DETERMINATION OF THE MARKET SURVEILLANCE AND COMPLIANCE PANEL
MSCP/2026/D5

Market Surveillance and Compliance Panel
Professor Walter Woon, Chairman
Professor Euston Quah
Mr. Philip Chua
Mr. Yeo Yek Seng

Date of Determination
12 August 2026

Party
Meranti Power Pte. Ltd.

Subject
Meranti Power's appeal for refund of financial penalty for non-compliance event on 8 June 2026

FACTS AND CIRCUMSTANCES

1. Meranti Power Pte. Ltd. ("Meranti Power") submitted an appeal on 22 June 2026 (updated report submitted on 26 June 2026) to the Market Surveillance and Compliance Panel ("MSCP") for a refund of the financial penalty incurred under the Automatic Financial Penalty Scheme ("AFPS") due to a non-compliance event regarding MERPGT10 for period 45 on 8 June 2026.

2. MERPGT10 was scheduled and approved by the Power System Operator ("PSO") for a regulatory quarterly fuel changeover ("FCO") test on 8 June 2026. In accordance with the dispatch schedule, MERPGT10 started up and synchronised to the grid in period 41, before initiating the FCO from natural gas to diesel at 21:01hrs (P43).

3. At 21:05 hrs (P43), MERPGT10 tripped due to a "Water Injection Abnormal Trip" alarm arising from the demineralised water forwarding pumps which failed to start. In the absence of adequate water injection, the gas turbine protection system was designed to appropriately initiate a trip signal to the gas turbine.

4. Subsequently at 21:08 hrs (P43), Meranti Power submitted offer variations to withdraw the unit from the market for the remaining periods without breaching gate closure, i.e. period 46. <u>Meranti Power inadvertently overlooked the submission of offer variations for period 45 as its operators were concurrently managing critical real-time operational priorities, including the safe shut down and coast down of the gas turbine, and urgent first line troubleshooting of the trip</u>. This was admitted by Meranti Power.

5. The deviation between PSO's dispatch instruction and the actual output of MERPGT10 was above the margin of 10 MW established under the AFPS in accordance with the Singapore Electricity Market Rules ("Market Rules") and a financial penalty was accordingly automatically imposed on Meranti Power for such deviation in period 45.

6. Meranti Power indicated that MERPGT10 did not comply with the dispatch instructions for period 45 because it took about 45 minutes for MERPGT10 to safely shut down after it tripped in period 43, following which it had to undergo an original equipment manufacturer ("OEM") designed 90-minute natural cooling of the hot gas turbine parts before MERPGT10 could be ready for safe start-up again. Without the 90-minute natural cooling being executed, starting up MERPGT10 in period 45 risked substantial damage to the gas turbine moving blades and stationary casing as the blades tip would severely rub against the casing.

APPLICABLE MARKET RULES

7. Section 3.7.3 of Chapter 5 provides that

If a *generation registered facility* deviates, in the manner and to the extent described in section D.3.1 of Appendix 5D, from its *real-time dispatch schedule* or its *short-term schedule* (as the case may be) which is deemed to be or is otherwise issued as the *dispatch instructions* issued by the *PSO*, such *generation registered facility* shall be deemed to be a deviating *generation registered facility* unless the deviation occurred in respect of *dispatch period(s)* where the *generation registered facility*:

3.7.3.1 was at all relevant times operating under *AGC*;

3.7.3.2 had been issued *dispatch instructions* to deviate from its aforesaid *real-time dispatch schedule* or *short-term schedule* (as the case may be), and such *dispatch instructions* in respect of the *generation registered facility* were complied with;

3.7.3.3 was undergoing re-commissioning test(s) which had been approved by the *PSO*;

3.7.3.4 experienced a *forced outage*, which caused the *generation registered facility* to *automatically disconnect* from the *transmission system*;

3.7.3.5 had experienced a *forced outage* in the immediately preceding *dispatch period*, which caused the *generation registered facility* to *automatically disconnect* from the *transmission system* in that immediately preceding *dispatch period*;

3.7.3.6 was being *start-up* or *shut-down* in accordance with its aforesaid *real-time dispatch schedule* or *short-term schedule* (as the case may be); or

3.7.3.7 was performing a fuel changeover as required under the *transmission code.*

The automatic financial penalty scheme described in Appendix 5D shall apply to the *market participant* of such deviating *generation registered facility.*

8. Section 9.6.3 of Chapter 5 provides that

Compliance with a *dispatch instruction* for a *registered facility* is not required if such compliance would endanger the safety of any person, substantially damage equipment, or violate any *applicable law*. Subject to section 9.3.5, the *dispatch coordinator* for a *registered facility* that departs from *dispatch instructions* for any such reason shall so notify the *PSO* in accordance with section 9.6.2.

9. Section D.5.1 of Appendix 5D of Chapter 5 provides that

The *market participant* of a deviating *generation registered facility* may appeal to the *market surveillance and compliance panel* for a refund of any financial penalties paid or required to be paid by it under the automatic financial penalty scheme detailed in this Appendix 5D if it can demonstrate to the satisfaction of the *market surveillance and compliance panel* that compliance with a *dispatch instruction* was not required pursuant to one or more of the conditions in section 9.6.3 of Chapter 5. Such appeal shall be made in writing in such form and manner as may be prescribed by the *market surveillance and compliance panel* and shall:

D5.1.1 contain the name and address of the *market participant* submitting the appeal;

D5.1.2 contain the particulars of the appeal;

D5.1.3 contain all information, facts and evidence supporting the appeal; and

D5.1.4 be accompanied by a copy of the final financial penalty statement setting out the financial penalty which is the subject of the appeal.

A *market participant* shall not submit, and the *market surveillance and compliance panel* may dismiss, an appeal to the *market surveillance and compliance panel* if more than twenty *business days* have elapsed since the date of the issuance of such final financial penalty statement.

10. Section D.5.4 of Appendix 5D of Chapter 5 provides that

If the *market surveillance and compliance panel* determines that the *market participant* referred to in section D.5.1 was not required to comply with a *dispatch instruction* for any given *dispatch period* on the ground that at least one of the conditions in section 9.6.3 of Chapter 5 applies, the *market surveillance and compliance panel* shall:

D5.4.1 allow the *market participant's* appeal in respect of that *dispatch period* submitted under section D.5.1; and

D5.4.2 direct the EMC to refund such market participant of the relevant financial penalty received by the EMC from such market participant for that dispatch period. Such financial penalty shall be refunded to the market participant without interest.

If the *market surveillance and compliance panel* determines that none of the conditions in section 9.6.3 of Chapter 5 applies to the non-compliance with a *dispatch instruction* by a *market participant* referred to in section D.5.1, the *market surveillance and compliance panel* shall dismiss the appeal submitted under section D.5.1. The *market surveillance and compliance panel* shall notify the *EMC* and such *market participant* of its determination under this section D.5.4 and give its reasons for such determination.

The *EMC* shall *publish* such determination of the *market surveillance and compliance panel* and its reasons for such determination.

MSCP'S DETERMINATION

11. The cause of the deviation from dispatch instructions was that Meranti Power overlooked the offer variation submission for period 45 on 8 June 2026. This was admitted. There would have been no breach if this mistake had not occurred. Under the circumstances, the MSCP determines that none of the conditions under section 9.6.3 of Chapter 5 of the Market Rules applies to MERPGT10's failure to comply with the dispatch instruction from the PSO.

12. The MSCP hereby dismisses the appeal submitted by Meranti Power and directs it to pay costs fixed at $4,370.

Professor Walter Woon
Chairman, Market Surveillance and Compliance Panel