

**DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL  
MSCP/2005/D5**

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**Market Surveillance and Compliance Panel (“MSCP”)**

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

**Date of Determination**

11 April 2005

**Party**

Energy Market Company Pte Ltd (“EMC”)

**Subject**

Failure to release to the PSO (a) real-time dispatch schedule for period 10 on 15 March 2004 and (b) short-term schedule for period 11 on 15 March 2004

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**Applicable Rule(s) in the Singapore Electricity Market Rules**

1. Section 9.2.1 of Chapter 6

“The EMC shall, prior to the commencement of each dispatch period and in accordance with the market operations timetable, use the market clearing engine to determine for that dispatch period:

- 9.2.1.1 a real-time dispatch schedule, containing schedules of energy, reserve and regulation for registered facilities, to be released to the PSO, which in accordance with section 9.1.2 of Chapter 5 shall be deemed to constitute the dispatch instructions issued by the PSO to the applicable dispatch coordinators unless and until further dispatch instructions are issued by the PSO to a given dispatch coordinator pursuant to section 9.1.3 of Chapter 5....”

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.”

**Facts and Circumstances**

3. According to the EMC, the real-time dispatch schedule for period 10 and the short-term schedule for period 11 were processed and sent out to market participants on time. However, these schedules were not sent to the PSO due to a technical problem with the EMC-PSO link.
4. When the incident occurred, the EMC took immediate action to restart and re-establish the EMC-PSO link.
5. Investigations carried out by the EMC indicated that one of the market clearing engines residing in the EMC IT system had malfunctioned. After removing this market clearing engine, the EMC did not face any problems processing the dispatch schedules for subsequent periods.
6. The EMC requested that its vendor, Hewlett-Packett (“HP”) assist in investigating the cause of the malfunction. It was found that a bug in Windows 2000 Service Pack 2 had caused the problem (all MCE servers were running on Windows 2000 Service Pack 2 at that time). After this incident, the EMC upgraded the servers to run on Windows 2000 Service Pack 4 which has the appropriate patch to contain the bug.
7. This incident did not have a significant impact on the wholesale electricity markets.

**Determination**

8. On 25 November 2004, the MCSP issued a letter informing the EMC that it considered that the EMC had prima facie breached sections 9.2.1.1 and 7.7.2A3 of Chapter 6 of the Singapore Electricity Market Rules (the “market rules”) and invited the EMC to make written representations. No written representations were received by the deadline stipulated.
9. The MSCP determined on the basis of the facts referred to above that the EMC breached sections 9.2.1.1 and 7.7.2A3 of Chapter 6 of the market rules.

10. However, the breaches were self-reported and without significant impact on the markets. The EMC had also taken remedial action to prevent this incident from recurring.
11. 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.

A handwritten signature in black ink, consisting of a stylized 'J' followed by a long horizontal stroke that tapers to the right.

Joseph Grimberg  
Chair  
Market Surveillance and Compliance Panel