

Implementing Rules and Regulations of the Enhanced One Day Power Sales Program (E-ODPS) Version 4.0

Objective of the E-ODPS

The E-ODPS is intended to give the electricity consumer, particularly the self-generator an alternative source of power that is competitively priced. If the electricity consumer finds that the ODPS is cheaper than the cost of operating his power plant or getting power from the spot market, then he may opt to shut down his plant and purchase power from NPC under the E-ODPS to satisfy his power requirements.

The E-ODPS is an update of the previous ODPS programs attuned to the objectives of the Electric Power Industry Reform Act (EPIRA), the requirements of the Wholesale Electricity Spot Market (WESM) and the latest information technology available in the market.

The E-ODPS will be made available in Luzon, Cebu-Negros-Panay, Leyte-Samar and Mindanao grids for as long as NPC has excess capacity in these areas.

The E-ODPS has a myriad of benefits among which are:

- a. Provide minimal credit risk to NPC;
- b. Allow daily settlement of amounts due;
- c. Enable NPC to monitor more effectively the generator use vis-vis availment of ODPS customers;
- d. Provide system automation for bid entry, tabulation and provisioning of Time-Of-Use (TOU) rates;
- e. Provide a secure payment gateway for ODPS customers;
- f. Enable ODPS customers to be compliant eventually with the operation of the Wholesale Electricity Spot Market (WESM); and
- g. Provide the customers the capability to bid reserve services or voltage improvement from the ancillary service market of the WESM, in case ODPS power is not available.

1. Qualified Participants to the E-ODPS

The following categories of the participants are qualified to join the E-ODPS:

- a) NPC directly-connected bulk power customers and embedded power consumers inside the distribution utility's franchise area that are self-generating their power requirements whether partially or wholly;
- b) Clustered power consumers or consumers grouped together in one location such as export processing zones, economic zones, industrial parks and estates, or embedded power consumers therein that are self-generating;
- c) Independent Power Producers (IPPs) which have bilateral contract with NPC's directly connected customers and distribution utilities, and have an ancillary service contract with NPC/Transco; and.

- d) Customers categorized in Items a or b above which have no self-generation or with irregular historical records of self-generation. Implementation for this type of customers shall be under Phase II of the project as further pre-qualified under Item 2 (d) of this IRR.

2. Pre-qualification Requirement

- a) Existing NPC's ODPS customers shall renew their accreditation requirements by signing a new Memorandum of Agreement with NPC but need not subject their generating sets for testing. New ODPS applicants have to submit a Letter of Intent and be subject to the normal accreditation process and generator testing.
- b) Existing ODPS customers under the franchise of a distribution utility/electric cooperative are required to submit their historical monthly (kW and kWh) and typical daily (24-hour) consumption of their native load and self-generation for the past 2 years. They will also submit to NPC their self-generating unit to *Capability Test* in order to establish their Maximum Bid Allowed (MBA).
- c) New customers classified in Section 1, Item (d) of this IRR, are required to submit their historical monthly consumption (kW and kWh) for the past 2 years. Accordingly, NPC shall then establish their Customer Baseline Load (CBL). The CBL in this case shall be the average kWh consumption and the kW demand of the customer for those years. **Customers under this category can avail of the E-ODPS upon approval of the concerned Distribution Utility unless an enabling order from the ERC allows otherwise.**
- d) The **Maximum Bid Allowed (MBA)** is the maximum kW demand that a customer can get at E-ODPS rates subject to the limitation of the customer's receiving facilities, distribution utility and NPC/Transco facilities (e.g., transformers, lines) and further defined as follows:
 - Phase I : For those customers with self-generation.** The MBA is equal to the dependable self-generation capacity
 - Phase II: For those customers without self-generation or with self-generation but on standby status.** The MBA shall be equal to the highest kW demand recorded for the past 2 years less their established CBL's kW demand.
- e) Customers must have at least 1,000 kW of self-generation capacity or demand.
- f) Customers should provide their own workstation and modem and shall subscribe on their own account to the Service Provider.
- g) All recurring charges to be indicated in the appropriate Memorandum of Agreement for this E-ODPS for the use of the internet-based online bidding and settlement portal system shall be for the account of the customers and shall be paid to the Service Provider.
- h) Embedded customers or customers inside the distribution utility's franchise area, whether partially or wholly self-generating, may be allowed to avail of this program through a service agreement with the Distributor which shall be part of the Memorandum of Agreement to be drawn.
- i) **Security Deposit.** Customers who will participate in the day-ahead market of the E-ODPS will not be required to post a security deposit since the billing and settlement will be done on a daily basis thru the settlement portal system. However, the customer shall ensure that his account at the payment gateway facility is current and sufficient to cover each transaction. If the customer continues to draw power despite the insufficiency of his account, the power taken will be charged at the prevailing ex-post settlement price of WESM + 10% premium. The ex-post settlement prices will be available at NPC's workstation at least two (2) hours after each trading interval.

