

# MSCP Market Watch

First Quarter (Jan-Mar) 2015

Issue 35

Table 1: Indicators of Market Performance

	2014		2015
	Q1	Q4	Q1
<b>Price Indicators</b>			
<i>Energy (\$/MWh)</i>			
- USEP	139.20	121.55	88.55
- WEP	139.84	121.67	88.79
- Allocated Vesting Price	192.93	188.78	166.76
- LNG Vesting Price	197.30	192.01	170.77
- Balance Vesting Price	190.09	187.30	160.20
<i>Ancillary Services (\$/MWh)</i>			
- Primary Reserve	3.27	1.46	3.18
- Secondary Reserve	6.67	4.61	1.08
- Contingency Reserve	5.60	6.48	5.60
- Regulation	37.45	18.58	19.44
HSFO Spot (US\$/barrel)	97.48	72.35	52.69
<b>Demand Indicators</b>			
<i>Forecast Demand (MW)</i>			
- Average	5,279	5,431	5,381
- Peak	6,516	6,616	6,513
<i>Metered Energy (MW)</i>			
- Average	5,147	5,276	5,242
- Peak	6,429	6,589	6,432
<b>Supply Indicators</b>			
Average Supply (MW)	7,669	7,924	7,726
Supply Cushion (%)	31.17	31.47	30.34
<i>Capacity Ratio (%)</i>			
- CCGT	62.91	61.45	59.02
- OCGT	0.24	0.30	0.16
- OT	52.26	49.52	50.50
- ST	0.18	0.08	0.13
<i>Total Outages (MWh Cumulative)</i>			
- Planned	1,465,922	1,937,468	1,882,458
- Forced	37,726	22,819	20,895
Offers made at or below \$100/MWh (%)	53.90	65.54	72.33

## Market Performance

The Uniform Singapore Energy Price (USEP) continued to decrease in Q1 2015, from \$121.55/MWh in Q4 2014 to \$88.55/MWh in Q1 2015. In line with this, the Wholesale Electricity Price (WEP) decreased 27.02 percent to \$88.79/MWh in Q1 2015. Vesting prices decreased across the board in Q1 2015. The largest price movement was in the Balance Vesting Price, which decreased 14.47 percent to \$160.20/MWh in Q1 2015.

The price movements of ancillary services were mixed – prices of primary reserve and regulation increased while the prices of secondary and contingency reserve decreased. Primary reserve had the largest price increase; by 118.52 percent to \$3.18/MWh in Q1 2015. The largest price decrease was observed in secondary reserve; by 76.59 percent to \$1.08/MWh in Q1 2015.

The High Sulphur Fuel Oil (HSFO) spot price decreased further by 27.18 percent from US\$72.35/barrel in Q4 2014 to US\$52.69/barrel in Q1 2015.

The supply cushion, which measures supply adequacy, decreased 1.13 percentage points from 31.47 percent in Q4 2014 to 30.34 percent in Q1 2015. Demand decreased 0.64 percent to 5,242MW. There was also a decrease in supply by 2.50 percent to 7,726MW. The capacity ratios of CCGT and OCGT decreased 2.42 and 0.14 percentage points respectively. The capacity ratios of OT and ST increased 0.97 and 0.05 percentage point respectively.

Planned outage volume decreased 2.84 percent from 1,937,468MWh in Q4 2014 to 1,882,458MWh in Q1 2015. Forced outage volume also decreased 8.43 percent to 20,895MWh this quarter.

Overall, the percentage of offers made at or below \$100/MWh increased by 6.79 percentage points to 72.33 percent in Q1 2015.

The MSCP issued no determination of rule breach in Q1 2015.

