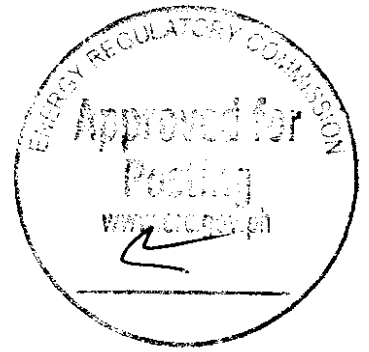


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



RESOLUTION NO. 05, SERIES OF 2010

**RESOLUTION ADOPTING THE DISTRIBUTION MANAGEMENT
COMMITTEE (DMC) SIGNIFICANT INCIDENT REPORTING
PROCEDURES**

WHEREAS, Section 43(b) of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 or the EPIRA mandates the Energy Regulatory Commission (ERC) to promulgate and enforce, in accordance with law, a National Grid Code and a Distribution Code;

WHEREAS, Section 43(t) of the same Act further mandates the ERC to perform such other regulatory functions that are appropriate and necessary in order to ensure the successful restructuring and modernization of the electric power industry;

WHEREAS, Section 2.2.5.1 of the Philippine Distribution Code (PDC) provides that the Distribution Management Committee (DMC) shall establish and publish its own rules and procedures relating to the conduct of its business, which include, among others, the monitoring of distribution code enforcement;

WHEREAS, the DMC issued its proposed Significant Incident Reporting Procedures to ensure that significant incidents are thoroughly investigated and completely reported on a timely and consistent manner as well as to provide assessment on the condition of the distribution system and identify areas for improvement;

WHEREAS, on May 25 and 28, 2009 and June 18, 2009, the DMC conducted a series of expository presentations and public consultations in Luzon, Visayas and Mindanao, respectively, for the various distribution utilities (DUs) to present their comments/inputs on the said proposed procedures which were considered in preparation for the issuance of the Significant Incident Reporting Procedures;

WHEREAS, Section 2.2.5.2 of the PDC provides that the rules and procedures of the DMC shall be approved by the ERC;


NOW, THEREFORE, be it **RESOLVED**, as the ERC hereby **RESOLVES** to **APPROVE and ADOPT**, the Distribution Management Committee (DMC) Significant Incident Reporting Procedures, hereto attached and made an integral part of this Resolution as **Annex "A"**.

This Resolution shall take effect immediately upon its publication in a newspaper of nationwide circulation.



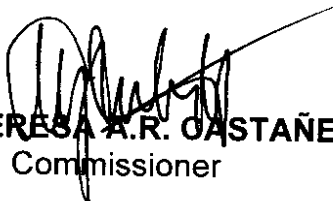
Let copies of this Resolution be furnished the University of the Philippines
Law Center-Office of the National Administrative Register (UPLC-ONAR) and all
DUs.

Pasig City, February 22, 2010.


ZENAIDA G. CRUZ-DUCUT
Chairperson *quatu*

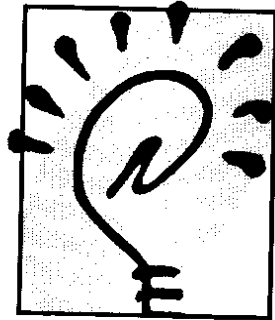

RAUF A. TAN
Commissioner


ALEJANDRO Z. BARIN
Commissioner


MARIA TERESA A.R. CASTAÑEDA
Commissioner


JOSE C. REYES
Commissioner


PHILIPPINE DISTRIBUTION CODE



DMC

**DISTRIBUTION
MANAGEMENT
COMMITTEE**

**SIGNIFICANT INCIDENT
REPORTING PROCEDURES**

	SIGNIFICANT INCIDENT REPORTING PROCEDURES	Effectivity Date:
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1.0 GENERAL

1.1 BACKGROUND

Reliability of electric supply and related services is important for economic development and for the well-being of the community. Disruptions to supply are not only inconvenient; they can have major impacts on business and consumer confidence.

The Distribution Management Committee aims to ensure that Significant Incidents are investigated and reported in a timely and consistent manner. In such way, it can provide an assessment in the condition of the Distribution System and identify areas for improvement.


1.2 PURPOSE

This reporting system is developed to monitor Events having serious and widespread effects on the Distribution System and/or the System of the User and to enable the Distributors to minimize, if not to prevent, the recurrence and reduce its impact on the Users. It will continuously assess the Distribution System and/or the User System's compliance to the System reliability requirement of the Distribution Code.