However, customers who will participate in the month- and year-ahead market are required to post a security deposit equivalent to its projected billing for their one month energy consumption and may be in the form of instruments described in Section 15 (a) to (d) of this IRR.

3. Bidding Mechanics for the Day-Ahead Market

- a) Available capacity for each grid and corresponding floor prices shall be offered daily by NPC for bidding in a day-ahead market with hourly floor prices for a moving 7-day period, indicating therein the 3-day Firm Floor prices and 4-day Indicative Floor prices. Each bidder can bid in any desired time period.
- b) The awarded day-ahead quantity shall form part of the customer's bilateral contracted quantity, if any, for the particular period.
- c) The general rule is that the electricity consumed under the E-ODPS shall always be equal to the electricity reduced by his self-generation. This will be the premise in the billing and settlement of electricity consumed under this contract.
- d) Each Bidder can submit one bid quantity which can be equal to or below his MBA at any time.
- e) During the delivery of E-ODPS power that requires synchronization and de-synchronization of self-generating units, the customer shall be allowed a 15-minute changeover allowance (i.e., before synchronization and after de-synchronization) to gradually absorb or yield E-ODPS power. Likewise, a 1.5% allowance over the awarded contract demand, during the avilment period shall be allowed. In any event, the actual energy consumption including the 15-minute time allowance and the 1.5% contract demand allowance shall not be more than the awarded E-ODPS equivalent energy. Energy consumed in excess thereof shall be charged at the applicable ERC approved NPC rates or at the ex-post settlement price of the spot market, whichever is applicable, plus a ten percent (10%) premium.

4. Pricing Strategy and Floor Prices for Day-Ahead Market

- a) The reference of the bidding shall be the **Floor Price** that NPC will publish for each hour.
- b) The **floor price** is determined as the **average marginal cost for each hour plus line losses, O & M costs, administrative services and a certain percentage of return (see Annex 1).**
- c) For each grid, twenty-four (24) set of floor prices and available capacities shall be defined for each day of the moving 7-day period.
- d) The floor prices and available capacity for each grid shall be published by NPC through the following media:
 - i) Through its Internet address (Webpage); and
 - ii) Bidder's workstation
- e) In order to assist the bidders in their planning activities, NPC will publish daily the Firm Floor Prices for 3 days and Indicative Floor Prices for the following 4 days. The Firm Floor prices will be published 3 days before the scheduled delivery of the contract quantity. The Indicative Floor prices can be amended by NPC at least 4 days ahead of scheduled delivery at no penalty or commitment to sell at that price.
- f) Only NPC authorized personnel can approve the final issuance and publication of the above floor prices.
- g) Transco and distribution charges, and market fees, if any, shall be separately billed.

5. Submission and the Acknowledgement of Bids

- a) Once a customer is pre-qualified, NPC shall encode such customer's profile in the NPC server. In addition, NPC shall endorse to the Service Provider the installation of secured access to the E-ODPS server.
- b) Each bid shall specify for each hour of the day-ahead period and up to 7 days the bid price in P/kWh and quantity in kW.

