CEO’s Message
A busy and successful first half of the year is over and we are looking at an eventful second half. In the National Electricity Market of Singapore (NEMS), average monthly demand reached an all-time high in May before reverting to more modest levels in the first half of June. The Uniform Singapore Energy Price (USEP) rose in May but dropped in the first half of June. See the article on page 3 for full details.

On 26 May, EMC successfully launched, as part of the Single Electronic Window (SEW) project, its new website at www.emcsg.com offering users a variety of new features and functionality. If you haven’t done so, please visit our new website and give us your feedback.

I am also pleased to draw your attention to the very good performance results that EMC achieved for FY2009–2010 including in the Performance Incentive Management System (PIMS) evaluation. We again exceeded our targets for PIMS in all but one area. With such high benchmarks as incentive, EMC continues to strive to provide the highest standard of service to the market. I would like to give a very special thanks to the EMC team for their hard work over the past year. I also thank our market participants (MP) for their continued support of EMC. Please read the article on page 2 for more details.

Finally, mark your calendar for the upcoming sixth Singapore Electricity Roundtable on 28 and 29 October at Suntec Singapore—one of the highlights of our year. Our keynote speaker will be Professor Frank A Wolak from Stanford University, a leading expert in design and regulatory oversight of electricity markets around the world; he will discuss challenges for developing regional electricity markets. All of our high-profile speakers and panelists will share important insights and perspectives on current global and regional electricity and energy industry topics. Please see the article below for full details—and don’t forget to register.

Dave Carlson
Chief Executive Officer

Save the Date — Singapore Electricity Roundtable 2010
EMC is pleased to host the sixth Singapore Electricity Roundtable on 28 and 29 October 2010. This year’s event again promises to be a key highlight of Singapore’s International Energy Week (SIEW), organized by the Energy Market Authority (EMA) and the Energy Studies Institute (ESI).

The Roundtable attracts industry leaders in the electricity sector from across Asia Pacific and the world. The event brings together influencers, decision makers, potential investors and industry experts to discuss regional and global issues and challenges facing the electricity and energy sectors. Participants come from a broad industry spectrum including regulatory, to finance, legal and consulting sectors. Last year, nearly 200 participants from Singapore, Asia Pacific, Europe and the U.S. attended the Roundtable.

This year’s Roundtable will deliver an exciting array of thought-provoking and informative topics ranging from the challenges of developing regional electricity markets to assessing the impact of pricing CO2 into electricity trading. We’ll discuss the latest on smart metering and electricity derivatives, and focus on the Thailand and Chinese electricity markets. Two workshops on Day 2 will provide an update on the NEMS and cover electricity derivatives markets in more depth.

This year’s distinguished speakers:
• Keynote speaker: Professor Frank A. Wolak, Holbrook Working Professor of Commodity Price Studies in the Department of Economics and Director of the Program on Energy and Sustainable Development, Stanford University, will cover challenges in developing regional electricity markets.
• Paul Sell, Director, Energy Market Consulting Associates, will provide perspectives on the deployment of smart metering in the UK, Australia and New Zealand and on how benefits are being realized.
• Dr Pallapa Ruangrong, Commissioner, Energy Regulatory Commission Thailand, will give an update on developments in the electricity sector of Thailand.

(continued on page 2)
EMC’s Performance against Targets

**EMC’s performance against targets**

<table>
<thead>
<tr>
<th>Targets and Performance</th>
<th>FY2008-2009</th>
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<th>Score (Points)</th>
<th>FY2009-2010</th>
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<th>Score (Points)</th>
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<tr>
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<td></td>
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<td>Performance</td>
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<td>Performance</td>
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<td>Pricing accuracy</td>
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<td>65.13</td>
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<td>86.24</td>
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**EMC’s financial performance**

EMC’s operational expenses were below the FY2009-2010 budget by $2.02m, as EMC continues to exercise tight control over expenditures. We will continue to look for more efficient and cost-effective ways to deliver high service standards and world-class market operations to our stakeholders.
Revenue adjustments

Following the audited financial results for FY2009-2010 approved by the Board, EMC is effecting revenue adjustments totalling $242,321.97 to the administrative fee charges, to be refunded to the market from October 2010 to March 2011. The revenue adjustments are as follows:

<table>
<thead>
<tr>
<th>FY2009-2010 Audited Refund/(Recovery)</th>
<th>SS</th>
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<tr>
<td>Depreciation Adjustment</td>
<td>$ 405,655.95</td>
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<td>Exogenous Items</td>
<td>$ 304,585.57</td>
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<td>NEMS settlement accounts Interest</td>
<td>$ 13,832.04</td>
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<td>Less: PIMS Bonus</td>
<td>$(481,751.59)</td>
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<td>$ 242,321.97</td>
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</tbody>
</table>

1 Based on actual quantities of 38,839 GWh and 39,628GWh for FY2008-2009 and FY2009-2010 respectively.

Market Update

USEP rose in May before easing in June

Demand sustained its upward trend from the beginning of this year, reaching an all-time high in May of an average monthly demand of 5,161MW. However, demand weakened in the first half of June, averaging 5,052MW.

Driven by the rise in demand, the average monthly Uniform Singapore Energy Price (USEP) rose in May to $185/MWh. With softer demand, the USEP fell in the first half of June by 3.3 percent to an average of $179/MWh.

New RCP Member Kng Meng Hwee

EMC had earlier announced that Yeo Lai Hin has stepped down as the Power System Operator representative on the Rules Change Panel (RCP). On 10 June 2010, the EMC Board appointed Kng Meng Hwee to the RCP, effective from 15 June 2010 to 31 December 2011. EMC would like to thank Mr Yeo for his invaluable contributions to the RCP during his term, and welcome Mr Kng on board.
User Forum

Market Information Sharing Forum (MISF)

The 12 May MISF provided market participants (MPs) with a detailed update of market performance for March and April, including the decline in both the USEP and reserve requirements. MPs were walked-through the Market Clearing Engine (MCE) standing data process to help them better understand the timeline for submissions. The discussion emphasised the standing data processes related to an account name change or entry of new facilities. The forum ended with a preview of EMC’s new Single Electronic Window (SEW), showcasing key features of the new platform before the official launch of Phase I on 26 May.

Our next MISF will be held on Wednesday, 21 July 2010.

Market Systems User Group (MSUG) Update

The bi-monthly MSUG forum held on 24 June updated participants on the NEMS systems availability and related incidents. EMC conducted a live session demonstrating key features and functionality of the recently launched corporate website, part of the Single Electronic Window (SEW) project. Participants received a progress report on the sunset schedule for older NEMS applications and on additional ongoing projects for updating the NEMS systems.

The next MSUG is tentatively scheduled for Thursday, 26 August.

EMC Training Programme – Next Course on 19 and 20 August 2010

EMC will be holding its next available two-day training course Understanding Electricity Markets on 19 and 20 August 2010. Our staff will be conducting six sessions covering the following topics:

- Understanding Electricity
- Overview of the Electricity Sector
- The NEMS and its Unique Features
- Pricing in Detail
- Settlement
- The Demand Side

The next course is scheduled for:

18 – 19 November 2010

We advise you to book early to benefit from our early-bird discount.

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.

Send us Comments, Feedback or Questions

The EMC Bulletin is written by EMC for you and we are always striving to improve our service. Therefore we are interested in any feedback you might have about specific articles and topics covered or comments and suggestions about other areas you would like to see included.

Please send your comments, feedback or any questions either via e-mail to info@emcsg.com or via fax to +65 6779 3030.

Thank you in advance for your time and effort.