Notice of Market Rules Modification

Paper No.: EMC/RCP/111/2019/360
Rule Reference: Chap 5 Sec 7.3 to 7.5
Proposer: EMA-PSO
Date Received by EMC: 21 August 2019
Category Allocated: 4
Status: Approved by EMA
Effective Date: 09 November 2019

This paper assesses the PSO’s proposal to remove the requirement for market participants (MPs) to request from the PSO the PSO’s final consent to planned outages.

Currently, in the outage planning process,
- 2 trading days before the scheduled date of outage, the MPs are required to request from the PSO the PSO’s final approval, and the PSO is required to provide its final approval ("requirement for final approval"); and
- 4 to 5 hours before the scheduled time of outage, the MPs are required to request from the PSO the PSO’s final consent, and the PSO is required to provide its final consent ("requirement for final consent").

EMC concludes that the requirement for final approval suffices and proposes removal of the redundant requirement for final consent to relieve both the PSO and the MPs from the relevant administrative work.

The RCP supported the rule modification proposal at its 111th meeting.

Date considered by Rules Change Panel: 10 September 2019
Date considered by EMC Board: 15 October 2019
Date considered by Energy Market Authority: 07 November 2019

Proposed rule modification:
See attached paper.

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

At the 2018 Mid-Year Review of Work Plan, the PSO proposed to remove the requirement for market participants (MPs) to request from the PSO the PSO’s final consent to planned outages.

Currently, in the outage planning process,
- 2 trading days before the scheduled date of outage, the MPs are required to request from the PSO the PSO’s final approval, and the PSO is required to provide its final approval (“requirement for final approval”); and
- 4 to 5 hours before the scheduled time of outage, the MPs are required to request from the PSO the PSO’s final consent, and the PSO is required to provide its final consent (“requirement for final consent”).

In practice, PSO’s final consent does not provide the market participants with additional assurance as
- planned outages that are provided with the PSO’s final approval will typically be given final consent to go ahead; and
- planned outages that are provided with the PSO’s final consent could still be cancelled or deferred before the scheduled outage, or even recalled during the outage in the event of system emergency.

In view of above, EMC concludes that the requirement for final approval suffices and proposes removal of the redundant requirement for final consent to relieve both the PSO and the MPs from the relevant administrative work.

At the 111th meeting, the RCP unanimously supported the proposed rule modification set out in Annex 1.
1. Introduction

Currently, in the outage planning process, there are the requirements for final approval and final consent prior to the planned outage.

This paper assesses the proposal to remove the requirement for final consent.

2. Background

2.1 Outage Planning Process

Currently, in the outage planning process,

- no later than 2 trading days before the scheduled date of outage, PSO is required to confirm with the market participants the planned outage and provide its final approval ("requirement for final approval"); and
- Not earlier than 5 hours and not later than 4 hours before the scheduled time of outage, the MPs are required to request from the PSO the PSO’s final consent, and the PSO is required to provide its final consent ("requirement for final consent") or cancel the outage within one hour of receipt of such request.

2.2 Proposal

At the 2018 Mid-Year Review of Work Plan, the PSO proposed to remove the requirement for the MPs to request from the PSO the PSO’s final consent to planned outages.

3. Analysis

3.1 Is the Requirement for Final Consent Necessary?

The PSO has confirmed that empirically, planned outages that are provided with the PSO’s final approval will typically go ahead (and hence are also provided the PSO’s final consent due to the administrative requirement), unless a system emergency event arises.

In the event of a system emergency, planned outages that have been provided with the PSO’s final consent could still be cancelled or deferred by the PSO before the scheduled outage, or recalled during the outage. Planned outages that are cancelled or deferred (after PSO’s final approval have been obtained) are entitled to compensation for direct expenses under the Market Rules. Effectively, the final consent does not provide MPs with any additional assurance operationally or financially.

