

**DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2004/D5**

Market Surveillance and Compliance Panel (“MSCP”)

Mr Joseph Grimberg, Chair
Professor Lim Chin
Mr Lee Keh Sai
Mr TPB Menon

Date of Determination

2 April 2004

Party

SP Services Pte Ltd

Subject

Late submission of metering data

Applicable Rule in the Singapore Electricity Market Rules

1. Section 4.1 of the Market Operations Market Manual (Settlement) provides that:

“The MSSL shall provide the EMC with metering data in accordance with section 2.1.1.1, Chapter 7 of the market rules in ASCII format via the Market Participant Server (“MPS”) no later than 5:00pm, five business days after trading day.”

Facts and Circumstances

2. The market support services licensee (“MSSL”) in the wholesale electricity market is SP Services Pte Ltd (“SP Services”).
3. According to the report by the EMC, SP Services was required to provide metering data to the EMC for dispatch day 28 February 2003 no later than 5:00pm on 7 March 2003. The metering data was provided to the EMC on 9 March 2003.

4. According to SP Services, it had sent the meter files to the EMC via secured email on 9 March 2003 at 1231 hrs. The reason for failing to provide the meter files to the EMC on time was due to hardware failure in the computer system of SP Services. The hardware components were replaced and the system was operational on 9 March 2003. Normal business operations resumed on 10 March 2003 at 0900 hrs.
5. This incident had no significant impact on the market.

Written Representations

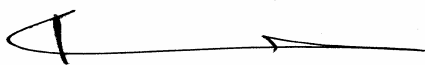
6. On 11 February 2004, the MSCP issued a letter informing SP Services that it considered that SP Services had prima facie breached section 4.1 of the Market Operations Market Manual (Settlement) and invited SP Services to make written representations.
7. SP Services submitted the following written representations:-

"We are making further representations that since the root cause was due to hardware failure (hard disk & controller) of the MSSL system that is beyond the reasonable control of SP Services which affects the delivery of the metering data by two days to EMC, such system failure would hence be considered as a Force Majeure Event under the Market Rules. However we have since replaced the disk storage with a high-end storage system which incorporates an automated hardware monitoring and alerting system to facilitate early detection and rectification of potential hardware problems in future.

As the nature of the incident was unforeseeable and beyond our reasonable control, we reiterate that we had tried our best to mitigate the impact to the market ..."

Determination

8. In a statement made on 30 December 2002, the MSCP gave notice of the enforcement policy it would adopt in the event of a rule breach during the 3 months immediately following market start.
9. The MSCP determined on the basis of the facts referred to above that SP Services had breached section 4.1 of the Market Operations Market Manual (Settlement).
10. SP Services rectified the breach quickly by sending the metering data to the EMC after the recovery of their IT system. The breach was inadvertent and there is no indication that SP Services had not made a reasonable attempt to comply with the Market Operations Market Manual (Settlement). Therefore, the MSCP determined that no enforcement action was to be taken.



Joseph Grimberg
Chair, Market Surveillance and Compliance Panel