

Market
Surveillance
and
Compliance
Panel

Singapore Wholesale
Electricity Market

**DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2003/D5**

Market Surveillance and Compliance Panel (“MSCP”)

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

Date of Determination

13 August 2003

Party

Energy Market Company Pte Ltd (“EMC”)

Subject

Late sending of invoices

Applicable Rules in the Singapore Electricity Market Rules

Section 7.1 of Market Operations Market Manual (Settlement)

“EMC-Settlement personnel must issue an invoice to a market participant on the tenth business day after the trading day...”

Section 7.2 of the Market Operations Market Manual (Settlement)

“The invoice will be sent to each market participant by facsimile followed by posted mail in accordance with the time stated below:

Invoice: Trading day + 10 business days, 5:00pm

...”

Facts and Circumstances

The EMC was unable to issue invoices which relate to trades carried out on 1 January 2003 to 5 market participants within the stipulated deadline of 5:00 pm on 15 January 2003. The invoices for these 5 market participants were issued an hour after the deadline at 6:00 pm on 15 January 2003.

The delay was caused by a technical problem with the electronic settlement system.

In an attempt to meet the deadline, the Settlement team in EMC manually created invoices which were sent by facsimile to market participants. Except for 5 market participants, the EMC managed to issue the manually created invoices to the market participants within the stipulated deadline.

According to the EMC, it has put in place an internal procedure providing for invoices to be issued to market participants by 4:00 pm on the tenth business day after the trading day.

Determination

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.

The MSCP determined on the basis of the facts referred to above, that the EMC breached section 7.2 of the Market Operations Market Manual (Settlement) of the Singapore Electricity Market Rules.

However, the EMC made reasonable efforts to comply with the rule requirement by manually creating invoices in an attempt to meet the deadline. There was minimal impact on the market and the EMC has put in place a procedure to prevent a similar recurrence. The breach was also self-reported.

Therefore, the MSCP determined that no enforcement action was to be taken.

A handwritten signature in black ink, appearing to read 'Joseph Grimberg', with a long horizontal stroke extending to the right.

Joseph Grimberg
Chair, Market Surveillance and Compliance Panel