

DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL MSCP/2006/D4

Market Surveillance and Compliance Panel (“MSCP”)

Mr Joseph Grimberg, Chair
Professor Lim Chin
Mr Lee Keh Sai
Mr TPB Menon
Mr David Wong

Date of Determination

3 May 2006

Party

Energy Market Company Pte Ltd (“EMC”)

Subject

Failure to determine and release short-term schedule and to publish information for period 30 on 31 December 2004

Applicable Rule(s) in the Singapore Electricity Market Rules

1. Section 7.4A.1 of Chapter 6 provides that:

“The EMC shall, in accordance with section 7.6 and Appendix 6A, determine a short-term schedule corresponding to the nodal load forecast described in section 7.2.1.1.”

According to the market operations timetable in Appendix 6A of Chapter 6, the EMC is required to commence computing the short-term schedule at T-4 minutes.

2. Section 7.7.2A of Chapter 6 provides that:

“Not later than 25 minutes prior to the commencement of the first dispatch period of the short-term schedule referred to in section 7.4A, the EMC shall, for each dispatch period included in the short-term schedule:

7.7.2A.1 release to the dispatch coordinator for each registered facility the projected schedules for energy, regulation and reserve, by reserve class, for that registered facility;

7.7.2A.2 publish the information described in section 7.7.3; and

7.7.2A.3 communicate to the PSO the projected schedules for energy, regulation and reserve, by reserve class, for each registered facility, together with the information described in section 7.7.3, in accordance with the system operation manual and any applicable market manual.”

3. Section 7.7.3 of Chapter 6 provides that:

“In accordance with sections 7.7.1, 7.7.2 and 7.7.2A, the EMC shall publish the following information for each dispatch period and for each market outlook scenario, pre-dispatch schedule scenario and short-term schedule:

- 7.7.3.1 the projected total load;
- 7.7.3.2 the projected transmission losses;
- 7.7.3.3 total reserve requirements by reserve class;
- 7.7.3.4 total regulation requirements;
- 7.7.3.5 projected energy prices associated with each market network node at which a generation registered facility or generation settlement facility is located....;
- 7.7.3.6 the projected uniform Singapore energy price....;
- 7.7.3.7 projected reserve prices for each reserve class and reserve provider group....;
- 7.7.3.8 projected regulation prices....;
- 7.7.3.9 any predicted system energy shortfalls;
- 7.7.3.10 any predicted system reserve shortfalls, by reserve class;
- 7.7.3.11 any predicted system regulation shortfalls; and
- 7.7.3.12 a list of security constraints and generation fixing constraints applied.”

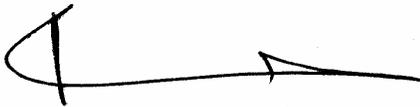
Facts and Circumstances

- 4. According to the EMC, it failed to determine and release the short-term schedule and to publish information for period 30 on 31 December 2004 within the deadlines required in the market rules.
- 5. During the routine restart of the market clearing engine (MCE) number 07 server, it picked up the processing of the short-term schedule for period 30. However, the processing was abnormally slow and EMC staff decided to manually trigger the dispatch run to produce the short-term schedule for period 30.
- 6. As the MCE Control randomly assigns the processing of schedules to the various MCE servers, MCE06 was assigned to process the dispatch run that was manually triggered. As MCE06 was also in the process of restarting, the processing of the dispatch run was not carried out successfully.
- 7. After ensuring that the MCE06 and MCE07 were restarted successfully, the EMC staff manually triggered the dispatch run for short-term schedule period 30 again. This time, the processing was picked up by MCE04 and completed successfully. However, by the time the short-term schedule was released to the PSO and published on the website, it was 1428hrs. The deadline was 1405hrs.

8. This incident did not have a significant impact on the wholesale electricity markets.

Determination

9. On 6 April 2005, the MCSP issued a letter informing the EMC that it considered that the EMC had prima facie breached sections 7.4A.1 and 7.7.2A of Chapter 6 of the Singapore Electricity Market Rules (the “market rules”) and invited the EMC to make written representations.
10. On 26 May 2005, the EMC submitted written representations to the MSCP stating that it appreciated the necessity for the timely dispatch of the short-term schedule file to the market and reasonable efforts were made to ensure the smooth operation of the MCE. EMC also trusted that the MSCP would take into consideration that there would be inherent teething problems with all IT systems and that the EMC would continue to endeavour to resolve all issues as well as maintaining the operation integrity of the MCE.
11. The MSCP determined on the basis of the facts referred to above that the EMC had breached sections 7.4A.1 and 7.7.2A of Chapter 6 of the market rules.
12. However, the breach was self-reported, rectified quickly and without significant impact on the wholesale electricity markets.
13. Therefore, the MSCP determined that the appropriate enforcement action to be taken was to issue a letter of non-compliance to the EMC and to direct the EMC to pay costs, fixed at \$1,000.



Joseph Grimberg
Chair
Market Surveillance and Compliance Panel