# Supply Indicators

Chart 1: Capacity Ratio of Generation Plants

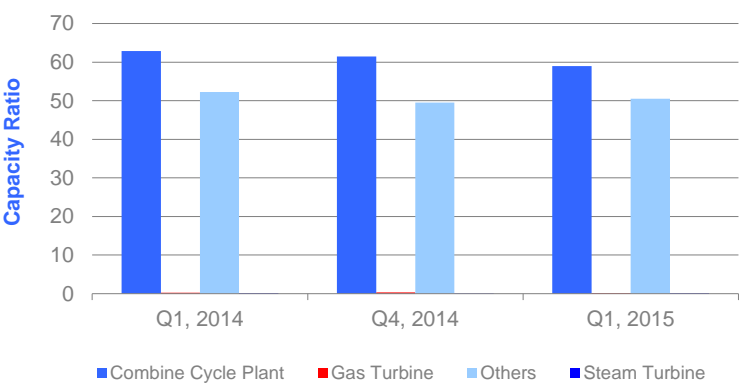


Chart 2: Relationship between USEP and Energy Supply Cushion - Q1 2015

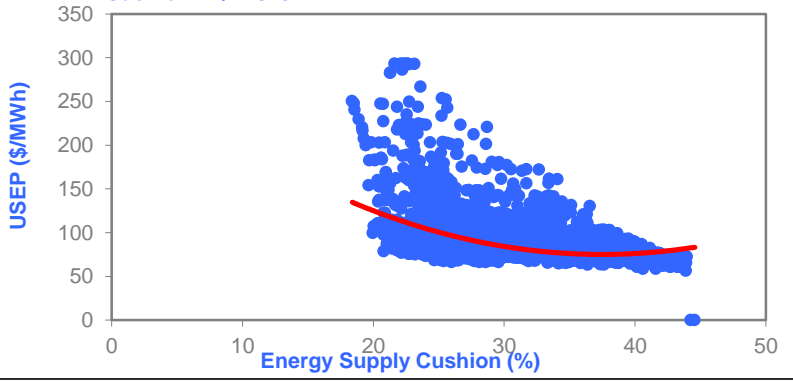