It will timely allow System Users to implement contingency measures in addressing possible consequence of the incident affecting them. It will also allow sharing of various local and international experiences and expertise in addressing similar Significant Incidents in a Distribution System and/or User System. The ultimate goal of the whole exercise is to improve the reliability of the Philippine Distribution System at par with the international practice.


1.3 AUTHORITY AND SANCTIONS

The Distribution Management Committee is authorized to validate information and make recommendations to the ERC on reports on Significant Incidents pursuant to the Distribution Code Sections 2.6.2.2 and 7.4.3.2. Fine or penalties will be imposed for any non-compliance with or breach of any provision of the Distribution Code pursuant to Section 2.5.2 of the Distribution Code.

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2.0 DEFINITION OF TERMS

- 2.1 **Distribution Code** – The set of rules, requirements, procedures, and standards governing Distribution Utilities and Users in the operation, maintenance, and development of their Distribution Systems. It also defines and establishes the relationship of the Distribution Systems with the facilities or installations of the parties connected thereto.
- 2.2 **Distribution Management Committee (DMC)** – The committee established by the ERC to perform the functions mentioned in Section 2.2.1 of the Distribution Code and Article II of the Guidelines to Govern the Formation of the Distribution Management Committee.
- 2.3 **Distribution Reliability and Protection Subcommittee (DRPSC)** – A subcommittee established by the DMC, tasked to coordinate and recommend standards for distribution protection, review and recommend reliability performance standards, and manage reliability data.
- 2.4 **Distributor** – An Electric Cooperative, private corporation, government-owned utility, or existing local government unit, that has an exclusive franchise to operate a Distribution System.
- 2.5 **Energy Regulatory Commission (ERC)** – The independent, quasi-judicial regulatory body created pursuant to Republic Act No. 9136, which is mandated to promote competition, market development, ensure customer choice, and penalize abuse of market power in the restructured electricity industry and among other functions, to promulgate and enforce the Philippine Grid and Distribution Codes.
- 2.6 **Significant Incident** – An event on the Distribution System or the System of any User that has a serious or widespread effect on the Distribution System and/or the System of the User.
- 2.7 **Significant Incident Notice (SIN)** – A notice issued by the Distributor if a Significant Incident has transpired on the Distribution System or the System of the User.
- 2.8 **User** – A person or entity that uses the Distribution System and related facilities to which the Distribution Code applies.

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3.0 BASES FOR THE SUBMISSION OF REPORTS ON SIGNIFICANT INCIDENTS

A report on the Significant Incident shall be submitted to the DMC if any of the following Events happens:

1. Outage of at least one substation, whose primary voltage is 69kV and above and owned by the Distributor, for at least one hour;
2. Service interruption for at least 15 minutes affecting at least 25% of previous month's customers; and
3. Service interruption for at least 15 minutes affecting at least 25% of previous year's peak demand.

4.0 REPORTING INSTRUCTIONS

4.1 Distributors

4.1.1 Issuance of the Significant Incident Notice

The Significant Incident Notice shall be issued to the DMC within 15 minutes from the occurrence of the Significant Incident. Complete information may not be available at the time of the disruption. However, provide as much information as is known or suspected at the time of the initial issuance.

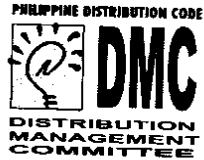
The Significant Incident Notice shall be updated, as the need arises, to add some information, findings, and observations before the submission of the report on the Significant Incident.

Short messaging service (SMS), e-mail, or fax are the preferred methods of notification.

4.1.2 Conduct of Joint Investigation

Following the issuance of a Significant Incident Notice by the Distributor or a User, any User may file a written request to the Distributor for a joint investigation of the Significant Incident. If there have been several Significant Incidents, the joint investigation may include the other Significant Incidents.

A joint investigation of the Significant Incident shall be conducted only when the Distributor and the Users have reached an agreement to conduct the joint investigation.

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4.1.3 Submission of the Report on the Significant Incident

Within two (2) weeks following a Significant Incident in the Distribution System or the User System, the Distributor shall submit to the Distribution Management Committee a report (format attached as Annex A) detailing the sequence of Events and other relevant information pertaining to the Significant Incident, including the following information:

1. Date and time of the Significant Incident;
2. Location of the Significant Incident;
3. Description of the Significant Incident;
4. Equipment involved and not merely affected by the Significant Incident;
5. Cause of the Significant Incident;
6. Estimated number of Customers affected;
7. Interrupted Demand and duration of Interruption;
8. Immediate action taken to address the incident; and
9. If applicable, action plan, contingency measures to minimize or prevent the recurrence of the Significant Incident.


