FACTS AND CIRCUMSTANCES


2. On 19 May 2021, SEMBCCP3’s gas turbine was ready to be synchronised to the system from 4:00 hrs (period 9). At 2:58 hrs (period 6), a power card fault occurred in one of the protection channels in the steam turbine protection controller and Sembcorp Cogen’s trader was notified.

3. At 3:18 hrs (period 7), Sembcorp Cogen’s confirmed that the power card fault could not be resolved in time for SEMBCCP3’s synchronisation and there would be a risk of a gas turbine trip if SEMBCCP3 were to continue operating on its gas turbine only. Therefore, SEMBCCP3’s synchronisation had to be postponed to replace the power card.

4. At 3:30 hrs (period 8), Sembcorp Cogen’s trader submitted offer variations to withdraw SEMBCCP3 from the system from period 9.

5. As the Singapore Electricity Market Rules (“Market Rules”) allow offer variations after gate closure to be submitted only for the three consecutive dispatch periods immediately following a facility’s forced outage or failure to synchronise, given that SEMBCCP3 encountered the power card fault at period 6, the offer variation submitted after gate closure for period 10 was not in compliance with the Market Rules.
6. Following the incident, Sembcorp Cogen took remedial actions by conducting a refresher to emphasise gate closure and improving its standard operating procedure to detail the communication frequency among its staff regarding any issue which could possibly delay a start-up schedule in the future.

7. On 10 August 2021, the MSCP wrote to inform Sembcorp Cogen that it considered Sembcorp Cogen to be in *prima facie* breach of section 10.4.1 of Chapter 6 of the Market Rules for period 10 on 19 May 2021. The MSCP invited Sembcorp Cogen to submit written representations by 24 August 2021 before the MSCP makes a determination.

8. On 24 August 2021, Sembcorp Cogen submitted its written representations to the MSCP, providing the information below:
   a. On 19 May 2021, when the power card fault occurred at 2:58 hrs, the root cause of the fault was unidentified and more time was required for investigation.
   b. From 3:18 hrs to 3:26 hrs, Sembcorp Cogen’s staff were in a call involving an extensive deliberation on the prudent mode of operation considering the power card fault, which inadvertently resulted in the extended call duration.
   c. Sembcorp Cogen does not require a hearing.

**APPLICABLE MARKET RULES**

9. 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
   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

10. Based on the facts referred to above, the MSCP determined that Sembcorp Cogen had breached section 10.4.1 of Chapter 6 of the Market Rules for period 10 on 19 May 2021.

11. The incident was self-reported and did not have a significant impact on the wholesale electricity market. Sembcorp Cogen also took remedial actions after the incident to avoid future reoccurrences.

12. Nevertheless, the incident could have been avoided if Sembcorp Cogen had considered the time sensitivity required under the Market Rules when carrying out the assessment and submitting offer variations upon discovering the power card fault.

13. The MSCP hereby imposes a financial penalty of $12,000 and directs Sembcorp Cogen to pay costs fixed at $2,000. The MSCP reminds Sembcorp Cogen to observe its obligations under the Market Rules at all times as this is Sembcorp Cogen’s fourth breach of the said Market Rules in the last three years.

T P B Menon
Chair, Market Surveillance and Compliance Panel