



## Notice of market rule modification

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<b>Paper No.</b>	EMC/RCP/16/2004/239
<b>Rule reference:</b>	Composition of RCP
<b>Proposer:</b>	Paul Poh (Market Administration, EMC Pte Ltd)
<b>Date received by EMC:</b>	1 September 2004
<b>Category allocated:</b>	1
<b>Status:</b>	Approved by EMA
<b>Effective Date:</b>	14 December 2004
<b>Summary of proposed rules change:</b>	

This rule change proposal seeks to extend the exemption required for the gencos and their affiliates can be concurrently represented on the RCP.

<b>Date considered by Panel:</b>	2 November 2004
<b>Date considered by EMC Board:</b>	18 November 2004
<b>Date considered by Energy Market Authority:</b>	9 December 2004
<b>Proposed Rule Modification:</b>	

Refer to attachment

**Reasons for rejection/Reasons for referral back to Panel (if applicable):**

**RULES CHANGE PROPOSAL – SIMPLE RULE MODIFICATIONS  
PAPER NO. EMC/BD/06/2004/07(d)**

<b>Paper No.</b> <b>EMC/RCP/16/2004</b> <b>/239</b> <b>Paper Title</b>	<b>Existing Rules</b> <b>(version 1 Jul 2004)</b>	<b>Proposed Rule Modifications</b> (deletion marked by strikethrough, and addition marked by underline)	<b>Reasons/Analysis &amp;</b> <b>Other Key Points</b>	<b>Recommendations / Legal</b> <b>Sign-Off</b>
<b>Subject:</b> <b>COMPOSITION</b> <b>OF RCP</b>	<b>Chapter 3 Section 2.3.3</b>  Until the date that is two year from the <i>market</i> <i>commencement date</i> ,  (i) a <i>market participant</i> ; or  (ii) a <i>market support services</i> <i>licensee</i>  may have its director, officer, employee or agent appointed as a member of the <i>rules change</i> <i>panel</i> as a representative of the relevant class of <i>market</i> <i>participant</i> or <i>market support</i> <i>services licensee</i> notwithstanding sections 2.3.2 and 2.3.4, if such <i>market</i> <i>participant</i> or <i>market support</i> <i>services licensee</i> is an <i>affiliate</i>	<b>Chapter 3 Section 2.3.3</b>  <del>Until the date that is two year</del> <del>from the <i>market</i></del> <del><i>commencement date</i></del> <u>Prior to</u> <u>01 Jan 2006</u> ,  (i) a <i>market participant</i> ; or  (ii) a <i>market support services</i> <i>licensee</i>  may have its director, officer, employee or agent appointed as a member of the <i>rules change</i> <i>panel</i> as a representative of the relevant class of <i>market</i> <i>participant</i> or <i>market support</i> <i>services licensee</i> notwithstanding sections 2.3.2 and 2.3.4, if such <i>market</i> <i>participant</i> or <i>market support</i>	<b>Reasons:</b>  It is intended in the Market Rules that the composition of RCP results in fair representation and no conflict of interests. This is feasible only in a privatized electricity industry where ownership is not concentrated. Since the sale of Senoko Power, Power Seraya, and Tuas Power has not been announced, section 2.3.3 is required to exempt these affiliates and allow them to be represented on the RCP. The current exemption is valid only until 31	The RCP unanimously recommend that the EMC Board:  (i) <b>adopt</b> the proposed rule modifications to section 2.3.3, Chapter 3 of the market rules; and  (ii) recommend that the proposed rule modifications come into force <b>one business day</b> after the date on which the approval of the Authority is published by the EMC.  <b>Legal Sign-off</b>  Text of rule modifications has been vetted by EMC's

	<p>of Temasek Holdings (Private) Limited.</p>	<p><i>services licensee</i> is an <i>affiliate</i> of Temasek Holdings (Private) Limited.</p>	<p>December 2004 (i.e. two years from the market commencement date). It is thus proposed that the exemption period be extended for one more year, i.e. until end of 31 December 2005.</p> <p><b>Impact on Market Participants</b></p> <p>An extension of the exemption is required so that the gencos and their affiliates can be concurrently represented on the RCP.</p> <p><b>Comments from MPs</b></p> <p>None</p>	<p>legal counsel whose opinion is that the modifications reflect the intent of the rule modifications.</p>
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