Chart 3: Comparison of Average Market Share by Generation Company Q1 2015

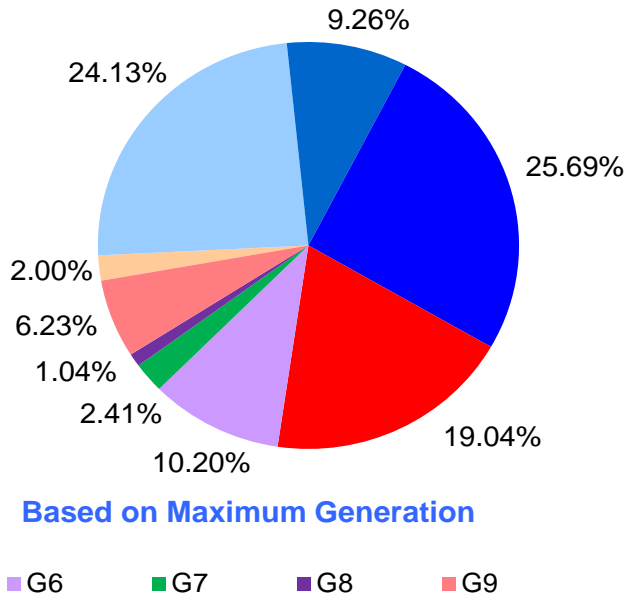
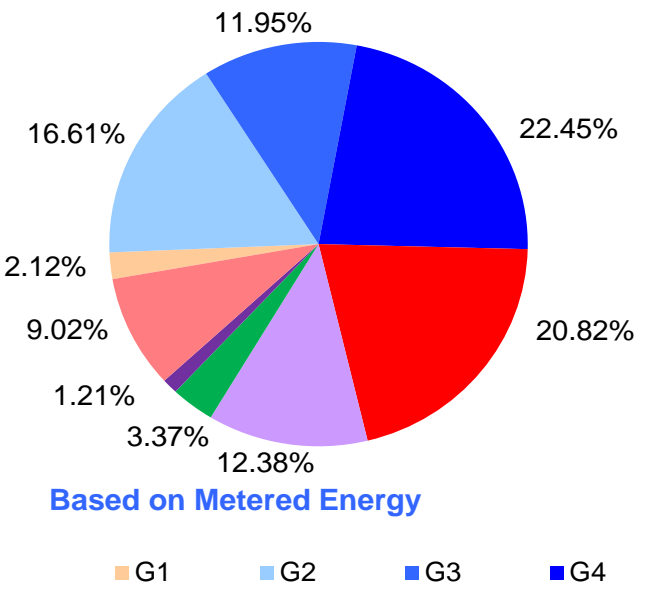
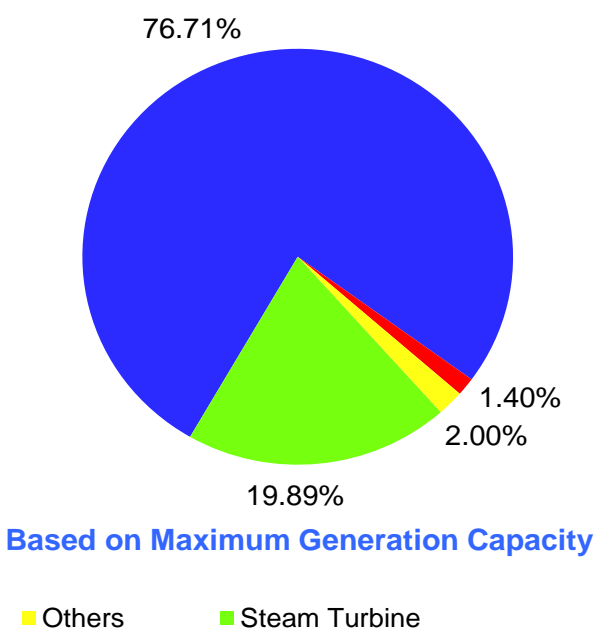
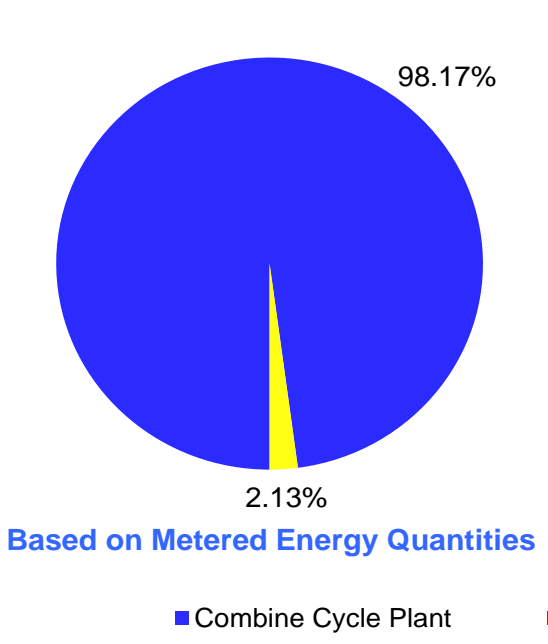
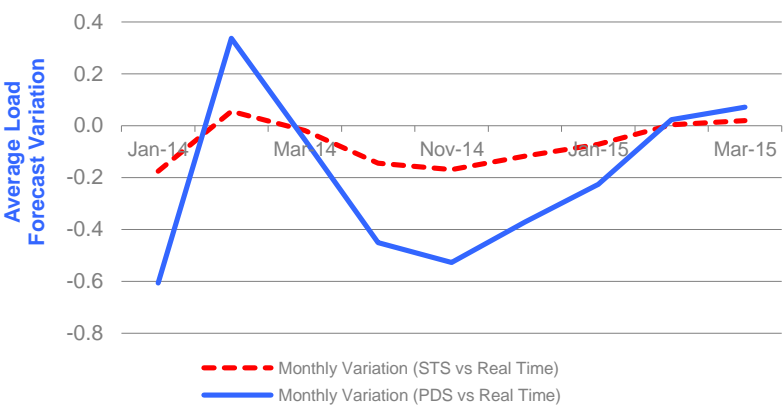


