

professional transparent cost-effective people ideas integrity commitment teamwork

CEO's Message

Since 6 August, EMC has a new shareholder, with the Singapore Exchange (SGX) acquiring a 49-percent stake of the company from M-co (The MarketPlace Company). Energy Market Authority's shareholding of 51 percent remains unchanged with this acquisition.

EMC will continue to be independently-run with our own management and board. Our key business priority in providing a transparent and competitive trading platform for wholesale electricity trading in Singapore remains unchanged. We will continue to put in place initiatives that will add value to the market and improve the services we provide to the participants of the National Electricity Market of Singapore (NEMS).

One of the upcoming highlights is the eighth Singapore Electricity Roundtable to be held on

23 October at the Marina Bay Sands Exhibition and Convention Centre. This is one event you definitely do not want to miss. We have secured a distinguished line-up of high-profile speakers to discuss topics of great interest to our industry. Please see the article below for full details and information on registration.

On 1 August, we hosted the tenth EMC Golf Day for our invited guests from Singapore's electricity industry. Heart-felt thanks go out to all of our guests and sponsors for their support and for making it an enjoyable and successful day. Read more about this fun-filled event on page 2.

We also welcomed guests in July and August from New Zealand and Philippines, who sought a better understanding of EMC's role and specific functions. Read about these visits on page 3.

For the NEMS, monthly average demand was on an upward trend for the first half of the year but dipped in July. We also saw the addition of the third Combined Cycle Gas Turbine (CCGT) from Keppel Merlimau Cogen this year, bringing the total registered capacity of CCGT to 7,400MW in the NEMS. Updates on the market can be found on page 3.

I look forward to meeting many of you again at the upcoming Singapore Electricity Roundtable 2012 in October.

Dave Carlson Chief Executive Officer

Register Early for the Singapore Electricity Roundtable 2012



We are heartened by the local and overseas responses we have received to date since registration for the eighth Singapore Electricity Roundtable 2012 opened in mid August. The Roundtable, to be held on 23 October, is one of the key events of the Singapore International Energy Week (SIEW).

We have secured a great line-up of high-profile and experienced industry experts for this year's Roundtable. They will be speaking on a wide range of topics of great interest to the electricity

industry. Our distinguished speakers and topics for the Roundtable include:

- Sarah Fairhurst, Partner, The Lantau Group (HK), who will give an update on the regional electricity landscape and challenges, and share on the potential for greater connectivity to Singapore and the region;
Neil McGregor, Chief Executive Officer, Singapore LNG Corporation, who will speak about LNG in Singapore;
Michael Zammit, Principal, Market Development, EnerNOC Inc, who will share on demand response applications and opportunities for Singapore;
Ronald Coutu, Manager, Business & Technology Solutions, ISO New England, who will touch on developments in the U.S. electricity markets; and

- Toh Seong Wah, Senior Vice President, Market Operations & Information Technology, EMC, who will provide an update on the National Electricity Market of Singapore (NEMS).

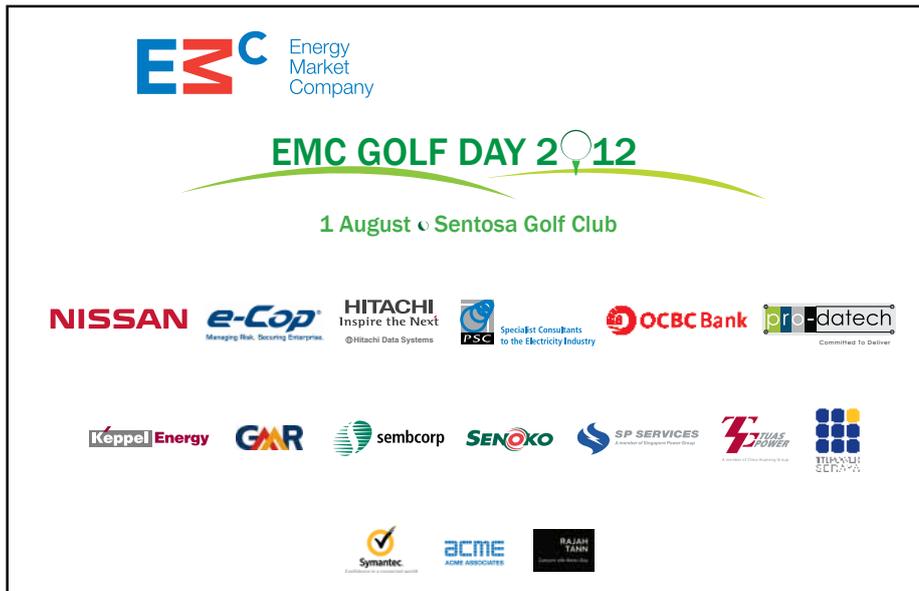
The one-day Roundtable will conclude with a question-and-answer session. Speakers together with Dave Carlson, Chief Executive Officer, EMC as moderator, will take questions from the floor.