- c) The quantity of bids should not exceed their MBA capacity subject to the limitation of the bidder's receiving facilities, NPC/Transco's or distribution utility's facilities, and whichever is lower. **Likewise, the minimum bid should not be lower than 1000 kW.**
- d) A bidder may cancel or supersede his previously posted bids on or before the cut-off time of 1000H of the bidding date.
- e) Each bidder shall submit electronically their bids using the prescribed bid form at their workstation not later than 1000H of the bidding date.
- f) Bids, no matter how many a customer may post, shall be automatically acknowledged by the server of the Service Provider as they are received by sending an *Acknowledgement Receipt* to the bidder's workstation. In the event the online bidding system is not functioning Bids received thru facsimile machines and encoded by NPC in its server shall likewise be acknowledged by transmitting an *Acknowledgement Receipt* to the server of the Service Provider.
- g) Only the latest bid received before the cut-off time shall be included in the selection and awarding process.
- h) *Late bids will be acknowledged but not included in the bidding process.*
- i) It is the responsibility of the bidder to maintain the integrity of his workstation and to provide backup facilities or other means to transmit his bids to the Service Provider in case his workstation fails.
- j) Facsimile machines shall serve as a backup only. The use of facsimile machines may be resorted to by the bidder(s) only if the online bidding system is not available. In such case, the bidder(s) has to submit his bid not later than 1400H of the day prior to the bidding date. An *Acknowledgement Receipt* will be sent back to the bidder before the end of that day.
- k) Every 0700H., the facsimile machine time at the NPC E-ODPS office shall be synchronized with the Service Provider's server.
- l) The Service Provider's server time stamp shall be the official time for the acceptance and rejection of bids.

6. Broadcasting of Bid Summary

- a) On or before 1000H of the bidding date, NPC shall not access or retrieve bids at its server. It shall only receive bids, encode bids (for fax transmission only) and transmit price bulletins for the next day bidding. This is a *time-lock security* feature of the bidding process.
- b) After the 1000H deadline, the system shall automatically generate a **BID SUMMARY** showing all the bids received including, superseded, and "faxed" bids. This BID SUMMARY shall be made available by the Service Provider for retrieval at the bidders' respective workstations and shall serve as confirmation of bids received from each bidder.
- c) The "as-received" bids that will appear in the Bid Summary will be sorted as to: Area, Bid Date and Time.

7. Awarding of Bids

- a) From the Bid Summary, NPC will determine the bids that will be included in the bidding evaluation.
- b) For each hour, NPC will first arrange the bids from the highest bid price to the lowest bid price. In case of a tie in the bid price and quantity, priority will be given to the bidder who submitted the earlier bid. Subsequently, NPC will continue to process the remaining bids until such point where all bids have been matched with the offered capacity for each grid.
- c) Winning bidders can retrieve at their respective workstations the awarded contract quantity and Day Ahead Price for each hour by 1200H of the bidding date. Likewise, rejected bids can also be retrieved thereat.

- d) Once awarded, the bid is now a financial commitment to buy (in the case of the bidder) and to supply (in the case of NPC) in accordance with Section 9 of this IRR.
- e) There may be instances during the processing of the bids where the remaining available capacity offered by NPC is less than the quantity required by last qualifying bidder. In this case, **NO PARTIAL AWARDING will be done.** The bid price of the last accepted bid for full capacity requirement shall then be the Day Ahead Price for the particular hour.
- f) For each day, the Distribution Utilities of embedded customers and NPC Area Offices may connect and retrieve at the Service Provider's server the awarded E-ODPS quantities (including their associated Day Ahead Prices) of their respective bidders for monitoring.

