



Smart Energy, Sustainable Future

**REQUEST FOR PROPOSAL
TO APPOINT ELECTRICITY IMPORTER
TO IMPORT 100MW VIA THE
EXISTING SINGAPORE-PENINSULAR MALAYSIA
INTERCONNECTOR FOR A 2-YEAR TRIAL**

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ENERGY MARKET AUTHORITY
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SECTION 1: Introduction

1.1 Singapore's energy sector has come a long way. Over the last 50 years, Singapore has moved from oil to natural gas for cleaner power generation. With challenges brought about by climate change, we will need to change the way Singapore uses and produces energy.

1.2 Hence, Singapore's Energy Story was announced in October 2019 on how energy could be reliable, produced and consumed efficiently in the next few years. Exploring ways to tap on regional power grids was one of the 4 National "Energy Switches" in the Energy Story.

1.3 This Request for Proposal ("**RFP**") is to select and appoint one competent entity ("**Importer**") to import and sell up to 100MW of electricity in Singapore ("**Authorised Business**") via the existing interconnector between Singapore and Peninsular Malaysia ("**Interconnector**").

1.4 This RFP is not and does not purport to be a tender for electricity supply or sale to EMA or any other party/user in Singapore and shall in no circumstances whatsoever be construed as such. Nor shall the agreement or acceptance of the proposal or any indication of agreement or acceptance as regards to any proposal or matter create any contractual relationship between or impose any legally binding obligations on either the EMA or the Importer. It will be the responsibility of the appointed Importer to source for electricity from suppliers and/or its own electricity supply portfolio. It will also be the responsibility of the appointed Importer to negotiate and enter into retail contracts with buyers in Singapore for the sale of electricity.

SECTION 2: Importer's Requirements and Functions

2.1 The appointed Importer will be issued an *Electricity Importer Licence* (“**Licence**”) to conduct the Authorised Business with effect on and from start date of the Licence (“**Start Date**”)¹ for a period of 2 years for a start. The trial period is set at 2 years to provide sufficient time to gather learning points, which will help refine our technical settings and regulatory arrangements that will be incorporated as part of the **Electricity Import Framework** as detailed in **Annex A**. The draft Licence is in **Annex B**.

2.2 To encourage the import of zero-carbon electricity to Singapore beyond the 2-year trial, EMA is prepared to convert the Licence into a long-term Licence with a duration tied to the duration of the electricity import/supply agreement entered into between the Licensee and a power plant developer/electricity supplier in Malaysia (“**the Supply Agreement**”). This conversion may take place upon the expiry of the initial 2-year Licence period or on such other date that EMA may determine to allow the continuation of the import of 100MW of electricity from Peninsular Malaysia via the Interconnector, provided that the Importer has in EMA’s view performed satisfactorily during the trial and agrees to such changes and new requirements² to the **Electricity Import Framework** (that EMA will introduce in consultation with the stakeholders), at any point in time during the 2-year trial. The conversion of the 2-year Licence to a long-term Licence is not guaranteed and shall be at EMA’s sole discretion and determination. EMA reserves the right to revoke the Licence at any time prior to its expiry and call a new RFP to select new electricity importer(s) for such further trial period or long-term period as EMA determines.

2.3 Notwithstanding paragraph 2.2, EMA reserves the right, at any time during the trial Licence period or long-term Licence period, to temporarily suspend the import of electricity via the Interconnector for such period(s) of time as EMA deems necessary, (i) in the event of any prolonged outage of the Interconnector or any equipment that is related or connected to or forms part of it (including but not limited to submarine cables, transformers and overhead lines) or (ii) for the purpose of discharging its duties and obligations under the Importer Facility Operating Agreement to facilitate the transfer of energy between Singapore and Malaysia at any time including the mutual support of Singapore’s and Malaysia’s respective power systems.

¹ EMA envisages that the Start Date could be as early as end 2021, but will ultimately depend on the Importer’s supply proposal and their procurement of relevant approvals from Singapore and Malaysia.

