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CEO's Message

I would like to begin with a reminder to anyone who has not yet registered for the Singapore Electricity Roundtable to be held on 5 and 6 November at the Raffles City Convention Centre. This year the Roundtable will be one of the key events of the inaugural International Energy Week (IEW) and EMC is pleased to be one of the IEW's strategic partners. I am very pleased that Richard P O'Neill, the Chief Economic Advisor of the Federal Energy Regulation Commission (FERC) in the US, has accepted our invitation to deliver the keynote address. In addition, we have secured an engaging line-up of speakers and panellists for the Roundtable who will provide attendees with important insights and perspectives on the National Electricity Market of Singapore

(NEMS), as well as on current topics such as the developments in the LNG market. Please see page 1 and 2 for full details.

Looking at the NEMS, for the first half of the third quarter, the Uniform Singapore Energy Price (USEP) continued to trade above the Vesting Contact Hedge Price (VCHP) due to a variety of influencing factors including high oil prices. For more details, see the article on page 4.

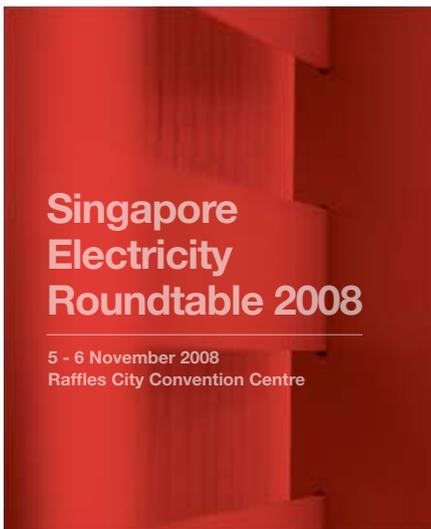
In August we hosted our sixth EMC Golf Day for our invited guests from Singapore's electricity industry. The event was a big success and I would like to thank again all of our players, dinner guests and sponsors for their support at this enjoyable event.

I am also pleased to report that for the fourth year in a row, EMC teamed up with market participants in July for the NEMS charity initiative, A Very Special Walk 2008. The industry joined together in support of the Pathlight School and this year we raised over \$21,000 for this worthy cause. Read more about both events on pages 2, 3 and 5.

The Roundtable will be one of the highlights of our year and I look forward to welcoming you to this exciting event.

Dave Carlson Chief Executive Officer

Don't Forget to Register for the Singapore Electricity Roundtable 2008



Wednesday, 5 November 2008 afternoon
Thursday, 6 November 2008 morning

Registration has opened for the fourth Singapore Electricity Roundtable, 5 and 6 November 2008 at the Raffles City Convention Centre.

This year's Roundtable will form part of International Energy Week, a stimulating forum bringing together international and local policy makers, academics, and industry players to exchange ideas on energy options and strategies for the future.

For this year's Roundtable, we are pleased to have secured an engaging line-up of speakers and panellists to discuss timely topics relevant to the electricity and gas industries. Now in its fourth year, the Roundtable connects influencers, decision makers, potential investors and experts in the electricity and related industries.

Join us for the Roundtable to gain insights and perspectives from various market players, including potential investors, consultants and market participants looking at both traditional and renewable energy sources.

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Our distinguished speakers include:

- Keynote address by Richard P O'Neill, the Chief Economic Advisor of the Federal Energy Regulatory Commission (FERC), USA.
- Michael Thomas, Vice President, CRA International, who will provide perspectives on new developments in the electricity and gas markets in Singapore and Asia.
- A representative from the BG Group plc, Singapore's LNG terminal aggregator, who will discuss the latest developments in the LNG market.

Our distinguished panellists will debate how electricity generation can remain competitive with high international oil prices:

- Neil McGregor, Managing Director of PowerSeraya
- Tang Kin Fei, Group President and CEO of Sembcorp Industries

- Roy Adair, President and CEO of Senoko Power
- Lim Kong Puay, President and CEO of Tuas Power
- Edwin Khew, CEO and Managing Director, IUT Global

Join our seasoned presenter, Henry Gan, VP Pricing & Information, Energy Market Company, on Day 2 at the EMC office for an insightful morning with an overview and updates on the National Electricity Market of Singapore.

