

Notice of Market Rules Modification

Paper No.: EMC/RCP/27/2006/258
Rule reference: Sections 7.5 and 11 of Chapter 1
Proposer: Market Administration, EMC
Date received by EMC: 9 June 2006
Category allocated: 4
Status: Approved by EMA
Effective Date: 28 August 2006

Summary of proposed rule modification:

This proposal is a rewrite of sections 7.5 and 11 of Chapter 1. The objective is to make these sections more readable and easier to understand.

Date considered by Rules Change Panel: 4 July 2006
Date considered by EMC Board: 27 July 2006
Date considered by Energy Market Authority: 23 August 2006

Proposed rule modification:

See attached paper.

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

PAPER NO. : **EMC/BD/04/2006/03(d)**

RCP PAPER NO. : **EMC/RCP/27/2006/258**

SUBJECT : **RE-WRITE OF SECTIONS 7.5 AND 11 OF CHAPTER 1**

FOR : **DECISION**

PREPARED BY : **TEO WEE GUAN
SENIOR ECONOMIST**

REVIEWED BY : **PAUL POH LEE KONG
SVP, MARKET ADMINISTRATION**

DATE OF MEETING : **27 JULY 2006**

Executive Summary

This paper assesses the EMC's proposal on the re-write of Sections 7.5 and 11 of Chapter 1 of the Market Rules. These sections were identified as being unnecessarily long and complex. The paper concludes that the plain English re-write makes these sections of the Market Rules clearer and more readable. The RCP recommends that the EMC Board **adopt** this proposal.

1 Introduction

This paper assesses EMC's proposed rule modifications on the re-write of Sections 7.5 and 11 of Chapter 1 (see [Annex 1](#)).

2 Background

Section 7.5 of Chapter 1 governs the computation of time between two events, while section 11 of Chapter 1 governs the methods and timeline by which a notice is effected under the Market Rules, any Market Manual and the System Operation Manual.

These sections were identified as being unnecessarily complex, and thus difficult for the readers to understand. Consequently, EMC proposes that these sections be rewritten in plain English.

3 Analysis

In assessing the re-write, we considered whether the following was satisfied:

1. That the language of the new draft is superior to the current drafting in terms of clarity, simplicity and accessibility to the public;
2. That no obligation or right of any party in Sections 7.5 and 11 of Chapter 1 of the current Market Rules is materially changed under the rule modification proposal;
3. That there is no shifting or switching of any obligation or right under Sections 7.5 and 11 of the current Market Rules from one party to another under the rule modification proposal;
4. That all operational timings and sequences of events in Sections 7.5 and 11 of Chapter 1 of the current Market Rules are unchanged under the rule modification proposal; and
5. That in cases where material changes or clarifications are necessary, e.g., to improve processes or outcome, they are highlighted and explained.

3.1 Language clarity, simplicity and accessibility

With regard to language, we observe several notable improvements over the current Market Rules in the re-written sections:

1. Obvious and redundant phrases have been removed (e.g. the phrase 'in the computation of time' in sections 7.5.1 and 7.5.2 has been removed because it is redundant as the rules are clearly about computation of time);
2. Long phrases have been replaced with more concise wording (e.g. the phrase 'if the time for doing any act or thing expires on a day which is not a business day' has been replaced with 'if the deadline for doing any act or thing is not a business day');
3. Sentences are shorter and long singular sections were presented in tabular form (e.g. existing Section 11.2.1 is presented using a table and the sentences are shorter); and

4. Active voice rather than passive voice has been used.

We conclude that the re-write has achieved the objectives of making Sections 7.5 and 11 of Chapter 1 clearer, simpler and therefore more easily understood by a person outside the Singapore wholesale electricity market.

3.2 Rule Clarifications

Some clarifications have been made to improve clarity of and remove ambiguity in the Market Rules. These clarifications are marked as 'Clarification' in the right-most column of the table in Annex 1.

3.3 Obligations and rights of parties and timings and sequences of events

We have obtained a legal opinion from EMC's external legal counsel that supports the view that under the proposed rule modifications (except for proposed changes identified as 'Clarification'), no obligation or right of any party is materially changed, there is no shifting or switching of any obligation or right and all operational timings and sequences of events are unchanged. Details of the legal sign off are in Section 8 of this paper.

4 Conclusion

We conclude that the re-write of Sections 7.5 and 11 of Chapter 1 of the Market Rules is superior to the current drafting of the corresponding sections in the Market Rules, and that the obligations and rights of parties and timings and sequences of events are maintained. Hence, the plain English re-write of Sections 7.5 and 11 of Chapter 1 should be adopted into the Market Rules so as to realise the benefits of better drafting.

5 Impact on market systems

There would be no impact on any market system.

