

Notice of Market Rules Modification

Paper No.:	EMC/RCP/87/2016/336
Rule Reference:	Chap 3 s4.3
Proposer:	EMC, Market Admin
Date Received by EMC:	05 January 2016
Category Allocated:	3
Status:	Approved by EMA
Effective Date:	24 August 2016

This paper assesses the proposal to remove the Market Assessment Unit's (MAU) obligation, under section 4.3.10 of Chapter 3 of the market rules ("Rule 4.3.10"), to collect and provide information to the Energy Market Authority (EMA) to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position under the Electricity Act (Chapter 89A) ("the Act").

As EMC possesses all the information stipulated in the current set of information requirements (listed in Annex 1), EMC is providing the information directly to the EMA, rather than through the MAU. It was thus proposed that Rule 4.3.10 be removed since the MAU is no longer involved.

We revisited the intent of Rule 4.3.10, which was added prior to market start as part of a review of the governance structure set out in Chapter 3. Specifically, at its 7th meeting, the Pro Tem Rules Change Panel (PTRCP) supported the EMA's suggestion for the MAU, under the supervision and direction of the Market Surveillance and Compliance Panel (MSCP), to provide regular reports, statistics and other information to the EMA (i.e. Rule 4.3.10), so as to strengthen the obligations of the MAU/MSCP in assisting the EMA to make more informed decisions.

Since EMC possesses all information currently required by the EMA, it is indeed operationally more efficient for EMC to provide the information to the EMA directly.

We recommend amending Rule 4.3.10 to include a provision for the MAU/MSCP to request that information providers (specifically market participants, the market support services licensee, and EMC) provide the required information to the EMA directly, rather than through the MAU, if the MAU/MSCP determines it appropriate to do so and if the information providers agree to the request. However, the following existing obligations should be retained:

- MAU's obligation to develop, maintain and collect the set of information requirements;
- Information providers' obligation to provide the required information to the MAU; and
- EMC's obligation to publish the set of information requirements and any modifications.

At its 84th meeting, the RCP by majority vote **supported** EMC's proposed amendments to Rule 4.3.10, and tasked EMC to draft the relevant rule modifications.

At its 85th meeting, the Panel suggested amending the rules to require that the MAU consult the industry on any proposed modifications to the set of information requirements. The Panel by majority vote **supported** the above suggestion and tasked EMC to amend the proposed rule modifications to include this. Version 2 of the proposed rule modifications (as set out in **Annex 3**) has thus been amended to include new sections 4.3.10.2A to 4.3.10.2D.

At its 87th RCP meeting, the RCP by majority vote **supported** the proposed rule modifications and recommends that the EMC Board **adopt** the proposed rule modifications as set out in **Annex 3**.

Date considered by Rules Change Panel:	10 May 2016
Date considered by EMC Board:	29 July 2016
Date considered by Energy Market Authority:	22 August 2016

Proposed rule modification:

See attached paper.

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

PAPER NO. : **EMC/BD/06/2016/05(a)**

RCP PAPER NO. : **EMC/RCP/87/2016/336**

SUBJECT : **REMOVAL OF MARKET ASSESSMENT UNIT'S OBLIGATION TO PROVIDE INFORMATION TO THE ENERGY MARKET AUTHORITY UNDER SECTION 4.3.10 OF CHAPTER 3 OF THE MARKET RULES**

FOR : **DECISION**

PREPARED BY : **YAP YUN BEN
ECONOMIST**

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

DATE OF MEETING : **29 JULY 2016**

Executive Summary

This paper assesses the proposal to remove the Market Assessment Unit's (MAU) obligation, under section 4.3.10 of Chapter 3 of the market rules ("Rule 4.3.10"), to collect and provide information to the Energy Market Authority (EMA) to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position under the Electricity Act (Chapter 89A) ("the Act").

As EMC possesses all the information stipulated in the current set of information requirements (listed in Annex 1), EMC is providing the information directly to the EMA, rather than through the MAU. It was thus proposed that Rule 4.3.10 be removed since the MAU is no longer involved.

We revisited the intent of Rule 4.3.10, which was added prior to market start as part of a review of the governance structure set out in Chapter 3. Specifically, at its 7th meeting, the Pro Tem Rules Change Panel (PTRCP) supported the EMA's suggestion for the MAU, under the supervision and direction of the Market Surveillance and Compliance Panel (MSCP), to provide regular reports, statistics and other information to the EMA (i.e. Rule 4.3.10), so as to strengthen the obligations of the MAU/MSCP in assisting the EMA to make more informed decisions.

Since EMC possesses all information currently required by the EMA, it is indeed operationally more efficient for EMC to provide the information to the EMA directly.

We recommend amending Rule 4.3.10 to include a provision for the MAU/MSCP to request that information providers (specifically market participants, the market support services licensee, and EMC) provide the required information to the EMA directly, rather than through the MAU, if the MAU/MSCP determines it appropriate to do so and if the information providers agree to the request. However, the following existing obligations should be retained:

- MAU's obligation to develop, maintain and collect the set of information requirements;
- Information providers' obligation to provide the required information to the MAU; and
- EMC's obligation to publish the set of information requirements and any modifications.

At its 84th meeting, the RCP by majority vote **supported** EMC's proposed amendments to Rule 4.3.10, and tasked EMC to draft the relevant rule modifications.

At its 85th meeting, the Panel suggested amending the rules to require that the MAU consult the industry on any proposed modifications to the set of information requirements. The Panel by majority vote **supported** the above suggestion and tasked EMC to amend the proposed rule modifications to include this. Version 2 of the proposed rule modifications (as set out in **Annex 3**) has thus been amended to include new sections 4.3.10.2A to 4.3.10.2D.

