



# **CONSULTATION PAPER FOR PROPOSED MODIFICATIONS TO THE TRANSMISSION CODE AND MARKET RULES**

Closing date for submission of representations:  
7 August 2020, 5 p.m.

06 JULY 2020

ENERGY MARKET AUTHORITY  
991G Alexandra Road  
#01-29 Singapore 119975  
[www.ema.gov.sg](http://www.ema.gov.sg)

Please direct any enquiries by e-mail to: [EMA\\_pso\\_ssp@ema.gov.sg](mailto:EMA_pso_ssp@ema.gov.sg)

**Disclaimer:**

The information in this Consultation Paper is not to be treated by any person as any kind of advice. The Energy Market Authority shall not be liable for any damage or loss suffered as a result of the use of or reliance on the information given in this Consultation Paper.

## **1 Introduction**

- 1.1. The Transmission Code sets out the rights and obligations of the Transmission Licensee, together with the rights and obligations of users of the Transmission System. The Transmission Code also sets out the technical requirements to be met by those who seek to connect and operate installations on the Transmission System.
- 1.2. The Market Rules govern the operations of National Electricity Market of Singapore, including the activities of the Market Company and market participants, to ensure a transparent and competitive trading environment. It spells out the roles and responsibilities of Market Company, Power System Operator, Market Support Services Licensee and Market Participants and the process to procure ancillary service contract etc and dispute resolution and compensation process for any require for provision of ancillary services.

## **2 Proposed modifications to the Transmission Code and Market Rules**

- 2.1. EMA is responsible for ensuring the reliability of the supply of electricity to the public and the security of the power system. To fulfil these obligations, the Power System Operator (PSO) will assess and determine the amount of ancillary services required by the power system so as ensure there is sufficient ancillary capacity that can be called upon to maintain the reliability and security of the power system.
- 2.2. Under the Market Rules, Energy Market Company (“EMC”) will procure, on behalf and at the request of the Power System Operator (PSO), ancillary services. EMC may employ a competitive tendering or negotiation process to identify potential ancillary service providers and award Ancillary Services Contract at competitive prices and other terms for the ancillary service contracts.
- 2.3. EMA is currently reviewing the process for the procurement of ancillary services and has assessed that it is important to allow PSO to require the electricity licensee to provide the required ancillary service as a last resort under the Transmission Code in a timely manner to ensure the reliability of the supply of electricity to the public and/or the security of the power system.
- 2.4. The proposed process requires the electricity licensees to provide ancillary services as required by PSO through written notification and on the terms specified therein. In addition, there is a need to provide an avenue for the electricity licensee to make a request to PSO for payment.
- 2.5. The proposed modifications to the Transmission Code and the Market Rules to implement the above are set out in Appendix 1 and 2 respectively.

### **3 Invitation to submit representations**

- 3.1. EMA invites written representations on the proposed modifications to the Transmission Code and Market Rules as set out in Appendix 1 and Appendix 2 respectively.
- 3.2. Please send your written representations by e-mail to:

[EMA\\_pso\\_ssp@ema.gov.sg](mailto:EMA_pso_ssp@ema.gov.sg)

Alternatively, you may send your written representations by post/fax to the following address:

*Mr Ong Guang Yong  
Power System Operation Division  
Energy Market Authority  
36 Ayer Rajah Crescent #03-00  
Singapore 139945  
Fax: (65) 6 872 7300*

Please use the form set out in Appendix 3 and 4 for your representations.

- 3.3. Anonymous representations will not be considered.
- 3.4. All representations must be in writing and must reach EMA by 5 pm on 07 August 2020.
- 3.5. EMA will acknowledge receipt of all submitted representations electronically. Please contact Mr Ong Guang Yong at 6557 6001 or Ms Oh Chai Choo at 6872 7310 if you have not received an acknowledgement of your submitted representation within two business days. EMA reserves the right to make public all or any part of any representation and/or to disclose the identity of the party who made the representation. Where a respondent considers any part of his representation to be confidential, he shall clearly mark and place such part of his representation as an annex. EMA will take this into account regarding disclosure of the information submitted.
- 3.6. This Consultation Paper shall constitute notice of the proposed modifications to the Transmission Code set out in Appendix 1, for the purpose of Section 1.6 of the Transmission Code.