In addition, the short window of one hour for the MPs to submit the request for the PSO’s final consent and for the PSO to respond to the MPs is onerous on both parties.

The requirement for final consent is hence not necessary and should be removed.

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1 Section 7.4.2 and 7.4.4 of Chapter 5 of Market Rules.
2 Section 7.7.2 of Chapter 5 of Market Rules.
3.2 Is the Requirement for Final Approval Necessary Then?

Similarly, a planned outage that has obtained final approval may also be deferred or recalled in the event of a system emergency. However, we are of the view that it is only prudent for the PSO to confirm with the MPs that the outage information submitted during the planning approval is still correct and provide its final approval to a planned outage closer to the time of the outage, i.e. 2 days before the planned outage, given that the planning approval could have been given up to a year in advance.

The requirement for final approval is therefore necessary.

4. Conclusion

EMC concludes that the requirement for final approval of planned outages is sufficient for administrative efficiency. Conversely, requirement for a further final consent is redundant and administratively onerous and should be removed.

5. Proposed Rule Modifications

EMC drafted the proposed rule modifications to implement the proposal. The modifications are set out in Annex 1 and summarised in Table 1.

Table 1: Summary of Proposed Modifications

<table>
<thead>
<tr>
<th>S/N</th>
<th>Chapter/Section</th>
<th>Proposed Changes</th>
<th>Reasons for Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chapter 5 Section 7.3.4</td>
<td>Remove this section that requires the MP to request and the PSO to respond to the request for final consent.</td>
<td>To remove the requirement for final consent for planned outages.</td>
</tr>
<tr>
<td>2</td>
<td>Chapter 5 Sections 7.3.6, 7.4.1, 7.5.1, 7.5.4 and 7.5.6</td>
<td>Remove all references to final consent or section 7.3.4</td>
<td>Self-explanatory</td>
</tr>
</tbody>
</table>

6. Implementation Time & Cost Estimates

For the proposed revisions to the Market Rules to remove the requirement for final consent, no change to the market systems is required.


7. Legal Sign-Off

The text of the proposed rule modifications in Annex 1 has been vetted by EMC’s internal legal counsel, whose opinion is that the modifications reflect the intent of the rule modification proposal as expressed in the third column of the table in Annex 1.
8. Consultation

The proposed rule modifications were published for consultation on 20 Aug 2019. Comments were received from Senoko Energy, Keppel Merlimau Cogen and Pacificlight Power

Comments received from Senoko Energy
Senoko supports the implementation of removing the Final Consent requirement as it reduces the administrative work for market participants.

EMC’s response:
EMC notes Senoko Energy’s comments.

Comments received from Keppel Merlimau Cogen
We support EMC’s proposal to remove the requirement for final consent.

EMC’s response:
EMC notes Keppel Merlimau Cogen’s comments.

Comments received from Pacificlight Power
Pacificlight Power supports the proposal to remove the requirement for MPs to request PSO’s final consent to planned outages and concurs that PSO’s final approval of planned outages is sufficient.

EMC’s response:
EMC notes Pacificlight Power’s comments.

9. Decision at the 111th RCP Meeting

At the 111th RCP meeting, the Pane unanimously supported the proposed rule modifications as set out in Annex 1.

10. Recommendation

The RCP unanimously recommends that the EMC Board:
a) adopt the proposed rule modifications as set out in Annex 1;
b) seek the EMA’s approval of the proposed rule modifications as set out in Annex 1; and
c) recommend that the proposed rule modifications come into force one day after the date on which the approval of the EMA is published by the EMC.
## ANNEX 1: Proposed Rule Modifications