Additional related data or documents, such as single line diagram, may be attached to the report.

The report shall be submitted through e-mail or fax.

4.2 Distribution Management Committee

Within one (1) month following the receipt of the Distributor's report on the Significant Incident, the Distribution Management Committee shall validate the report, if necessary, with the concerned Distributor. The DMC shall, if necessary, make recommendation to the ERC, copy furnished the concerned Distributor. In cases where any User has violated any provision of the Distribution Code, the DMC may recommend to the Energy Regulatory Commission sanctions as part of the Significant Incident Report (SIR).

The Distribution Management Committee may conduct special investigation when necessary for further validation. Any member of the DMC may also file for a special investigation, subject to the approval of the Committee.

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5.0 DMC CONTACT INFORMATION

Address: 20th Floor Pacific Center Building,
San Miguel Avenue, Ortigas Center,
1600 Pasig City

Mobile Number: (0917) 511-7564

Telephone Number: (02) 638-2599

Fax Number: (02) 636-4886

E-mail: North Luzon Distributors: nluzdu@gmcdmc.ph
South Luzon Distributors: sluzdu@gmcdmc.ph
Visayas Distributors: visdu@gmcdmc.ph
Mindanao Distributors: mindu@gmcdmc.ph

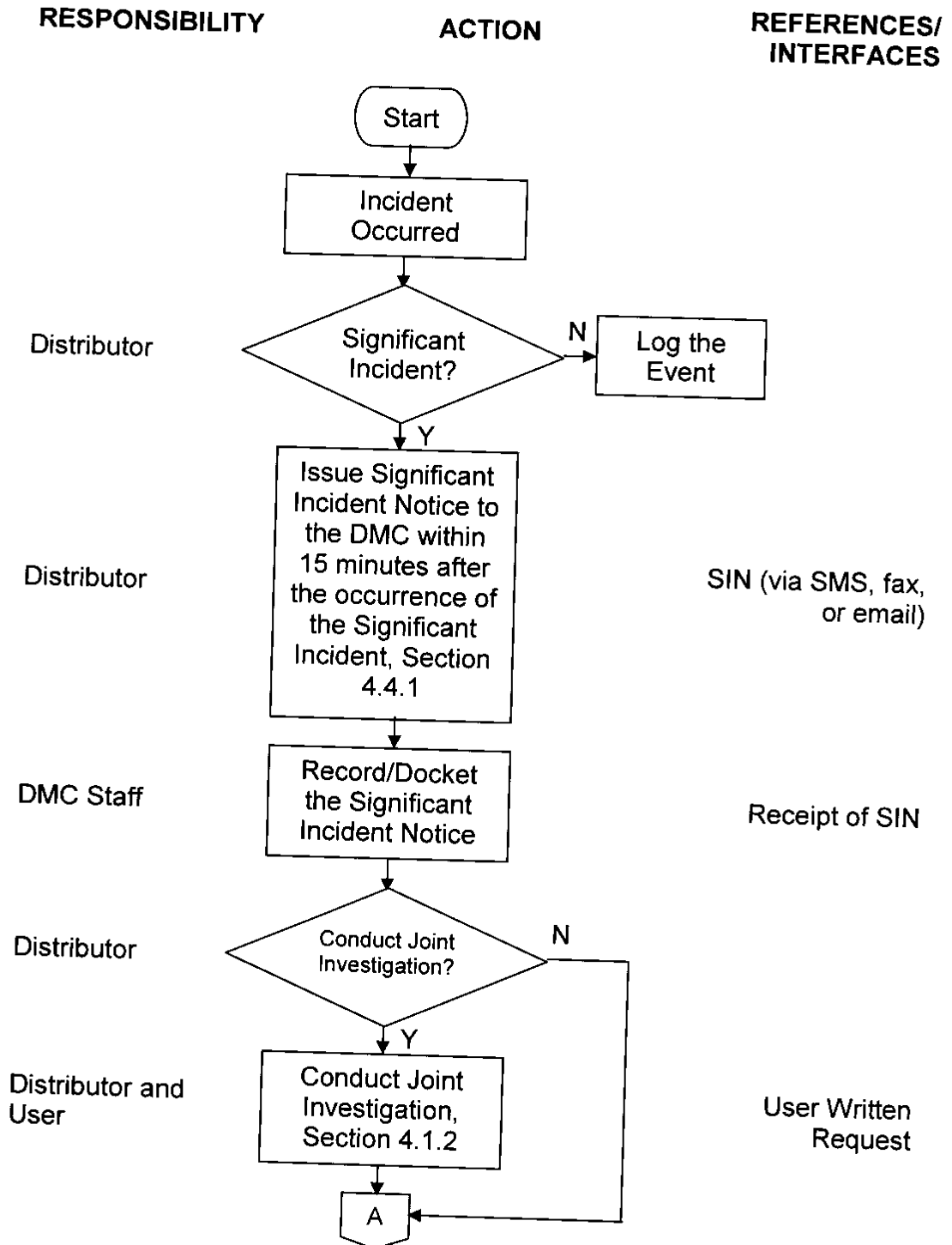
6.0 DOCUMENTATION

All documents generated shall be maintained by the DMC.