6 Implementation process

This rule change can be implemented immediately at no further cost.

7 Consultation

We have published the rule modification proposal on the EMC's website for comments. No comments have been received for consideration.

8 Legal sign off

Text of the proposed rule modifications has been vetted by EMC's external legal counsel whose opinion is that the proposed rule modifications as drafted (other than the proposed changes which have been identified as a "Clarification" in the right-most column of the table in Annex 1) do reflect the following objectives:

- a. no obligation or right of any party in Sections 7.5 and 11 of Chapter 1 of the current market rules is materially changed under the proposed rule modifications;

- b. there is no shifting or switching of any obligation or right under Sections 7.5 and 11 of Chapter 1 of the current market rules from one party to another under the proposed rule modifications; and
- c. all operational timings and sequences of events under Sections 7.5 and 11 of Chapter 1 of the current market rules are unchanged under the proposed rule modifications.

Further, the proposed rule modifications as drafted would be legally effective upon them coming into force in accordance with the current market rules, and they are legally consistent with other parts of the current market rules.

9 Recommendations

The RCP unanimously recommends that the EMC Board:

- a. **adopt** the rule modification proposal to amend Sections 7.5 and 11 of Chapter 1 of the Market Rules, as set out in Annex 1;
- b. **seek** the Authority's approval for the rule modification proposal; and
- c. **recommend** that the rule modification proposal come into force **one business day** after the date on which the approval of the Authority is published by the EMC.

Annex 1: Proposed rule modifications

Existing rules (Release: 1 April 2006)	Proposed rules (Deletions represented by strikethrough text and additions (and formatting changes) underlined)	Reasons for modification
Chapter 1		
<p>7.5 <u>COMPUTATION OF TIME</u></p> <p>7.5.1 In the computation of time under the <i>market rules</i>, any <i>market manual</i> and the <i>system operation manual</i>, unless a contrary intention appears, if there is a reference to a number of days between two events, they are counted by excluding the day on which the first event happens and including the day on which the second event happens.</p> <p>7.5.2 In the computation of time under Chapters 1 to 3 and 7, unless a contrary intention appears, if the time for doing any act or thing expires on a day which is not a <i>business day</i>, the act or thing may be done on the next day that is a <i>business day</i>.</p>	<p>7.5 <u>COMPUTATION OF TIME</u></p> <p>7.5.1 Unless otherwise stated, if the <i>market rules</i>, any <i>market manual</i> or the <i>system operation manual</i> refers to a number of days between two events, that number shall be computed by excluding the day on which the first event happens and including the day on which the second event happens.</p> <p>7.5.2 Under Chapters 1 to 3 and 7, unless otherwise stated, if the deadline for doing any act or thing is not a <i>business day</i>, that deadline shall be extended to the end of the next <i>business day</i>.</p>	<p><i>Clarification: The term “unless a contrary intention appears” in existing sections 7.5.1, 7.5.2, 11.1.1, 11.2.1 and 11.3.1 is changed to “unless otherwise stated” to avoid potential disputes and to give certainty.</i></p> <p><i>Clarification: The existing section 7.5.2 is intended to extend the time allowed for doing an act or thing to the end of the next business day if the time allowed for doing any act or thing expires on a day which is not a business day. The rewritten section 7.5.1 makes this clear.</i></p>

Existing rules (Release: 1 April 2006)	Proposed rules (Deletions represented by strikethrough text and additions (and formatting changes) underlined)	Reasons for modification
<p>11.1 <u>PROVISION OF NOTICE</u></p> <p>11.1.1 Subject to section 11.3, and unless a contrary intention appears, notice is properly given, notification is properly made and service, filing, issuance and submission is properly effected under the <i>market rules</i>, any <i>market manual</i> and the <i>system operation manual</i>:</p> <p>11.1.1.1 by courier or other form of personal delivery;</p> <p>11.1.1.2 by prepaid mail addressed to the person at the address for service, if any, supplied by the person to the sender or:</p> <p>a. where the person is a <i>market participant</i>, to the address shown for that person in the list of <i>market participants</i> maintained by the <i>EMC</i> pursuant to section 3.1.13 of Chapter 2;</p> <p>b. where the person is the <i>EMC</i>, to the registered office of the <i>EMC</i>; or</p> <p>c. where the person is the <i>PSO</i>, to the registered office of the <i>PSO</i>; or</p> <p>11.1.1.3 by facsimile or electronic mail addressed to the person at the facsimile number or electronic mail address supplied by the person to the</p>	<p>11.1 <u>PROVISION OF NOTICE</u></p> <p>11.1.1 Subject to section 11.3, and unless otherwise stated, a notice, notification, service, filing, issuance or submission (each of these referred to in section 11 as a “notice”) shall be effected under the <i>market rules</i>, any <i>market manual</i> or the <i>system operation manual</i> in the following manner:</p> <p>11.1.1.1 by courier or other form of personal delivery;</p> <p>11.1.1.2 by prepaid mail to the addressee:</p> <p>a. at the address for service (if any) supplied by the addressee to the sender;</p> <p>b. at the address shown for that addressee in the list of <i>market participants</i> maintained under section 3.1.12 of Chapter 2 if the addressee is a <i>market participant</i>;</p> <p>c. at the registered office of the <i>EMC</i> if the addressee is the <i>EMC</i>; or</p> <p>d. at the registered office of the <i>PSO</i> if the addressee is the <i>PSO</i>; or</p> <p>11.1.1.3 by facsimile or electronic mail addressed to the addressee at the facsimile number or electronic mail address supplied by the</p>	<p><i>Clarification: The existing section 11.1.1 may be read to mean that notice is deemed properly given, notification properly made and service, filing, issuance and submission properly effected as long as given, made or effected in the manner set out in sections 11.1.1.1 to 11.1.1.3. The new section 11.1.1 clarifies that if a notice, notification, service, filing, issuance or submission is to be effected under the market rules, any market manual or the system operation manual, then the notice must be effected in a manner set out under the rewritten sections 11.1.1.1 to 11.1.1.3.</i></p>