~ End ~

**Table 1: Proposed Modifications to the Transmission Code**

Modification Ref. No.	Clause	Original Text	Modified Text	Reasons
TC/2020/1	1.3		<p>New Definitions</p> <p><u>“ancillary service” means a service as referred to and described as such in the Market Rules.</u></p>	New definition is for clarity.
TC/2020/2	<p>New Clauses</p> <p>(Immediately after section 6.15.2 in the Transmission Code)</p>		<p><u>6.16 Ancillary Services</u></p> <p><u>6.16.1 Where the Power System Operator determines that an ancillary service is necessary to ensure the reliability, availability, continuity or security of supply of electricity to consumers and/or to ensure the secure operation of the power system, the Power System Operator may, notwithstanding the Market Rules, by written notification require one or more Electricity Licensees (as may be specified by the Power System Operator) to provide the ancillary service. An Electricity Licensee required to provide such ancillary service shall commence providing and shall provide the ancillary service upon the Power System Operator’s written notification and on the terms specified therein.</u></p> <p><u>6.16.2 An Electricity Licensee that has provided the ancillary service required by the Power System Operator under section 6.16.1 (other than pursuant to an ancillary service contract executed in accordance with provisions in</u></p>	To allow requisition of ancillary services by the Power System Operator to ensure the reliability of the supply of electricity to the public and/or ensure the security of the power system.

Modification Ref. No.	Clause	Original Text	Modified Text	Reasons
			<p><u>the Market Rules) may make a request to the Power System Operator for payment in respect of the ancillary service it has provided via a request to the Power System Operator for compensation in accordance with the relevant procedure set forth in the Market Rules. Such request for payment shall be made only after the Electricity Licensee has provided the ancillary service. For the avoidance of doubt, the Electricity Licensee shall commence providing and shall provide the ancillary service required notwithstanding that it has made a request for payment.</u></p> <p><u>6.16.3 Provision of the ancillary service under section 6.16.1 includes keeping the ancillary service resource specified by the Power System Operator available for dispatch or other operation at the direction of the Power System Operator.</u></p> <p><u>6.16.4 For the purpose of this section 6.16, "Electricity Licensee" in this section 6.16 shall have the same meaning as "market participant" in the Market Rules.</u></p>	