<table>
<thead>
<tr>
<th>Existing Market Rules</th>
<th>Proposed Rules Changes</th>
<th>Reasons for Rule Changes</th>
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<tbody>
<tr>
<td><strong>Chapter 5</strong></td>
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<tr>
<td><strong>7 OUTAGE AND TESTING CO-ORDINATION</strong></td>
<td><strong>7 OUTAGE AND TESTING CO-ORDINATION</strong></td>
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<tr>
<td><strong>7.3 FINAL CONFIRMATION OF PLANNED OUTAGES</strong></td>
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<tr>
<td>7.3.4 Not earlier than 5 hours and not later than 4 hours before a planned outage is scheduled to commence, the market participant shall request from the PSO the PSO’s final consent to the planned outage. The PSO shall, within 1 hour of receipt of the request, give its final consent or cancel the planned outage.</td>
<td>7.3.4 Not earlier than 5 hours and not later than 4 hours before a planned outage is scheduled to commence, the market participant shall request from the PSO the PSO’s final consent to the planned outage. The PSO shall, within 1 hour of receipt of the request, give its final consent or cancel the planned outage. <strong>[Deleted and Intentionally Left Blank]</strong></td>
<td>To remove section 7.3.4 which requires the market participant to request and the PSO to respond to the request for a final consent to a planned outage.</td>
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<tr>
<td>7.3.6 Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under section 7.4.5, shall be considered a forced outage. The forced outage may be referred by the PSO to the market surveillance and compliance panel at any time.</td>
<td>7.3.6 Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under section 7.4.5, shall be considered a forced outage. The forced outage may be referred by the PSO to the market surveillance and compliance panel at any time.</td>
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<tr>
<td><strong>7.4 RESCHEDULING OUTAGES</strong></td>
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<td>To remove the references to final consent.</td>
</tr>
<tr>
<td>7.4.1 Where the PSO does not give its final approval to a planned outage pursuant to section 7.3.2 or does not give its final consent to a planned outage pursuant to section 7.3.4, the PSO shall work with the relevant market participant to re-schedule the cancelled planned outage to a date and time at which the cancelled planned outage will not or is not reasonably likely to have an adverse impact on the reliable operation of the PSO controlled system. In re-scheduling the cancelled planned outage, the PSO shall where reasonably practicable take into account the date and time preferences of the market participant.</td>
<td><strong>7.4.1 Where the PSO does not give its final approval to a planned outage pursuant to section 7.3.2 or does not give its final consent to a planned outage pursuant to section 7.3.4, the PSO shall work with the relevant market participant to re-schedule the cancelled planned outage to a date and time at which the cancelled planned outage will not or is not reasonably likely to have an adverse impact on the reliable operation of the PSO controlled system. In re-scheduling the cancelled planned outage, the PSO shall where reasonably practicable take into account the date and time preferences of the market participant.</strong></td>
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PSO to the *market surveillance and compliance panel* at any time.
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<tr>
<th>Existing Market Rules (1 Jul 2019)</th>
<th>Proposed Rules Changes (Deletions represented by strikethrough text and additions represented by double underlined text)</th>
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<tr>
<td><strong>7.5</strong> TIME STAMPING OF OUTAGE SUBMISSIONS</td>
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<td>7.5.1 The PSO shall time stamp each outage submission received by the PSO in accordance with sections 7.2.4.1, 7.2.8 and 7.2.14. Where the PSO is required or permitted by this Chapter to approve, consent to, reject, re-schedule, cancel, defer or recall one or more planned outages, such planned outages shall:</td>