At its 87th RCP meeting, the RCP by majority vote **supported** the proposed rule modifications and recommends that the EMC Board **adopt** the proposed rule modifications as set out in **Annex 3**.

1. Introduction

This paper assesses the proposal to remove the Market Assessment Unit's (MAU) obligation to collect and provide information to the Energy Market Authority (EMA) to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position under the Electricity Act (Chapter 89A) ("the Act").

2. Background

2.1 Role of Energy Market Authority

The EMA, in accordance with the Act, is responsible for dealing with issues relating to inappropriate or anomalous market conduct, including the misuse and possible misuse of market power, gaming and collusion (collectively referred to as "market power issues" in this paper).

2.2 Role of Market Surveillance and Compliance Panel and Market Assessment Unit

The MAU's role is to monitor daily market behaviour in the wholesale electricity market, evaluate and analyse information that it collects, carry out investigative activities and report findings to the Market Surveillance and Compliance Panel (MSCP). The primary responsibilities of the MSCP, with the assistance of the MAU, are listed out in Chapter 3 Section 4.3.1 of the market rules.

Specifically, the MSCP and the MAU are not responsible for monitoring market power issues. However, should the MAU come across any of such issues in its daily monitoring or from complaints received, it should report these findings to the EMA.

2.3 Chronology of Events for the Addition of Section 4.3.10 of Chapter 3 in the Market Rules

In 2002, prior to market start on 1 January 2003, a review of the governance arrangements under Chapter 3 of the market rules was conducted arising from issues raised by the EMC Board.

Chapter 3 Section 4.3.10 of the market rules ("Rules 4.3.10") was added after the removal of the obligations of the MSCP and the MAU to monitor market power issues. The chronology of events that led to the inclusion of Rule 4.3.10 in the market rules is summarised in Table 1 below.

Table 1: Chronology of Events for the Inclusion of Rule 4.3.10

Pro Tem RCP (PTRCP) Meeting No.	Main Points of Discussion
6 th (25 June 2002)	<ul style="list-style-type: none"> - Various changes to Chapter 3 of the market rules were proposed, arising from issues raised by the EMC Board in February 2002 and after discussions with the EMA. - Specifically, the responsibility of the MAU/MSCP to monitor market power issues was removed. - Section 4.4.3 was added, requiring the Chief Executive of EMC to forward to the EMA any report received from the MAU/MSCP that indicates possible market power issues. • Arising from the Panel discussions, EMC was tasked to review section 4.4.3 to ensure that it included an <u>explicit</u> obligation on the MAU and

Pro Tem RCP (PTRCP) Meeting No.	Main Points of Discussion
	MSCP to report market power issues to the EMA.
7 th (16 July 2002)	<ul style="list-style-type: none"> • Section 4.4.3 was redrafted to explicitly obligate the MAU/MSCP to report market power issues to the EMA (in response to issues raised at the 6th PTRCP meeting). • In its comments on the proposed Chapter 3 changes, the EMA: <ul style="list-style-type: none"> – agreed that the EMA is the body responsible for market power issues, – felt that the MAU, being under the management and administration of EMC, would have access to valuable and intimate working knowledge of the wholesale electricity market, and – recommended that there should be explicit obligations for the MAU/MSCP to provide regular reports, statistics and other related information to the EMA so that the EMA can make more informed decisions. • In response to the EMA's comments, the Panel agreed that to strengthen the obligations of the MAU/MSCP, the MAU would provide regular reports to the EMA and agreed with EMA on the set of indices/information to be provided to the EMA. Further, EMC will publish the set of information to be provided to the EMA for transparency.
9 th (30 July 2002)	<ul style="list-style-type: none"> • Proposed changes to Chapter 3 were presented to the RCP. <ul style="list-style-type: none"> – Specifically, Rule 4.3.10 was added, requiring the MAU, in consultation with the EMA, to develop a set of information requirements and to routinely provide information to the EMA (arising from the EMA's comments and the Panel's decision at the 7th PTRCP meeting). • The Panel suggested various drafting amendments to Rule 4.3.10.
10 th (6 August 2002)	<ul style="list-style-type: none"> • The Panel supported the proposed changes to Chapter 3 (including Rule 4.3.10), and agreed to submit it to the EMC Board.
11 th (4 September 2002)	<ul style="list-style-type: none"> • The Panel was informed that the proposed changes to Chapter 3 (including Rule 4.3.10), as supported and recommended by the PTRCP at its 10th meeting, had been subject to external legal review to determine whether the proposed amendments were enforceable under the Singapore law. • The legal advice recommended that barring eight minor amendments, the proposed Chapter 3 changes (including Rule 4.3.10) are enforceable. • The Panel supported EMC's recommendations and agreed to make the necessary recommendations to the EMC Board.
13 th (29 October 2002)	<ul style="list-style-type: none"> • The EMA advised EMC that the proposed amendments to Chapter 3 did not provide sufficient clarity on the obligations of the MSCP/MAU to report to the EMA if the MSCP/MAU uncovers any market power issues arising from activities conducted <u>outside of</u> the scope of Rule 4.3.10. • EMC drafted a new section 4.4.4 which would make the above obligation explicit. • The Panel supported EMC's recommendation and agreed to make the necessary recommendation to the EMC Board.

Sections 4.3.10, 4.4.3 and 4.4.4 (among other Chapter 3 amendments) were then approved by the EMA on 29 November 2002.

