

MSCP Market Watch

Second Quarter (Apr-Jun) 2015

Issue 36

Table 1: Indicators of Market Performance

	2014 Q2	2015 Q1 Q2	
Price Indicators			
<i>Energy (\$/MWh)</i>			
- USEP	141.57	88.55	103.04
- WEP	142.11	88.79	103.03
- Allocated Vesting Price	194.90	166.76	139.62
- LNG Vesting Price	197.90	170.77	143.91
- Balance Vesting Price	192.55	160.20	132.55
<i>Ancillary Services (\$/MWh)</i>			
- Primary Reserve	1.29	3.18	0.07
- Secondary Reserve	5.07	1.08	0.27
- Contingency Reserve	5.07	5.60	13.01
- Regulation	52.29	19.44	17.64
HSFO Spot (US\$/barrel)	96.46	52.69	58.59
Demand Indicators			
<i>Forecast Demand (MW)</i>			
- Average	5,607	5,381	5,628
- Peak	6,850	6,513	6,696
<i>Metered Energy (MW)</i>			
- Average	5,469	5,242	5,515
- Peak	6,830	6,432	6,639
Supply Indicators			
Average Supply (MW)	7,835	7,726	7,805
Supply Cushion (%)	28.43	30.34	27.89
<i>Capacity Ratio (%)</i>			
- CCGT	62.16	59.02	65.30
- OCGT	0.40	0.16	0.53
- OT	52.29	50.50	52.76
- ST	0.13	0.13	0.13
<i>Total Outages (MWh Cumulative)</i>			
- Planned	2,016,910	1,882,458	2,138,070
- Forced	36,041	20,895	17,971
Offers made at or below \$100/MWh (%)	60.65	72.33	74.33

Market Performance

The Uniform Singapore Energy Price (USEP) increased 16.37 percent in Q2 2015, from \$88.55/MWh in Q1 2015 to \$103.04/MWh in Q2 2015. In line with this, the Wholesale Electricity Price (WEP) rose 16.03 percent to \$103.03/MWh in Q2 2015. Vesting prices decreased across the board in Q2 2015. The Balance Vesting Price showed the largest change; it dropped 17.26 percent to \$132.55/MWh in Q2 2015.

The prices of all ancillary services decreased, except for that of contingency reserve, which increased 132.46 percent to \$13.01/MWh in Q2 2015. Primary reserve had the largest price decrease – 97.70 percent to \$0.07/MWh in Q2 2015.

The High Sulphur Fuel Oil (HSFO) spot price rose 11.21 percent from US\$52.69/barrel in Q1 2015 to US\$58.59/barrel in Q2 2015.

The supply cushion, which measures supply adequacy, decreased 2.46 percentage points from 30.34 percent in Q1 2015 to 27.89 percent in Q2 2015. Demand grew 5.21 percent to 5,515MW, while supply grew 1.02 percent to 7,805MW.

The capacity ratios of CCGT, OCGT and OT increased 6.27, 0.37 and 2.26 percentage points respectively. The capacity ratio of ST remained at 0.13 percent.

Planned outage volume rose 13.58 percent from 1,882,458MWh in Q1 2015 to 2,138,070MWh in Q2 2015. Forced outage volume declined 14.00 percent to 17,971MWh this quarter.

Overall, the percentage of offers made at or below \$100/MWh increased 2.00 percentage points to 74.33 percent in Q2 2015.

The MSCP issued no determination of rule breach in Q2 2015.