Chart 4: Comparison of Average Market Share by Generation Type Q1 2015

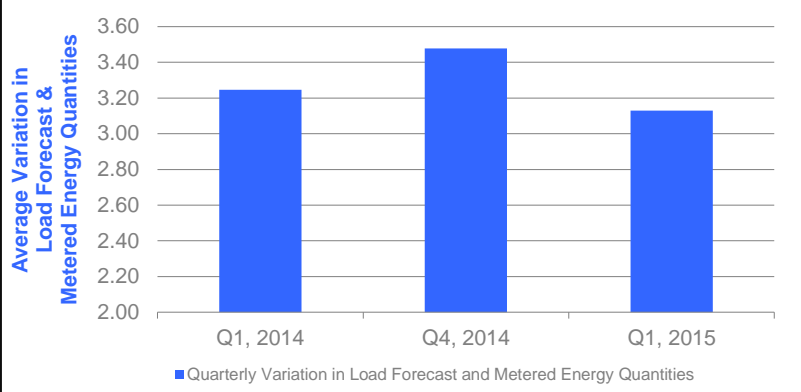


# Demand Indicators

**Chart 5: Monthly Load Forecast Variation**

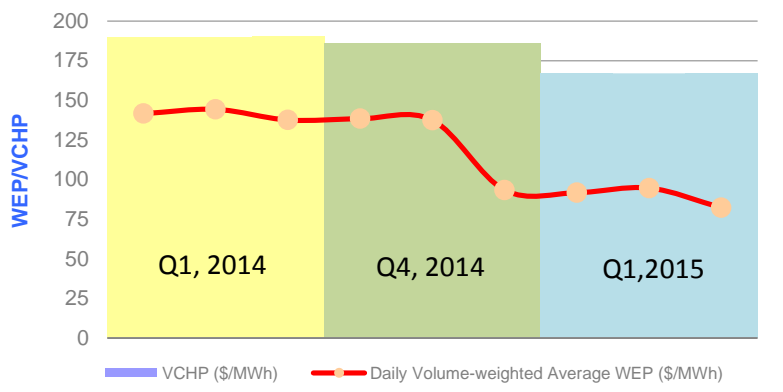


**Chart 6: Variation in Real Time Load Forecast & Metered Energy Quantities**

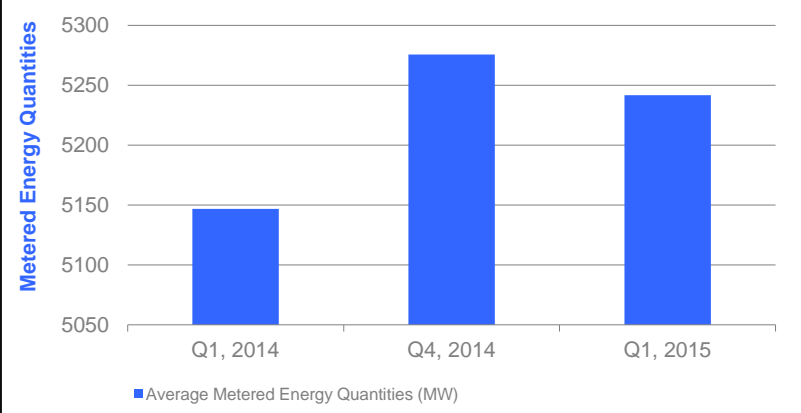


# Energy Prices

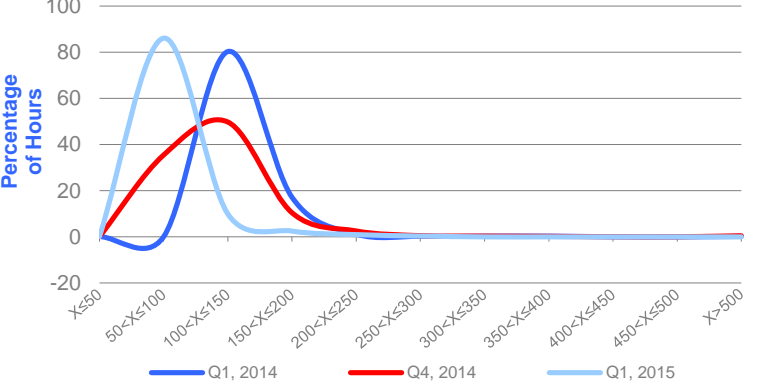
**Chart 7: WEP vs Vesting Contract Hedge Price (VCHP)**



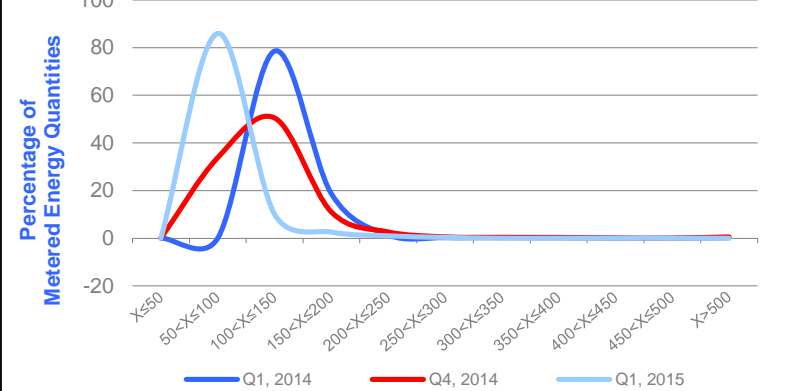
**Chart 8: Comparison of Metered Energy Quantities**