2.4 Proposal Received

The current version of Rule 4.3.10 of the market rules requires:

- a) the MAU, under the supervision and direction of the MSCP and in consultation with the EMA, to develop and maintain a set of information requirements to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position under the Act,
- b) EMC to publish the set of information requirements,
- c) the MAU to collect, and market participants (MPs)/market support services licensee (MSSL)/EMC to provide to the MAU, the requisite information stipulated in the set of information requirements, and
- d) the MAU to provide information collected to the EMA.

A proposal received during the 2015/16 Rules Change Work Plan Prioritisation exercise suggests removing Rule 4.3.10 because the MAU is no longer involved in the provision of information to the EMA. Instead, as EMC possesses all the information stipulated in the current set of information requirements (listed in Annex 1), the MAU/MSCP has been working with EMC and EMA to enable EMC to provide the required information directly to the EMA since 2012, rather than through the MAU. This practice has been deemed by the EMA as having fulfilled the requirements of the market rules.

3. Analysis

3.1 Reasons for Rule 4.3.10

As described in section 2.3 of this paper, Rule 4.3.10 was proposed to be added arising from the EMA's comments discussed at the 7th PTRCP meeting.

While section 4.4.3 of Chapter 3 was meant for the MAU/MSCP to forward to the EMA any complaints received or information uncovered on market power issues, the EMA at that time opined that section 4.4.3 alone was insufficient, and preferred for an explicit obligation to be imposed on the MAU and the MSCP to provide "regular reports, statistics and information... so that the Authority can make more informed decisions"¹ by establishing a set of protocols and procedures to facilitate the sharing of information between the EMA and the MAU.

The Panel at its 9th and 10th PTRCP meetings agreed on Rule 4.3.10, requiring that the MAU, under the supervision and direction of the MSCP, and in consultation with the EMA to develop a set of requirements for information that they will routinely collect and provide to the EMA to assist the EMA in fulfilling its obligations under the Act. Such information serves as an avenue through which information can be routinely made available to the EMA for market power monitoring purposes.

The set of information requirements was also required to be published for transparency.

¹ From the EMA's comments to Paper No. EMC/PTRCP/2002: Proposed Changes to the Market Governance Arrangements under Chapter 3 of the Market Rules V3.0C, dated 9 July 2002, presented at 7th PTRCP Meeting held on 16 July 2002.

3.2 Proposed Removal of Rule 4.3.10

There are four main obligations under Rule 4.3.10, which are summarised in Table 2 below.

Table 2: Summary of Obligations under Rule 4.3.10

Part	Summary of Obligations	Corresponding subsection(s) of Rule 4.3.10
a	The MAU (under the supervision and direction of the MSCP), in consultation with the EMA, to develop and maintain a set of information requirements to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position under the Act	<ul style="list-style-type: none"> • 4.3.10 • 4.3.10.1 • 4.3.10.2
b	EMC to publish the set of information requirements	<ul style="list-style-type: none"> • 4.3.10.3
c	The MAU to collect, and MPs/MSSL/EMC to provide to the MAU, the requisite information stipulated in the set of information requirements	<ul style="list-style-type: none"> • 4.3.10.4 • 4.3.10.5
d	The MAU to provide information collected to the EMA	<ul style="list-style-type: none"> • 4.3.10.6

We examine the relevance of each of the four obligations under Rule 4.3.10 in the following:

Part (a)

Collaboration between the MAU/MSCP and the EMA will ensure that the set of information requirements developed (and any subsequent modifications) is sufficiently comprehensive and useful for the EMA in monitoring market power issues.

Having an independent party like the MAU/MSCP determine and maintain the set of information requirements will limit the possibility of interested parties (e.g. the information providers) omitting certain information from the set of information requirements, and ensure continued relevance of the information provided. **The obligation on the MAU to develop and maintain the set of information requirements should therefore remain.**

Part (b)

As mentioned in section 3.1 of this paper, the set of information requirements was required to be published for transparency reasons. Since transparency is one of the fundamental market design principles, **the set of information requirements and any modifications should continue to be published.**

Part (c)

Chapter 3 section 4.4.3 of the market rules requires the MAU/MSCP to inform the EMA if they receive any complaint or uncover any information that may indicate potential market power issues in the course of conducting their investigative and monitoring activities pursuant to section 4.4.1 or section 4.3.10.

Therefore, to enable the MAU to fulfil its obligation under section 4.4.3, **the obligations on the MAU to collect, and MPs/MSSL/EMC to provide to the MAU, the set of information requirements (i.e. Part c) should remain.**

Part (d)

Based on the current set of information requirements (in Annex 1), all of which are available to EMC in its ordinary course of business, it is indeed operationally more efficient for EMC to provide the required information to the EMA directly, rather than doing so through the MAU.

Given the intent of Rule 4.3.10 was to ensure that the EMA has access to routine information, Part (d) could be revised to **include a provision for the MAU/MSCP to request that information provider(s) (e.g. EMC) provide the required information to the EMA directly, if the MAU/MSCP determines it appropriate to do so and if the information provider(s) agrees to the request.** Any such agreements between the MAU/MSCP and information providers should set out, among other things, (i) the information required to be provided to the EMA, (ii) the frequency, means, and period of provision of such data, and (iii) any other necessary arrangements required.

This revision will provide more flexibility and efficiency on how information can be shared with the EMA to assist the EMA with respect to its obligations under the Act. However, the MAU (under the supervision and direction of the MSCP) should still be required to provide the information to the EMA, if:

- (i) information providers do not agree to the MAU/MSCP's request for them to provide the information to the EMA directly, or
- (ii) any such information requirements that may be added in future is not readily available to EMC, MPs or MSSL, or requires further calculation or verification, and therefore will be more appropriate to be collated by the MAU before sending to the EMA.

