

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



03
RESOLUTION NO. _____, Series of 2018

A RESOLUTION ASSIGNING THE PHILIPPINE GRID CODE (PGC) COMPLIANCE MONITORING AND ASSESSMENT OF DISTRIBUTION UTILITIES TO THE DISTRIBUTION MANAGEMENT COMMITTEE (DMC)

WHEREAS, Chapter I, Section 2 (e) of Republic Act No. 9136 (R.A.9136), otherwise known as the Electric Power Industry Act of 2001 (EPIRA) enunciate the declared policies of the state to *“ensure fair and non-discriminatory treatment of public and private sector entities in the process of restructuring the electric power industry”*;

WHEREAS, Chapter II, Section 22 of the Act states that Distribution Sectors undertaken by private distribution utilities, cooperatives, local government units presently undertaking this function and other duly authorized entities are subject to regulation by the Energy Regulatory Commission (ERC);

WHEREAS, Chapter IV, Section 43 (b) and (t) of the Act empowers the ERC to *“promulgate and enforce, in accordance with law, a National Grid Code and a Distribution Code”* and *“perform such other regulatory functions that are appropriate and necessary to ensure successful restructuring of the electric power industry”*, respectively;

WHEREAS, the ERC created and established the Grid Management Committee (GMC) and the Distribution Management Committee (DMC) to facilitate the monitoring of compliance of the Grid Users and the Distribution Users with the Philippine Grid Code (PGC) and the Philippine Distribution Code (PDC), respectively;

WHEREAS, to ensure the compliance of the Grid Users and other entities with the PGC, the GMC established its *“Rules and Procedures to Govern the monitoring of Compliance of the Grid Users to the Philippine Grid Code (PGC)”* in accordance with paragraph 2.2.5.1 of the Philippine Grid Code and which the Commission adopted on 11 June 2012 as ERC Resolution No. 9, Series of 2012;

WHEREAS, Article III, Section 2.3 of the Rules stated that *“the ERC through the GMC shall conduct annual inspection to monitor compliance of the Reporting Entity with the standards of the PGC”*;

WHEREAS, in May 2015, the GMC started its pilot PGC Compliance Assessments to the Generating Plants and Distribution Utilities (DUs);

WHEREAS, in 2015, the ERC through its Regulatory Operations Service (ROS) suggested to the GMC to consider assigning (1) the PGC compliance monitoring and (2) the conduct of the PGC compliance assessment of the Distribution Utilities to the DMC considering cost-efficiency, economical benefit and optimization it could provide for the GMC in terms of monitoring and assessing the Grid Users since (a) DMC already conducts On-Site Compliance Assessments to the DUs and (b) only the compliance of the connection of the DU to the Grid as per PGC standards are being assessed by the GMC;

WHEREAS, exceptions can be made for (1) Large DUs that can significantly affect the Grid, (2) DU’s that have Embedded Generators that causes significant impact to the Grid; (3) if there is a significant issue regarding the connection of the DU to the Grid and/or (4) other cases as may be agreed by both GMC and DMC;

WHEREAS, the ERC emphasized that the intention of the monitoring the compliance of the Grid Users and other Entities from the start is for (1) the DMC to look over the compliance of the DUs (to both PGC and PDC) and (2) for GMC to be solely responsible for monitoring compliance of the Generating Plants and other Entities, including DUs, that have significant impact to the reliability and stability of the Grid;

WHEREAS, on 9 December 2016, the GMC submitted to the ROS its position on the ROS' proposal through a GMC Board Resolution entitled "*A Resolution Entrusting the PGC Compliance Monitoring and Assessment of Distribution Utilities (DUs) to the DMC*", including the twenty-six (26) PGC standards used by the GMC in assessing the DUs and the list of the DUs that will be turned over to the DMC, as may be amended from time to time;

WHEREAS, 30 January 2017, the ERC-ROS presented to the Commission its proposal accompanying the desire of the GMC to entrust the PGC compliance monitoring and assessment of the DUs to the DMC in order to focus to those entities which significantly affect the reliability and stability of the Grid;


WHEREAS, the ERC resolved to approve the proposed assignment of the PGC compliance monitoring and assessment of the DUs to the DMC except to the DUs that have (1) significant impact to the reliability and/or stability of the Grid including those that have Embedded Generators, (2) significant issues on the connection of the DU to the Grid and/or (3) other cases as may be agreed by both GMC and DMC.