Supply Indicators

Chart 1: Capacity Ratio of Generation Plants

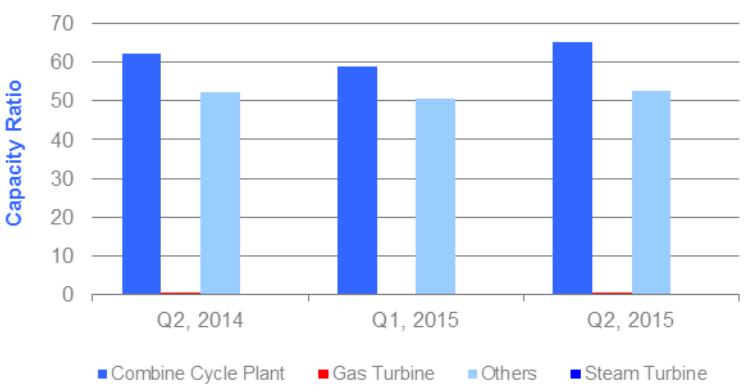


Chart 2: Relationship between USEP and Energy Supply Cushion - Q2 2015

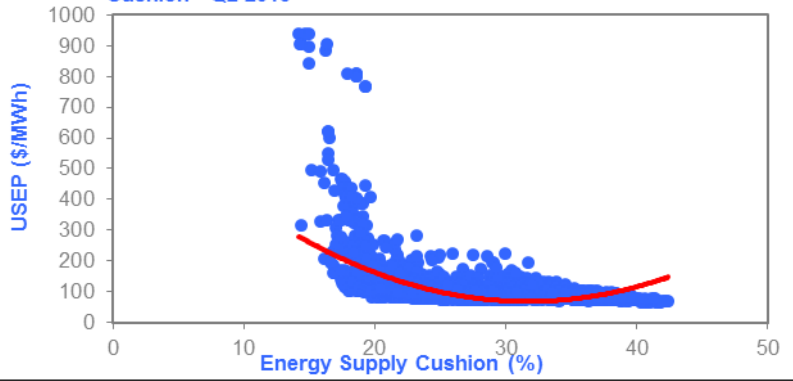


Chart 3: Comparison of Average Market Share by Generation Company Q2 2015

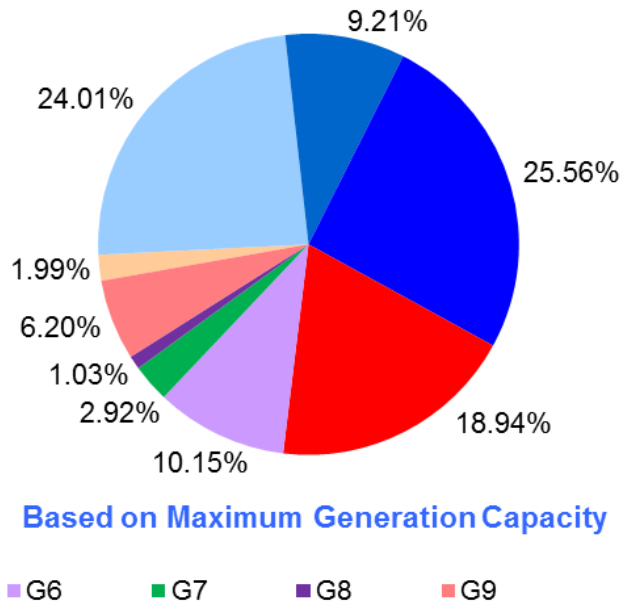
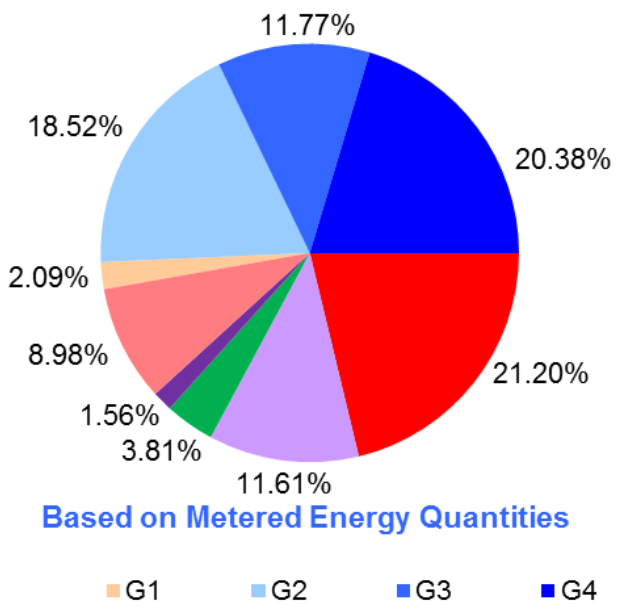
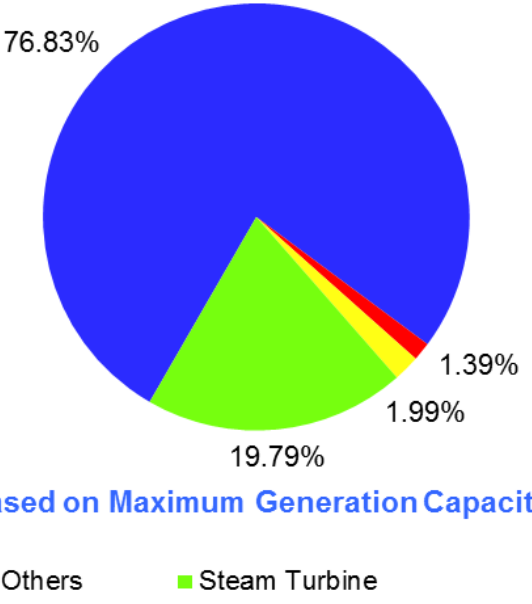
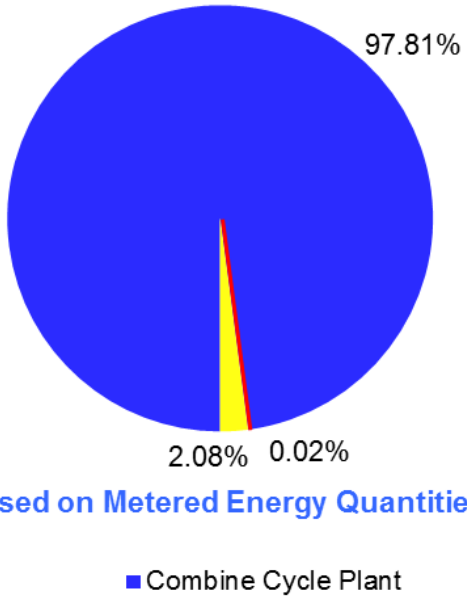