4. Conclusion

Currently in the market rules, the MAU is obligated to collect and provide information to the EMA to assist the EMA in fulfilling its obligations with respect to competition and abuse of a dominant position.

This paper examines the proposal to remove the MAU's obligation to provide information to the EMA to assist the EMA with respect to its obligations under the Act. EMC instead recommends amending Rule 4.3.10 to include a provision for the MAU/MSCP to request that information provider(s) provides the required information to the EMA directly when it is deemed appropriate to do so by the MAU/MSCP, subject to the agreement of the relevant party given that such request may impose additional obligations on information providers. This amendment will result in greater flexibility and efficiency on how information can be shared with the EMA to assist the EMA with respect to its obligations under the Act but retained the MAU/MSCP's obligation under Rule 4.3.10 to ensure that the MAU/MSCP continue to update the set of information it collects for the EMA's market power monitoring purposes.

5. Consultation (Concept Paper)

The concept paper was published for industry consultation on 19 November 2015, and the following comment was received from the MSCP.

Comments from MSCP

The MSCP does not in principle object to EMC's recommendation to keep subsections 4.3.10.1 to 4.3.10.5 of Chapter 3 of the market rules.

With regard to the EMC's recommended revision to subsection 4.3.10.6, the MSCP feels that an agreement between the MAU/MSCP and the information providers to provide the required market information to the EMA should not be required. The information providers should provide the required market information to the EMA upon the MAU/MSCP's request.

The MSCP also felt it was unable to comment on the workability of proposed revision to section 4.3.10.6 without seeing the actual rules. The MSCP would like to be consulted on the proposed modifications when proposed changes to the market rules have been drafted.

EMC's Response

Given that request from the MAU/MSCP to require information providers to provide information to the EMA directly may impose additional obligations on information providers, agreement should be sought from information providers first.

If the proposal is supported by the Rules Change Panel (RCP), EMC will draft the relevant rule modifications and consult the MSCP thereafter.

6. Decision at the 84th RCP Meeting

At its 84th meeting, the RCP by majority vote **supported** EMC's proposed amendments to Rule 4.3.10, and tasked EMC to draft the relevant rule modifications.

The details of the voting outcomes are as follows:

Those who voted in support of the proposal:

1. Mr. Henry Gan Representative of the EMC
2. Ms. Priscilla Chua Representative of Generation Licensee
3. Mr. Marcus Tan Representative of Generation Licensee
4. Mr. Luke Peacocke Representative of Retail Electricity Licensee
5. Mr. Daniel Lee Representative of Retail Electricity Licensee
6. Ms. Frances Chang Representative of Consumers of Electricity in Singapore
7. Mr. Phillip Tan Person experienced in financial matters in Singapore

Those who voted not to support the proposal:

1. Mr. Lim Han Kwang Representative of the Transmission Licensee
2. Mr. Lawrence Lee Representative of the Market Support Services Licensee
3. Mr. Dallan Kay Representative of Wholesale Electricity Trader
4. Dr. Toh Mun Heng Representative of Consumers of Electricity in Singapore

Those who abstained from voting:

1. Ms. Grace Chiam Representative of Generation Licensee

7. Proposed Rule Modifications (Version 1)

Arising from the RCP's decision, EMC has drafted the proposed rule modifications (Proposed rule modifications (Version 1)), as set out in **Annex 2**, to implement the proposed amendments to Rule 4.3.10. Table 3 below summarises the proposed rule changes.

Table 3: Summary of Proposed Rule Modifications (Version 1)

Chapter 3, Section	Proposed Changes	Reason for Change
Section 4.3.10.6	Added "Subject to section 4.3.10.7".	To subject section 4.3.10.6 to the proposed new section 4.3.10.7 of Chapter 3.
Section 4.3.10.7	Added provision for the MSCP to request MPs, MSSL and the EMC to provide information directly to the EMA, if: (i) the MSCP determines it appropriate to do so, and (ii) the information provider(s) agrees to the request.	To implement the proposed amendment as described in section 3.2 of this paper.

8. Consultation (Proposed Rule Modifications)

The proposed rule modifications, as set out in **Annex 2**, were published for consultation on 21 January 2016, and the following comments were received from the MSCP.

Comments from MSCP

On EMC's response to the MSCP's comments on the concept paper CP60:

1. Section 4.3.10.4 of Chapter 3 of the market rules requires an MP, EMC or MSSL to provide information specified under section 4.3.10 to the MAU. The MSCP does not see how directing that same information to the Authority imposes any additional material obligation over and above what would have been required under section 4.3.10.4.

The MSCP is an independent governance body of the NEMS accorded the market's trust to act in good faith at all times. That necessarily includes not imposing undue or unjustified obligation on any MP, EMC or MSSL. The MSCP believes this should not be questioned.

On the proposed rule drafting:

2. Instead of being subject to an agreement from the information provider, the MSCP suggests the new rules be amended to provide that the MSCP shall consider the extent of any additional onus (over and above what would have been required under section 4.3.10.4) placed on the information provider, before requiring an MP to submit that information under section 4.3.10 of Chapter 3 directly to the Authority.

EMC's Response

1. We note the MSCP's comments on EMC's response.
2. In response to the MSCP's suggestion on the proposed rule drafting (Version 1), we have drafted alternative rule modifications (Proposed rule modifications Version 2) as set out in **Annex 3**.