Seats for the Singapore Electricity Roundtable are limited, so register immediately. Don't miss the key highlights of the electricity industry's calendar. Brochures and registration forms are available on our website at www.emcsg.com/roundtable.

EMC Golf Day—Six Years Running!



(L to R): Kok Jo Ee, Christabel Goh, Susan Gan, Nicole Koh, and Stephanie Loi receive the EMC donation from Dave Carlson

Now in its sixth year, EMC has hosted the annual Golf Day for guests invited from Singapore's electricity industry.

On 14 August, more than 60 golfers and 100 dinner guests attended the event at the Sentosa Golf Club. Guests included chairpersons, board members, CEOs and senior management from our market participants and other key industry players.

The golfers thoroughly enjoyed themselves at the Serapong Course, competing in teams for the EMC Challenge Trophy and competing

individually for not one, but two hole-in-one prizes and three additional novelty prizes. Food and drinks were provided on the course and at the halfway house. The very popular massage service sponsored by PowerSeraya was once again a hit with the golfers returning from a successful 18-hole game.

For the first time, we hosted a golf clinic for novice and beginning golfers and offered beginners a chance to play a post-clinic nine-hole game. We saw several guests and EMC staff taking up the offer to join golf pros Alan

Murray and Gary Overy, who equipped the golfers with basic golf techniques and tips, and then accompanied them on the nine-hole game. The nine-hole game participants found the Serapong course to be very challenging, but thoroughly enjoyed the gaming process.

This was the fourth year in a row that we had invited four of Singapore's leading junior lady golfers to participate in this event, as part of our conscientious efforts to support the development of young golfers through the Singapore Ladies Golf Association (SLGA). Our guests were delighted to play with these rising stars and to see a mixture of familiar and new faces. It is always with wonder that we note how impressive these young ladies play for their age and how much they have progressed in their skills and techniques over the preceding year.



Novice and beginning golfers at the golf clinic

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To support the development of young golfers, EMC donated \$3,000 to the SLGA. Additional funds were raised throughout the evening, and with the generous support of our golfers and dinner guests the SLGA received a total of \$3,450.

This year, we had two sponsors for the hole-in-one prize. World Golfers Championship offered a Mission Hills golf trip for two; and Asian Seniors Tour offered a Singapore 2008 Pro-Am Flight for three players at the Jurong Country Club. Unfortunately, despite everyone's determined efforts, there were no takers for either hole-in-one prizes.

As always, one of the highlights of the dinner event is the much-anticipated prize presentation for the winning golf teams and the lucky draw winners. This year's top lucky draw prize winner walked away with a \$1,500 Surabaya golf trip for two, compliments of BT Frontline and Sun Microsystems.

The EMC Golf Day would not have been possible without the generous support of our sponsors and we greatly appreciate their many contributions. We would like to thank the following sponsors for their support of our event: World Golfers Championship, Asian Seniors Tour, Wipro, BT Frontline & Sun Microsystems, e-Cop, Power Systems Consultants, DBS, Symantec, Orange Business



The winners of the EMC Challenge Trophy with the EMC Chairman (R to L): Tan Soo Kiang, Yip Pak Ling, Lim Ah Kuan and Philip Tan

Services, Champions Golf Academy, Ernst & Young, SingTel, Rajah & Tann, Swissotel The Stamford and The Fullerton Hotel.

In addition, we would like to specially thank our industry sponsors: PowerSeraya, Sembcorp, Senoko, SP Services, Tuas Power and Diamond Energy for contributing to the

goody bags, lucky draw prizes, winning team prizes, food on the golf course and massage services.

It was indeed our pleasure to host this event! Thank you to everyone for making it an enjoyable day. We look forward to hosting you again next year.