NOW, THEREFORE, the ERC, after thorough and due deliberation, hereby **RESOLVES**, as it is hereby **RESOLVED**, to **APPROVE** and **ADOPT**, assigning the PGC compliance monitoring and assessment of the DUs to the DMC including standards and measurements for assessing compliance of the DUs to the PGC, hereto attached as **Annex "A"**. DMC is required to submit reports as needed to the GMC. All concerned DUs connected to the Grid are hereby directed to submit its Grid User's Compliance Monitoring Report to the DMC excluding DUs that have (1) significant impact to the reliability and/or stability of the Grid including those that have Embedded Large Generators, (2) significant issues on the connection of the DU to the Grid and/or (3) other cases as may be agreed by both GMC and DMC. Initially excluded DUs are as follows: Manila Electric Company (MERALCO), Panay Electric Company (PECO); Visayan Electric Company (VECO); Cagayan Electric Power and Light Company (CEPALCO) and Davao Light and Power Company (DLPC).

This Resolution shall take effect after fifteen (15) days following the completion of its publication in a newspaper of general circulation in the Philippines or in the Official Gazette.

Let copies of this Resolution be furnished the University of the Philippines Law Center - Office of the National Administrative Register (UPLC-ONAR), the Department of Energy (DOE), the National Transmission Corporation (TRANSCO), the National Grid Corporation of the Philippines (NGCP), the Philippine Electricity Market Corporation (PEMC), and all Distribution Utilities (DUs) connected to Luzon, Visayas and Mindanao Grid.

Pasig City, 27 February 2018.



AGNES VST DEVANADERA
Chairperson and CEO




ALFREDO J. NON
Commissioner


GLORIA VICTORIA C. YAP-TARUC
Commissioner


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Commissioner


GERONIMO D. STA. ANA
Commissioner


ROS-SCMD/REM/LLG/FBD

3

ANNEX "A"

Philippine Grid Code (PGC) Standards and Measurements used by Grid Management Committee, Inc. (GMC) for Compliance Assessment to the Distribution Utilities (DU)

Standard Reference Number		PGC Standard	Measurement(s)
1	PGC-003	Total Harmonic Distortion (THD) and Total Demand Distortion (TDD) at the Connection Points of the Grid	<p>Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs. The reasons for this are the following:</p> <ul style="list-style-type: none"> ▪ The only one that has access to install and monitor the Power Quality (PQ) meters at the Connection Point of the Grid are the Grid Owner (GO) and System Operator (SO), respectively, that is the NGCP ▪ Seeing that this standard is applicable for both the SO and DUs as per ERC Resolution No. 9, Series of 2012, there will be redundancy of responsibility since they are both required to monitor the same Connection Point of the Grid
2	PGC-015	Required Transient Overvoltage Suppression Devices in the Grid	<ol style="list-style-type: none"> 1. Design procedures and criteria for the selection and coordination of Surge Arresters 2. Documents showing that the equipment and devices at the Connection Point of the Grid are rated and coordinated in accordance with established procedures and complying with set criteria
3	PGC-018	Standard for Equipment at the Connection Points of the Grid	<ol style="list-style-type: none"> 1. Nameplate, specifications, or manufacturer's certification of all equipment at the Connection Point of the Grid indicating the applied international standard

			2. Summary of all equipment at the Connection Point of the Grid indicating the international standard they comply with
4	PGC-019	Maintenance Logbook for the Equipment at the Connection Point of the Grid	Records of the testing and maintenance of the equipment at all Connection Points within the period of assessment
5	PGC-022	Fixed Asset Boundary Document for Equipment at the Connection Point of the Grid	1. Complete Official Fixed Asset Boundary Document for equipment at the Connection Point of the Grid 2. Single Line Diagram specifying the Fixed Asset Boundary at the Connection Point of the Grid
6	PGC-023	Electrical Diagram for the Equipment at the Connection Point in the Grid	Complete Electrical Diagrams at the Connection Point of the Grid
7	PGC-024	Connection Point Drawing at the Connection Point of the Grid	Complete Connection Point Drawings at the Connection Point of the Grid
8	PGC-029	Impact Studies for the Evaluation of User Development Project	Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs since conducting impact studies for the evaluation of User Development Project is the responsibility of the GO that is the NGCP.
9	PGC-031	Control and Monitoring of Power Quality	This standard is similar to PGC-003. Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs.
10	PGC-040	Issuance of User's Planned Activity Notices	All User's Planned Activity Notices from the DU to SO with proof of receipt from SO
11	PGC-045B	Grid Maintenance Program	1. Maintenance Program for three succeeding years 2. Proof of transmittal from the DU to SO regarding the submission of the Maintenance Program with proof of receipt from the GO

