MSCP Market Watch
Fourth Quarter (Oct-Dec) 2013

Table 1: Indicators of Market Performance

<table>
<thead>
<tr>
<th>Price Indicators</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy ($/MWh)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- USEP</td>
<td>202.24</td>
<td>178.55</td>
</tr>
<tr>
<td>- WEP</td>
<td>203.23</td>
<td>179.62</td>
</tr>
<tr>
<td>- VCHP</td>
<td>205.48</td>
<td>190.71</td>
</tr>
<tr>
<td>Ancillary Services ($/MWh)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Primary Reserve</td>
<td>0.47</td>
<td>0.58</td>
</tr>
<tr>
<td>- Secondary Reserve</td>
<td>1.95</td>
<td>0.94</td>
</tr>
<tr>
<td>- Contingency Reserve</td>
<td>26.73</td>
<td>8.60</td>
</tr>
<tr>
<td>- Regulation</td>
<td>96.24</td>
<td>87.92</td>
</tr>
<tr>
<td>HSFO Spot (US$/barrel)</td>
<td>99.02</td>
<td>96.15</td>
</tr>
</tbody>
</table>

Demand Indicators

Forecast Demand (MW)

| Average | 5,138 | 5,392 | 5,323 |
| Peak    | 6,328 | 6,547 | 6,537 |

Metered Energy (MW)

| Average | 5,019 | 5,265 | 5,181 |
| Peak    | 6,299 | 6,429 | 6,463 |

Supply Indicators

Average Supply (MW)

| 6,919 | 7,244 | 7,223 |

Supply Cushion (%)

| 25.75 | 25.55 | 26.28 |

Capacity Ratio (%)

| CCGT   | 71.48 | 69.90 | 66.94 |
| OCGT   | 0.23  | 1.14  | 0.30  |
| OT     | 47.16 | 53.64 | 51.29 |
| ST     | 16.57 | 7.33  | 4.66  |

Total Outages (MWh Cumulative)

| Planned | 2,034,860 | 1,654,022 | 1,888,177 |
| Forced  | 40,310    | 99,648    | 117,870   |

Offers made at or below $100/MWh (%)

| 55.83 | 57.06 | 57.51 |

Market Performance

The Uniform Singapore Energy Price (USEP) decreased 12.98 percent from $178.55/MWh in Q3 2013 to $155.38/MWh in Q4 2013. In line with the decrease in the USEP, the Wholesale Electricity Price (WEP) decreased 13.81 percent to $154.81/MWh in Q4 2013. Meanwhile, the Vesting Contract Hedge Price (VCHP) increased 3.30 percent from $190.71/MWh in Q3 2013 to $197.01/MWh in Q4 2013.

Price movements of ancillary services increased across the board except for contingency reserve price, which decreased 6.16 percent to $8.07/MWh in Q4 2013. Regulation price increased 8.89 percent to $95.74/MWh.

The High Sulphur Fuel Oil (HSFO) spot price increased 1.36 percent from US$96.15/barrel in Q3 2013 to US$97.46/barrel in Q4 2013.

The supply cushion, which measures supply adequacy, increased 0.73 percentage point from 25.55 percent in Q3 2013 to 26.28 percent in Q4 2013. Demand decreased 1.60 percent to 5,181MW and supply decreased 0.29 percent to 7,223MW in Q4 2013. This quarter saw lower offering levels from all unit types – the capacity ratios of CCGT and ST units declined by 2.96 and 2.67 percentage points respectively.

Planned outage volume increased 14.16 percent from 1,654,022MWh in Q3 2013 to 1,888,177MWh in Q4 2013. Forced outage volume increased 18.29 percent to 117,870MWh.

In Q4 2013, the MSCP made two rule breach determinations on:

i) Keppel Merlimau Cogen failed to promptly inform the Power System Operator of plant tripping on 1 May 2013.


Supply Indicators

Chart 1: Capacity Ratio of Generation Plants

Chart 2: Relationship between USEP and Energy Supply Cushion - Q4 2013

Chart 3: Comparison of Average Market Share by Generation Company Q4 2013

Chart 4: Comparison of Average Market Share by Generation Type Q4 2013
### Table 2: Compliance Statistics for Q4 2013

<table>
<thead>
<tr>
<th>No. of cases of potential rule breaches</th>
<th>414</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-reports</td>
<td>2</td>
</tr>
<tr>
<td>Referrals/Complaints</td>
<td>412</td>
</tr>
<tr>
<td>MSCP initiatives</td>
<td>0</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>No. of determinations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule breach</td>
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<tr>
<td>No rule breach</td>
</tr>
<tr>
<td>No further action</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
</tr>
<tr>
<td>No. of cases with enforcement action</td>
</tr>
<tr>
<td>-Financial penalty</td>
</tr>
<tr>
<td>-Letter of non-compliance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total amount of financial penalties</th>
<th>$20,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount of costs</td>
<td>$7,625</td>
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</tbody>
</table>