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CEO's Message

EMC ushered in the year of the rabbit with a flurry of activities.

Phase II of our new trading website was completed and launched in January. It is currently undergoing testing by internal users to ensure that it is stable and reliable. Once testing is completed, it will be rolled out to market participants (MPs), who will benefit from new features as well as the convenience of a one-stop trading portal. Please see the article below for a preview of the new features.

As part of our ongoing efforts to share knowledge and information, EMC has been hosting an annual tax seminar for the MPs since 2009. This year's seminar, which was held on 11 February, was well-received and attracted more than 30 participants

from the MPs' tax and finance teams. To read more about the seminar, please see the article on page 2.

On 16 February, EMC colleagues took time off from their work to celebrate the Chinese New Year at the Movement for the Intellectually Disabled of Singapore's (MINDS) Ang Mo Kio (AMK) centre. We spent an enjoyable and meaningful day with the clients and staff of the centre, who gamely put on performances and played tele-matches with us. Please see the article on page 2 to find out more about the event and EMC's other areas of support for MINDS AMK.

Looking at the market, the Uniform Singapore Energy Price (USEP) was fairly steady and traded below the Vesting Contract Hedge Price

(VCHP) for most of January and early February. On average, demand levels in the first two months of the year were lower than last December's, with early February registering a significant dip in demand due to the Chinese New Year public holidays. More details on the market's performance can be found on page 3.

As we progress into 2011, we look forward to another year of successful trading for the National Electricity Market of Singapore.

Dave Carlson
Chief Executive Officer

Single Electronic Window (SEW) Phase II Soft Launch

EMC is pleased to announce that it has successfully launched its new trading website (as per the intent of SEW Phase II) for internal EMC users on 25 January 2011. This will allow EMC to test the new website and monitor its stability and reliability before opening it up to market participants.

This new trading website features a

dashboard view for market participants where they can personalize their information portal based on their trading needs. The Offer Management System (OMS) can also be accessed through this new trading website. Some of the features included in this new trading website are sorting, freezing and drill-in charts functionalities to enhance

the user experience when retrieving market information.

Market participants can soon look forward to a more user friendly access to NEMS information, and performing NEMS transactions via the one-stop www.emcsg.com.



Welcoming the Year of the Rabbit with MINDS Ang Mo Kio

EMC has been supporting the Movement for the Intellectually Disabled of Singapore (MINDS) at Ang Mo Kio (AMK) for over seven years. This year, we continued our support by sponsoring the refurbishment of the whole centre and the provision of two stainless steel cabinets for their kitchen, so as to provide a better learning environment for the clients. We will also continue to sponsor birthday cakes for the centre's monthly birthday celebrations as this is very well received by the clients.

On 16 February, EMC volunteers celebrated Chinese New Year with



Dance performance by SIA-MINDS

the clients at MINDS AMK. For the second year, SIA-MINDS Employment Development Centre joined MINDS AMK for this celebration. SIA-MINDS runs vocational training programs for clients 18 years and older.

A mini dragon dance kick-started the song and dance performances by the clients from both SIA-MINDS



Putting together the rabbit in the race

and MINDS AMK. This was followed by the highlight of the celebrations: a string of tele-match games at the multi-purpose hall located close to the centre. First the clients had to compete in a race to put together a



Dressing up the finest looking rabbit

'rabbit' made from styrofoam. Then they competed to dress up the finest looking rabbit with the cooperation of the invited guests and volunteers. Last but not least, there was a competition to see who could grab the most carrots between the guests and the volunteers.

This fun-filled day ended with a lunch at McDonalds with the clients, their parents and invited guests. To all EMC volunteers, this was an opportunity to bring some laughter to this worthwhile organisation and we look forward to many more enjoyable celebrations with them.