<td>7.5.1 The PSO shall time stamp each outage submission received by the PSO in accordance with sections 7.2.4.1, 7.2.8 and 7.2.14. Where the PSO is required or permitted by this Chapter to approve, consent to, reject, re-schedule, cancel, defer or recall one or more planned outages, such planned outages shall:</td>
<td>To remove the reference to PSO’s final consent to a planned outage.</td>
</tr>
<tr>
<td>7.5.1.1 be approved or consented to in order of precedence determined on the basis of sections 7.5.2 to 7.5.6; and</td>
<td>7.5.1.1 be approved or consented to in order of precedence determined on the basis of sections 7.5.2 to 7.5.6; and</td>
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<tr>
<td>7.5.1.2 be rejected, re-scheduled, cancelled, deferred or recalled in reverse order of precedence determined on the basis of sections 7.5.2 to 7.5.6.</td>
<td>7.5.1.2 be rejected, re-scheduled, cancelled, deferred or recalled in reverse order of precedence determined on the basis of sections 7.5.2 to 7.5.6.</td>
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<tr>
<td>7.5.4 Where:</td>
<td>7.5.4 Where:</td>
<td>To remove the reference to PSO’s denial to the final consent to a planned outage.</td>
</tr>
<tr>
<td>7.5.4.1 the PSO cancels, defers or denies its final consent to an approved planned outage prior to the commencement thereof; and</td>
<td>7.5.4.1 the PSO cancels, or defers or denies its final consent to an approved planned outage prior to the commencement thereof; and</td>
<td></td>
</tr>
<tr>
<td>7.5.4.2 the PSO subsequently re-confirms the planned outage with the market participant;</td>
<td>7.5.4.2 the PSO subsequently re-confirms the planned outage with the market participant;</td>
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<tr>
<td>the time stamp of the re-confirmed planned outage shall be deemed to be the time stamp of the</td>
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<td>original <em>planned outage</em> as it was prior to such cancellation, deferral or denial for the purpose of determining the precedence to be given to the <em>planned outage</em>.</td>
<td>the time stamp of the re-confirmed <em>planned outage</em> shall be deemed to be the time stamp of the original <em>planned outage</em> as it was prior to such cancellation; or deferral or denial for the purpose of determining the precedence to be given to the <em>planned outage</em>.</td>
<td>To remove the reference to section 7.3.4.</td>
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<td>...</td>
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<tr>
<td>7.5.6 Where the PSO has cancelled a <em>planned outage</em> pursuant to section 7.2.16, 7.3.2 or 7.3.4, the time of receipt of confirmation of the <em>planned outage</em> shall be retained until such time as the confirmed commencement date of the <em>planned outage</em> has passed so as to facilitate the possible consent to the occurrence of the <em>planned outage</em> on the confirmed commencement date, in the event that the <em>reliability</em> concerns that prompted the cancellation cease to preclude the occurrence of the <em>planned outage</em>.</td>
<td>7.5.6 Where the PSO has cancelled a <em>planned outage</em> pursuant to section 7.2.16, or 7.3.2 or 7.3.4, the time of receipt of confirmation of the <em>planned outage</em> shall be retained until such time as the confirmed commencement date of the <em>planned outage</em> has passed so as to facilitate the possible consent to the occurrence of the <em>planned outage</em> on the confirmed commencement date, in the event that the <em>reliability</em> concerns that prompted the cancellation cease to preclude the occurrence of the <em>planned outage</em>.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Existing SOM Rev 13 (16 May 2019)</th>
<th>Proposed SOM Changes</th>
</tr>
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<tbody>
<tr>
<td><strong>6.1</strong> a list of all <em>forced outages</em> that have occurred, including <em>forced outages</em> resulting from <em>planned outages</em> that exceeded their approved duration and also <em>forced outages</em> resulting from <em>planned outages</em> for which <em>final approval</em> or final consent was not received from the <strong>PSO</strong>, differentiated to identify <em>forced outages</em> for facilities or equipment for which a planned outage was initially submitted to the <strong>PSO</strong> from other <em>forced outages</em>, together with the reasons for each forced outage (Appendix 6A, 6B, 6C and 6D)</td>
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</table>