Sign up for the Roundtable today! Don't miss the opportunity to gain insight into the electricity industry, learn about the issues and challenges facing the energy and electricity sectors, and network with local, regional and global industry experts and decision makers.

The latest information and online registration for the Roundtable can be found at www.emcsg.com/roundtable. For information on the SIEW, visit www.siew.sg.



EMC Golf Day - Ten Years of Golfing, Networking and Friendships



Our sponsors

This is the tenth year that EMC has hosted the annual Golf Day for guests from Singapore's electricity industry.

On 1 August, 64 golfers and close to 130 dinner guests attended this year's event at the Sentosa Golf Club. Guests included chairpersons, board members, CEOs, panel members, and other senior management team members from our market participants and other key industry players.

Despite clear skies, we were unable to tee off in the morning for the 18-hole golf challenge at Serapong Course due to a lightning warning. The golfers were finally allowed on the golf course and managed a shotgun tee-off from 3 pm onwards, competing in teams for the EMC Challenge Trophy and individually for the Hole-in-One and three other novelty golf prizes.

We also held a golf clinic and 9-hole game, which again received great response this year. About 30 novice and beginning golfers attended the clinic ran by golf pros Alan Murray, Mark Lazenby and Skye Neal. Three flights of golfers proceeded with the 9-hole game after the clinic.

Despite the initial delay, all golfers made full use of the time available and had an enjoyable time completing as many holes as they could. The therapeutic massage service was welcomed by

all as it helped to soothe tired muscles after the game and clinic.

For the eighth consecutive year, we invited four of Singapore's leading young lady golfers to participate as part of our ongoing support for the development of young golfers through the Singapore Golf Association (SGA). As always, the young golfers were the highlight of our event and our guests enjoyed the opportunity to play with these rising stars. As with past years, EMC donated \$5,000 to the SGA in support of the development of such young golfing talents.

The much anticipated prize presentation for the winning golf teams and lucky draw were again the highlight of the evening's programme. The 20 lucky draw prizes comprised coveted items such as the top prize of a \$1,100 Gaya



EMC's donation to the SGA (L to R): SGA President, Bob Tan, Fariza Izanie, Rachel Lim, Amelia Yong, Koh Sock Hwee and Dave Carlson (EMC CEO)



Winners of the EMC Challenge Trophy with EMC Chairman (L to R): Koh Kheng Siong, Fariza Izanie, Low Cheong Kee, John Lim and Wong Meng Meng (EMC Chairman)



Lucky draw 1st prize winner Loh Chin Seng (L) receiving his prize from 2nd prize winner Seah Cyn Yi (R)

Island Resort Stay, Samsung Galaxy S3 mobile phones and the latest Apple 64GB iPads. For the first time, we had a Nissan LEAF Electric Vehicle as our Hole-in-One prize. Unfortunately, there was no winner.

We would like to thank our many sponsors for their support of our event - Tan Chong Motor Sales, e-Cop Singapore, Hitachi Data Systems, Power Systems Consultants, OCBC, Pro-Datech Systems, Symantec, Acme Associates and Rajah & Tann. The EMC Golf Day would not have been possible - or nearly as enjoyable - without their generosity.

In addition, we would like to offer special thanks to our industry sponsors - Keppel Energy, GMR Energy (Singapore), Sembcorp, Senoko Energy, SP Services, Tuas Power Generation and YTL PowerSeraya for contributing to the goody bags, novelty hole prizes, food at hole, lucky draw prizes and massage services.

It was our pleasure to host this golf event for the tenth year. We thank everyone for making it a delightful day and look forward to hosting you again next year.



Visitors to Energy Market Company



DOE and PEMC visitors with EMC staff and Poyry consultants

In July and August, EMC hosted two groups of visitors from New Zealand and Philippines respectively.

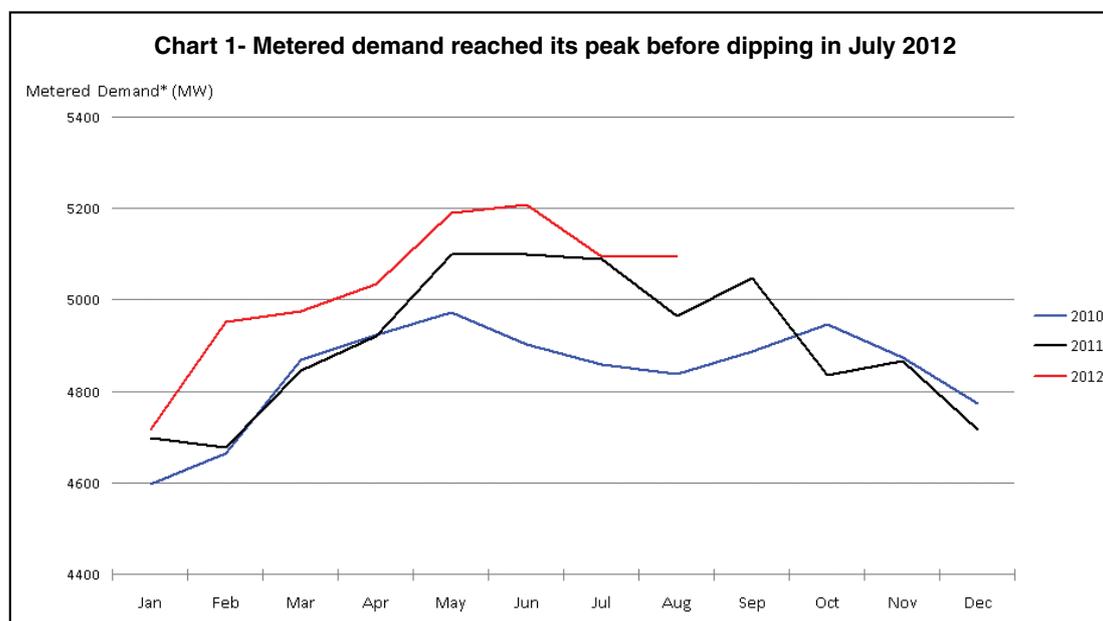
Mr Tim Street, Director Wholesale from the New Zealand Electricity Authority (NZEA) visited EMC in July to obtain a better understanding of the Singapore market design and market operations' processes, such as dispatch and price scheduling determination and co-optimisation logic in the National Electricity Market of Singapore (NEMS).