8. Day Ahead Price and Contract Price

- a) NPC shall determine the **Day Ahead Price** for each hour which is equivalent to the **lowest accepted bid**. All the capacity requirement of the accepted bids or winners shall pay at the Day Ahead Price.
- b) The **Contract Price** for a particular hour will be the awarded **Contract Quantity** multiplied by the **Day Ahead Price** for that hour.

9. Contractual Commitment

- a) Except for Force Majeure conditions as set forth in Section 13 of this IRR, the E-ODPS is a take-or-pay scheme for 100% of the Contract Quantity. If a Bid Awardee fails to use his awarded contract quantity or consumes less than its Contract Quantity due to his fault, he shall be obligated to pay NPC the unconsumed contract quantity at the Contract Price.
- b) If contract quantity (CQ) is availed of but used on different or extended time slots, the Bid Awardee pays the consumed or excess quantity at the ERC approved grid rates or at the ex-post energy settlement price during WESM operation, whichever is higher.
- c) Likewise, NPC is committed to deliver the contract quantity at the Day Ahead Price. In the event that NPC fails to supply the contract quantity of the Bid Awardee due to inadequate capacity, NPC shall advise the Bid Awardee to operate their self-generating units to supply their own requirements. NPC shall then pay the Bid Awardee during the supply interruption the cost of energy generated based on difference between the prevailing generation costs of customer (variable costs due to fuel, lubes, additives, etc) and the Day Ahead Price, if positive, covering the awarded bid quantity. For those Bid Awardees without self-generation and have been awarded earlier, NPC shall pay the Bid Awardees during the supply interruption based on the difference between the prevailing energy contract price and the Day Ahead Price, if positive, multiplied by the undelivered contract quantity.
- d) As soon as possible, the Bid Awardee shall inform NPC on its failure to receive the contract quantity from NPC. Similarly, NPC shall inform the Bid Awardee as soon as possible on its failure to deliver the contract quantity.

10. Uncontrollable or Force Majeure Events

- a) Uncontrollable and Force Majeure Events – shall mean any circumstance not within the reasonable control, directly or indirectly, of the Party affected, to the extent that circumstance, despite the exercise of the reasonable diligence, cannot be or be caused to be prevented, or removed by such Party.
- b) No failure or omission to carry out or observe any of the terms, provisions or conditions of this Contract shall give rise to any party hereto against any other party hereto, or deemed to be breach of this Agreement if the same shall be caused by the following events:

Events of Uncontrollable or Force Majeure shall include:

1. Acts of war or the public enemy whether war be declared or not;
 2. Public disorders, insurrection, rebellion, sabotage, riots or violent demonstrations
 3. Accidents, fires, sabotage
 4. Transient line trippings due to public action and foreign objects such as free branches, birds and other animals;
 5. Bus and transformer differential trippings.
 6. Thunderstorms, freak tornadoes, typhoons, earthquakes, floods and other natural calamities and acts of God;
 7. Strikes or lockouts or other industrial action by workers or employees of either Party;
 8. Major network trouble e.g. partial or system-wide blackout
 9. The adoption, enactment or application of any Legal requirement not existing or not applicable to any Party, or any change in any such Legal requirement or application or interpretation thereof by a government instrumentality after the date of the agreement; and
 10. Any other event, circumstance or occurrence in nature of, or similar in effect to any of the foregoing.
- c) The party invoking Force Majeure shall notify the other party as soon as reasonably possible by facsimile of the nature of the Force Majeure and the extent to which the Force Majeure suspends the affected party's obligations under this Agreement and shall resume performance of its obligations as soon as possible after the Force Majeure condition no longer exists.

11. Metering

- a) The customer shall either:
- (i) secure access to the metering data at the applicable meter of the relevant registered Meter Service Provider (MSP) or Distributor, as the case may be, of the customer; or
 - (ii) purchase and install, at its own expense, a WESM approved Time-of-Use check meter and its associated devices, cables and instrument transformers.

In both instances, customer shall, at its own expense, ensure that the Service Provider shall have access to data from the meter from its central monitoring station.