| **6.2.2** In addition, for *planned outages*, **Generation Licensee**, **Wholesaler (Generation) Licensee**, **Transmission Licensee** and **Interruptible Load Service Provider** are reminded to: | **6.2.2** In addition, for *planned outages*, **Generation Licensee**, **Wholesaler (Generation) Licensee**, **Transmission Licensee** and **Interruptible Load Service Provider** are reminded to: |
| *submit the outage request to the **PSO** no later than 09:00 on the **business day** that is one **business day** in advance of the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* | *submit the outage request to the **PSO** no later than 09:00 on the **business day** that is one **business day** in advance of the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* |
| *obtain planning approval from the **PSO** no later than 12:00 on the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* | *obtain planning approval from the **PSO** no later than 12:00 on the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* |
| *obtain final approval from the **PSO** no later than 15:00 on the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* | *obtain final approval from the **PSO** no later than 15:00 on the **trading day** that is two **trading days** prior to the day on which the **planned outage** is scheduled to commence; and* |
| *obtain final consent from the **PSO** not later than 3 hours before a **planned outage** is scheduled to commence.* | *obtain final consent from the **PSO** not later than 3 hours before a **planned outage** is scheduled to commence.* |

Any *planned outage* that has not received *final approval* and final consent from the **PSO**, or that takes place at a time or times other than the time...
- obtain final consent from the PSO not later than 3 hours before a planned outage is scheduled to commence.

Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. The forced outage may be referred by the PSO to the market surveillance and compliance panel. (Market Rules, Chapter 5, Section 7.3.6)

<table>
<thead>
<tr>
<th>6.5 Market participant shall request from the PSO the PSO’s final consent to the planned outage between 4 to 5 hours before the planned outage is scheduled to commence. The PSO shall, within 1 hour of receipt of the request, give its final consent or cancel the planned outage. (Market Rules, Chapter 5, Section 7.3.4)</th>
</tr>
</thead>
</table>
| Market Participants are not allowed to carry out any planned outage unless:
  a. the planned outage has been confirmed by the PSO (Market Rules, Chapter 5, Section 7.3.1);
  b. the planned outage has received final approval from the PSO (Market Rules, Chapter 5, Section 7.3.2);
  c. the planned outage has received final consent from the PSO (Market Rules, Chapter 5, Section 7.3.4). |

period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. The forced outage may be referred by the PSO to the market surveillance and compliance panel. (Market Rules, Chapter 5, Section 7.3.6)
Figure 6.2: Workflow of outage submission and planning approval process

**Time Flow**

Final Annual Outage Plan approved by the PSO and published by the EMC by 15th October of the preceding year.

Market Participants submit revised/new outage requests to the PSO.

PSO time-stamp and issue unique identifier for each new request.

PSO assess outage submission and notify relevant Market Participant within 4 business days as to whether the planning approval has been granted.

Planning approval granted?

Yes

Final approval granted by the PSO?

Yes

Market Participants receive revised/outage requests from the PSO the PSO’s final consent.

No

between 3 to 4 hours before time of outage

Outage commence

No

between 4 to 5 hours before time of outage

PSO give its final consent?

Yes

Market Participants proceed with approved outage

No

End

End

End

End

No later than 09:00 on the business day that is two trading days prior to the day on which the planned outage is scheduled to commence.

No later than 09:00 on the business day that is two trading days prior to the day on which the planned outage is scheduled to commence.

No later than 09:00 on the trading day that is two trading days before the schedule time of outage.

No later than 15.00 on the trading day that is two trading days before the schedule time of outage.

Final approval granted by the PSO?

Yes

Market Participant request from the PSO the PSO’s final consent.

Yes

Market Participant proceed with approved outage

No

Outage commence

No

Outage commence
| Appendix 6C Forced Outage (Others): Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. |
| Appendix 6C Forced Outage (Others): Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. |
| Appendix 6D Forced Outage (Others): Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. |
| Appendix 6D Forced Outage (Others): Any planned outage that has not received final approval and final consent from the PSO, or that takes place at a time or times other than the time period approved by the PSO, including outages that extend beyond the time originally approved by the PSO unless such extension was approved under Market Rules, Chapter 5, Section 7.4.5, shall also be considered a forced outage. |