Existing rules (Release: 1 April 2006)	Proposed rules (Deletions represented by strikethrough text and additions (and formatting changes) underlined)	Reasons for modification												
sender.	addressee to the sender.													
<p>11.2 TIME OF NOTICE</p> <p>11.2.1 Subject to section 11.3, and unless a contrary intention appears, notice, notification, service, filing, issuance or submission shall be treated as having been duly given, made or effected to a person by the sender:</p> <p>11.2.1.1 where given, made or effected by mail in accordance with section 11.1.1.2 to an address in Singapore, on the fourth business day after the day on which it is mailed;</p> <p>11.2.1.2 where given, made or effected by mail in accordance with section 11.1.1.2 to an address outside Singapore, on the twentieth business day after the day on which it is mailed;</p> <p>11.2.1.3 where given, made or effected by facsimile in accordance with section 11.1.1.3 and a complete transmission report is issued from the sender's facsimile transmission equipment:</p> <p>a. where notice, notification, service, filing or submission is of the type in relation to which the addressee is obliged to monitor the receipt by facsimile outside of, as well as during, business hours, on the day and at the time of transmission</p>	<p>11.2 TIME OF NOTICE</p> <p>11.2.1 Subject to section 11.3, and unless otherwise stated, a notice shall be deemed duly effected at the following times:</p> <table border="1" data-bbox="976 639 1720 1391"> <thead> <tr> <th data-bbox="976 639 1111 746"></th> <th data-bbox="1111 639 1352 746">Method by which notice effected</th> <th data-bbox="1352 639 1720 746">Time notice deemed duly effected</th> </tr> </thead> <tbody> <tr> <td data-bbox="976 746 1111 882">11.2.1.1</td> <td data-bbox="1111 746 1352 882">By courier or other form of personal delivery</td> <td data-bbox="1352 746 1720 882">Upon actual receipt of the notice</td> </tr> <tr> <td data-bbox="976 882 1111 1086">11.2.1.2</td> <td data-bbox="1111 882 1352 1086">By prepaid mail on day 'D' in accordance with section 11.1.1.2</td> <td data-bbox="1352 882 1720 1086"> <ul style="list-style-type: none"> - 4th business day after day 'D' if to an address in Singapore; and - 20th business day after day 'D' if to an address outside Singapore </td> </tr> <tr> <td data-bbox="976 1086 1111 1391">11.2.1.3</td> <td data-bbox="1111 1086 1352 1391">By facsimile in accordance with section 11.1.1.3 where a complete transmission report is issued from the sender's facsimile transmission</td> <td data-bbox="1352 1086 1720 1391"> <ul style="list-style-type: none"> - where the addressee is obliged to monitor receipt of such type of notice by facsimile at all times, on day 'D' and at time 'T'; and - in all other cases, - on day 'D' and at time 'T' if 'D' is a business </td> </tr> </tbody> </table>		Method by which notice effected	Time notice deemed duly effected	11.2.1.1	By courier or other form of personal delivery	Upon actual receipt of the notice	11.2.1.2	By prepaid mail on day 'D' in accordance with section 11.1.1.2	<ul style="list-style-type: none"> - 4th business day after day 'D' if to an address in Singapore; and - 20th business day after day 'D' if to an address outside Singapore 	11.2.1.3	By facsimile in accordance with section 11.1.1.3 where a complete transmission report is issued from the sender's facsimile transmission	<ul style="list-style-type: none"> - where the addressee is obliged to monitor receipt of such type of notice by facsimile at all times, on day 'D' and at time 'T'; and - in all other cases, - on day 'D' and at time 'T' if 'D' is a business 	<p><i>Clarification: The existing section 11.2.1 refers to a notice, notification, service, filing, issuance or submission being "given, made or effected". This reference is changed to "effected".</i></p> <p><i>Clarification: The reference to "in any other case" in the existing section 11.2.1.5 is a reference to delivery "by courier or other form of personal delivery". The rewritten section 11.2.1.1 clarifies this.</i></p> <p><i>Clarification: To correct inconsistencies in the existing sections 11.2.1.3(b) and 11.2.1.4(b) by clarifying</i></p>
	Method by which notice effected	Time notice deemed duly effected												
11.2.1.1	By courier or other form of personal delivery	Upon actual receipt of the notice												
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11.2.1.3	By facsimile in accordance with section 11.1.1.3 where a complete transmission report is issued from the sender's facsimile transmission	<ul style="list-style-type: none"> - where the addressee is obliged to monitor receipt of such type of notice by facsimile at all times, on day 'D' and at time 'T'; and - in all other cases, - on day 'D' and at time 'T' if 'D' is a business 												