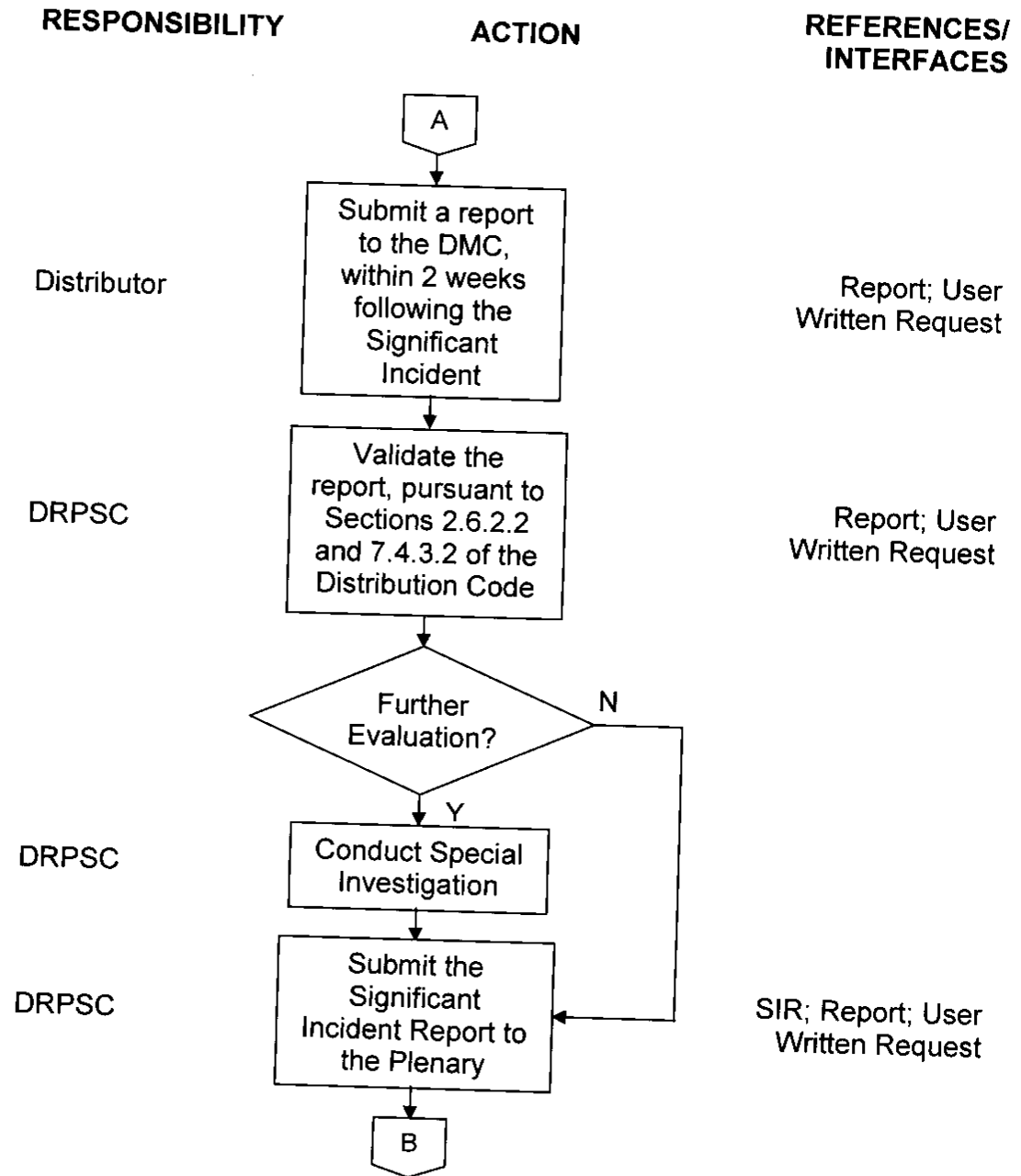
7.0 EFFECTIVITY

The Significant Incident Reporting Procedures shall be effective 15 days after its publication in a newspaper of general circulation.

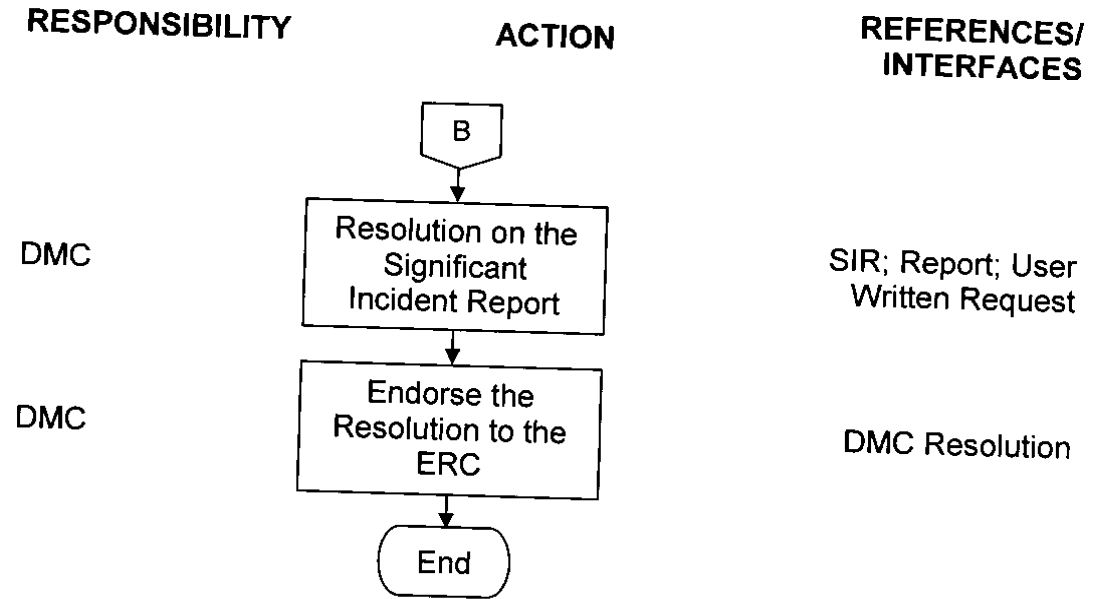
8.0 PROCEDURE



PROCEDURE (Con't)



PROCEDURE (Con't)



FOR: _____ (Name)
_____ DMC Chairman

DATE: _____ (mm/dd/yy)

REFERENCE NO.: _____ (DMC use)

FROM: _____ (Name)
_____ (Position)

DATE/TIME RECEIVED: _____ (DMC use)

RECIPIENT: _____ (DMC use)

REGION, AREA: _____
ORGANIZATION: _____
ADDRESS: _____
TELEPHONE NO.: _____
FAX NO.: _____
EMAIL: _____

DATE/TIME THE SIGNIFICANT INCIDENT BEGAN: _____ (mm/dd/yy 2400H)

DESCRIPTION OF THE SIGNIFICANT INCIDENT:

AREA AFFECTED: _____ (Region, Area)

ESTIMATED NUMBER OF CUSTOMERS AFFECTED: _____

INTERRUPTED DEMAND (kW): _____

UNSERVED ENERGY (kWh): _____

DATE/TIME OF SERVICE RESTORATION: _____ (mm/dd/yy 2400H)

CAUSE OF THE SIGNIFICANT INCIDENT:

FINAL ANALYSIS OF THE SIGNIFICANT INCIDENT:

CORRECTIVE ACTION TAKEN:

PREVENTIVE ACTION TAKEN/PLAN:

PREPARED BY: _____

APPROVED BY: _____

Attachments: _____