- b) In the event the customer opts to install its own check meter, all payments made by such customer shall be based on such meter. However, such payments shall be deemed interim payments and shall be subject to reconciliation with the energy reading at the meter of the MSP. Should there be a discrepancy between the energy reading at the check meter and the meter of the MSP, the latter shall prevail.
- c) NPC shall have the right and the customer hereby authorizes NPC to inspect at anytime during office hours the customer's metering facilities located within their premises. Any unauthorized modifications, alterations, substitutions and any tampering with NPC's supply and/or equipment shall constitute a breach of this contract for which the bidder shall be held liable. If the bidder is found to have violated this provision, NPC shall immediately terminate its power supply with the customer. This does not preclude NPC from availing of its legal remedies.

12. Billing and Settlements for Day-Ahead Market

- a) The E-ODPS contract costs shall be the awarded contract quantity for each hour multiplied by the respective Day Ahead Prices.

- b) The E-ODPS contract cost for each hour shall be aggregated into a daily virtual power bill which shall be separated from the power bills being served by NPC under a bilateral supply agreement. The general rule as stated in Section 3 (c) of this IRR shall still be the principal basis of billing.
- c) Any availment of electricity through the E-ODPS shall not be entitled to Prompt Payment Discount, or other incentives/special program given by NPC.

13. Billing and Settlement for the Month-Ahead and Year-Ahead Market

- a) Under this market, customer shall be required to enroll for whatever contract tenor and price it wishes to avail and sign a Memorandum of Agreement with NPC.
- b) The contract cost for the month-ahead and year-ahead shall be in the form of a monthly power bill which shall be separated from the day-ahead availment under E-ODPS.
- c) The contract cost shall be the contract monthly energy multiplied by the agreed contract price. Energy consumption in excess of the contract monthly energy shall be aggregated and billed at the prevailing ERC approved rates or ex-post settlement price, whichever is applicable.
- d) The power billing period under this contract shall coincide with the normal power billing period of NPC i.e., every 25th of the billing month and the E-ODPS billing amount shall be paid not later than the 30th day of that month.
- e) Any availment of electricity through the E-ODPS shall not be entitled to Prompt Payment Discount.
- f) The computation of the customer's power factor discount, if there is any, shall still use the measured demand and energy delivery regardless of E-ODPS

14. Statements of Account

- a) A monthly statement of account shall be made available online to the customer.
- b) Disputed Statements
 - (1) Disputed statements shall be questioned by the Bidder within sixty (60) days from its receipt and shall be resolved as soon as possible. Failure to question such statements within the sixty (60) day period shall constitute a waiver of any claim on such _ statements.
 - (2) Disputed statements shall be evaluated by NPC and the relevant account shall be credited accordingly.
 - (3) In case of disputed statements, Bidder shall state in writing the ground/s of dispute and if such ground/s as/are meritorious, upon summons, Bidder or authorized representatives should appear before NPC to reconcile the disputed statements. If said ground/s is/are proven to be not meritorious, NPC shall so state in writing to customer.
- c) Erroneous Statements

In the event that a statement is found erroneous due to wrong reading of meter, or arithmetic mistakes or omissions, NPC shall send the Bidder, credit/debit memo to correct the error within sixty (60) days from the date of the receipt of the bill. However, if the error is due to malfunction of the meter and its associated instrument transformers, the correction shall be made at any time.

15. Mode of Payment

Payments to NPC for the availment of the E-ODPS, whether Day-Ahead, Month-Ahead or Year-Ahead, shall be made thru the on-line payment system where debiting/crediting is done through the payment gateway facility.

The payments for security deposits for the month-ahead and year-ahead electricity consumption under the E-ODPS shall be acceptable to NPC as follows:

- a) Cash
- b) Demand drafts
- c) Through automatic debit arrangement facility from accredited bank.
- d) Checks drawable from:
 - i) banks within the locality of the NPC's depository bank;
 - ii) banks which are participant of the same *Bangko Sentral ng Pilipinas* regional clearing office that of the Corporation's Depository banks.