Existing rules (Release: 1 April 2006)	Proposed rules (Deletions represented by strikethrough text and additions (and formatting changes) underlined)		Reasons for modification
<p>as indicated on the sender's facsimile transmission report; and</p> <p>b. in all other cases, on the day and at the time of transmission as indicated on the sender's facsimile transmission report, if a business day or, if the transmission is on a day which is not a business day or is after 5:00 pm, addressee's time, at 9:00 am on the following business day;</p> <p>11.2.1.4 where given, made or effected by electronic mail in accordance with section 11.1.1.3:</p> <p>a. where notice, notification, service, filing or submission is of a type in relation to which the addressee is obliged to monitor receipt by electronic mail outside of, as well as during, business hours, on the day and at the time when the notice or notification is recorded by the sender's electronic communication system as having been first received at the electronic mail destination; and</p> <p>b. in all other cases, on the day and at the time when the notice, notification or document or other material served, filed or submitted is recorded by the sender's electronic communications system as having been first received at the electronic mail destination, if a business</p>		<p>equipment indicating a day of transmission 'D' and time of transmission 'T'</p>	<p><i>that if notice is given, made or effected by facsimile or electronic mail, and the day of transmission indicated on the transmission report or the day of the receipt record (as the case may be) is a business day and the time of transmission indicated on the transmission report or the time of the receipt record (as the case may be) is before 5.00 pm (recipient's time) (and not any time on a business day), then that notice shall be deemed to be given, made or effected on the day and at the time of transmission indicated on the transmission report, or on the day and at the time of the receipt record (as the case may be).</i></p>
	<p>11.2.1.4</p>	<p>By electronic mail in accordance with section 11.1.1.3 where the notice is recorded by the sender's electronic communication system as having been first received at the electronic mail destination on day 'D' and at time 'T'</p>	
	<p>In this table, 'D' denotes a given day and 'T' denotes a given time.</p>		

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<p>day, or if that time is after 5:00 pm, addressee's time, or the day is not a business day, at 9:00 am on the following business day; or</p> <p>11.2.1.5 in any other case, when the person actually receives the notice, notification or document or other material served, filed or submitted.</p>		
<p>11.3 <u>NOTICE OF DIRECTIONS AND ORDERS</u></p> <p>11.3.1 Unless a contrary intention appears, instructions, directions and orders of the <i>EMC</i> or the <i>PSO</i> may be given or issued to <i>market participants</i> and <i>market support services licensees</i>:</p> <p>11.3.1.1 in accordance with sections 11.1 or 11.2; or</p> <p>11.3.1.2 by voice communication, in which case the instruction, direction or order shall be deemed validly given or issued at the time of communication.</p>	<p>11.3 <u>NOTICE OF DIRECTIONS AND ORDERS</u></p> <p>11.3.1 Unless otherwise stated, instructions, directions and orders of the <i>EMC</i> or the <i>PSO</i> may be given to <i>market participants</i> and <i>market support services licensees</i>:</p> <p>11.3.1.1 in accordance with sections 11.1 or 11.2; or</p> <p>11.3.1.2 by voice communication, in which case the instruction, direction or order shall be deemed duly given at the time of communication.</p>	<p>Clarification: The reference to “given or issued” in the existing section 11.3.1 has been changed to “given” in the rewritten section 11.3.1. The reference to “validly” in the existing section 11.3.1.2 is changed to “duly” in the rewritten section 11.3.1.2.</p>