² Changes and new requirements will include the requirement that supply should be from zero-carbon electricity sources verifiable with Renewable Energy Certificates (“**RECs**”), or the use of new interconnectors with on-site local backup generation, or a reduction in the available import capacity via the Interconnector due to system requirement to flow more mutual support if required via the Interconnector. For avoidance of doubt, as most renewables do not produce electricity on a 24/7 basis, supply can be considered zero-carbon if the importer demonstrates sufficient RECs are produced by the import project over a year, such that the total electricity (in MWh) imported can be considered to be zero-carbon.

2.4 It will be the responsibility of the Importer to source its generation supply and to meet EMA's terms and conditions set out herein and any resulting Licence issued to the Importer. The Importer will also ensure that it has reserved the relevant rights to the relevant infrastructure capacity.

2.5 The Importer is required to apply for and obtain an Electricity Retailer Licence should it wish to directly retail electricity to contestable consumers. Alternatively, the Importer may appoint a third-party Licensed Electricity Retailer to do so. More information on electricity retailers is available on [EMA's website](#).

2.6 As Singapore's electricity market is fully liberalised, the Importer will need to participate in the Singapore Wholesale Electricity Market or SWEM. The Importer will need to ensure that there are customers who will purchase the imported electricity. As such, the Importer or its appointed third-party Licensed Electricity Retailer will be responsible to negotiate and enter into contracts with buyers in Singapore for the sale of its imported electricity.

2.7 The Importer is expected to use the Interconnector to convey its imported electricity into Singapore. The Interconnector is a HVAC link that is expected to have a capacity of 2 x 550 MVA when its upgrades are fully completed around end-2021. 100MW of the Interconnector capacity will be set aside for imports under this RFP. The Importer shall undertake to work with Singapore Power Assets Ltd ("**SPPA**") and Tenaga Nasional Berhad ("**TNB**") to reserve the required capacity for the electricity imported via the Interconnector and bear the associated cost of the capacity charges³. If new interconnector(s) between Singapore and Malaysia are constructed and come into operation in future, the Importer shall, if so requested by EMA, use the new interconnector(s) for the import of its electricity and bear the associated charges.

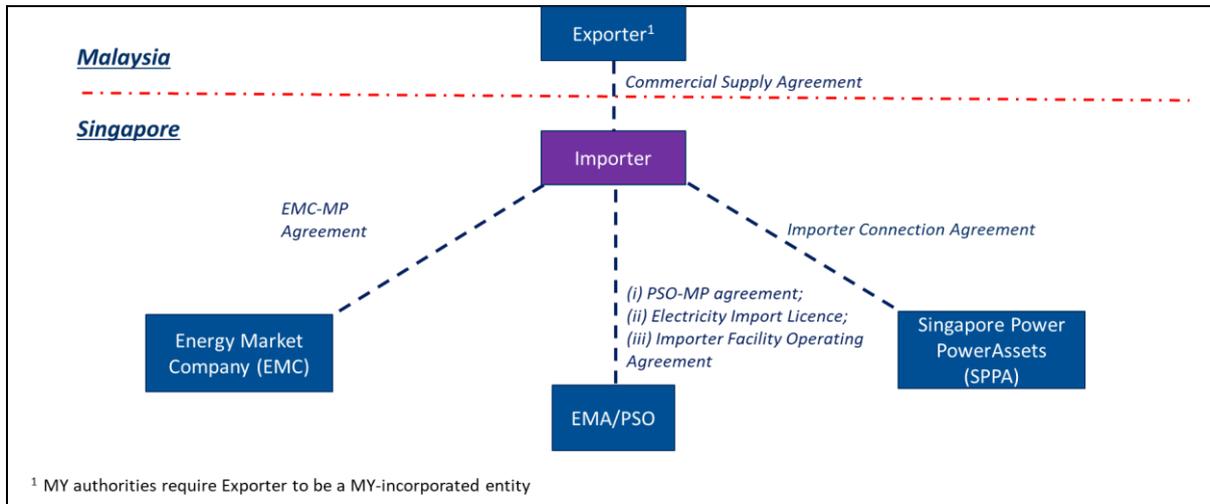
2.8 The Importer shall be required to provide or furnish a performance bond of \$1 Million Singapore Dollars in favour of EMA upon issuance of the Licence. The performance bond sum will be forfeited to the EMA if the Importer fails to pay the relevant penalties in the event of any breach of its regulatory requirements and obligations.