Checks other than those described in this Item (d) (i) or (ii) are considered out-of-town checks (OTCs) and shall be credited upon clearance of NPC's depository bank. In this case, bank charges, if any, shall be borne by the Purchaser.

If at any point in time the checks issued by the Purchaser is drawn from insufficient funds, NPC shall charge and collect from the bidder from the corresponding bank charges, late payment charges and interest without prejudice to its right to avail of its legal remedies particularly those under Batas Pambansa 22 (Bouncing Check Law). Subsequent payments must be made in cash.

16. Liability In Case of Non-payments in the Month-Ahead and Year-Ahead Market

NPC reserves the right to cancel or cut-off service to any bidder with poor credit or paying history for the latter's failure to pay any fees or for violation of the terms and conditions enumerated herein.

E-ODPS bills paid beyond the prescribed deadline shall be charged with the appropriate penalty interest. However, if said bill is not paid on the due date that appears on the Power Bill statement, NPC has the right to immediately tag the bidder as delinquent i.e., prevent bidder from the bidding in the future until the bill is settled

In addition, the bidder shall forfeit its Security Deposit and shall be required to replenish such deposit or post an additional Security Deposit before it shall be allowed to bid again.

17. Embedded Customers of Distribution Utilities with Self-Generation

- a) The embedded customers with self-generation of the DUs shall avail of this program through a Memorandum of Agreement (MOA) among NPC, the Distributor and the customer.
- b) NPC and the Distributor may jointly evaluate and accredit the embedded customers in accordance with the pre-qualification requirement in Section 2 of this agreement.
- c) The Distributor shall provide its own workstation and NPC shall endorse to the Service Provider for provisioning of secure access in order for the Distributor at its own cost to monitor the bids of the embedded customer.
- d) The embedded customers of the day-ahead, month-ahead and year-ahead market shall pay NPC the required Security Deposit and recurring charges as cited in Section 2 (h) of this IRR. Meanwhile, the embedded customers shall pay the Distributor and Transco for the use of their respective facilities a monthly service charge, inclusive of the Franchise Tax and subject to ERC approval.

- e) The access or service charges are not covered in the published floor prices but paid for during settlement.
- f) Since the power will be flowing from NPC through the distribution utility's wires down to the embedded customer, distribution line loss could increase. The additional line loss should ***ONLY*** be the charged by the distribution utility to these embedded customers either by charging it directly or simply increasing the distribution or service charges.
- g) If the embedded customer shall avail of this contract but would require upgrading of dedicated Distributor's facilities to receive E-ODPS power, the Distributor shall charge an additional fee for recovery of its investment called "capacity charge" subject to ERC approval.
- h) If NPC fails to deliver the contract quantity due to inadequate plant capacity, NPC shall have the option to advise the embedded customer to operate their generating units to supply their own requirement. NPC shall then pay the cost of energy generated based on difference between prevailing generation costs of the customer (i.e., fuel, lubes, additives) and the Day Ahead Price; or the Day Ahead Price, if positive. However, if the customer is unable to operate his generating units because of maintenance, NPC has no obligation to pay the difference. Moreover, should the customer opt to obtain power from the Distributor, when NPC unable to supply the contract quantity, NPC is liable to pay the difference between the prevailing generation charge and the actual prices.
- i) If the embedded customer fails to use his awarded contract quantity due to his fault, he is obliged to pay NPC for 100% of the Contract Price and the Distributor a capacity charge if the distribution lines to his plant have been reinforced by the Distributor. However, if the E-ODPS power intended for the embedded customer is used by the Distributor, the Distributor shall be billed at the applicable NPC grid rate or ex-post nodal energy price of the market, whichever is higher. Consumption less than 100% of the contract quantity shall also be billed at 100% of the Contract Price.