12	PGC-046	Automatic Load Dropping Program of the Grid	Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs since the ALD Program of the Grid is the responsibility of the SO that is the NGCP.
13	PGC-047	Manual Load Dropping Program of the Grid	<ol style="list-style-type: none"> 1. Manual Load Dropping Scheme of the DU 2. SO's issuance of instruction to implement the MLD Program within the period of assessment 3. Proof or evidence that the DU implemented the SO instruction
14	PGC-048	Issuance of Demand Control	<ol style="list-style-type: none"> 1. Demand Control Scheme of the DU 2. SO's issuance of instruction to implement the Demand Control Program within the period of assessment 3. Proof or evidence that the DU implemented the SO instruction 4. (Alternate to 1, 2, and 3) Formal declaration that the DU has no Demand Control Scheme in its System
15	PGC-051	Safety Coordination Procedures for Safety Precautions	<ol style="list-style-type: none"> 1. Safety Rules and Local Safety instructions for implementing Safety Precautions on HV and EHV Equipment 2. Safety coordination procedures for the coordination, establishment, maintenance, and cancellation of Safety Precautions on HV and EHV Equipment between the DU and GO 3. Safety Coordinator 4. Actual Safety Logs and Record of Inter-System Safety Precautions for the assessment period

16	PGC-055	Standard Labelling System for Site and Equipment Identification	<ol style="list-style-type: none"> 1. Labelling System used by the DU for its equipment at the Connection Point of the Grid 2. List of actual SEIL of the DU's equipment at the Connection Point of the Grid
17	PGC-056	Provision and Installation of Site and Equipment Identification	Proof of actual installation of site and equipment identification
18	PGC-058	Control of Connection Point by Circuit Breaker in the Grid	<ol style="list-style-type: none"> 1. List of load and short circuit breaking devices at the Connection Point of the Grid indicating the corresponding ratings 2. Comparison of the Breaking (interrupting) duties of the circuit breakers with the maximum available fault per location 3. Proof that the implementation is in accordance with GMC Resolution No. 016, Series of 2006, 14 September 2006 as amended by Resolution No. 019, Series of 2008, 11 October 2008
19	PGC-059	Isolation of Circuit Breaker by Disconnect Switches in the Grid	Electrical Diagrams and Connection Point Drawings at the Connection Point indicating the circuit breakers and disconnect switches' location and arrangement
20	PGC-060	Protection of Grid User's Equipment in the Grid	<ol style="list-style-type: none"> 1. Proof that the protective devices of the SO and DU at the Connection Point of the Grid are coordinated 2. All calibration tests of the protective devices of the DU at the Connection Point of the Grid for the assessment period
21	PGC-061	Circuit Breaker Fail Protection for Grid User's Equipment	Upon the deliberation and approval of the GMC, this standard is generally Not Applicable for DUs since most DUs are radially connected to the Grid.

22	PGC-062	Reliability of Protection System	<ol style="list-style-type: none"> 1. Settings of all protective devices of the DU at the Connection Point of the Grid 2. Historical records of circuit breaker performance and calculated performance indices since commissioning of the circuit breaker 3. (Alternate to 2) Formal declaration that there were no failed trips since the installation of the circuit breaker
23	PGC-063	Transformer's Connection in the Grid at 115 kV and above	Nameplate of power transformer at the DU's Connection Point to the Grid
24	PGC-064	Submission of Planning Data to the Grid Owner	The Planning Data submitted during the period assessed with the transmittal letter from the DU to the GO and proof of receipt from the GO
25	PGC-065	Correction of Power Quality Problems at the Connection Point	This standard is similar to PGC-003. Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs.
26	PGC-066	Maintenance of Voltage-Control Equipment in the Grid	Upon the deliberation and approval of the GMC, this standard was deemed Not Applicable for DUs since this is the responsibility of the GO.