Corporate Tax and GST Seminar



Market participants attending the seminar

As part of EMC's ongoing efforts to engage market participants and share knowledge and information, EMC hosted a Corporate Tax and GST information session on 11 February 2011 for the market participants. The following topics were covered:

- Withholding Tax;
- Financial Reporting Standard (FRS) 39 Tax Treatment;

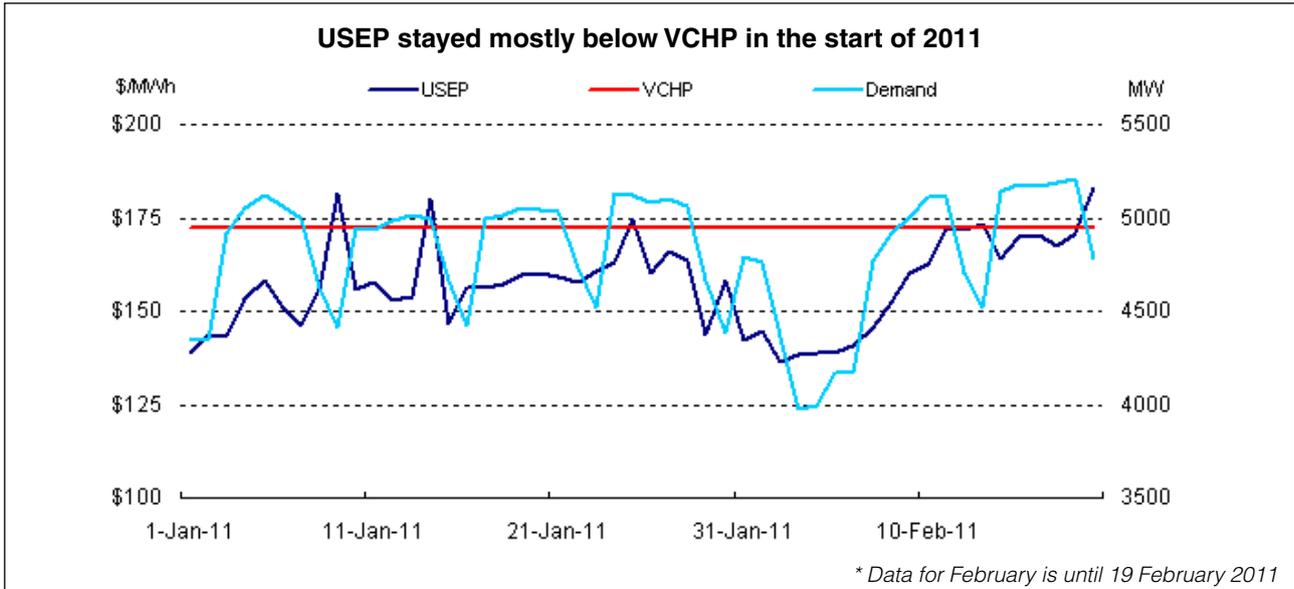


Chinese New Year Lo Hei celebration with market participants from the seminar

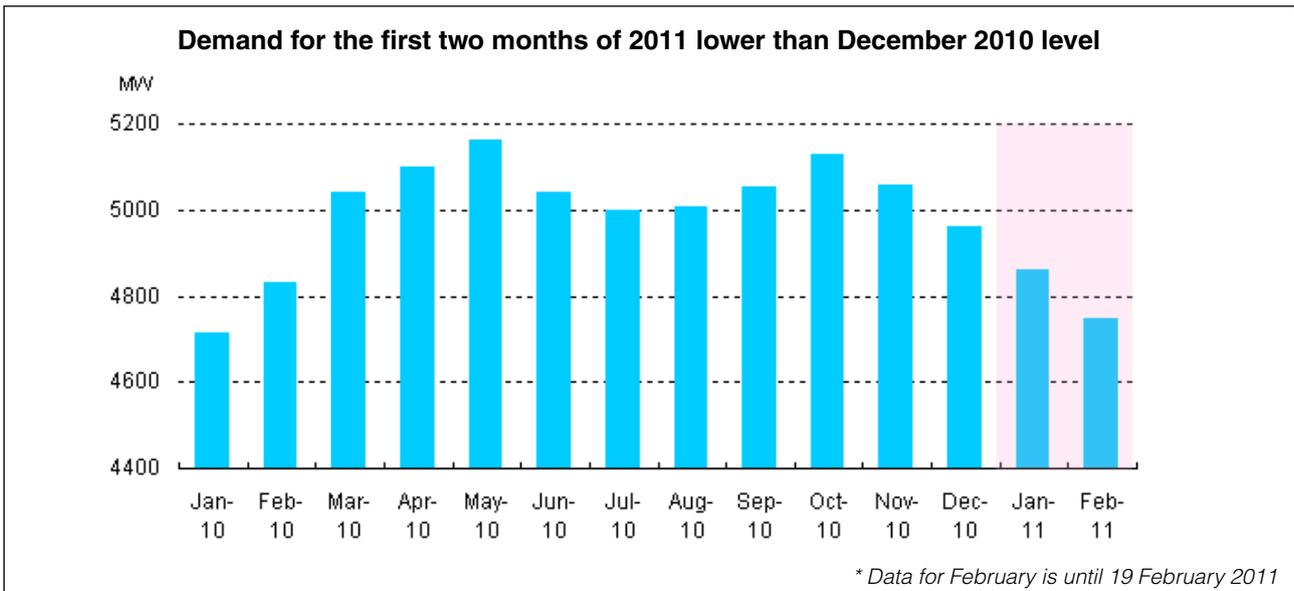
- Key 2010 GST updates;
- Key 2010 Corporate Tax updates;
- Introduction to R&D incentives in Singapore and its application to the Electricity industry.

The session, conducted by Tax Partners and Directors from Ernst & Young, received very positive responses from the market participants.

Market Update



2011 saw a steady Uniform Singapore Energy Price (USEP) at the start of the year, where the daily USEP traded mostly below the Vesting Contract Hedge Price (VCHP). The USEP averaged \$157/MWh from 1 January to 19 February, which is 8.8 percent lower than the VCHP of \$172.36/MWh. This stable USEP was due to softer demand performance, which averaged daily below the 5300MW mark in these two months.



For 2011, demand averaged 4859MW in January and 4749MW in the first 19 days of February. These levels were lower than the level seen in December 2010, when demand averaged 4960MW. The significantly lower demand in February was mainly caused by the Chinese New Year public holidays, which historically register the year's lowest demand.

New Rules Change Panel (RCP) Member Mr Henry Gan

In January 2011, Mr Kenneth Lim relinquished his position as EMC's representative on the RCP. The EMC Board appointed Mr Henry Gan to take his place on the RCP, effective from 2 February 2011 to 31 December 2011. EMC would like to thank Mr Lim for his invaluable contributions to the RCP, and welcome Mr Gan on board.