9. Proposed Rule Modifications (Version 2)

Arising from the MSCP's comments, EMC has drafted the proposed rule modifications (Proposed rule modifications (Version 2)), as set out in **Annex 3**. Version 2 establishes procedures for the MAU to modify the set of information requirements and that MPs, MSSL and EMC shall provide any data referred to in the information requirements directly to the EMA upon the EMA's request. The MAU, upon receiving the EMA's request, will be released from its obligations to provide the same information to the EMA. Table 4 below summarises the proposed rule changes, which also include those changes arising from the RCP's decision at its 85th meeting described in section 10 of this paper.

Table 4: Summary of Proposed Rule Modifications (Version 2)

Chapter 3, Section	Proposed Changes	Reason for Change
Section 4.3.10	Added "In connection with the foregoing:"	To make clear that sections 4.3.10.1 to 4.3.10.7 are in connection with section 4.3.10.
Section 4.3.10.2	Added "and in accordance with the procedures set out in sections 4.3.10.2A to 4.3.10.2D,"	To establish that the MAU's modifications to the set of information requirements shall be in accordance with the procedures set out in proposed new sections 4.3.10.2A to 4.3.10.2D.
Section 4.3.10.2A	Added a new section for the MAU to consult the industry by requiring the EMC to publish any proposed modifications to the set of information requirements made pursuant to section 4.3.10.2.	To establish that the EMC shall publish the proposed modifications to the set of information requirements made under section 4.3.10.2 for the MAU to consult the industry.
Section 4.3.10.2B	Added a new section for all written submissions to be made within the time specified in the relevant invitation published by the EMC.	To establish that all written submissions referred to in section 4.3.10.2A be made within the time specified in the relevant invitation published by the EMC.
Section 4.3.10.2C	Added a new section to require the MAU to consider all written submissions received within the time specified for making such submissions.	To require the MAU to consider all written submissions referred to in section 4.3.10A received by the MAU within the time specified for making such submissions.
Section 4.3.10.2D	Added a new section to require the MAU, under the supervision and direction of the MSCP, and taking into consideration the written submissions referred to in section 4.3.10.2C to consult with the EMA on the proposed modifications to the set of information requirements.	To require that the MAU, under the supervision and direction of the MSCP, consult with the EMA on the proposed modifications to the set of information requirements, taking into consideration the written submissions referred to in section 4.3.10.2C.

Chapter 3, Section	Proposed Changes	Reason for Change
Section 4.3.10.4	<p>Added “and modified by any modifications thereto pursuant to section 4.3.10.2,”</p> <p>Revised the section to provide for the MPs, MSSL and the EMC to provide information directly to the EMA upon EMA’s request.</p>	<p>To make clear that the information requirements referred to is subject to any modifications made pursuant to section 4.2.10.2.</p> <p>To establish that a MP, MSSL or the EMC shall provide data referred to in such information requirements directly to the EMA upon request by the EMA.</p>
Section 4.3.10.5	<p>Changed “required by” to “referred to in”.</p> <p>Changed “under” to “in accordance with”.</p> <p>Replaced “subject to” with “modified by”.</p> <p>Replaced “made to the information requirements” with “thereto”.</p>	To make drafting amendments for consistency.
Section 4.3.10.6	Added “subject to section 4.3.10.7”.	To subject section 4.3.10.6 to the proposed new section 4.3.10.7 of Chapter 3.
Section 4.3.10.7	Added provision for the MAU to be released from its obligations under section 4.3.10.6 upon the MAU’s receipt of the request made by the EMA pursuant to section 4.3.10.4.	To establish that the MAU shall be released from its obligations to under section 4.3.10.6 to provide to the EMA the same data that the EMA had requested under section 4.3.10.4, upon the MAU’s receipt of a copy of the EMA’s request made pursuant to section 4.3.10.4.

10. Deliberation and Decision at the 85th RCP Meeting

At its 85th meeting, a Panel member suggested amending Version 2 of the Proposed Rule Modifications to require that the MAU consult the industry on any proposed modifications to the set of information requirements. The Panel by majority vote **supported** the above suggestion and tasked EMC to amend the proposed rule modifications to include this. EMC will subsequently table the proposed rule modifications for the Panel’s decision.

The details of the voting outcomes are as follows:

Those who voted in support of the suggested amendment:

1. Mr. Henry Gan Representative of the EMC
2. Ms. Priscilla Chua Representative of Generation Licensee

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| 3. Mr. Marcus Tan | Representative of Generation Licensee |
| 4. Mr. Luke Peacocke | Representative of Retail Electricity Licensee |
| 5. Mr. Daniel Lee | Representative of Retail Electricity Licensee |
| 6. Ms. Frances Chang | Representative of Consumers of Electricity in Singapore |
| 7. Mr. Phillip Tan | Person experienced in financial matters in Singapore |
| 8. Mr. Dallon Kay | Representative of Wholesale Electricity Trader |
| 9. Mr. Lawrence Lee | Representative of the Market Support Services Licensee |
| 10. Dr. Toh Mun Heng | Representative of Consumers of Electricity in Singapore |
| 11. Ms. Grace Chiam | Representative of Generation Licensee |
| 12. Mr. Sean Chan | Representative of Retail Electricity Licensee |

Those who abstained from voting:

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| 1. Mr. Soh Yap Choon | Representative of PSO |
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11. Second Consultation on the Proposed Rule Modifications

The proposed rule modifications reflecting the RCP's decision at its 85th meeting, as set out in **Annex 3**, were published for consultation on 23 March 2016, and the following comments were received from the MSCP.