2.9 EMA will impose the **Electricity Importer Framework** as set out in **Annex A** on the Importer under its Licence.

2.10 The intended commercial framework in Singapore for the Importer is shown in Figure 1 below. It is the responsibility of the Importer to enter into all other necessary agreements required by the Malaysian authorities and the upstream generation assets in order to import electricity to Singapore.

³ SPPA's indicative Capacity Charge for use of the Interconnector for FY21/22 is ~\$9,700/MW of reserved capacity. This is subject to change. The actual capacity charge will be made known after award of Licence.

Figure 1: Agreements to be entered into by the Importer



- a) **Energy Market Company (“EMC”)**. The Importer is required to register with the Energy Market Company as a Market Participant (“MP”) and be subject to the Electricity Market Rules.
- b) **EMA/ Power System Operator (“PSO”)**. To enter into a PSO-MP agreement⁴ to allow PSO to enforce obligations under the Electricity Market Rules vis-à-vis market participants. Additionally, to enter into an Import Facility Operating Agreement to enable PSO to centrally dispatch the Import Licensee’s import facility. EMA shall issue a Licence to the appointed Importer.
- c) **SP PowerAssets Ltd (“SPPA”)**. To enter into a regulated Importer Connection Agreement to use the Interconnector and gain access to the Singapore transmission grid⁵.

2.11 Agreed Operating Procedure. The Importer is required to enter into an Agreed Operating Procedure to ensure the secure operation of the power system to facilitate electricity import under both normal and abnormal operating condition. The Agreed Operating Procedure shall be developed and revised by the PSO in consultation with the Importer and Transmission Licensee. The Licensees shall comply with the Agreed Operating Procedures at all times.

⁴https://www.ema.gov.sg/cmsmedia/Licensees/Electricity/Agreements/PSO-MP%20Agreement_06Feb2020.docx

⁵SPPA is currently developing a term sheet and will circulate the term sheet before the Closing Date.

SECTION 3: RFP Process

3.1 Interested parties who wish to participate in the RFP (each a “Participant”) shall submit their proposals in accordance with the requirements set out in **Section 4** (each a “Proposal”) by no later than the closing date on **4 June 2021** (“Closing Date”).

3.2 Thereafter, EMA will commence the evaluation period which will end with the notification to each Participant of the result of the RFP by **29 October 2021** (“Evaluation Period”).

3.3 Failure to comply with the Critical Requirements set out in **Section 3** will result in automatic disqualification of the Proposal. EMA will evaluate Proposals based on the selection criteria set out in **Section 4**.

Critical Requirements

3.4 Each Participant must be a **Singapore-incorporated company** that will hold the Licence if selected by EMA to be an Importer. Where the Participant is a consortium, the consortium can meet this requirement through the incorporation of a Special Purpose Vehicle company in Singapore.

3.5 To maximise use of interconnector capacity, each Participant is required to negotiate and enter into binding commitments (“Commitments”) with potential electricity offtakers **in aggregation of at least 788,400MWh annually (equivalent to 90% of 100MW), with minimum 2-year duration for each contract, with condition precedent on award of Licence to the Importer (“Must-Retail requirement”)**. Participants are expected to substantiate their contracted demand in the form of binding agreements (such as full-fledged contracts and binding term sheets) to only electricity offtakers in Singapore. Participants are expected to ensure commercial arrangements are aligned with the terms of this RFP, Electricity Importer Framework and the Licence.

3.6 Imported electricity shall be non-intermittent. This means that imported electricity shall be constant and stable during each half-hourly dispatch period. Dispatched supply can change from one period to another in accordance to the market dispatch schedule as per Electricity Market Rules.

