxx xxx xxx

xxx xxx xxx

4.4 Day-Ahead Projection (DAP)

4.4.1 xxx xxx xxx

4.4.2 xxx xxx xxx

Table 2. DAP Timeline

Time	Activity	Responsible Party
Before [STPH1* - 10 minutes]	Submits the most recent <i>self-scheduled nominations</i> , bids and offers for all relevant hours of the DAP run consistent with the provisions of Sections 6.1.7 and 6.13 of this Manual	Trading Participants
Before [STPH1 + 1 minute]	xxx xxx xxx	xxx xxx xxx
Before [STPH1 + 1 minute]	xxx xxx xxx	xxx xxx xxx
[STPH1 + 1 minute]	xxx xxx xxx	xxx xxx xxx
Before [STPH1 + 25 minutes]	xxx xxx xxx	xxx xxx xxx

xxx xxx xxx”

Section 3. Amendments to the WESM Market Manual on Billing and Settlement.

The following provisions of the WESM Market Manual on Billing and Settlement are hereby amended to read as:

“9.5 Re-declarations of Energy Transactions

9.5.1 *Generation Companies* may re-declare *bilateral contract* quantities with respect to:

- a) *Contestable Customers* that are registered with the *Distribution Utility* as *Interruptible Load Program* participants; or
- b) *Directly Connected Customers* that are registered with the *Transmission Network Service Provider* as *Interruptible Load Program* participants.

The concerned *Generation Company* and *Distribution Utility* shall coordinate with each other to ensure that the *bilateral contract* quantities declared by the *Generation Company* on the ground under this Section reflect the actual *bilateral contract* quantities for the concerned *Contestable Customer* or *Directly Connected Customer* during the dispatch interval when the *Interruptible Load Program* was activated.

9.5.2 The *System Operator* and *Distribution Utilities* shall provide the *Market Operator* the list of *Directly Connected Customers* and *Contestable*

Customers respectively participating in the *Interruptible Load Program* every 15th day of the month.

- 9.5.3 If re-declaration is due to Section 9.5.1(a) of this Market Manual, the *Generation Companies* shall enroll the applicable *Distribution Utility* as a supply customer with the *Market Operator* prior to re-declaration in accordance with Section 3.5 of the WESM Market Manual on Registration, Suspension and De-Registration Criteria and Procedures.
- 9.5.4 The *System Operator* and *Distribution Utilities* shall inform the *Market Operator* of the actual time and duration of de-loading of their customers participating in the *Interruptible Load Program* no later than one (1) *business day* from the end of the relevant trading day the *Interruptible Load Program* was activated.
- 9.5.5 The re-declaration of *bilateral contract* quantities by the *Generation Companies* for (a) the relevant *Contestable Customers* for the account of the corresponding *Distribution Utilities*, or (b) *Directly Connected Customers*, shall be made no later than seven (7) *business days* from the end of the trading day when the *Interruptible Load Program* was activated.
- 9.5.6 The submission of corrected *bilateral contract* quantities by the *Generation Company* for the concerned *Contestable Customer* or *Directly Connected Customer* shall be allowed only once, given the following conditions:
- a) If the concerned *Generation Company* and *Distribution Utility* later discovers an error after the initial re-declaration of *bilateral contract* quantities; and
 - b) If the *Generation Company* does not submit any re-declaration, and the concerned *Generation Company* and *Distribution Utility* later discover an error on the *bilateral contract* quantities.

The *Generation Company* shall be given an additional three (3) *business days* to submit corrected *bilateral contract* quantities, from the date of the initial re-declaration.

- 9.5.7 The *Market Operator* is authorized to accept the re-declaration of *bilateral contract* quantities due to the activation of the *Interruptible Load Program* subject to the compliance of the *Generation Companies* to the following:
- a) The *bilateral contract* quantity re-declaration, including the correction after identifying an error, was submitted within ten (10) *business days* from the end of the relevant trading day when the *Interruptible Load Program* was activated;
 - b) The *bilateral contract* quantity re-declarations were only for intervals and for the *Contestable Customers* and/or *Directly Connected Customers* that participated when the *Interruptible Load Program* was activated;
 - c) The *bilateral contract* quantity re-declarations correspond with their respective contract enrolments; and
 - d) The *bilateral contract* re-declarations follow the prescribed format and mode of submissions.

The *Market Operator* shall notify the relevant *Generation Company* and relevant counterparty of the acceptance or non-acceptance of *bilateral contract* quantity re-declaration, as the case may be, including the reason therefor, within a period of five (5) working days from receipt thereof.

In case of multiple submissions of re-declarations, the earliest submitted re-declaration of *bilateral contract* quantity shall be considered by the *Market Operator*.

9.5.8 A monthly summary of re-declaration and correction requests, including the reasons and decisions, shall be provided by the *Market Operator* to the *Enforcement and Compliance Office* of the *WESM Governance Arm*.

9.5.9 Disputes in respect of the *Market Operator's* disapproval of a request for re-declaration may be raised within six (6) months from the *WESM Member's* receipt of the *Market Operator's* decision. It shall be resolved pursuant to the dispute resolution procedure set out in the *WESM Rules* Clause 7.3.

9.5.10 Re-declarations under Section 9.5.6 or submissions of corrected *bilateral contract* quantities under Section 9.5.7 made on or before the 28th day of the relevant billing month shall be included in the computation of the preliminary settlement statements for the said month, otherwise, the same shall be included in the final settlement statements for the relevant billing month.

9.5.11 The *Market Operator* shall issue advisories on the format and mode of submissions of the re-declaration and corrected *bilateral contract* quantities to the *Market Participants* through various platforms."

Section 4. 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 5. Repealing Clause. Except insofar as may be manifestly inconsistent herewith, nothing in this Circular shall be construed as to repeal any mechanisms already existing or responsibilities already provided for under existing rules.

Section 6. Effectivity. This Circular shall take effect fifteen (15) days following its complete publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued this AUG 08 2025 at DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila.


SHARON S. GARIN
Secretary