Comments from MSCP

On the proposed sections 4.3.10.2A to 4.3.10.2D

1. The MSCP notes that section 4.3.6 of Chapter 3 requires the EMC to publish all modifications to the data catalogues described in section 4.3.2 for industry consultation. With regard to the information requirements described in section 4.3.10, however, there has been no such provision. It is not clear to the MSCP if this omission had been intended when the existing market rules were written.
2. Without the benefit of the rationale of the above omission, the MSCP does not object to the proposed sections 4.3.10.2A to 4.3.10.2D. Nonetheless, the MSCP considers that the Authority's view on the matter is more pertinent since section 4.3.10 serves to help the Authority fulfil its obligations under the Electricity Act.

On the proposed sections 4.3.10.4 and 4.3.10.7

3. On the grounds that section 4.3.10 exists to support the Authority's fulfilment of its obligations with respect to sections 50 and 51 of the Electricity Act, the MSCP agrees with these proposed sections.

EMC's Response

We note that the MSCP does not object to the proposed rule modifications.

We have reviewed the records on the amendment of Chapter 3 and they did not indicate that the omission of such provision had been intended when the existing rules were written.

While the proposed new sections are intended to help the Authority fulfil its obligations under the Electricity Act, it is generally good practice to consult the industry prior to making any modifications that would impact the market. For example, the market rules require that the details of any modification proposal be published for industry consultation before the RCP considers them. The Authority also consults the industry on a wide variety of issues, such as changes to

the regulatory framework for the energy industry or the code of conduct for licensees, prior to making a determination.

Hence, requiring that the industry be consulted on proposed modifications to the set of information requirements would be in line with the existing arrangements in the Singapore Wholesale Electricity Market.

12. Legal Sign-off

The text of the proposed rule modifications has been vetted by EMC's external legal counsel, whose opinion is that the modifications reflect the intent of the rule modification proposal as expressed in the third column of the tables in **Annex 2** and **Annex 3**.

13. Decision at the 87th RCP Meeting

At its 87th meeting, the RCP by majority vote **supported** the proposed rule modifications as set out in **Annex 3**. The details of the voting outcomes are as follows:

Those who voted in support of the proposal:

1. Mr. Henry Gan Representative of the EMC
2. Ms. Priscilla Chua Representative of Generation Licensee
3. Mr. Marcus Tan Representative of Generation Licensee
4. Ms. Grace Chiam Representative of Generation Licensee
5. Mr. Luke Peacocke Representative of Retail Electricity Licensee
6. Mr. Daniel Lee Representative of Retail Electricity Licensee
7. Mr. Sean Chan Representative of Retail Electricity Licensee
8. Mr. Lim Han Kwang Representative of Transmission Licensee
9. Mr. Phillip Tan Person experienced in financial matters in Singapore
10. Dr. Toh Mun Heng Representative for the interests of the consumers of electricity in Singapore

Those who abstained from voting:

1. Mr. Soh Yap Choon Representative of PSO

14. Recommendations

The RCP by majority vote recommends that the EMC Board:

- (a) **adopt** the proposed rule modifications as set out in **Annex 3**;
- (b) **seek** the EMA's approval of the proposed rule modifications as set out in **Annex 3**;
and
- (c) **recommend** that the proposed rule modifications in **Annex 3** come into force **one business day** after the date on which the approval of the Authority is published by the EMC.

Annex 1: Current Information RequirementsExtracted from <https://www.emcsg.com/aboutthemarket/informationrequirements>**Information Requirements To Assist the Authority To Fulfil Its Obligations With Respect To Competition And Abuse Of A Dominant Position Under Sections 50 and 51 Of The Electricity Act**

	Description	Frequency of collection	Means of provision to the Authority
1	Maximum installed capacity of each registered facility	Once and upon change	By electronic mail
2	Maximum generation capacity of each registered facility		
3	Maximum ramp-up rate of each registered facility		
4	Maximum ramp-down rate of each registered facility		
5	Maximum reserve capacity (primary, secondary and contingency) of each registered facility		
6	Maximum combined generation capacity and reserve capacity of each registered facility		
7	Maximum regulation capacity of each registered facility		
8	Offers of energy, reserve and regulation (prices and quantities) submitted by all market participants that are used in dispatch run	Daily	By electronic mail
9	All offer variations and revisions to standing offers		
10	Scheduled dispatch volumes by registered facility/market participant (according to the real-time dispatch schedule and the medium scenario of the latest available pre-dispatch schedule and short-term schedule)		
11	Metered generation volumes by registered facility/market participant		
12	Half hourly Market Energy Prices (MEP) at all market network nodes (MNN) (according to the real-time dispatch schedule and the medium scenario of the latest available pre-dispatch schedule and short-term schedule)		
13	Half hourly Uniform Singapore Energy Price (USEP)		
14	Half hourly reserve prices: primary, secondary and contingency		
15	Half hourly regulation prices		
16	Pre-dispatch schedules		
17	Short-term schedules		
18	Real-time schedules		
19	Uplift charges		
20	Advisory notice reported by time, day and type		

First published on: 27 March 2003

Modifications published on: 18 August 2003
28 January 2004
3 April 2012

Annex 2: Proposed Rule Modifications (Version 1)

