



WESM Mindanao Readiness Assessment

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Assistant Secretary

14 JUNE 2018
GREENLEAF HOTEL
GENERAL SANTOS CITY



LOOKING BACK: MILESTONE EVENTS



LOOKING BACK: MILESTONE EVENTS



2001

**Passage of
EPIRA**

H. No. 8457
S. No. 1712, 1621
1943 and 2000

Republic of the Philippines
Congress of the Philippines
Metro Manila

Eleventh Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fourth day
of July, two thousand

[REPUBLIC ACT NO. 9136]

AN ACT ORDAINING REFORMS IN THE ELECTRIC POWER
INDUSTRY, AMENDING FOR THE PURPOSE CERTAIN
LAWS AND FOR OTHER PURPOSES

- The passage of the Electric Power Industry Reform Act of 2001 brought changes to the Philippine Electric Industry
- Among its salient features is the establishment of the Wholesale Electricity Spot Market (WESM)



LOOKING BACK: MILESTONE EVENTS



2006

Commercial
Operations of
WESM in Luzon



Republic of the Philippines
DEPARTMENT OF ENERGY

Department Circular 2006-06-0008

DECLARING THE LAUNCHING OF THE WHOLESALE ELECTRICITY SPOT MARKET (WESM) IN THE LUZON GRID AND THE TERMS AND CONDITIONS FOR THE COMMENCEMENT OF THE FULL COMMERCIAL OPERATIONS OF THE WESM

- Commencement of Commercial Operations in the Luzon Grid under DC 2006-06-0008 (21 June 2006)



LOOKING BACK: MILESTONE EVENTS



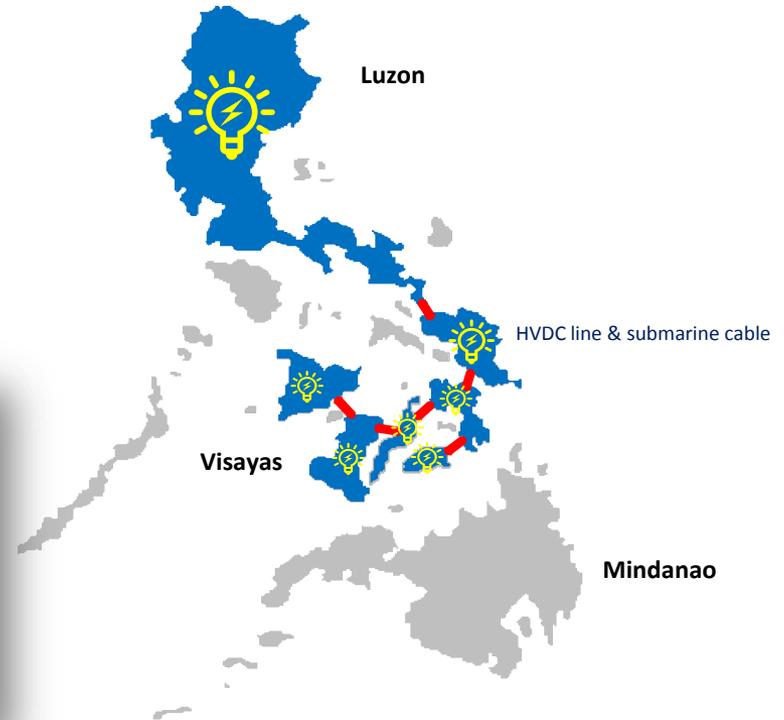
2010
Commercial
Operations of
WESM in Visayas



Republic of the Philippines
DEPARTMENT OF ENERGY

Department Circular No. DC 2010-11-0012

DECLARING THE COMMERCIAL OPERATION OF THE WHOLESALE
ELECTRICITY SPOT MARKET (WESM) IN THE VISAYAS GRID AND ITS
INTEGRATION WITH THE LUZON GRID



- Commencement of Commercial Operations in the Visayas Grid under DC 2010-11-0012 (26 November 2010)