3.7 The Participant (or entities related⁶ to the Participant) or the consortium as a whole shall have at least 5 years’ experience in any 1 of the 3 following areas:

⁶ As defined under the Companies Act, two corporations are related if: (1) one is the holding company of the other; (2) one is a subsidiary of the other; or (3) one is a subsidiary of the holding company of the other.

- (i) Trading in a liberalised retail market and/or Power Purchase Agreements;
- (ii) Operation of transmission/distribution grid; or
- (iii) Power generation.

3.8 Proposals that propose electricity imported/supplied from any coal-fired generation will not be accepted.

3.9 EMA has established a cap of 25% on the generation capacity market share ("**25% Market Share Cap**") to prevent structural increase in electricity generation market concentration in respect of Keppel Merlimau Cogen Pte Ltd, SembCorp Cogen Pte Ltd, PacificLight Power Pte Ltd, Tuaspring Pte Ltd. With regard to Senoko Energy Pte Ltd, Tuas Power Generation Pte Ltd and YTL PowerSeraya Pte Ltd, EMA has imposed the higher of either the 25% Market Share Cap or their respective MW licensed capacity cap, until the current expiry date of their respective Generation Licence. Beyond the current expiry dates, their respective MW licensed capacity cap will be terminated and the 25% Market Share Cap will apply⁷.

⁷ Refer to Final Determination Paper on Review of the Vesting Contract Regime dated 30 September 2016: <https://www.ema.gov.sg/cmsmedia/Consultations/Electricity/Final%20Determination%20Paper%20-%20Review%20of%20Vesting%20Contract%20Regime%202016%20final.pdf>

SECTION 4: Selection Criteria

4.1 Proposals will be evaluated based on the selection criteria as outlined in **Table 1**. The selection criteria are categorised as:

- a. **Key criteria** that materially affect Singapore’s ability to manage the trade-offs of the energy trilemma – balancing the need for energy security, competitiveness, and environmental sustainability. These are:
 - i. Firmness of Primary Supply
 - ii. Degree of Backup Supply
 - iii. Carbon Emissions of Primary Supply
 - iv. Relevant Experience

- b. **Secondary criteria** that would have some value-add for the purposes of the trial and serve to provide further differentiation between proposals, ceteris paribus. These are:
 - i. Carbon Emissions of Backup Supply
 - ii. Credit Worthiness
 - iii. Contracted Quantity of Firm Retail Contracts

Table 1: Selection Criteria

Criteria	Remarks
Key Criteria:	
(1) Firmness of primary supply	<p>Participant should demonstrate its ability to procure and supply at least in aggregate 788,400MWh on annual basis to fulfil the Must Retail Requirement for the first 2 years.</p> <p>The Participant should show EMA its <u>primary source of supply</u> over the duration of the Supply Agreement, which could be (i) the contracted quantities it has secured upstream, (ii) the contract duration of its supply volume, and (iii) proof of underlying generation assets, substantiated in the form of an executed binding upstream agreement with condition precedent upon the Participant being awarded the Licence including firm transmission network capacity to import electricity via the Interconnector viz Importer Connection Agreement.</p> <p>At the minimum, to demonstrate that the necessary commercial agreements are in place upon award of Licence by EMA, the Participant shall submit an executed binding commercial Supply Agreement with conditions precedent upon award of a Licence by EMA.</p>
(2) Degree of backup supply	This considers if Participants have backup generation in Malaysia to ensure firm supply of 100MW of electricity import, in the event the <u>primary supply</u> is unavailable over the duration of the Supply