Chart 4: Comparison of Average Market Share by Generation Type Q2 2015



Demand Indicators

Chart 5: Monthly Load Forecast Variation

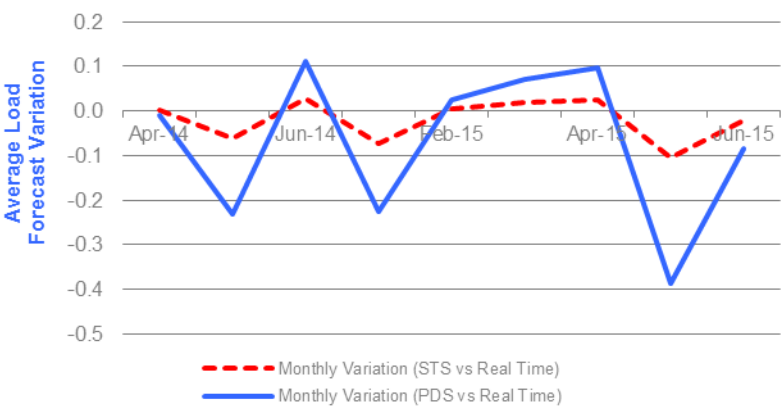
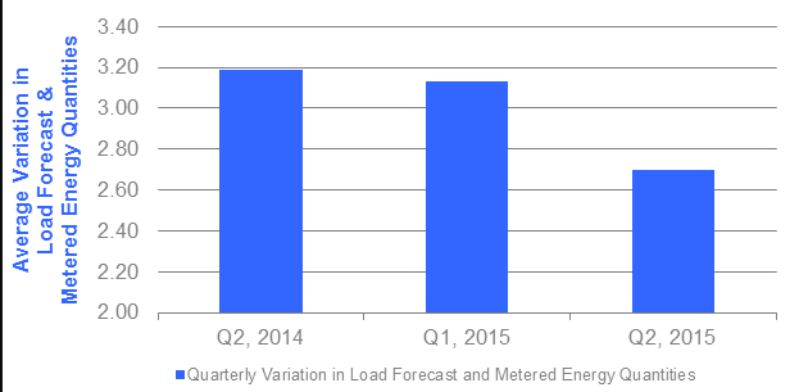


Chart 6: Variation in Real Time Load Forecast & Metered Energy Quantities



Energy Prices

Chart 7: WEP vs Vesting Contract Hedge Price (VCHP)

