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Basic Operating Rules for the Electric Power Market

电力市场运营基本规则

Issued By	State Electricity Regulatory Commission
Subject	Others Provisions
Promulgated on	November 7th 2005
Effective from	December 1st 2005
Source	www.serc.gov.cn

With a view to regulate the acts in the electric power market, safeguard the legitimate rights and interests of the participants of the electric power market, and guarantee the uniformity, openness, competition and orderliness of the electric power market, the Basic Operating Rules for the Electric Power Market (hereinafter referred to as “the Rules”) has been promulgated by the State Electricity Regulatory Commission. The main contents of the Rules are as follows:

According to the Rules, the State Electricity Regulatory Commission (hereafter referred to as "SERC") and the dispatched offices thereof (hereinafter referred to as the electric power regulatory body) shall take charge of the supervision and administration of the operation of the regional electric power markets.

The participants in the electric power market include the power generation enterprises, power distribution enterprises and power supply enterprises that have obtained the Electric Power Business License according to the relevant provisions as well as the users that have been verified by the electric power regulatory body. The trading institutions for dispatching electric power include regional trading centers for dispatching electric power and the trading institutions for dispatching electric power of the provinces, autonomous regions and municipalities directly under the Central Government concerned.

A power generation enterprise, power distribution enterprise or power supply enterprise shall obtain an Electric Power Business License according to the relevant provisions before applying for entrance into a regional electric power market or engaging in any trading activity in the regional electric power market. A user may engage in the trading activities in a regional electric power market upon the examination and approval of the electric power regulatory body.

The trading types in the electric power market include the trading of power energy, trading of the power distribution rights as well as auxiliary services, etc. Any trading of power energy shall be carried out by such means as agreement-based trading, spot-goods-based trading and futures-based trading. The electric power market that meets the relevant

prescribed requirements may, upon the approval of the electric power regulatory body, carry out the trading of the power distribution rights and the trading of auxiliary services, etc..

A participant of the electric power market shall install the devices of power energy measurement that comply with the state standards, which may be put into use upon the examination and affirmation of the testing institution of power energy measurement. The administrative department of price of the State Council and the SERC shall formulate the ceiling price and floor price of the electric power market so as to maintenance the soundness of the market. The participants of the electric power market shall provide the relevant information to the trading institutions for dispatching electric power according to the relevant provisions. A trading institution for dispatching electric power shall, based on the principles of being timely, authentic, accurate and complete, disclose the information on the operation of the electric power market to the participants of the electric power market as well as to the general public.

Before the licensing system for electric power operation is implemented, the qualification for an electric power enterprise to enter into the electric power market shall be subject to the examination and approval of the electric power regulatory body.

Measures for the Supervision of the Electric Power Market 电力市场监管办法

Issued By	Measures for the Supervision of the Electric Power Market
Subject	Others Provisions
Promulgated on	November 7th 2005
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Source	www.serc.gov.cn

The Measures for the Supervision of the Electric Power Market (hereinafter referred to as “the Measures”) has been promulgated by the State Electricity Regulatory Commission according to the Regulation on Electric Power Supervision and the relevant laws and administrative regulations for the purpose of preserving the order of the electric power market and guaranteeing the uniformity, openness and orderliness of the electric power market. The main contents of the Measures are as follows:

The State Electricity Regulatory Commission (hereinafter referred to as the SERC) shall perform its functions and duties of supervising the national electric power market. The regional regulatory bureau of the SERC (hereinafter referred to as the RRB) shall take

charge of supervising the electric power market within its jurisdiction. The city regulatory office of the SERC shall assist the RRB in the supervision of the electric power market.

The supervision of the electric power market shall be carried out according to law and based on the principles of openness, fairness and efficiency. The supervision object in the electric power market includes the participants in the electric power market and the trading institutions for dispatching electric power.