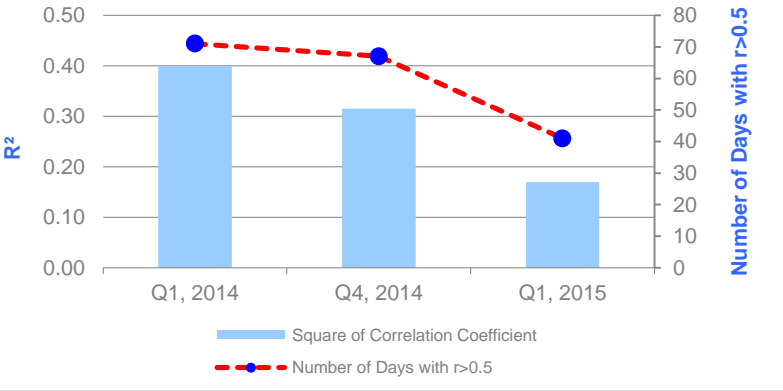
**Chart 9: Percentage of Hours when WEP Falls Into a Particular Price Range**



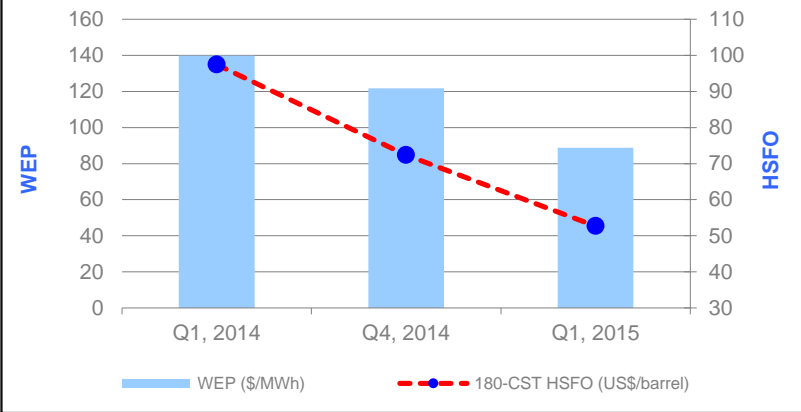
**Chart 10: Percentage of Metered Energy Quantities when WEP Falls Into a Particular Price Range**

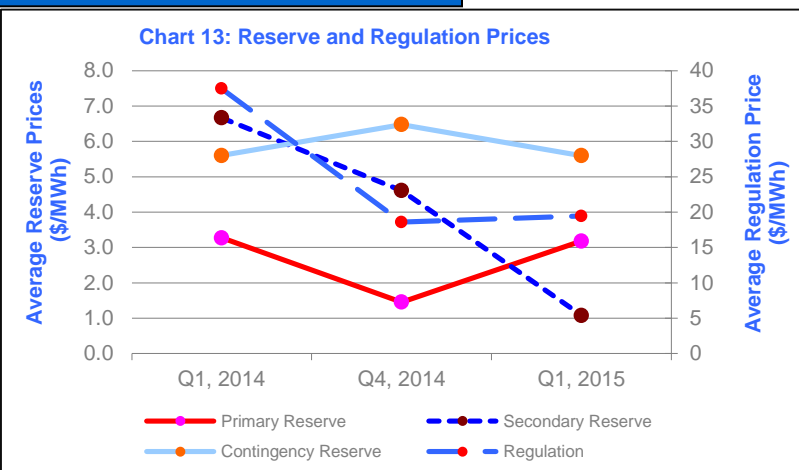


**Chart 11: Correlation between WEP & Metered Energy Quantities**



**Chart 12: WEP vs Fuel Oil Prices (HSFO)**





<b>No. of cases of potential rule breaches</b>	<b>317</b>
<i>Self-reports</i>	1
<i>Referrals/Complaints</i>	316
<i>MSCP initiatives</i>	0
<b>No. of determinations</b>	<b>521</b>
<i>Rule breach</i>	0
<i>No rule breach</i>	502
<i>No further action</i>	19
<b>Enforcement</b>	<b>0</b>
No. of cases with enforcement action	0
- <i>Financial penalty</i>	0
- <i>Letter of non-compliance</i>	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.emcsg.com](http://www.emcsg.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.*