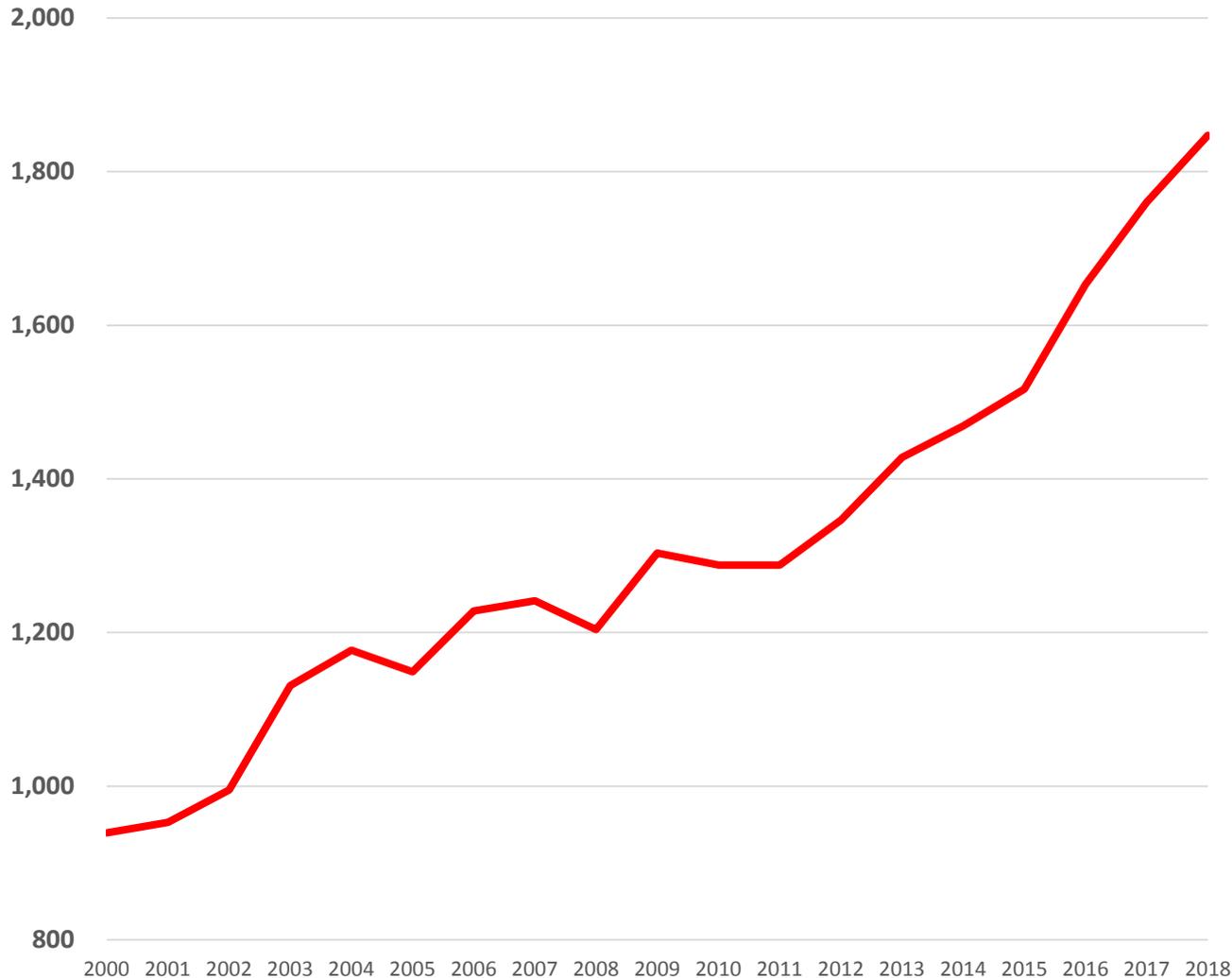
LOOKING BACK: MILESTONE EVENTS



CLIMATE EVENTS



Historical System Demand

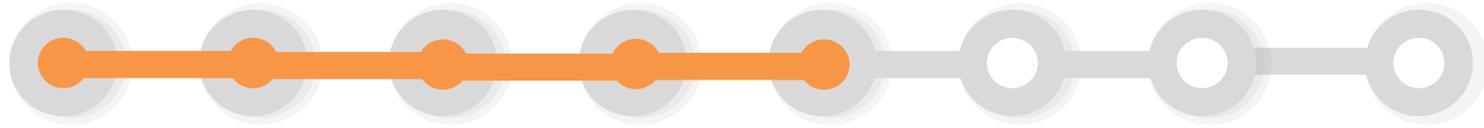


Year	Mindanao	% GR
2000	939	
2001	953	1.5
2002	995	4.4
2003	1,131	13.7
2004	1,177	4.1
2005	1,149	(2.4)
2006	1,228	6.9
2007	1,241	1.1
2008	1,204	(3.0)
2009	1,303	8.3
2010	1,288	(1.2)
2011	1,288	0.0
2012	1,346	4.5
2013	1,428	6.1
2014	1,469	2.9
2015	1,517	3.3
2016	1,653	9.0
2017	1,760	6.5
2018*	1,847	4.9

* 2018 Actual Peak Demand to Date as of 23 May 2018



LOOKING BACK: MILESTONE EVENTS



COAL

▪ Therma South Inc –	150 MW
▪ SEC Coal Fired –	118 MW
▪ FDC Misamis Coal –	270 MW
▪ <u>SMC Davao Power Plant –</u>	<u>150 MW</u>
TOTAL	688

2016

Entry of new generation capacity

DIESEL

▪ KEGI Camiguin –	4.4 MW
▪ BPC Fuel Power Plant –	4.8 MW
▪ <u>SPC Koronadal –</u>	<u>11.9 MW</u>
TOTAL	21.1 MW