Criteria	Remarks
	Agreement. The Participant should show EMA its backup source of supply, which could be (i) the contracted quantities it has secured upstream, (ii) the contract duration of its supply volume, and (iii) proof of underlying generation assets, substantiated in the form of an executed binding upstream agreement with condition precedent upon the Participant being awarded the Licence including firm transmission network capacity to import electricity via the Interconnector viz Importer Connection Agreement.
(3) Carbon emissions for primary supply	<p>Participants will be assessed on the average and maximum potential carbon emissions output in tonnes of carbon dioxide-equivalent (tCO₂e/MWh) in their portfolio of various types of generation sources for <u>primary supply</u>, citing calculations and assumptions.</p> <p>Participants with cleaner sources of generation types will be assessed favourably.</p>
(4) Relevant experience	<p>Participants with deep expertise and experience in:</p> <ul style="list-style-type: none"> i. power generation and transmission (financing, development, implementation and operation/maintenance); ii. electricity import or trading across interconnectors; and iii. Retailing electricity to Singapore domestic consumers <p>will be assessed favourably.</p>
Secondary Criteria:	
(5) Carbon emissions for backup supply	Participants will be assessed on the average and maximum potential carbon emissions output (tCO ₂ e/MWh) abatement in their portfolio of various types of generation sources for <u>backup supply</u> , citing assumptions.
(6) Credit Worthiness	Participants should demonstrate strong credentials with respect to their financial standing and/or credit rating from accredited credit rating agencies to meet its obligations to: (i) SP; (ii) EMC; and (iii) EMA (specifically the ability to pay financial penalties if it breaches any conditions in the Licence).
(7) Contracted Quantity of Firm Retail Contracts	<p>This assesses the downstream contracted quantity of electricity sold to electricity consumers, that exceeds the Must-Retail Requirement.</p> <p>Participants must demonstrate binding downstream retail contracts (or term sheet) that in aggregate underpin the Must-Retail Requirement for a minimum supply period of 2 years.</p>

SECTION 5: Instructions for Pre-Submission and Submission of Proposals

PRE-SUBMISSION

Official point-of-contact

5.1 For the purpose of the RFP, the official email contact of EMA is: Regional_Grids@ema.gov.sg.

5.2 Participants are to provide their official contact details via email to EMA using **Form A**. This is to provide an official contact point between Participants and EMA, such that any official information or notification with regard to the RFP will be disseminated to the relevant official contact points. Should there be any change to such official contact point during the course of the RFP, the Participant is to submit an updated Form A via email to EMA.

SUBMISSION OF PROPOSALS

Requirements for submission of Proposals

5.3 Participants shall fully comply with all terms, conditions and requirements set out in this RFP document without any modification thereto. Failure to comply may result in disqualification.

5.4 Participants are to submit their Proposals as follows:

- a. Structure and organisation of Participant, including information and details of all members of any consortium (collectively "**Consortium Members**", and each a "**Consortium Member**") using the format given in the **Form of Submission**, including **Form B** and **Form C**;
- b. Details of the Participant to be licensed as an Importer if appointed by EMA, namely: (i) a certified true copy of the entity's Certificate of Incorporation; and (ii) certified true copies of relevant ownership documents, including documents lodged with the Accounting & Corporate Regulatory Authority ("**ACRA**") showing the shareholder structure, names and addresses of significant shareholders and the composition of the board of directors;
- c. Project team structure with identification of key members involved in the financing, development, implementation and operation/maintenance of the project, and their respective roles (including a description of relevant experience and curriculum vitae) of each member;

- d. Proposal to import and sell up to 100MW of electricity imports to Singapore for evaluation based on the selection criteria set out in **Section 4**. Specifically,
- i. **Firmness of primary supply:** Over the duration of the Supply Agreement, (i) the contracted quantities the Participant has secured upstream, (ii) the contract duration of Participant's supply volume, and (iii) proof of underlying generation assets, substantiated in the form of an executed binding upstream agreement with condition precedent upon the Participant being awarded the Licence including firm transmission network capacity to import electricity via the Interconnector viz Importer Connection Agreement;
 - ii. **Degree of backup supply:** Over the duration of the Supply Agreement, (i) the contracted quantities the Participant has secured upstream, (ii) the contract duration of Participant's supply volume, and (iii) proof of underlying generation assets, substantiated in the form of an executed binding upstream agreement with condition precedent upon the Participant being awarded the Licence including firm transmission network capacity to import electricity via the Interconnector viz Importer Connection Agreement;
 - iii. **Carbon emissions for primary and backup supply:** average and maximum potential carbon emissions output in tonnes of carbon dioxide-equivalent (tCO_{2e}/MWh) in the Participant's portfolio of various types of generation sources for primary supply, citing calculations and assumptions;
 - iv. **Relevant experience:** Credentials of the Participant, including all Consortium Members, if any, with respect to industry experience in power generation and transmission (financing, development, implementation and operation/maintenance); electricity import or trading across interconnectors; and retailing electricity to Singapore domestic consumers;
 - v. **Credit worthiness:** Credentials of the Participant, including all Consortium Members, if any, with respect to their financial standing (e.g. audited profit & loss statements, balance sheets and cash flow statements for the last 2 full financial years or since incorporation if less than 2 years) and credit worthiness including credit rating(s) from accredited credit rating agencies if any, history of bankruptcy or financial distress;
 - vi. **Contracted Quantity of Firm Retail Contracts:** The Commitments between the Participant and its customers, inclusive of pricing terms. These should be in the form of full-fledged retail contracts, term sheets, and any other necessary supporting document;
- e. For 5.4d(i) and (ii), to indicate the following for the generation sources:

- i. Address of generating source
 - ii. Plant-type, number and size of each generating source
 - iii. Rated power output of generating source (MW)
 - iv. Gross efficiency of generating source
 - v. Commercial operation date
 - vi. Expected lifespan
 - vii. Expected planned and unplanned outage rate of each generating source
 - viii. Project schedule for each generating unit including the proposed dates and periods (or expected duration) for design, procurement, implementation and on-site testing and commissioning of the generating source;
- f. Detailed technical proposal of how to ensure controlled and stable of electricity flow through the Interconnector (e.g. use of energy storage facilities, batteries to demonstrate that it is non-intermittent) including the configuration, technical specifications and the control system;
 - g. Detailed breakdown of project development costs (if new build plants) and annual operating (fixed and variable) costs;
 - h. Financing plan with details of sources of capital (if applicable);
 - i. Any other information, plans or proposals that the Participant may deem relevant for the purposes of this RFP; and
 - j. Undertaking by Participant and all Consortium Members, if any, to Safeguard Official Information using the **Form D**.

5.5 The Proposal and any other documents provided shall be in the English language. All monetary values shall be clearly specified and denominated in either United States Dollars or Singapore Dollars.

5.6 Participants comprising Consortium Members will need to satisfy the following requirements to be considered in the RFP selection process:

- a. A consortium refers to a single entity, as in the form of a joint venture company incorporated in Singapore;
- b. Participant shall include copies of the consortium agreements duly signed by all Consortium Members;
- c. The consortium agreement must clearly stipulate which member/entity will be providing overall management of the Importer ("**Principal Member**"); the

- legal relationship among the Consortium Members; and each individual Consortium Member's responsibilities under the consortium agreement;
- d. The consortium agreement shall state the respective equity/shareholding percentage of each Consortium Member;
 - e. The Principal Member shall submit the Proposal on behalf of the consortium. Documentary proof must be provided that the Principal Member is authorised by the Consortium Members to submit the Proposal, receive instructions, give any information, accept any contract and act for and on behalf of all the Consortium Members; and
 - f. Any change proposed to the structure of Consortium after submission of Proposals shall be subject to EMA's approval.

Mode of Submission

5.7 Participants are required to submit their Proposals through softcopy submissions via email to EMA at: Regional_Grids@ema.gov.sg

5.8 The soft copies shall be submitted in both Microsoft WORD and PDF format. Multiple emails are allowed because of the email size limit. Each email shall be below 25 MB. Participants must communicate clearly the references to the Proposals if multiple emails are submitted.

Deadline for Submission

5.9 All Proposals must reach EMA via email by no later than **3pm Singapore time on 4 June 2021 ("Closing Date")**. Any Proposal submitted after the Closing Date will not be considered by EMA.

5.10 EMA will acknowledge receipt of all submissions electronically by **4pm Singapore time on 4 June 2021**. Please promptly contact us if you have not received an acknowledgement of your submission by then.

