FACTS AND CIRCUMSTANCES

1. Sembcorp Cogen Pte Ltd (“Sembcorp Cogen”) submitted a self-report to the Market Surveillance and Compliance Panel (“MSCP”) on 7 June 2021 regarding its offer variations after gate closure for its generation registered facilities SKRA G1 and SKRA G2 for periods 41 and 42 on 2 June 2021.

2. The harmony control unit no. 9 is part of the system controlling the balance of the plant equipment in Sembcorp Cogen. As the module mounting unit backplane in the harmony control unit no. 9 was not engaging with the input/output card, this affected the logic of the feed water system. As a result, the feed water tank control went to bad input and an alarm was triggered at 18:55 hrs (period 38).

3. The Operations personnel, after assessment of the situation, informed the duty trader at 19:22 hrs (period 39) of the plant’s situation and requirement to maintain the plant’s loading at a stable load.

4. At 19:28 hrs (period 39), the duty trader proceeded to prepare for the submission of offer variations to maintain the plant loading. The offer variations for periods 41 and 42 were subsequently submitted at 19:44 hrs (period 40) to reflect the requirement for the actual situation.

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 the alarm was triggered at period 38, the offer variations submitted after gate closure for period 42 were not in compliance with the Market Rules.
6. On 7 September 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 42 on 2 June 2021. The MSCP invited Sembcorp Cogen to submit written representations by 21 September 2021 before the MSCP makes a determination.

7. On 21 September 2021, Sembcorp Cogen submitted its written representations to the MSCP. Sembcorp Cogen reiterated the sequence of events starting from the time the Operations personnel informed the duty trader of the fault, i.e., from 19:22 hrs (period 39).

8. Sembcorp Cogen also acknowledged that while the offer variation was in *prima facie* breach of section 10.4.1 of Chapter 6 of the Market Rules, the offer variation was an actual representation of the situation at that point of time.

9. Sembcorp Cogen did 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

    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 Sembcorp Cogen had breached section 10.4.1 of Chapter 6 of the Market Rules for period 42 on 2 June 2021.

12. The incident was self-reported and did not have a significant impact on the National Electricity Market of Singapore. Nonetheless, the incident could have been avoided if the time sensitivity required under the Market Rules was adequately considered by Sembcorp Cogen when managing the fault.

13. The MSCP hereby imposes a financial penalty of $15,000 and directs Sembcorp Cogen to pay costs fixed at $2,000. The MSCP also sternly reminds Sembcorp Cogen to observe its obligations under the Market Rules at all times and to be more vigilant of the time sensitivity that is required under the Market Rules.

T P B Menon
Chair, Market Surveillance and Compliance Panel