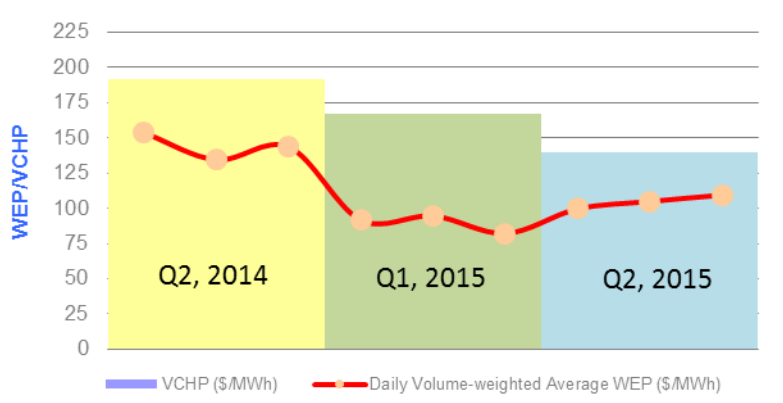


Chart 8: Comparison of Metered Energy Quantities

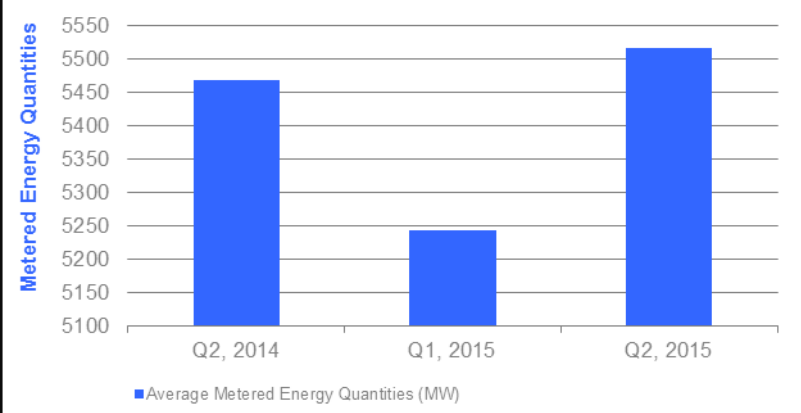


Chart 9: Percentage of Hours when WEP Falls into a Particular Price Range

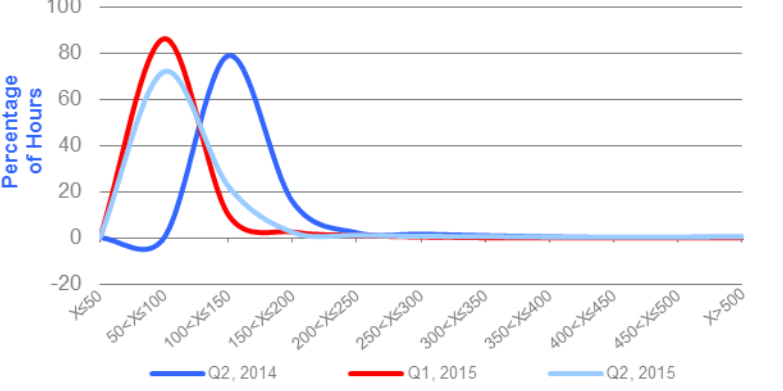


Chart 10: Percentage of Metered Energy Quantities when WEP Falls into a Particular Price Range

