



<b>LICENCE NO.</b>	<b>EMA/TAL/001</b>
<b>TYPE</b>	<b>TRANSMISSION AGENT</b>
<b>LICENSEE</b>	<b>SP POWERGRID LTD</b>
<b>NOTIFICATION NO.</b>	<b>2</b>

1. Pursuant to Condition 3: Authorised Activities of the Transmission Agent Licence (Licence No. EMA/TAL/001) granted to SP PowerGrid Ltd, SP PowerGrid Ltd ("SPPG") is hereby notified that the Energy Market Authority of Singapore has approved SPPG's application to engage in the allowed activity of providing power quality services to consumers (the "Power Quality Services"), subject to the terms and conditions as set out below:

(1) No Cross-Subsidy

SPPG shall ensure that:

- (i) the Power Quality Services are ring-fenced from SPPG's authorized business and separate accounts are kept for it; and
- (ii) there is no cross-subsidy to and/or from SPPG's authorized business.

(2) Consumers' Rights

SPPG shall ensure that consumers using the Power Quality Services are aware:

- (i) that SPPG's offer of the Power Quality Services is on a commercial basis; and
- (ii) of their rights to seek recourse based on their commercial agreements with SPPG if the Power Quality Services provided by SPPG do not meet their expectation.

(3) Penalty

Any contravention of the conditions set out in this approval shall be dealt with in accordance with Section 14 of the Electricity Act (Cap. 89A).

(4) Remedial Steps

Where contravention of any of the conditions has occurred, SPPG shall take all necessary remedial steps and action to bring such contravention to an end without delay at its own costs and expenses and such costs and expenses shall not be directly or indirectly passed to electricity retailers and consumers.

(5) General

For avoidance of doubt, this approval shall form an integral part of the Transmission Agent Licence (Licence No. EMA/TAL/001) and any contravention of the terms and conditions of this approval shall be deemed to be a contravention of the conditions under the Transmission Agent Licence. Any word or expression used in this approval shall, unless otherwise defined, have the same meaning as that used in the Transmission Agent Licence.

2. This Notification shall come into effect on the date set out below.

KHOO CHIN HEAN

Chief Executive

Energy Market Authority of Singapore

24 January 2007