



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR NO. DC 2013 - 09 - 0020

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**ADOPTING AMENDMENTS TO THE INTERIM MINDANAO ELECTRICITY  
MARKET (IMEM) IMPLEMENTING RULES AND PROMULGATING THE IMEM  
MANUALS**

**WHEREAS**, Section 2 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), declares as a 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 37 of the EPIRA, authorizes the 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**, Section 37 (i) of the EPIRA mandates the DOE to "develop policies and procedures and, as appropriate, promote a system of energy development incentives to enable and encourage electric power industry participants to provide adequate capacity to meet demand including, among others, reserve requirements";

**WHEREAS**, after the conduct of the Mindanao Power Summit last April 2012 and a series of focused group discussions, consultations and meetings with relevant electric power industry participants in Mindanao and concerned energy agencies, the DOE has come up with a roadmap to sustainable solutions to the Mindanao power situation taking into consideration the current and future power supply and demand situation and the socio-economic, environmental and peace and order factors, among others;

**WHEREAS**, as part of the DOE's roadmap providing for sustainable solutions for Mindanao, a market for the transparent and efficient utilization of available capacities shall be established to encourage participation of existing power generating facilities and interruptible loads, and entry of new generating capacities in Mindanao;

**WHEREAS**, to establish such market, on 24 May 2013, the DOE issued Department Circular No. DC 2013-05-0008 promulgating the Interim Mindanao Electricity Market (IMEM) Implementing Rules (the "IMEM Rules");

**WHEREAS**, further review of the IMEM rules, the DOE deems it necessary to amend the IMEM Rules to provide additional safeguards against possible gaming in the market and upon consultation with the Mindanao System Operator, there is a need to provide for a reasonable timeline for the issuance of In-Day Dispatch Instructions which takes into consideration the most current conditions in the grid to ensure system security;

**WHEREAS**, Clause 1.1.2.3 of the IMEM Rules provides that the DOE approves and promulgates the IMEM Manuals providing for specific procedures, systems or protocols for implementing the IMEM Rules.

**WHEREAS**, the following IMEM Manuals were posted for comments on the DOE website starting 12 August 2013 wherein no substantial objections were received:

- a) Billing and Settlement
- b) Dispute Resolution
- c) Information Provision and Confidentiality
- d) Investigation Procedures
- e) Metering Standards and Procedures
- f) Registration Criteria and Procedures
- g) Dispatch Protocol

**WHEREAS**, several coordination meetings on the development of the Dispatch Protocol were held with the Philippine Electricity Market Corporation (PEMC), National Grid Corporation of the Philippines (NGCP), Power Sector Assets and Liabilities Corporation (PSALM) and the National Power Corporation (NPC) on the following dates:

Date	Attendees
10 April 2013	PEMC, NGCP
25 April 2013	PEMC, NGCP
06 June 2013	PEMC, NGCP, DOE, NPC, PSALM
23 July 2013	PEMC, NGCP
05 August 2013	PEMC, NGCP, DOE, NPC, PSALM
19-20 August 2013	PEMC, NGCP
05 September 2013	PEMC, NGCP

**NOW THEREFORE**, premises considered, the DOE hereby adopts and promulgates the following:

**Section 1. Amendment of Clause 3.1.2.10 of the IMEM Rules.** Clause 3.1.2.10 is hereby amended to read -

Each day by 1500H, the IMEM Operator shall prepare and publish the Week-Ahead IMEM Demand Report.

Clause 3.1.2.10 is hereby renumbered to Clause 3.1.2.11 and Clause 3.1.2.11 is hereby renumbered to Clause 3.1.2.10.

**Section 2. Amendment of Clause 3.5.1.1 of the IMEM Rules.** Clause 3.5.1.1 of the IMEM Rules is hereby amended to read -

Up until ten (10) minutes prior to the start of each IMEM Interval, the Mindanao System Operator shall issue In-Day Dispatch Instructions to IMEM Resources to meet any changes in system requirements in accordance with this Section 3.5.

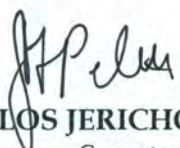
**Section 3. Approval and Adoption of the IMEM Manuals.** The manuals listed below and attached as Annexes to this Circular are hereby approved and adopted:

- a) Annex "A" - Billing and Settlement
- b) Annex "B" - Dispute Resolution
- c) Annex "C" - Information Provision and Confidentiality
- d) Annex "D" - Investigation Procedures
- e) Annex "E" - Metering Standards and Procedures
- f) Annex "F" - Registration Criteria and Procedures
- g) Annex "G" - Dispatch Protocol

**Section 4. Separability.** If for any reason, any section or provision of this Circular or the attached IMEM Manuals is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

**Section 5. Effectivity.** This Circular shall take effect fifteen (15) days after publication in two (2) newspapers of general circulation.

Issued at Energy Center, Bonifacio Global City, Taguig City.

  
**CARLOS JERICHO L. PETILLA**  
Secretary



IN REPLYING PLS CITE:

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