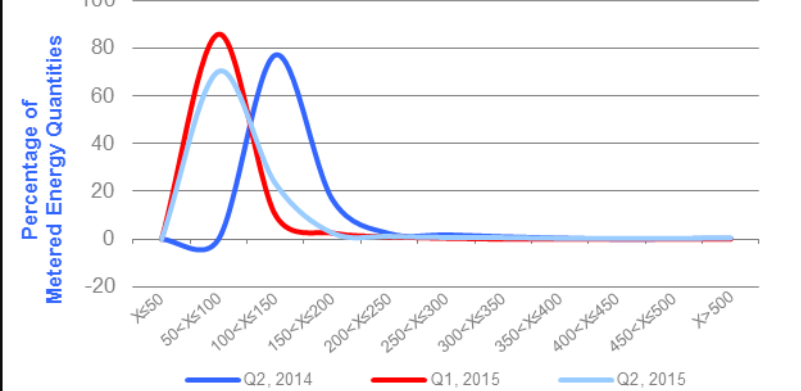


Chart 11: Correlation between WEP & Metered Energy Quantities

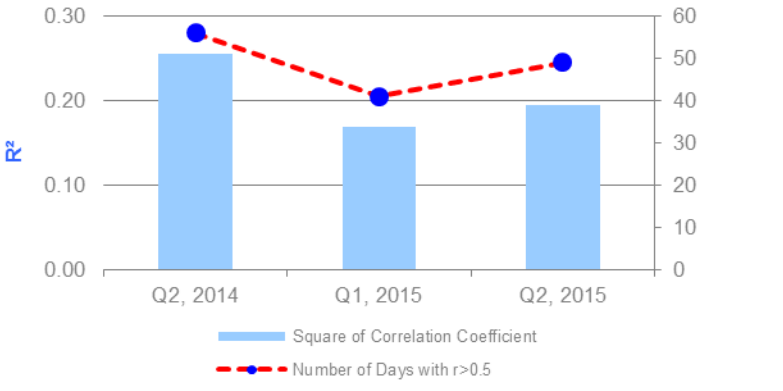
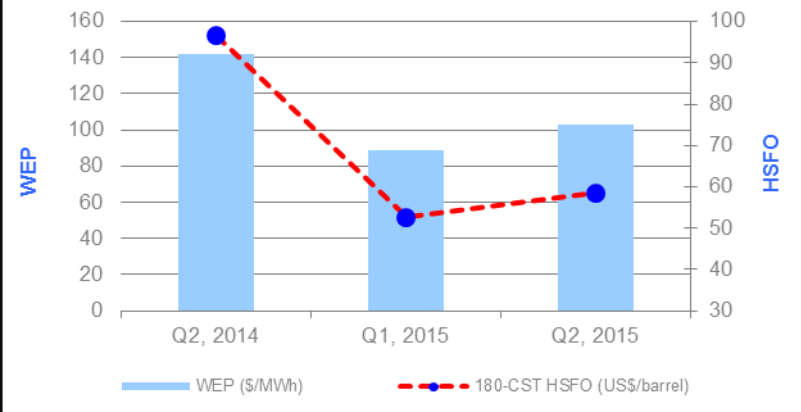


Chart 12: WEP vs Fuel Oil Price (HSFO)



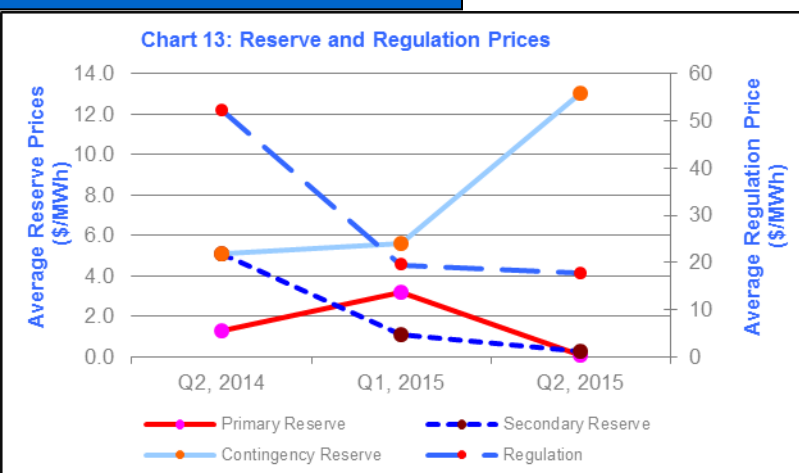


Table 2: Compliance Statistics for Q2 2015

No. of cases of potential rule breaches	274
Self-reports	1
Referrals/Complaints	273
MSCP initiatives	0
No. of determinations	316
Rule breach	0
No rule breach	311
No further action	5
Enforcement	0
No. of cases with enforcement action	0
-Financial penalty	0
-Letter of non-compliance	0
Total amount of financial penalties	\$0
Total amount of costs	\$0

A User Guide on terms used in this publication is available for download from the Energy Market Company website at www.emcsq.com.

The Market Surveillance and Compliance Panel is comprised of the following persons:

- *Thean Lip Ping, Chair*
- *Lee Keh Sai*
- *TPB Menon*
- *Philip Chua*

It is supported by the Market Assessment Unit of Energy Market Company.