In August, we hosted visitors from the Department of Energy (DOE) and Philippine Electricity Market Corporation (PEMC), together with representatives from Poyry Management Consulting. EMC was one of the

organisations they visited to gain insights on the retail competition model in the Singapore electricity market. They were most interested in the settlement processes the NEMS had in place and the IT systems used to manage such processes.

We welcome and appreciate such visits as they provide an excellent platform for the exchange of ideas and experiences with other countries. They also help us gain a better understanding of the developments in other electricity markets around the region.

Market Update



*Metered Demand is up till 20 August 2012.

A steady upward trend for demand has been observed since the start of the year. Demand reached a new monthly average high of 5,208MW in June, exceeding the threshold of 5,200MW for the first time since the market started. Thereafter, demand experienced a significant dip in July, a drop of 2.2 percent

from June, before stabilizing in August¹. The drop in demand is in line with general subdued economic conditions and outlook in the second half of the year.

A comparison with the same months for the past two years shows that demand has

been higher for all months in 2012 (Chart 1). Demand growth is about 2.5 percent for the first half of 2012, which is in line with the Gross Domestic Product (GDP) growth² of 1.5 percent and 2.0 percent for Q1 and Q2 respectively.

¹ Metered demand data is up till 20 August 2012.

² GDP data from MTI website.

Third new Combined Cycle Gas Turbine (CCGT) unit on board this year

Following the two CCGT units from Senoko Energy Pte Ltd that came on board earlier this year, Keppel Merlimau Cogen registered its third CCGT unit with the National Electricity Market of Singapore (NEMS) on 23 August. This CCGT unit has a maximum capacity of 406MW. With this latest addition, the total registered capacity of CCGT in NEMS now stands at 7,400MW.



User Forum

Market Information Sharing Forum (MISF)

EMC hosted its 64th MISF on 13 July. The forum provided a summary of the market performance of the National Electricity Market of Singapore (NEMS) for the first half of 2012 and a review of the half-yearly market performance of NEMS for the last ten years i.e. 2003 to 2012.

Market Participants (MPs) were also briefed on the progress of four on-going system enhancements that are taking place as well as the following five feature topics:

1. Rerun procedure on Constraint Violation Penalty with case studies in May and June.
2. Latest System Operating Manual version 6 and its impact on market outcomes.
3. Same marginal pricing in two ancillary markets that occurred in June.
4. Publication of Generation Registered Capacity by Facility in Single Electronic Window (SEW) website.
5. Recovery and refund of reserve and regulation payments for non-providers.

EMC would like to welcome MPs who are interested to showcase any relevant topics in future MISFs to come forward.

The next MISF will be held on Friday, 14 September at 2.30 pm. All MISF delegates are encouraged to register online.

Market Systems User Group (MSUG)

The bi-monthly MSUG forum was held on 16 August. MPs were informed of the maintenance downtime needed in July for application of the Rules Change Panel work plan related change releases to the NEMS Systems. EMC IT also kept the MPs abreast of the market incidents that occurred from June to August and the actions taken to resolve them.

In the last half of the MSUG, MPs were updated on the latest status of on-going projects including the Recovery and Refund of Reserve and Regulation Payments, Publication of Registered Capacity by Facility, the Liquefied Natural Gas Vesting Contract, the schedule for phasing out older NEMS applications, and the progress of other on-going projects for the NEMS systems including the Server Replacement Project.

The next MSUG forum is tentatively scheduled for Thursday, 18 October.

EMC Training Programme – Next Course on 15 and 16 November 2012

EMC will be holding its two-day training course, *Understanding Electricity Markets*, on 15 and 16 November 2012. 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

We advise you to book early to secure your place in the course 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.

Send us Comments, Feedback or Questions

The EMC Bulletin is written by EMC for you and we are always striving to improve our service. 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.

