

**DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2004/D1**

Market Surveillance and Compliance Panel (“MSCP”)

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

Date of Determination

2 April 2004

Party

Energy Market Company Pte Ltd (“EMC”)

Subject

Late publication of pre-dispatch schedules and market outlook scenarios

Applicable Rule(s) in the Singapore Electricity Market Rules

1. Section 7.7.1 of Chapter 6 provides that:

“By 9:00 hours of each dispatch day the EMC shall, for each dispatch period covered by each of the 3 market outlook scenarios referred to in section 7.3.1:

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

7.7.1.2 publish the information described in section 7.7.3; and

7.7.1.3 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.”

2. Section 7.7.2 of Chapter 6 provides that:

“Not later than 15 minutes prior to the commencement of the first dispatch period of each of the three pre-dispatch schedule scenarios referred to in section 7.4.1, the EMC shall, for each dispatch period included in each of those three pre-dispatch schedule scenarios:

- 7.7.2.1 release to the dispatch coordinator for each registered facility the projected schedules for energy, regulation and reserve, by reserve class, for that registered facility;
- 7.7.2.2 publish the information described in section 7.7.3; and
- 7.7.2.3 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 and 7.7.2, the EMC shall publish the following information for each dispatch period and for each market outlook scenario and pre-dispatch schedule scenario:

- 7.7.3.1 the projected total load;
- 7.7.3.2 the projected total 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, determined in accordance with sections D.24.1 and D.24.5 of Appendix 6D;
- 7.7.3.6 the projected uniform Singapore energy price, determined in accordance with section D.24.6 of Appendix 6D;
- 7.7.3.7 projected reserve prices for each reserve class and reserve provider group, determined in accordance with sections D.24.3, D.24.5 and D.24.7 of Appendix 6D;
- 7.7.3.8 projected regulation prices, determined in accordance with sections D.24.4 and D.24.5 of Appendix 6D;
- 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

Pre-dispatch Schedule

4. According to the report by the EMC, on 31 January 2003, the trading website encountered a system glitch relating to the calendar display. The system glitch affected market participants' ability to view the following:
- (a) the pre-dispatch schedule which provided forecasts for periods 1 – 48 on 1 February 2003 which was determined by the market clearing engine at 2145 hrs and published on the trading website at 2215 hrs; and

- (b) the information described in section 7.7.3 of the Singapore Electricity Market Rules (the "market rules") relating to the relevant pre-dispatch schedule.
- 5. When market participants select February in the calendar display on the trading website, they are unable to select 1 February 2004 to display pre-dispatch schedules for that date.
- 6. Market participants were therefore unable to view the relevant pre-dispatch schedule and information described in section 7.7.3 of the market rules from 2215 hrs to midnight on 31 January 2003 in relation to dispatch periods for 1 February 2003.
- 7. The calendar display problem arose due to a formatting issue occurring at month-end and was resolved at 0000 hrs on 1 February 2003. According to the EMC, the problem did not affect the EMC's obligation to communicate the pre-dispatch schedules to the PSO as this was not carried out via the trading website.
- 8. At the request of market participants, the EMC sent an email at 2342 hrs to market participants containing a specific Universal Resource Locator (URL) which would enable them to directly access the relevant pre-dispatch schedules on the trading website. However, the URL to enable direct access to the information described in section 7.7.3 was not provided in the email.

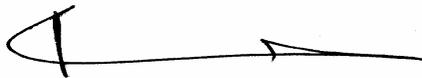
Market Outlook Scenarios

- 9. According to the report by the EMC, the calendar display problem also affected the display of market outlook scenarios published on the trading website on the morning of 31 January 2003 for the month of February 2003. However, market participants did not alert the EMC to this problem. Therefore, the EMC did not send an email to market participants containing the specific URL which would enable them to directly access the market outlook scenarios and information described in section 7.7.3 of Chapter 6 of the market rules.
- 10. The EMC was unaware of this problem until much later when it realised that the problem affecting the calendar display for the pre-dispatch schedules would also have similarly affected the calendar display for the market outlook scenarios. The market participants would not have been able to access the following via normal navigation of the website:
 - (a) the relevant market outlook scenarios; and
 - (b) the information described under section 7.7.3 of Chapter 6 of the market rules relating to the relevant market outlook scenarios.

The problem did not affect the EMC's obligation to communicate the market outlooks scenarios to the PSO as this was not carried out via the trading website.

Determination

11. In a statement made on 30 December 2002, the MSCP gave notice of the enforcement policy it would adopt in the event of a rule breach during the 3 months immediately following market start.
12. On 11 February 2004, the MCSP issued a letter informing the EMC that it considered that the EMC had prima facie breached sections 7.7.1.1, 7.7.1.2 and 7.7.2.2 of Chapter 6 of the market rules and invited the EMC to make written representations. No written representations were received by the deadline stipulated.
13. The MSCP determined on the basis of the facts referred to above, that the EMC breached sections 7.7.1.1, 7.7.1.2 and 7.7.2.2 of Chapter 6 of the market rules.
14. However, the breach was inadvertent, and was quickly rectified by the EMC with minimal impact on the market. No market participant complained with regard to the breach. The EMC also put in place procedures to prevent a recurrence of such a breach. Therefore, the MSCP determined that no enforcement action was to be taken.



Joseph Grimberg
Chair, Market Surveillance and Compliance Panel