18. Disputes Resolution

- a) Throughout the term of the MOA as cited in Item 17 (a), representative of NPC, the Bidder and the concerned distribution utility (as the case maybe) shall meet regularly at not less than yearly intervals to discuss the progress of the Contract in order to ensure that the arrangements between the parties hereto proceed on mutually satisfactory basis.

- b) **Amicable Settlement**

The parties hereto agrees that in the event that there is any dispute or difference between them arising out of this agreement or in interpretation of any provisions hereof they shall endeavor to meet together in an effort to resolve such dispute by discussion between them but failing such resolution the Chief Executives of the Bidder and NPC shall meet to resolve such dispute or difference and the joint decision of such parties shall be binding upon the parties hereto and in the event that a settlement of any dispute or difference is not reached pursuant to this Section then the Provisions of section 19 shall apply.

19. Jurisdiction

Philippine Courts. The parties hereto submit to the non-exclusive jurisdiction of the proper courts of the Republic of the Philippines for the hearing and determining of any action or proceeding out of or in connection with this Agreement.

20. Glossary of Terms

<i>Accepted Bid</i>	The winning or awarded bid quantity.
<i>Available Capacity</i>	The power in kilowatts which is offered by NPC under the Enhanced One Day Power Sales Contract.
<i>Bidder(s)</i>	The consumer (s) who will avail of the Enhanced One Day Power Sales Contract.
<i>Bidding Date</i>	The day preceding scheduled delivery date of the awarded bid quantity
<i>Bid Awardee</i>	The winning bidder who is awarded the E-ODPS
<i>Billing Period</i>	The period commencing the 26 th of the preceding month to the 25 th of the current month.
<i>Contract Quantity, kW</i>	the accepted bid quantity for the specified duration
<i>Contract Cost,</i>	The contract quantity, kW multiplied by the specific duration (hrs.) and the Day Ahead Price (P/kWh). Unit is in Pesos.
<i>Day Ahead Price, P/kWh</i>	The lowest bid price among accepted bids
<i>Delivery date</i>	The date of which the contracted quantity of power will be delivered.
<i>Embedded customer</i>	Customers that are located inside the distributor's franchise area.
<i>Ex-post Settlement Price</i>	The market clearing price at the particular trading interval and metering point in the ex-post market.
<i>FAX</i>	Means either facsimile machines or the use of these machines.
<i>Force Majeure</i>	The failure of or damage to facilities of NPC or Customer due to circumstances defined in Section 11 of this IRR.
<i>Marginal Plant</i>	the last plant committed to serve the final demand of the system of a particular period.
<i>Memorandum of Agreement</i>	The formal agreement to be signed by the concerned parties for the avilment of the E-ODPS program
<i>Metering Service Provider</i>	The National Transmission Corporation (Transco) or any person or entity authorized by the ERC to provide metering services and registered with the Market Operator in that capacity
<i>NPC</i>	Means the National Power Corporation

***Enhanced One Day Power
Sales Contract***

The agreement entered into between NPC and the Purchaser, as recorded in the contract from signed by the parties. Including all attachment and appendices thereto and a documents incorporated by reference therein.

Purchaser/Customer

The winning bidder purchasing the Available Capacity under the *Enhanced One Day Power Sales Contract*

Regular/Native Load

The load of the consumer net of self-generation and charged by NPC at the ERC-approved grid rate.

Service Provider

Any entity accredited by NPC to provide an automated internet-based online bidding and settlement portal system.

Floor Price

The Floor price is set using the short run marginal cost of the available power plant(s) to be scheduled for dispatch during certain periods of the day. In setting the floor price, the following formula shall be used:

$$MP_H = \left[\frac{MC_H}{1 - SL} \times (1 + MU) \right]$$

Where:

- MP_H = Floor Price for each hour, in P/kWh
- MC_H = Marginal cost of the marginal plant for the hour, in P/kWh
- SL = System Loss, in % consisting of line loss and congestion fee whenever applicable
- MU in % = Administrative Cost (O&M, service fees, congestion charges, etc) and Return

Recommended by:

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