Validity of Proposals

5.11 Proposals that have been submitted shall remain valid and binding until the end of the award of Licence.

5.12 Proposals shall neither be modified nor withdrawn after the Closing Date, unless approved by EMA.

Clarifications before Closing Date

5.13 Participants may engage EMA for clarifications on this RFP document. All clarifications must be formalised in writing to EMA and sent via email to EMA from the email address specified in **Form A**. Formal clarifications by EMA will be in writing only.

5.14 Notwithstanding the above, EMA is open to meet with Participants on a face-to-face basis to clarify any aspects of this RFP. These meetings serve only as informal discussions, and nothing said or communicated by EMA during such meetings shall be taken as a formal response.

5.15 EMA may invite Participants to make presentations to EMA with regard to their Proposals. Details of such presentations if necessary will be arranged by EMA. In the event EMA requests for written clarification with regard to any aspect of the Participant's Proposal, the Participant shall use reasonable endeavours to provide full and comprehensive responses within seven (7) days of such request.

Compliance with Instructions

5.16 Participants shall submit their Proposals in accordance with all the requirements set out in this RFP document. Incomplete submissions could be deemed invalid and may not be considered by EMA.

5.17 EMA shall not be liable to any Participant for any information in this RFP which is incomplete or inaccurate. It is the Participant's responsibility to acquaint itself with the information contained in this RFP document and all other information that it may need to know in order to prepare its Proposal or to subsequently function and operate as an Importer if appointed by EMA.

5.18 All expenses incurred in the preparation and submission of any Proposals shall be borne by the Participants and no claims for any costs or expenses incurred will be considered by EMA, regardless of the acceptance or rejection of any Proposals.

5.19 Participants shall not make use of any information or material obtained directly or indirectly from EMA, without the prior written consent of EMA, other than for the purposes of this RFP.

5.20 Participants shall not disclose any information or material obtained directly or indirectly from EMA, without the prior written consent of EMA, to any third parties.

5.21 EMA is not obligated to disclose any information with regard to any Participant's Proposal.

5.22 EMA reserves the right to accept or reject any or all Proposals and its decision shall be final and shall not be subject to any appeal. EMA will not entertain any correspondences concerning the acceptance or rejection of any Proposal (including but not limited to the reasons for the acceptance or rejection of any Proposal).

5.23 The validity, interpretation and performance of this RFP and any Proposals submitted by Participants in response to this RFP shall be governed by and construed in accordance with the laws of the Republic of Singapore without regard to the principles of conflicts of law thereof. By submitting a Proposal, the Participant hereby irrevocably submits to the exclusive jurisdiction of the courts of the Republic of Singapore.

5.24 A waiver by EMA of any term or condition of this RFP in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach of the RFP process thereof.

5.25 Prior to the Closing Date, EMA reserves the right to make changes to this RFP document (including but not limited to the RFP process, selection criteria or Electricity Importer Framework) through the issuance of a corrigendum or addendum thereto. Where EMA issues a corrigendum or addendum, EMA and the Participants shall execute such further documents and take such further steps as may be reasonably necessary or desirable to effectuate the purposes of this RFP.

5.26 All information related to this RFP shall remain the property of EMA. All documents submitted by the Participant in response to this RFP shall become the property of EMA. However, any intellectual property in the information contained in the Proposal submitted by the Participant shall remain vested in the Participant. EMA will keep the details of all Proposals confidential unless it is required by law to disclose any information related to a Proposal.

5.27 This RFP is furnished solely for the purpose of assisting Participants in making their own independent evaluation of the roles and requirements of an Importer. It is not meant to be all-inclusive or to contain all the information that a Participant may require to submit a Proposal, and/or to subsequently perform the role of an Importer if appointed by EMA. Participants should make their own assessment regarding the relevance and adequacy of the information contained in this RFP and should carry out their own due diligence to assess/determine whether or not to submit a Proposal in response to this RFP and/or subsequently perform the role of an Importer if appointed by EMA.

5.28 No part of this document shall be construed as forming part of or used to interpret any subsequent contracts entered into by the Participant, whether with downstream retail customer or any other party.