Lucky Draw 1st Prize Winner Mr Tan Ek Kia

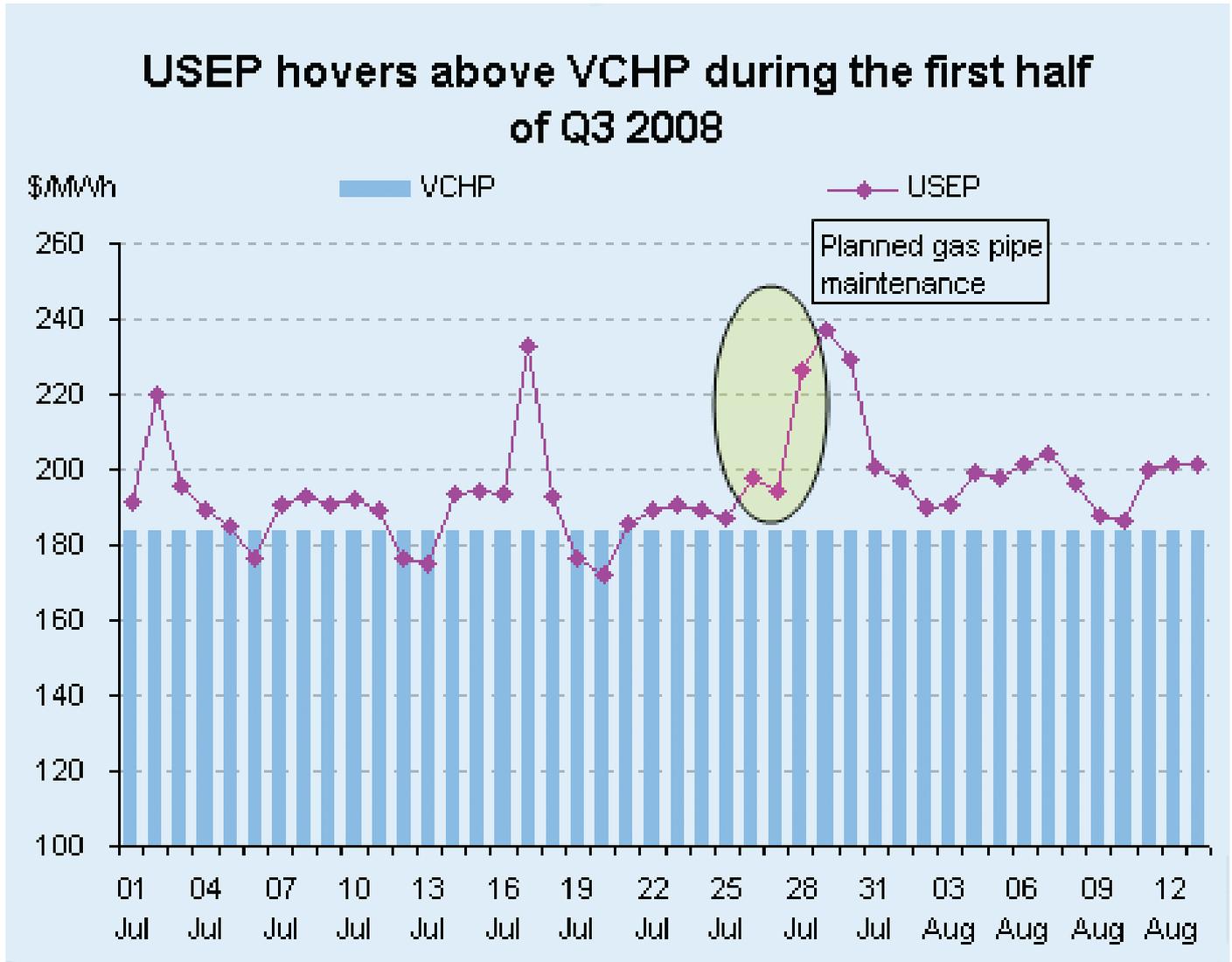


Our Sponsors



Market Update

Uniform Singapore Energy Price (USEP) continues to trade above Vesting Contract Hedge Price (VCHP)



*Prices are given through 13 August 2008.

