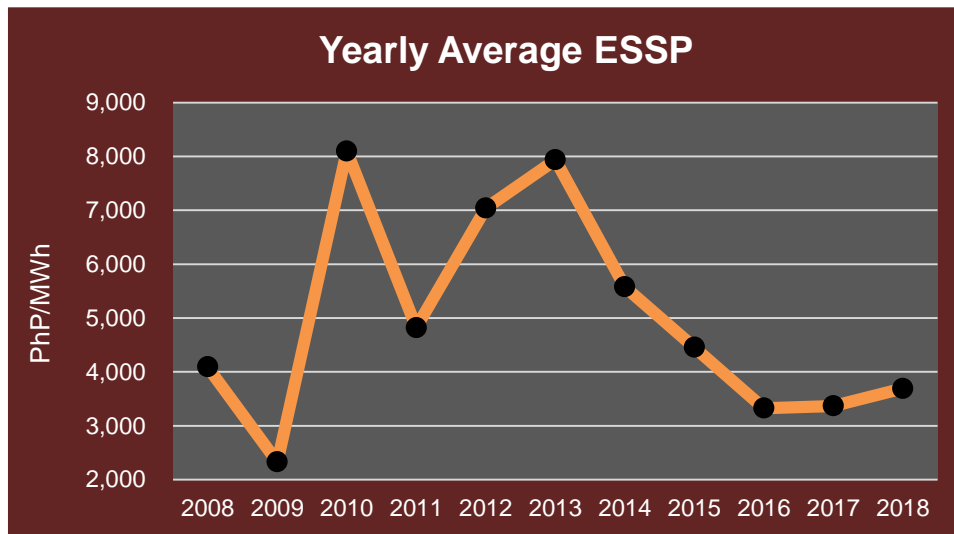


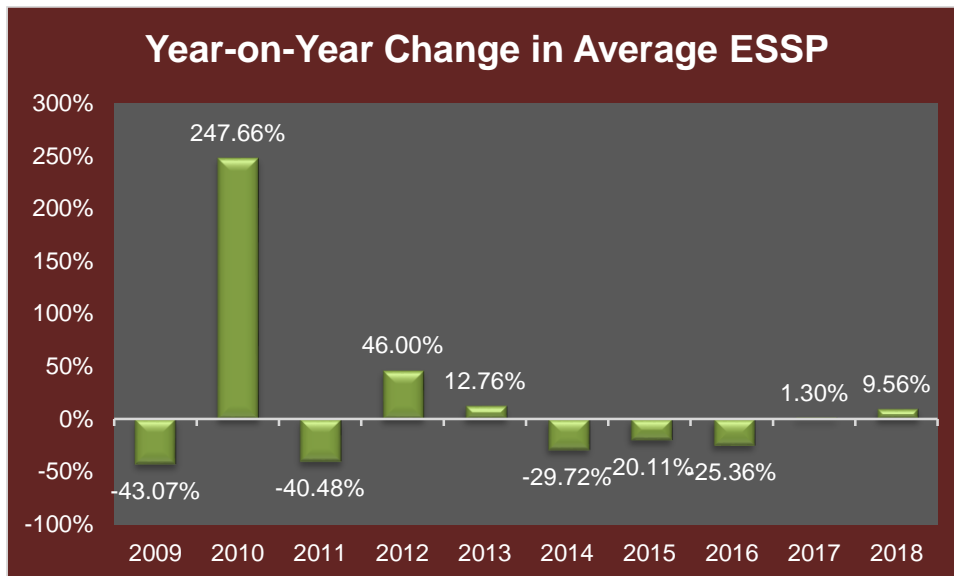
## Customer Effective Spot Settlement Price in the Wholesale Electricity Spot Market (WESM) 26 December 2017 – 25 December 2018

The effective spot settlement price (ESSP) is the effective rate paid by the customers for their WESM transactions per billing month. Figures 1 and 2 below show that 2018 recorded a 12-month average of PhP3,691.04/MWh, resulting in a 9.56% increase from last year's average of PhP3,369.11/MWh.

**Figure 1**



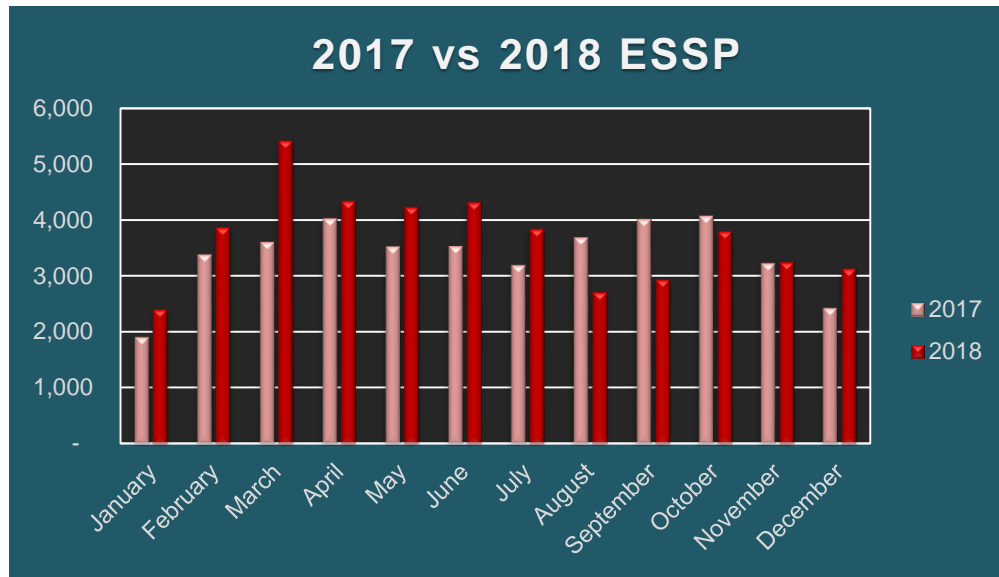
**Figure 2**



As seen on Figure 3 below, March recorded the highest ESSP for the year at PhP5,412/MWh, surpassing the peak summer months of April to June that had ESSP ranging from PhP4,233/MWh to PhP4,342/MWh. This also recorded a 35% increase from PhP3,589/MWh in March 2017. The said price increase may be attributed to a tight supply margin of 1,431 MW resulting from the higher increase in average system demand of 9,506 MW (10,409 MW including reserve) relative to the lower increase in average effective supply of 12,087 MW caused by lower capacities offered in the market. <sup>1</sup>

Meanwhile, the resulting January 2018 showed the lowest price with PhP2,409.70/MWh. We note, however, that the resulting ESSP showed a PhP509/MWh increase as compared to the January 2017 price.

**Figure 3**



rrm/eyg/jlm

<sup>1</sup> PEMC Monthly Market Assessment Report, March 2018