**Notice of market rule modification**

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<th>Paper No.</th>
<th>EMC/RCP/15/2004/236</th>
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| Rule reference: | Modifications To Market Operations Manual (Chapter 7) – Settlement  
Title: Enabling Electronic Invoicing |
| Proposer: | Jennise Ting  
(Market Operations, EMC Pte Ltd) |
| Date received by EMC: | 30 July 2004 |
| Category allocated: | 3 |
| Status: | Approved by EMA |
| Effective Date: | 1 November 2004 |
| Summary of proposed rules change: | The proposed changes to the settlement market manual are to enable EMC to issue invoices to market participants electronically. |
| Date considered by Panel: | 31 August 2004 |
| Date considered by EMC Board: | 30 September 2004 |
| Date considered by Energy Market Authority: | 19 October 2004 |

Refer to attachment

**Reasons for rejection/Reasons for referral back to Panel (if applicable):**
1. **Proposed Modification**

This modification amends Sections 7.2 and 7.3 of the Market Operations Manual – Settlement to provide for electronic invoicing by EMC.

Please see to **Annex 1** for the proposed modifications. Following the publication of this rule change proposal for comments, EMC has revised the original text of modification slightly to give better clarity.

2. **Reason(s) for Modification**

The modifications enable EMC to issue invoices to market participants via secured e-mail, resulting in the following benefits:

1. Greater reliability of invoice delivery
2. Lower usage of hardcopy invoices through facsimile and normal mail (currently an average of 4 sheets per trading day)

Each market participant is required to procure and install a digital certificate in order to receive the secured e-mail from EMC. The cost of each digital certificate is $50 per annum.
3. **Impact on Market Systems**

Other than the procurement and installation of a digital certificate for each market participant, there is no impact on market systems.

4. **Consultation**

We have published the proposed text of modifications on the EMC website for comments. No comments have been received for consideration.

EMC consulted all market participants on the use of secured e-mail for invoicing during a Settlement Initiative Sharing Forum held on 11 August 2004. All market participants were aware of the costs and supportive of the initiative.

5. **Legal Review**

Text of market manual has been vetted by EMC’s legal counsel to reflect the intent of the market manual modification

6. **Recommendation**

The RCP has accepted by consensus the rule change proposal and recommends that the EMC Board:

a. adopt EMC’s revised proposed modifications to the market operations manual on settlement as set out in Annex 1 of this paper;

b. seek the Authority’s approval of these proposed modifications; and

b. recommend that the proposed modification come into force one business day (or other longer time taking into account implementation time) after the date on which the approval of the Authority is published by the EMC.
Annex 1: Proposed Amendments (Deletion marked by strikethrough and additions marked by underline)

MARKET OPERATIONS MANUAL (CHAPTER 7) - SETTLEMENT (1 January 2003)

7. INVOICES

7.1 Deadline for issuing invoices
EMC-Settlement personnel shall issue an invoice to a market participant on the tenth business day after the trading day in accordance with section 5.2.6, Chapter 7 of the market rules.

7.2 Method of issuing invoices
The invoice will be sent to each market participant by secured e-mail, failing which the invoice will be sent by facsimile followed by posted mail in accordance with the time stated below:

Invoice: Trading day + 10 business days, 5:00 pm

The EMC shall identify and communicate to the market participants the precise nature and root cause of any late-delivery of the settlement invoice and/or shall use its reasonable endeavours to rectify the situation or take any other steps as may be reasonably required.

7.3 Failure to receive invoice
In the event that the market participant does not receive an invoice by the stipulated deadline, the market participant shall inform the EMC-Settlement personnel by email addressed to settlement@emcsg.com and telephone the EMC-Settlement personnel.

Upon receiving notification from the market participant, the EMC-Settlement personnel shall re-send the invoice by secured e-mail or facsimile followed by posted mail.

EMC’s revised proposal

7.2 Method of issuing invoices
The invoice will be sent to each market participant by secured e-mail, facsimile followed by posted mail in accordance with the time stated below:

Invoice: Trading day + 10 business days, 5:00 pm

If secured e-mail is not successful, the invoice will be sent by facsimile and followed by ordinary mail in accordance with the time stated above.
The EMC shall identify and communicate to the market participants the precise nature and root cause of any late-delivery of the settlement invoice and/or shall use its reasonable endeavours to rectify the situation or take any other steps as may be reasonably required.

7.3 Failure to receive invoice
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