Following the trend of May and June, the USEP continued its upward move in Q3 2008 with the daily average levels staying mostly above the VCHP. As shown in the chart, the daily average USEP was only below the Q3 VCHP of \$183/MWh on five trading days between 1 July and

13 August. This trend of the USEP staying mostly above the VCHP is due to a confluence of supply factors, mainly planned and forced outages of generation units and higher energy offer pricing.

In addition, the planned gas pipe maintenance during the last week of July caused a drop in the combined cycle gas turbine (CCGT) offer availability, which in turn saw a rise in the USEP.



NEMS Charity Initiative – Four Years on the Walk

Close to 80 participants from PowerSeraya, Senoko and EMC gathered with their families early Saturday morning on 12 July at the Pathlight School to participate as one group representing the NEMS in this year's A Very Special Walk 2008.

This is the fourth year we had agreed to jointly support this charity in its quest to support the Autism Resource Centre (ARC). The focus for the last three years was to raise funds for a new school for the children; the school is currently under construction. This year, the ARC decided to focus on the Social Enterprise Unit. This unit helps to provide the children with a blend of mainstream academics and essential life skills training. This year we managed to raise over \$21,000 for the unit with the generous support of our companies and individuals.

After the special walk that revolved around the neighbourhood where the new Pathlight School is being built, participants were invited to join in a carnival, where the stalls were manned by volunteers. The NEMS sponsored two rides—the exciting pirate ship and the ever-popular teacup ride—as part of our support for the carnival and the ARC.

The event on 12 July was a wonderful opportunity for the respective NEMS participants to come together to support a worthy cause and to share some fun with their family and friends.

A very special thanks goes to all employees and management teams for actively supporting this NEMS charity initiative. Support for the ARC comes in addition to each company's own programmes of giving, and is thus additionally meaningful.

In the future, we hope to include other electricity industry participants in this NEMS charity initiative, so please contact us or any of the other two companies if you would like to find out more.



The NEMS group



The teacup ride sponsored by the NEMS



Walk around the block



User Forum

Market Information Sharing Forum (MISF)

The MISF continues to attract numerous industry players from the Singapore wholesale electricity market. The 16 July forum touched on key market highlights such as the bi-monthly market performance updates, major generation and retail market share movements, and the market outlook on key market indicators. The session concluded with an interesting video describing the role of coal and nuclear power in the future global energy mix. The video also offered some fascinating insights into new developments in carbon capture and sequestration and improved nuclear technologies.

The next MISF will be held on Wednesday, 17 September 2008.

Market Systems User Group (MSUG) Update

The bi-monthly MSUG forum was held on Thursday, 28 August. Attendees were given an overview of the results of the interoperability testing of the NEMS web services conducted recently by Nanyang Polytechnic. Participants were also updated on the details of the EMC Disaster Recovery Exercise held 21–26 August, as well as on the phased implementation plan of the NEMS Offer Management System market trial.

The next MSUG meeting is scheduled for Thursday, 16 October.

EMC Training Programme – Next Course on 20 and 21 November

EMC will be holding its two-day training course, *Understanding Electricity Markets*, on 20 and 21 November. 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

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.

Two More Generators Join the NEMS

Pharmaceutical company Schering-Plough registered on 26 June 2008 the second tri-generation embedded generator in the NEMS; the first was registered by Pfizer Asia Pacific in December 2007 (see *Bulletin 43*). Schering-Plough has two generating units, each 4.9MW in size, which are generating electricity for self-consumption.

Another generator came on board on 17 July 2008. This one, registered by IUT Global, is the first generator below 10MW, which is not an embedded generator. At 2.126MW, it is the smallest generating unit registered in the NEMS. IUT is registered as a generation settlement facility. Using a bio-methanisation plant, IUT creates energy from food waste. Energy not consumed on-site is released into the grid.