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
Chapter 3	Chapter 3	
<p>4.3 <u>MARKET MONITORING FUNCTIONS AND CATALOGUES</u></p> <p>...</p> <p>4.3.10 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, consult with the <i>Authority</i> on and develop a set of information requirements to assist the <i>Authority</i> to fulfil its obligations with respect to competition and abuse of a dominant position under sections 50 and 51 of the <i>Electricity Act</i> respectively.</p> <p>4.3.10.1 The <i>market assessment unit</i> shall make reasonable endeavours to have developed and made available for <i>publication</i> an initial set of information requirements to assist the <i>Authority</i> within 3 calendar months of <i>market commencement date</i>.</p> <p>4.3.10.2 The <i>market assessment unit</i> shall, from time to time and as necessary, modify the set of information requirements established pursuant to section 4.3.10.</p> <p>4.3.10.3 The set of information requirements established in accordance with section</p>	<p>4.3 <u>MARKET MONITORING FUNCTIONS AND CATALOGUES</u></p> <p>...</p> <p>4.3.10 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, consult with the <i>Authority</i> on and develop a set of information requirements to assist the <i>Authority</i> to fulfil its obligations with respect to competition and abuse of a dominant position under sections 50 and 51 of the <i>Electricity Act</i> respectively.</p> <p>4.3.10.1 The <i>market assessment unit</i> shall make reasonable endeavours to have developed and made available for <i>publication</i> an initial set of information requirements to assist the <i>Authority</i> within 3 calendar months of <i>market commencement date</i>.</p> <p>4.3.10.2 The <i>market assessment unit</i> shall, from time to time and as necessary, modify the set of information requirements established pursuant to section 4.3.10.</p> <p>4.3.10.3 The set of information requirements established in accordance with section</p>	

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
<p>4.3.10, and any modifications made pursuant to section 4.3.10.2, shall be <i>published</i> by the <i>EMC</i> as soon as practicable after receipt.</p> <p>4.3.10.4 <i>Market participants, market support services licensees and the EMC, as specified in the information requirements, shall provide the market assessment unit with the data referred to in the information requirements described in section 4.3.10 within or at the time or times specified in such information requirements, once publication of such information requirements has been effected pursuant to section 4.3.10.3.</i></p> <p>4.3.10.5 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, collect such market information as required by the information requirements established under section 4.3.10, subject to any modifications made to the information requirements pursuant to section</p>	<p>4.3.10, and any modifications made pursuant to section 4.3.10.2, shall be <i>published</i> by the <i>EMC</i> as soon as practicable after receipt.</p> <p>4.3.10.4 <i>Market participants, market support services licensees and the EMC, as specified in the information requirements, shall provide the market assessment unit with the data referred to in the information requirements described in section 4.3.10 within or at the time or times specified in such information requirements, once publication of such information requirements has been effected pursuant to section 4.3.10.3.</i></p> <p>4.3.10.5 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, collect such market information as required by the information requirements established under section 4.3.10, subject to any modifications made to the information requirements pursuant to section</p>	

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
<p>4.3.10.2.</p> <p>4.3.10.6 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, provide to the <i>Authority</i> the market information collected by the <i>market assessment unit</i> pursuant to section 4.3.10.5.</p>	<p>4.3.10.2.</p> <p>4.3.10.6 <u>Subject to section 4.3.10.7,</u> The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, provide to the <i>Authority</i> the market information collected by the <i>market assessment unit</i> pursuant to section 4.3.10.5.</p>	<p>To make clear that the MAU's obligation to provide information to the EMA under section 4.3.10.6 will be subject to the proposed section 4.3.10.7.</p>
<p>[New section]</p>	<p><u>4.3.10.7 If the <i>market surveillance and compliance panel</i> considers it appropriate, it may request a <i>market participant(s)</i>, <i>market support services licensee(s)</i> and/or the <i>EMC</i> to provide to the <i>Authority</i> information in such <i>market participant(s)</i>, <i>market support services licensee(s)</i> and/or the <i>EMC's</i> possession, as the case may be, that the <i>market assessment unit</i> is required to provide to the <i>Authority</i> under section 4.3.10.6, subject to the agreement of such <i>market participant(s)</i>, <i>market support services licensee(s)</i> and/or the <i>EMC</i> (as the case may be).</u></p>	<p>To establish that the MSCP may request MPs, MSSL and the EMC to provide information directly to the EMA, if the MSCP determines it appropriate to do so and if the information provider(s) agrees to the request.</p>

Annex 3: Proposed Rule Modifications (Version 2)

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
Chapter 3	Chapter 3	
4.3 <u>MARKET MONITORING FUNCTIONS AND CATALOGUES</u> ...	4.3 <u>MARKET MONITORING FUNCTIONS AND CATALOGUES</u> ...	
4.3.10 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i> , consult with the <i>Authority</i> on and develop a set of information requirements to assist the <i>Authority</i> to fulfil its obligations with respect to competition and abuse of a dominant position under sections 50 and 51 of the <i>Electricity Act</i> respectively.	4.3.10 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i> , consult with the <i>Authority</i> on and develop a set of information requirements to assist the <i>Authority</i> to fulfil its obligations with respect to competition and abuse of a dominant position under sections 50 and 51 of the <i>Electricity Act</i> respectively. <u>In connection with the foregoing:</u>	To make clear that sections 4.3.10.1 to section 4.3.10.7 are in connection with section 4.3.10.
4.3.10.1 The <i>market assessment unit</i> shall make reasonable endeavours to have developed and made available for <i>publication</i> an initial set of information requirements to assist the <i>Authority</i> within 3 calendar months of <i>market commencement date</i> .	4.3.10.1 The <i>market assessment unit</i> shall make reasonable endeavours to have developed and made available for <i>publication</i> an initial set of information requirements to assist the <i>Authority</i> within 3 calendar months of <i>market commencement date</i>;	
4.3.10.2 The <i>market assessment unit</i> shall, from time to time and as necessary, modify the set of information requirements established pursuant to section 4.3.10.	4.3.10.2 The <i>market assessment unit</i> shall, from time to time and as necessary, and in accordance with the procedures set out in sections 4.3.10.2A to 4.3.10.2D, modify the set of information requirements established pursuant to section 4.3.10;	To make clear that the MAU's modifications to the set of information requirements under section 4.3.10.2 shall be

