

**DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2003/D9**

Market Surveillance and Compliance Panel (“MSCP”)

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

Date of Determination

22 August 2003

Party

Energy Market Company Pte Ltd (“EMC”)

Subject

Failure to input intertie submissions

Applicable Rule in the Singapore Electricity Market Rules

Section 4.4.8 of Chapter 6

“Upon receiving valid standing capability data in respect of a registered facility and a specified set of dispatch periods from the PSO, and in accordance with the applicable market manual, the EMC shall create or update, as applicable, records of that standing capability data to be used by the market clearing engine.”

Section 2.8 of the Market Operations Market Manual (Standing Offers, Offer Variations and Standing Data)

“The intertie submissions default to zero MW unless the EMC is otherwise informed by the PSO. The EMC requires two business days notice for any intertie submissions to be provided by the PSO. The EMC shall confirm receipt and update these into the market clearing engine as soon as practical.”

Facts and Circumstances

The EMC had failed to input zero MW into the market clearing engine as default inertie submissions. The inertie data fields in the market clearing engine were left blank for:

- (a) Periods 1 to 48 on 1 January 2003;
- (b) Periods 1 to 48 on 2 January 2003; and
- (c) Periods 1 to 36 on 3 January 2003.

The EMC rectified the error with effect from period 37 on 3 January 2003.

According to the EMC, it had carried out a manual verification exercise on 31 December 2002 to ensure that the standing capability data relating to all generation registered facilities had been accurately updated in the market clearing engine prior to market start. However, it had not checked the inertie standing capability data.

There was no significant impact on the market resulting from this incident.

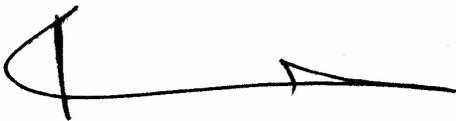
Determination

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 failed to comply with section 2.8 of the Market Operations Market Manual (Standing Offers, Offer Variations and Standing Data) and therefore breached section 4.4.8 of Chapter 6 of the Singapore Electricity Market Rules (the "market rules").

However, the EMC made reasonable attempts to comply with its obligations under section 4.4.8 of Chapter 6 of the market rules by carrying out a manual verification exercise prior to market start. The breach was inadvertent, self-reported and had no significant impact on the market.

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



Joseph Grimberg
Chair, Market Surveillance and Compliance Panel