DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2005/D12

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
Erroneous real-time dispatch schedules released to the PSO from 15 July 2003 to 16 July 2003

Applicable Rule(s) in the Singapore Electricity Market Rules

1. Section 9.2.1 of Chapter 6 of the market rules provides that:

   "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..."

Facts and Circumstances

2. A new application release that was effective on period 28 on 15 July 2003 contained a bug. As a result, the real-time dispatch schedule files generated by the market clearing engine for release to the PSO contained 0 values for secondary and contingency reserve although the quantities scheduled by the market clearing engine may not have been 0.
3. This bug affected only the real-time dispatch schedules released to the PSO and not the pre-dispatch schedules or market outlook scenarios. The real-time dispatch schedules released to market participants were also not affected.

4. This incident did not have any financial impact on the market as the quantities contained in real-time dispatch schedules released to market participants, and not the schedules released to the PSO, are used for settlement.

5. The EMC detected the problem on 16 July 2003 at 1550hrs during period 32. The EMC rectified the problem with effect from period 34 on 16 July 2003.

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

**Determination**

7. On 26 November 2004, the MSCP issued a letter informing the EMC that it considered that the EMC had prima facie breached section 9.2.1.1 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.

8. The MSCP determined on the basis of the facts referred to above that the EMC breached section 9.2.1.1 of Chapter 6 of the market rules.

9. However, the breach was self-reported, inadvertent, rectified quickly upon detection and without significant impact on the markets.

10. 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.

\[Signature\]

Joseph Grimberg
Chair
Market Surveillance and Compliance Panel