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
		in accordance with the procedures set out in proposed new sections 4.3.10.2A to 4.3.10.2D.
[New section]	4.3.10.2A <u>before the market assessment unit modifies the set of information requirements pursuant to section 4.3.10.2, the EMC shall publish the details of the proposed modifications to the set of information requirements, and invite all interested persons to make written submissions on the proposed modifications to the set of information requirements to the market assessment unit within a reasonable time specified in the invitation;</u>	To provide that the EMC shall publish the details of the proposed modifications to the set of information requirements, and invite written submissions on the same within a reasonable time specified in the invitation.
[New section]	4.3.10.2B <u>all written submissions referred to in section 4.3.10.2A must be made within the time specified in the relevant invitation published by the EMC;</u>	To require that all written submissions referred to in section

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
		4.3.10.2A be made within the time specified in the relevant invitation published by the EMC.
[New section]	<u>4.3.10.2C</u> all written submissions referred to in section 4.3.10.2A that are received by the <i>market assessment unit</i>, within the time specified for making such written submissions in the relevant invitation published by the EMC, shall be considered by the <i>market assessment unit</i>;	To require the MAU to consider all written submissions referred to in section 4.3.10.2A received by the MAU within the time specified for making such submissions.
[New section]	<u>4.3.10.2D</u> the <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i>, consult with the <i>Authority on the proposed modifications to the set of information requirements referred to in section 4.3.10.2A</i>, taking into consideration the written submissions	To require that the MAU, under the supervision and direction of the MSCP, consult with the EMA on the proposed

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
	<u>referred to in section 4.3.10.2C:</u>	modifications to the set of information requirements, taking into consideration the written submissions referred to in section 4.3.10.2C.
4.3.10.3 The set of information requirements established in accordance with section 4.3.10, and any modifications made pursuant to section 4.3.10.2, shall be <i>published</i> by the <i>EMC</i> as soon as practicable after receipt.	4.3.10.3 The set of information requirements established in accordance with section 4.3.10, and any modifications made pursuant to section 4.3.10.2, shall be <i>published</i> by the <i>EMC</i> as soon as practicable after receipt.	
4.3.10.4 <i>Market participants, market support services licensees</i> and the <i>EMC</i> , as specified in the information requirements, shall provide the <i>market assessment unit</i> with the data referred to in the information requirements described in section 4.3.10 within or at the time or times specified in such information requirements, once <i>publication</i> of such information requirements has been effected pursuant	4.3.10.4 <i>Market participants, market support services licensees</i> and the <i>EMC</i>, as specified in the information requirements, shall provide the <i>market assessment unit</i> with the data referred to in the information requirements described in section 4.3.10 within or at the time or times specified in such information <u><i>Market participants, market support services licensees</i> and the <i>EMC</i>, as specified in the information requirements, shall provide the <i>market assessment unit</i> with the data referred to in the information requirements described in section 4.3.10 <u>established in accordance with section 4.3.10 and modified by any modifications thereto pursuant to section 4.3.10.2,</u> within or at the time or times specified in such information</u>	To establish that a MP, MSSL or the EMC shall provide data referred to in such information requirements directly to the EMA upon request by the EMA.

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
to section 4.3.10.3.	requirements, once <i>publication</i> of such information requirements has been effected pursuant to section 4.3.10.3. <u>In addition to the foregoing, upon request by the Authority for any data referred to in such information requirements, a market participant, market support services licensee or the EMC to whom such request is made shall also provide directly to the Authority the requested data:</u>	
4.3.10.5 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i> , and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i> , collect such market information as required by the information requirements established under section 4.3.10, subject to any modifications made to the information requirements pursuant to section 4.3.10.2.	4.3.10.5 t The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance panel</i> , and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i> , collect such market information as required by <u>referred to in the information requirements established under</u> in accordance with section 4.3.10, subject to <u>and modified by</u> any modifications made to the information requirements <u>thereto</u> pursuant to section 4.3.10.2.;	To make drafting amendments for consistency. To make clear that the information requirements referred to is subject to any modifications made pursuant to section 4.3.10.2.
4.3.10.6 The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market surveillance and compliance</i>	4.3.10.6 <u>subject to section 4.3.10.7,</u> t The <i>market assessment unit</i> shall, under the supervision and direction of the <i>market</i>	To make clear that the MAU's obligation to

Existing Market Rules (1 July 2015)	Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for rule change
<p><i>panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, provide to the <i>Authority</i> the market information collected by the <i>market assessment unit</i> pursuant to section 4.3.10.5.</p>	<p><i>surveillance and compliance panel</i>, and on a frequency to be determined by the <i>market surveillance and compliance panel</i> in consultation with the <i>Authority</i>, provide to the <i>Authority</i> the market information collected by the <i>market assessment unit</i> pursuant to section 4.3.10.5-; <u>and</u></p>	<p>provide information to the EMA under section 4.3.10.6 will be subject to the proposed section 4.3.10.7.</p>
<p>[New section]</p>	<p><u>4.3.10.7 upon receipt by the <i>market assessment unit</i> of a copy of the request of the <i>Authority</i> referred to in section 4.3.10.4, the <i>market assessment unit</i> shall be released from its obligations under section 4.3.10.6 to provide to the <i>Authority</i> the same data that the <i>Authority</i> had requested under section 4.3.10.4.</u></p>	<p>To establish that the MAU shall be released from its obligations under section 4.3.10.6 upon the MAU's receipt of a copy of the EMA's request made pursuant to section 4.3.10.4.</p>