**Table 2: Proposed Modifications to the Market Rules**  
**Modification Ref No: MR/2020/2**

Clause in Market Rules	Original Text	Modified Text	Reasons												
Chapter 3, Section 3.3.1.5	<p>3.3.1 Disputes that shall be resolved by the dispute resolution process in section 3 are shown in the table below:</p> <table border="1" data-bbox="365 746 954 1449"> <thead> <tr> <th data-bbox="365 746 501 863">Section</th> <th data-bbox="501 746 712 863">Disputes between</th> <th data-bbox="712 746 954 863">Dispute in respect of</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 863 501 1449">3.3.1.5</td> <td data-bbox="501 863 712 1449"> <ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul> </td> <td data-bbox="712 863 954 1449"> <ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- section 4.7.3 of Chapter 5</li> <li>- section 5.4.3 of Chapter 5</li> </ul> </td> </tr> </tbody> </table>	Section	Disputes between	Dispute in respect of	3.3.1.5	<ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul>	<ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- section 4.7.3 of Chapter 5</li> <li>- section 5.4.3 of Chapter 5</li> </ul>	<p>3.3.1 Disputes that shall be resolved by the dispute resolution process in section 3 are shown in the table below:</p> <table border="1" data-bbox="985 746 1552 1449"> <thead> <tr> <th data-bbox="985 746 1122 863">Section</th> <th data-bbox="1122 746 1317 863">Disputes between</th> <th data-bbox="1317 746 1552 863">Dispute in respect of</th> </tr> </thead> <tbody> <tr> <td data-bbox="985 863 1122 1449">3.3.1.5</td> <td data-bbox="1122 863 1317 1449"> <ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul> </td> <td data-bbox="1317 863 1552 1449"> <ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- <u>section 4.2.4 of Chapter 5</u></li> <li>- section 4.7.3 of Chapter 5</li> </ul> </td> </tr> </tbody> </table>	Section	Disputes between	Dispute in respect of	3.3.1.5	<ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul>	<ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- <u>section 4.2.4 of Chapter 5</u></li> <li>- section 4.7.3 of Chapter 5</li> </ul>	To enable a Electricity Licensee required by Power System Operator (PSO) to provide the required ancillary service to make a request to PSO for payment and resolve any disagreement on the payment in accordance to the procedure set forth in the Market Rules.
Section	Disputes between	Dispute in respect of													
3.3.1.5	<ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul>	<ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- section 4.7.3 of Chapter 5</li> <li>- section 5.4.3 of Chapter 5</li> </ul>													
Section	Disputes between	Dispute in respect of													
3.3.1.5	<ul style="list-style-type: none"> <li>- EMC and a <i>market participant</i></li> <li>- EMC and a <i>market support services licensee</i></li> <li>- PSO and a <i>market participant</i></li> </ul>	<ul style="list-style-type: none"> <li>- request for compensation made under any of the following:</li> <li>- <u>section 4.2.4 of Chapter 5</u></li> <li>- section 4.7.3 of Chapter 5</li> </ul>													

Clause in Market Rules	Original Text				Modified Text				Reasons
		- <i>PSO and a market support services licensee</i>	...			- <i>PSO and a market support services licensee</i>	- section 5.4.3 of Chapter 5 ...		
<p>New Clause</p> <p>Chapter 5,</p> <p>Section 4.2.4</p> <p>(immediately after existing Section 4.2.3 of Chapter 5 of Market Rules)</p>					<p><u>New Section</u></p> <p><u>4.2.4 Where the PSO, pursuant to the Transmission Code, has determined that an ancillary service is necessary to ensure the reliability, availability, continuity or security of supply of electricity to consumers and/or to ensure the secure operation of the power system and has by written notification to any market participant (as specified by the PSO) required the market participant to provide the required ancillary service on terms stated in the notification, such market participant may make a request to the PSO for payment in respect of the ancillary service it has provided via a request to the PSO for compensation in accordance with the procedure set forth in section 3.11 of Chapter 3. Such request for payment shall</u></p>				



Clause in Market Rules	Original Text	Modified Text	Reasons
		<u>be made only after the market participant has provided the ancillary service. For the avoidance of doubt, the market participant shall commence providing and shall provide the ancillary service required notwithstanding that it has made a request for payment.</u>	

**Representations on the Proposed Modifications to the Transmission Code**

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Company: \_\_\_\_\_

Email: \_\_\_\_\_

Role (Generation Licensee/ Retailer/ Consumer):  
\_\_\_\_\_

Submission Date: \_\_\_\_\_ (dd/mm/yy)

<b>Modification Ref. No.</b>	<b>Section*</b>	<b>Comments</b>

\_\_\_\_\_   
\* Reference to the section of the Transmission Code where change has been made in the version dated on **31 Oct 2019** as published on the EMA website.

**Representations on the Proposed Modification to Market Rules**

Name: \_\_\_\_\_ Designation: \_\_\_\_\_

Company: \_\_\_\_\_ Email: \_\_\_\_\_

Role (Market Participant / Consumer / Others): \_\_\_\_\_

Submission Date: \_\_\_\_\_ (dd/mm/yy)

Modification Ref. No.	Clause in Market Rules*	Comments

\*With reference to the Market Rules published on the EMC website.