Total Additional Capacity for 2016

▪ Coal –	688 MW
▪ Diesel –	4.8 MW
▪ <u>Solar–</u>	<u>11.9 MW</u>
TOTAL	748.2 MW

SOLAR

▪ Kibawe Solar–	150 MW
▪ <u>Digos Solar –</u>	<u>118 MW</u>
TOTAL	39.1 MW



LOOKING BACK: MILESTONE EVENTS



2015-2017

Consultation with Stakeholders on establishment of WESM in Mindanao

Conducted the following activities:

- Focused Group Discussions
- Workshops
- Public Consultations
- Writeshops



Public Consultation on the Draft Department Circular
"Declaring the Launch of the Wholesale Electricity Spot Market (WESM) Mindanao and Providing for Transition Arrangements"

07 March 2017
Greenleaf Hotel, General Santos City



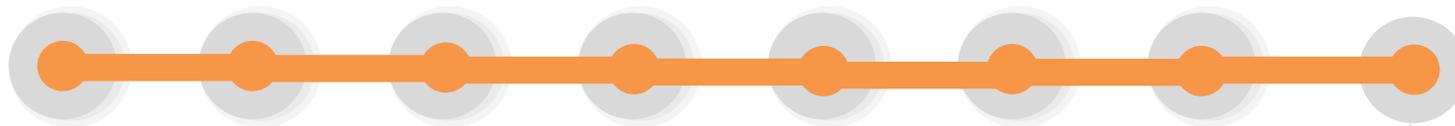
LOOKING BACK: MILESTONE EVENTS



17-
or
of



LOOKING BACK: MILESTONE EVENTS



2017-Present

Preparation for
Commercial
Operations

Ongoing activities

- Implementation of the Interim Mindanao Dispatch Protocol
- Workshops/Trainings for Participants
- Information, Education and Communication Campaigns
- Readiness Assessment Meetings



DETERMINING READINESS: CRITERIA FOR COMMERCIAL OPERATIONS



Section 4 of DC2017-05-0009

The DOE shall declare the Commercial Operations Date of the WESM in Mindanao, upon compliance with the following:



DETERMINING READINESS: CRITERIA FOR COMMERCIAL OPERATIONS

Systems and Procedures

All systems and procedures necessary for the operation of WESM in Mindanao Grid are in place

Trial Operations Program

The Trial Operations Program has been successfully implemented.

Operationalization

Operationalization of the forecasting, scheduling, dispatch, pricing, metering and settlement processes

Trainings and Registration

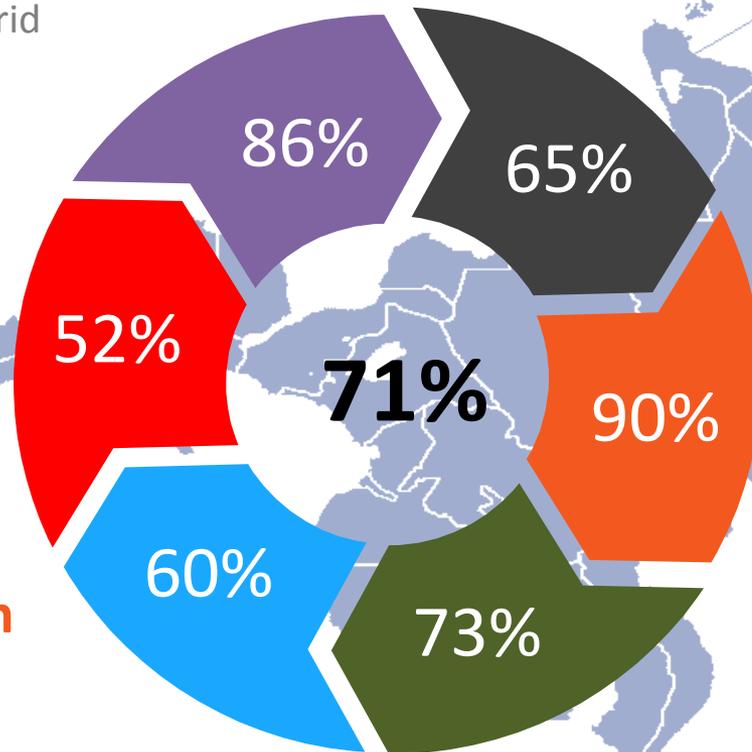
Conduct of Training Programs for WESM Mindanao Participants

Price Determination Methodology

ERC approval of the Price Determination Methodology

New Market Management System

Certification of the New Market Management System



REMAINING CRITERIA



REMAINING CRITERIA



WHAT'S NEXT: UPCOMING ACTIVITIES



WHAT'S NEXT: UPCOMING ACTIVITIES

TARGET: OCTOBER 2018

Readiness
Certification for
PEM

Registration Drives
and Trainings for
Trading Participants

Continuous
Conduct of
the TOP

Coordination
Meetings, IECs and
Participants' Forums

WESM Mindanao Participants Forum:

August 2, 2018 – Zamboanga City

September 21, 2018 – Davao City

Information, Education and
Communication Campaigns:

September 7, 2018 – Surigao City

October 12, 2018 – Butuan City





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