

DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL MSCP/2024/D8

Market Surveillance and Compliance Panel

Professor Walter Woon, Chairman Professor Euston Quah

Dr. Stanley Lai Mr. Philip Chua Mr. Yeo Yek Seng

Date of Determination

23 December 2024

Party

Tuas Power Generation Pte. Ltd.

Subject

Failure to comply with gate closure rules on 28 August 2024

FACTS AND CIRCUMSTANCES

- 1. On 17 October 2024, Tuas Power Generation Pte. Ltd. ("TPG") submitted a self-report regarding its offer variations after gate closure for TUASCCP4 for periods 23, 25, 26 and 27 on 28 August 2024.
- 2. On 28 August 2024 at 10:05 hrs (P21), TUASCCP4's condenser air exhauster 15 gland packing experienced water leakage and the facility was not able to start up. Offer variations after gate closure were submitted to remove the offers of TUASCCP4 for period 23.
- 3. Based on the information at that time, it was assessed that the water leaking issue would be resolved in time to start up the unit from period 25. Accordingly, offer variations were submitted to reflect TUASCCP4's start-up loading from period 25.
- 4. However, TUASCCP4 was not able to start up as expected, and it was determined at 11:15 hrs (P23) that the gland packing required replacement. Action was taken to start the replacement and offer variations after gate closure were submitted at 11:18 hrs (P23) to remove the offers of TUASCCP4 for period 25.
- 5. Subsequently at 12:15 hrs (P25), the gas turbine had to initiate shut down to prevent pressure build up which would result in unsafe conditions. As the facility was unable to start up, TPG submitted offer variations after gate closure at 12:16 hrs (P25) to remove the offers of TUASCCP4 for periods 26 and 27.

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- 6. The Singapore Electricity Market Rules ("Market Rules") allow offer variations after gate closure to be submitted only for the three consecutive dispatch periods immediately following a facility's forced outage or failure to synchronise. Given that TUASCCP4 encountered the water leaking issue at period 21, the offer variations submitted after gate closure for periods 25 to 27 were not in compliance with the Market Rules.
- 7. On 4 November 2024, the Market Surveillance and Compliance Panel ("MSCP") wrote to inform TPG that it considered them to be *prima facie* in breach of section 10.4.1 of Chapter 6 of the Market Rules for TUASCCP4 for periods 25 to 27 on 28 August 2024 and invited TPG to submit written representations by 18 November 2024.
- 8. On 19 November 2024, TPG replied that it would not be submitting written representations to the MSCP. TPG did not require a hearing.

APPLICABLE MARKET RULES

- 9. Section 10.4.1 of Chapter 6 provides that
 - 10.4.1 Notwithstanding sections 5.1.5, 5.1.6 and 5.1.7, no offer variation or revised standing offer shall be submitted by or for a market participant within 65 minutes immediately prior to the dispatch period to which the offer variation or revised standing offer applies, except:

10.4.1.1 where it is intended:

- a. for a *generation registered facility*, to reflect its expected ramp-up and ramp-down profiles during periods following *synchronisation* or preceding *desynchronisation*; or
- b. for a *generation registered facility*, to reflect its revised capability for the three consecutive dispatch periods immediately following a *forced outage* or its failure to *synchronise*; or
- c. for an *import registered facility*, to reflect its revised capacity for the three consecutive *dispatch periods* immediately following a *forced outage* of the *interties* connecting the *import registered facility* to the *transmission system*: or
- d. to contribute positively to the resolution of an *energy* surplus situation pertaining to which the *EMC* has issued an *advisory notice* under section 9.3.1, by allowing for decreased supply of *energy*; or
- e. to contribute positively to the resolution of *energy*, *reserve* or *regulation* shortfall situations pertaining to which the *EMC* has issued *advisory notices* under section 9.3.1, by allowing for increased supply of *energy*, *reserve* or *regulation*; or
- f. to contribute positively to the resolution of *energy*, *reserve* or *regulation* shortfall situations in that *dispatch period*, where:
 - the shortfall situations were indicated in a system status advisory notice issued by the EMC in respect of a high-risk operating state or emergency operating state declared by the PSO; and

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ii. at the time of submission of such *offer variation* or revised standing offer, the *EMC* has not yet withdrawn, in respect of that dispatch period, such system status advisory notice, by allowing for increased supply of energy, reserve or regulation,

by allowing for increased supply of *energy*, *reserve* or *regulation*; and

- g. for a load registered facility, to reflect its revised capability during a forced outage or following a decrease in energy withdrawal under sections 9.3.3 and/or 9.3.4 of Chapter 5; and
- 10.4.1.2 where the price so *offered*, other than for additional quantities of *energy*, reserve or regulation, is the same as that previously *offered* for that dispatch period.

ENFORCEMENT

- 10. Based on the facts above, the MSCP determined that TPG had breached section 10.4.1 of Chapter 6 of the Market Rules for the offer variations submitted after gate closure for TUASCCP4 for periods 25 to 27 on 28 August 2024.
- 11. The incident was self-reported and did not have a significant impact on the National Electricity Market of Singapore. Nonetheless, this incident could have been avoided if TPG considered the time sensitivity required under the Market Rules when deciding on its actions upon detecting the water leakage, instead of submitting offer variations as and when an issue arises.
- 12. This is the seventh rule breach by TPG since September 2020. Compliance with the Market Rules is not optional. It is essential that all market participants comply strictly with the Market Rules so as to ensure an orderly market, which is a matter of vital national interest. It is to be hoped that TPG will not breach the Market Rules again.
- 13. The MSCP hereby imposes a financial penalty of \$10,000 and directs TPG to pay costs fixed at \$2,200.

Professor Walter Woon

Chairman, Market Surveillance and Compliance Panel

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