The electric power regulatory body shall carry out the supervision of participants in the electric power market and trading institutions for dispatching electric power in the following respects:

1. Performance of the obligations of guaranteeing the safety of the electric power system;
2. Entrance into or exit out of the electric power market;
3. Qualification of participating in the trading of the electric power market;
4. Enforcement of the operating rules of the electric power market;
5. Trading of electric power and settlement of power price;
6. Disclosure of information;
7. Enforcement of state standards and industrial standards; and
8. Administration of capital account balance as well as the use of capital.

The electric power regulatory body shall be responsible for formulating and organizing the implementation of the operating rules of the electric power market. The operating rules of the electric power market shall include the basic operating rules of the electric power market, the operating rules of the regional electric power market and the relevant detailed rules in support of the operating rules of the regional electric power market. The SERC shall formulate the basic operating rules of the electric power market. The RRB shall draft the operating rules of the regional electric power market and report them to the SERC for approval before the implementation. The RRB shall formulate the relevant detailed rules in support of the operating rules of the regional electric power market and report them to the SERC for archival filing.

According to the Measures, a registration administration system shall be adopted for the electric power market. Any body that enters into or exits out of the electric power market shall go through the relevant formalities for registration. The trading institution for dispatching electric power shall take charge of the specific work of registration administration of the electric power market. Also the trading institution for dispatching electric power is authorized to conduct market interference according to the operating rules of the electric power market for the purpose of guaranteeing the sound operation of

the electric power market. Meanwhile the trading institution for dispatching electric power shall publicize the reasons for interference to the participants in the electric power market.

As to the disputes over any trading of the electric power market between the participants in the electric power market or between a participant in the electric power market and the trading institution for dispatching electric power, the electric power regulatory body is authorized to make the mediation or ruling. But where any participant in the electric power market or trading institution for dispatching electric power is dissatisfied with a decision of the electric power regulatory body, it may apply for an administrative review or file an administrative litigation according to law.

Interim Measures for the Administration of Life Necessities for Responding to Emergent Incidents

突发事件生活必需品应急管理暂行办法

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Subject Others Provisions
Promulgated on November 3rd 2005
Effective from November 3rd 2005
Source www.mofcom.gov.cn

Interim Measures for the Administration of Life Necessities for Responding to Emergent Incidents (hereinafter referred to as “Interim Measures”) was promulgated by the Ministry of Commerce for the purpose of effectively monitoring, timely controlling and eliminating the abnormal market fluctuations in respect of life necessities, satisfying the basic daily living demands of residents, maintaining a normal social order, and promoting the sustainable, stable and healthy development of socialist market economy.

According to the Interim Measures, abnormal market fluctuations of life necessities (hereinafter referred to as abnormal market fluctuations) shall mean the situation in which any emergent heavy natural disaster, public health incident, war, terrorist attack or other incident causes unexpected changes in the supply and demand relation of such life necessities as meat, vegetables, eggs, milk products, for-boarder-sale tea, and sanitary cleaning products, etc., which results in vying with each other for purchasing within a relatively large scope, and leads to abnormal price fluctuations or sellout of commodities.

The abnormal market fluctuations are divided into two grades: abnormal market fluctuations of Grade I shall mean the abnormal market fluctuations throughout China or covering different provinces, autonomous regions, or cities directly under the Central Government; while abnormal market fluctuations of Grade II shall mean the abnormal

market fluctuations occurring within a relatively large scope in a province, autonomous region, or city directly under the Central Government, or occurring in a city under separate state planning or a provincial capital city.

The Ministry of Commerce shall make a plan on responding to emergent abnormal market fluctuations throughout China or covering different provinces, autonomous regions, or cities directly under the Central Government. The commerce administrative department of a local people's government at the provincial capital city level or above shall, according to the plan on responding to emergent abnormal market fluctuations throughout China or covering different provinces, autonomous regions, or cities directly under the Central Government, jointly with the relevant department, and in light of the local actual situation, make a plan on responding to emergent abnormal market fluctuations within its own jurisdiction, and report to the Ministry of Commerce for archival filing.

The Ministry of Commerce shall take charge of publishing alerts on abnormal market fluctuations. In case of fluctuations of Grade I, a red pre-warning alert shall be published; while in case of fluctuations of Grade II, a yellow pre-warning alert shall be published.

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