EMC Training Programme – Next Course on 19 and 20 May 2011

EMC will be holding the next run of its two-day course *Understanding Electricity Markets* on 19 and 20 May 2011. Our staff will be conducting six sessions covering the following topics:

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

The course dates for the rest of the year are as follows:

- 11 – 12 August 2011
- 17 – 18 November 2011

We advise you to book early to secure your place in the course dates of your choice, and 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.

User Forum

Market Information Sharing Forum (MISF)

The MISF held on 12 January 2011 covered the market performance in the NEMS for the last two months of 2010, as well as a yearly roundup for 2010. In addition to the update on system enhancements, the forum ended with an additional update on the Risk Adjustment Factor (RAF) automation. Our next MISF will be held on Wednesday, 9 March 2011. All MISF and Market Systems User Group delegates are encouraged to register for the forum online.

Market Systems User Group (MSUG)

At the bi-monthly MSUG forum on 15 February 2011 participants received an update on the NEMS systems availability and incidents, as well as the Disaster Recovery Exercises (DRP) scheduled between 25 January and 1 March 2011. In addition, market participants heard about the progress of the Single Electronic Window (SEW), Gross Bidding for Embedded Generator and Settlement Net Treatment scheme resulting from new enhancements of the NEMS systems, and the sunset schedule for older NEMS applications.

The next MSUG is tentatively scheduled for Thursday, 21 April 2011.

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.

