At the start of the new year, working from home remains the default arrangement to minimise the risk of Covid-19 transmissions at the workplace.

In line with this advisory, EMC will continue with our current split-team work arrangements. Our colleagues remain divided into two groups, alternating between working from the office and from home each week. I would like to thank all staff for adhering to the strict safe management measures in place. This has kept our colleagues and workplace safe, enabling our key operations and business functions to continue to run smoothly.

The first two months of 2021 have gone by very quickly, with prices in the wholesale electricity market continuing to edge up towards the $100/MWh level. As part of our ongoing efforts to add value to the market, we introduced a new service enhancement in January, the Offer Index Pool, which provides additional insights on the energy market offer conditions to guide our market participants in their trading decisions.

In February, we completed another successful run of our flagship course, Understanding Electricity Markets. I am very pleased that we have been able to transition the course smoothly into a virtual one, and that the course continues to be well-supported by the industry.

I hope that the Year of the Ox will be a better year for everyone, and I wish you good health and success in the new year.

Toh Seong Wah
Chief Executive Officer
EMC’s Business Continuity Preparedness Exercise

Exercise Thunderbolt

EMC conducts a series of business continuity preparedness (BCP) exercises every year to ensure that we are well-prepared for a crisis.

We held our first BCP exercise for the year, Exercise Thunderbolt, on 24 February. The objectives of this exercise are:

1. to familiarise our staff with the office evacuation procedures and emergency exit routes; and
2. to assess our preparedness in the event that access to our office at SGX Centre 2 is rendered impossible.

EMC’s office evacuation plan requires all staff to evacuate the office premises and gather at a designated safe reporting area. In light of the Covid-19 pandemic, changes have been made to the plan and all staff working in the office are instead expected to evacuate and proceed to work from their homes in the event of an emergency situation.

For Exercise Thunderbolt, we further eliminated the need for physical evacuation from the office. Following a refresher briefing on the evacuation procedures and emergency exit routes, our staff were required to report their attendance virtually to their respective departmental fire wardens upon activation of the exercise.

Exercise Thunderbolt helps to familiarise our staff with our crisis procedures, thereby ensuring the safety of our colleagues and the smooth running of the wholesale electricity market should a crisis occur.

Another Service Enhancement from EMC

We are pleased to share another service enhancement that we introduced in January, as part of our continuous effort to offer value-added services to market participants (MPs) of the National Electricity Market of Singapore (NEMS).

In the wholesale electricity market, data and market analyses are valuable tools that guide MPs in their trading decisions. Generation companies, which take their generating units’ marginal costs into consideration when they submit their energy offers in the market, may benefit from market insights on the energy offer conditions to achieve more competitive market outcomes. With this in mind, EMC introduced a set of energy market offer indices – known collectively as the Offer Index Pool – in the market trading reports for our MPs.

The Offer Index Pool consists of three energy offer indices; namely, the Offer Curve Index, the Offer Price Index and the Offer Quantity Index. The Offer Curve Index (previously known as the Offer Price Index) measures the collective steepness of the energy offer curve by adopting a linear gradient calculation methodology. The Offer Price Index indicates the value of the weighted average offer price derived from energy offers in a price-ascending order. Finally, the Offer Quantity Index indicates the ratio of offer quantity priced below a threshold in proportion to the total offer quantity.

We hope that this enhancement provides additional perspectives on the conditions of the energy market. We thank all MPs for their continuous feedback and support. We will explore more service enhancements to add value to them and the market.

Market Update

Overview of USEP and supply cushion – Jan to Feb 2021

The daily average Uniform Singapore Energy Price (USEP) ranged between $58.61/MWh and $98.32/MWh in January, and between $80.74/MWh and $111.60/MWh in February.

Demand declined 2.5 percent while supply increased 2.0 percent in January. This resulted in the supply cushion level increasing by 3.4 percentage points to 26.4 percent. Consequently, January’s USEP decreased by 8.1 percent to $ 77.81/MWh. Compared to January last year, the supply cushion was 3.2 percentage points higher while the USEP was 7.5 percent lower.

In February, demand rose 2.7 percent while supply fell 1.0 percent. As a result, the supply cushion dropped by 2.8 percentage points to 23.6 percent. With a lower supply cushion, February’s USEP increased 19.4 percent to $92.91/MWh. Comparing year-on-year, the supply cushion was higher than last February’s by 1.0 percentage point while the USEP was higher by 4.8 percent.
User Forums

Market Information Sharing Forum (MISF)
The Markets and Operations team hosted the 115th session of the bi-monthly MISF on 14 January virtually via WebEx. The following topics were shared with the attendees during the session:
- Market performance and key highlights in 2020;
- System enhancements and projects; and
- Feature topics:
  - Zero load curtailment price in the event of load curtailment;
  - Payment default processes;
  - Bilateral contract file upload on Single Electronic Window (SEW);
  - Publication of Offer Index Pool charts in market trading reports; and
  - New features in the Offer Submission System.

We would like to thank all participants for their continuous support and strong interest in the MISF. Market participants who are interested in presenting at future MISFs are encouraged to contact the Markets and Operations team.

Market Systems User Group (MSUG)
The bi-monthly MSUG forum was held virtually via WebEx on 25 February. EMC’s Technology team updated attendees on the following topics:
- Overview of NEMS systems availability year-to-date for FY2020/2021;
- Overview of NEMS systems service desk calls received between February 2020 and January 2021;
- Overview of change releases deployed between February 2020 and January 2021;
- NEMS systems incidents;
- Planned NEMS maintenance;
- Disaster Recovery Preparedness (DRP) Exercise;
- Status updates on Technology (infrastructure) projects:
  - Network technology refresh;
  - Tier 3 network segregation project;
  - Storage Area Network (SAN) storage technology refresh;
  - NEMSCAP Refresh Project (NRP);
  - Database upgrade; and
  - Single Sign-On (SSO) server technology refresh.
- Statistics on report downloads (via Web Services)
- Results of EMC’s token survey
- Status updates on Technology (applications) projects:
  - Review of default levy arrangements (Stage 2);
  - Migration of Submissions Management System (Submission 2.0); and
  - Email notification and web service for Annual Generator Outage Programme (AGOP) comma-separated values (CSV) publication.

The next MSUG forum is tentatively scheduled for Thursday, 15 April. We will update all participants via email ahead of the forum.

EMC Training Programme

Next course on 20 and 21 May 2021
The next run of the virtual two-day course Understanding Electricity Markets is scheduled on 20 and 21 May. Our trainers will be conducting six sessions covering the following topics:
- Understanding Electricity
- Why Reform and Regulation is Essential in the Electricity Industry
- The National Electricity Market of Singapore and its Unique Features
- Pricing Mechanism and Economic Dispatch
- Market Settlement and Credit Risk Management
- How Consumers can Influence Electricity Markets

The course dates* for 2021 are as follows:
- 19 and 20 August
- 18 and 19 November

*Subject to changes arising from developments in the Covid-19 pandemic

We advise you to book early to secure your place in the course date of your choice, and benefit from our early-bird discount where applicable.

Further details on the programme and on how to register are on our website, www.emcsg.com. For enquiries, please e-mail trainingprogramme@emcsg.com or contact Jan Lee at +65 6779 3000.