FACTS AND CIRCUMSTANCES


2. TP Utilities and Tuas Power Generation Pte. Ltd. (“Tuas Power Generation”) are both market participants in the National Electricity Market of Singapore and part of the Tuas Power group of companies.

3. Due to a reduction in the number of traders on rotation, effective from October 2019, TP Utilities and Tuas Power Generation merged the offer submission duties with only one trader responsible for the offer submissions of both entities.

4. On 4 November 2019, the duty trader submitted the offer variations for Tuas Power Generation at 10:46 hrs but forgot to submit the offer variations for TP Utilities.

5. The operation shift manager detected the oversight a few minutes before crossing to 5 November 2019 for the change in schedules of TP Utilities units and called the duty trader who immediately made the offer changes to reflect the actual status of TMUC G2.

6. However, the offer variations of TMUC G2 were only submitted for Periods 4 to 48 at 00:17 hrs on 5 November 2019 as the market run for Period 1 had already commenced and the submission for Periods 2 to 3 would have been submitted within gate closure.
7. As a result, the standing offers of TMUC G2 for Periods 1 to 3 were used by the market clearing engine and the deviation between the declared quantity of TMUC G2 and its load exceeded the limit allowed (5 MWh) under the Singapore Electricity Market Rules (“Market Rules”) for Periods 2 and 3.

8. TP Utilities recognised the breach was due to the oversight of the duty trader who forgot to submit the offer variations for TP Utilities’ units for 5 November 2019 and the operation shift manager who could have discovered the oversight earlier during the routine checks.

9. As part of the remedial actions, TP Utilities carried out a review after the incident and implemented more robust procedures to avoid future recurrence. Apart from an error alert in the offer submission process already implemented in the past as a mitigation measure for this kind of events, TP Utilities implemented a “36-hour” graph view so that the duty trader would be able to notice any change in the unit’s loading for the next day, and also enhanced the short message service notification to check for unit schedules between the real-time and forecast results.

10. On 10 February 2020, the MSCP wrote to inform TP Utilities that it considered TP Utilities to be in prima facie breach of sections 5.2.5B and 5.2.5C of Chapter 6 of the Market Rules for Periods 2 and 3 on 5 November 2019. The MSCP invited TP Utilities to submit written representations by 24 February 2020 before the MSCP makes a determination.

11. On 26 February 2020, TP Utilities submitted a recap of the incident and remedial actions to the MSCP after the MAU sent a reminder. There was no new information provided except for that TP Utilities did not require a hearing before the MSCP.

APPLICABLE MARKET RULES

12. Section 5.2.5B of Chapter 6 provides that

The declared quantity for any dispatch period \( h \) shall comply with the formula set out in section 5.2.5C. The EMC shall report any breach of the foregoing requirement to the market surveillance and compliance panel for investigation.

13. Section 5.2.5C of Chapter 6 provides that

The formula referred to in section 5.2.5B above is as follows:

\[
\sum_{m(sa)} \left[ \frac{1}{2} \times (\text{Declared Quantity } h_{m(sa)}^{h-1} + \text{Declared Quantity } h_{m(sa)}) \right] \times \frac{1}{2} \text{ hour} - \text{WPQ}_{h(sa)} \leq 5 \text{ MWh}
\]

where:

- \( h \) = a settlement interval or the dispatch period corresponding to that settlement interval
- \( h-1 \) = the dispatch period immediately preceding dispatch period \( h \)
- \( \text{WPQ}_{h(sa)} \) = associated load for that EGF group
- \( \sum_{m(sa)} \) = sum over all MNNs associated with the settlement account that is associated with that EGF group
ENFORCEMENT

14. Based on the facts referred to above, the MSCP determined that TP Utilities had breached sections 5.2.5B and 5.2.5C of Chapter 6 of the Market Rules for Periods 2 to 3 on 5 November 2019.

15. The incident did not have a significant impact on the wholesale electricity markets. TP Utilities had also taken remedial actions following the incident.

16. However, this was due to an oversight and could have been avoided if TP Utilities had exercised due care in its offer submission process. This is also a repeated breach by TP Utilities in relation to sections 5.2.5B and 5.2.5C of Chapter 6 of the Market Rules.

17. The MSCP hereby imposes a financial penalty of $10,000 on TP Utilities and directs TP Utilities to pay costs fixed at $1,500.

TP B Menon
Chair, Market Surveillance and Compliance Panel