

Notice of Market Rules Modification

Paper No.: EMC/RCP/29/2006/261
Rule reference: Market Administration Market Manual (Part 1)
Proposer: Market Operations, EMC
Date received by EMC: 21 September 2006
Category allocated: 3
Status: Approved by EMA
Effective Date: 19 December 2006

Summary of proposed rule modification:

This proposal is to add an entry for GST registration number in the application forms for market participant registration and authorisation of market support service license.

Date considered by Rules Change Panel: 14 November 2006
Date considered by EMC Board: 29 November 2006
Date considered by Energy Market Authority: 8 December 2006

Proposed rule modification:

See attached paper.

Reasons for rejection/referral back to Rules Change Panel (if applicable):

PAPER NO. : **EMC/BD/06/2006/06(a)**

RCP PAPER NO. : **EMC/RCP/29/2006/261**

SUBJECT : **MARKET MANUAL: GST REGISTRATION NUMBER**

FOR : **DECISION**

PREPARED BY : **WANG JING
ANALYST**

REVIEWED BY : **PAUL POH LEE KONG
SVP, MARKET ADMINISTRATION**

DATE OF MEETING : **29 NOVEMBER 2006**

Executive Summary

This paper assesses EMC's proposal to add an entry for GST registration number in the application forms (Market Manual) for market participant registration and the application form for authorisation of market support service licensee. EMC recommends that the RCP **support** the proposal.

The RCP recommends that the EMC Board **adopt** this proposal.

1. Introduction

This paper assesses EMC's proposal to require a market participant to provide its GST registration number in its application form (Market Manual) to participate in the Singapore Wholesale Electricity Market (SWEM).

2. Background

Previously, the EMC has paid GST charges to all market participants, with the assumption that every market participant who provides products and services to the SWEM is GST-registered. However, as the market evolves, some market participants who are not GST-registered may also provide services to SWEM. Hence, there is a need to identify the GST status of all the market participants.

3. Analysis

GST needs to be paid on certain products or service provided by GST registered business. If a market participant is not GST registered, then EMC does not need to pay GST on the products and services that the market participant provides. For correct settlement payment and tax reporting EMC has to know a market participant's GST status.

4. Conclusion

We conclude that it is important that market participants provide EMC information on their GST status.

5. Impact on market systems

There is no impact on the market systems.

6. Implementation process

This rule change can be implemented immediately with no further cost.

7. Consultation

We have published the rule modification proposal on the EMC website for comments. No comments have been received for consideration.

8. Legal sign off

Text of the modification has been vetted by EMC's legal counsel whose opinion is that the proposed modification to the market manuals reflects the intent of the proposal.

9. Recommendations

The RCP unanimously recommends that the EMC Board:

- a. **adopt** the modification to the market manuals as set out in Annex 1;
- b. **seek** the Authority's approval for the rule modification proposal; and
- b. **recommend** that the proposed modification to the market manuals come into force **one business day** after the date on which the approval of the Authority is published by the EMC.

Annex 1: Proposed Modification to Market Manual

Current Market Manual	Proposed modification to the Market Manual (Deletion represented by strikethrough text and addition shaded)
<p><u>MARKET ADMINISTRATION MARKET</u> <u>MANUAL (Part 1)</u></p>	<p><u>MARKET ADMINISTRATION MARKET</u> <u>MANUAL (Part 1)</u></p>
<p>Application Form for Market Participant Registration</p> <p style="text-align: center;">B. BUSINESS DETAILS</p> <p>3. Organisation name (in full) _____</p> <p>4. Business Registration Number _____</p> <p>5. Mailing address _____</p> <p>6. Telephone: _____</p> <p>7. Facsimile: _____</p> <p>8. Website: _____</p>	<p>Application Form for Market Participant Registration</p> <p style="text-align: center;">B. BUSINESS DETAILS</p> <p>3. Organisation name (in full) _____</p> <p>4. Business Registration Number _____</p> <p style="background-color: #cccccc;">GST Registration Number _____</p> <p>5. Mailing address _____</p> <p>6. Telephone: _____</p> <p>7. Facsimile: _____</p> <p>8. Website: _____</p>

Current Market Manual	Proposed modification to the Market Manual (Deletion represented by strikethrough text and addition shaded)
<p>Application Form for Authorization of Market Support Service Licensee</p> <p style="text-align: center;">B. BUSINESS DETAILS</p> <p>3. Organisation name (in full) _____</p> <p>4. Business Registration Number _____</p> <p>5. Mailing address _____</p> <p>6. Telephone: _____</p> <p>7. Facsimile: _____</p> <p>8. Website: _____</p>	<p>Application Form for Authorization of Market Support Service Licensee</p> <p style="text-align: center;">B. BUSINESS DETAILS</p> <p>3. Organisation name (in full) _____</p> <p>4. Business Registration Number _____</p> <p style="background-color: #cccccc;">GST Registration Number _____</p> <p>5. Mailing address _____</p> <p>6. Telephone: _____</p> <p>7. Facsimile: _____</p> <p>8. Website: _____</p>