FACTS AND CIRCUMSTANCES

1. ExxonMobil Asia Pacific Pte. Ltd. (“ExxonMobil”) submitted two self-reports on 3 April 2020 and 9 April 2020 regarding its offer variations submitted after gate closure for its embedded generation facilities EXON G4 for periods 1 and 2 and EXON GA and EXON GB for period 1 on 26 March 2020.

2. On 13 March 2020, Energy Market Company Pte Ltd (“EMC”) informed the market (including ExxonMobil) on the Disaster Recovery Preparedness switchover exercise to be conducted on 25 March 2020:
   a. the exercise included two planned windows – a switchover from 16:40 hrs to 19:10 hrs and a contingency switchover from 19:10 hrs to 20:40 hrs; and
   b. offer submission was one of the services expected to be unavailable during the exercise.

3. On 25 March 2020, the switchover exercise was extended twice beyond the two planned windows previously communicated to the market (see paragraph 2a above) for EMC to troubleshoot an issue; the first extension to 22:10 hrs and the second extension to 23:10 hrs. The switchover exercise was only completed at 23:10 hrs when the issue was resolved. Market participants were informed of the two extensions.

4. After EMC’s notification of the second extension, ExxonMobil submitted two requests to EMC to assist in submitting ExxonMobil’s offer variations for 26 March 2020:
   a. at 22:22 hrs for EXON GA and EXON GB – EMC was not able to assist the request as the NEMS systems were still under maintenance and not available; and
b. at 22:47 hrs for EXON G4 – EMC replied at 23:11 hrs that EMC had assisted the request to submit the offer variations for EXON G4. However, EMC was not able to submit all the offer variations for EXON G4 as some of the offer variations, including the offer variation for period 1, were invalid.

5. ExxonMobil subsequently submitted offer variations for EXON GA, EXON GB and EXON G4 for 26 March 2020 after the switchover exercise was completed.

6. The offer variations for EXON GA, EXON GB and EXON G4 for period 1 on 26 March 2020 were submitted after gate closure.

7. As a remedial measure to this incident, ExxonMobil indicated that it would use EMC’s planned maintenance windows as a basis to review its offer submission process related to any unavailability of the NEMS systems.

8. On 6 July 2020, the Market Surveillance and Compliance Panel (“MSCP”) wrote to inform ExxonMobil that it considered ExxonMobil to be in prima facie breach of section 10.4.1 of Chapter 6 of the Market Rules for period 1 on 26 March 2020. The MSCP invited ExxonMobil to submit written representations by 20 July 2020 before the MSCP makes a determination.

9. On 20 July 2020, ExxonMobil submitted its written representations to the MSCP, providing the additional information below:

a. upon EMC’s notification on the second extension of the switchover exercise, ExxonMobil followed the Market Participant – Backup Submission Process\(^1\) and submitted its offer variations to EMC before gate closure;

b. ExxonMobil plans to extend the outlook of its offer submission process and would seek EMC’s clarification regarding offer submission during any unavailability of the NEMS systems to comply with the Market Rules;

c. the offer variations were necessary to prevent an upset of ExxonMobil’s process units; and

d. ExxonMobil does not require a hearing.

**APPLICABLE MARKET RULES**

10. **Section 10.4.1 of Chapter 6 provides that**

Notwithstanding sections 5.1.5, 5.1.6 and 5.1.7, no offer variation or revised standing offer shall be submitted by or for a market participant within 65 minutes immediately prior to the dispatch period to which the offer variation or revised standing offer applies, except:

10.4.1.1 where it is intended:

a. for a generation registered facility, to reflect its expected ramp-up and ramp-down profiles during periods following synchronisation or preceding desynchronisation; or

\(^1\) A document published on the EMC website setting out the methods for market participants to submit their offers if any part of their offer submission system is unavailable.
b. for a *generation registered facility*, to reflect its revised capability for the three consecutive *dispatch periods* immediately following a *forced outage* or its failure to *synchronise*; or

c. to contribute positively to the resolution of an *energy* surplus situation pertaining to which the *EMC* has issued an *advisory notice* under section 9.3.1, by allowing for decreased supply of *energy*; or

d. to contribute positively to the resolution of *energy, reserve or regulation* shortfall situations pertaining to which the *EMC* has issued *advisory notices* under section 9.3.1, by allowing for increased supply of *energy, reserve or regulation*; or

e. to contribute positively to the resolution of *energy, reserve or regulation* shortfall situations in that *dispatch period*, where:

  i. the shortfall situations were indicated in a system status *advisory notice* issued by the *EMC* in respect of a *high-risk operating state* or *emergency operating state* declared by the *PSO*; and

  ii. at the time of submission of such *offer variation* or revised *standing offer*, the *EMC* has not yet withdrawn, in respect of that *dispatch period*, such system status *advisory notice*, by allowing for increased supply of *energy, reserve or regulation*; and

f. for a *load registered facility*, to reflect its revised capability during a *forced outage* or following a decrease in *energy* withdrawal under sections 9.3.3 and/or 9.3.4 of Chapter 5; and

10.4.1.2 where the price so *offered*, other than for additional quantities of *energy, reserve or regulation*, is the same as that previously *offered* for that *dispatch period*.

ENFORCEMENT

11. Based on the facts referred to above, the MSCP determined that ExxonMobil had breached section 10.4.1 of Chapter 6 of the Market Rules for period 1 on 26 March 2020.

12. The incident was self-reported and did not have a significant impact on the NEMS. ExxonMobil had also taken remedial actions following the incident.

13. The MSCP hereby issues a letter of non-compliance to ExxonMobil and directs ExxonMobil to pay costs fixed at $2,000.

14. The MSCP takes a serious view on any behaviour which undermines the effective functioning of the NEMS and reminds ExxonMobil of its obligation as a market participant in the NEMS to observe the Market Rules at all times.

T P B Menon
Chair, Market Surveillance and Compliance Panel