5.29 EMA does not make any representation or warranty, express or implied, as to the accuracy, completeness or reasonableness of the information contained in this RFP document or any modification, corrigendum or addendum issued thereto, or any other written statement which is otherwise communicated or made available to the Participants, whether by or on behalf of EMA, nor does EMA accept any liability in relation to any such information or statement for any lack of accuracy, completeness or reasonableness.

5.30 EMA reserves the right to terminate or suspend the RFP process at any point in time for any reason before the appointment of any Importer(s) and shall not be liable for any expenses or costs incurred by any Participant or any other person as a result thereof.

FORM OF SUBMISSION

REQUEST FOR PROPOSAL TO APPOINT ELECTRICITY IMPORTER

Having examined the Request for Proposal (“RFP”) issued by the Energy Market Authority (“EMA”) for the above, we attach our proposal submission (“Proposal”) comprising the following items for EMA’s consideration:

- i. Form of Submission.
- ii. *[Participant to list down items attached]*

Whereas it is understood that the EMA reserves the right to accept or reject this Proposal without divulging any reason, we: (a) warrant that the information provided in this Proposal is valid and correct; and (b) acknowledge and agree to all the terms and conditions set out in the RFP and the application thereof to our Proposal.

Dated this _____ day of _____ 2021.

Authorised Signature of Participant	_____	Authorised Signature of Witness	_____
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Name	_____	Name	_____
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Designation	_____	Designation	_____
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Company Address	_____	Company Address	_____
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Company Stamp	_____	Company Stamp	_____
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NOTICE	This form duly completed MUST accompany every Proposal. Any change to its wordings may render the submission liable to DISQUALIFICATION.
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FORM A

OFFICIAL POINT-OF-CONTACT OF PARTICIPANT

Please submit Form A back to EMA via email (Regional_Grids@ema.gov.sg) as soon as practicable.

Participant Name:	
Name of Contact Point:	
Designation:	
Email:	
Contact Number:	
Fax Number:	

FORM B**STRUCTURE AND ORGANISATION OF PARTICIPANT**

No	Item	Details
1	Full Name of Participant (Note 1)	
2	Registered Address	
3	Contact Person's name Telephone Email Facsimile	
4	Legal Form (Note 2)	
5	Memorandum and Articles of Association and Joint Venture Agreement Attached (Note 3)	
6	Structure / Organisational Charts Attached	
Notes: (1) In case of a consortium, names of all Consortium Members MUST be included. (2) E.g. company, partnership, cooperative, consortium, joint venture, etc. (3) Or similar agreement (e.g. shareholders agreement, consortium agreement, etc.)		

FORM C

PARTICIPANT MEMBERS

No	Item	Lead Member	Member 1	Member 2	Member 3
1	Name				
2	Country of Registration				
3	Registered Address				
4	Name, Position and Designation of Contact Person				
5	Value of Contribution (Share of Total Equity)				
6	Description of Company				
7	Ultimate beneficial owners (if not listed) or listed parent company/ies				

Note: The Participant shall produce additional forms for additional members, as necessary.

FORM D

UNDERTAKING TO SAFEGUARD OFFICIAL INFORMATION

1 My attention has been drawn to the Official Secrets Act (Chapter 213, Revised Edition 2012) and in particular to Section 5 thereof which relates to the safeguarding of official information.

2 I understand and agree that all official information acquired by me in the course of my work and consultancy with any government department, statutory board or government-owned company is strictly confidential in nature, and is not to be published or communicated by me to any unauthorised person in any form at any time, without the official sanction of the relevant Permanent Secretary or the Chief Executive Officer of the statutory board or government-owned company.

3 I further understand and agree that any breach or neglect of this undertaking may render me liable to prosecution under the Official Secrets Act.

.....
(Signature of Company Representative)

.....
(Designation)

.....
(Date)

.....
(Full name in BLOCKS and NRIC)

.....
(Name of Company)

.....
(Signature of WITNESS)

.....
(Date)

.....
(Full name in BLOCKS and NRIC)

Annex A: Electricity Importer Framework

Market participation

- 1. Participation in Singapore Wholesale Electricity Market (“SWEM”).** The Importer is required to register with the EMC as a Market Participant and be subject to the Electricity Market Rules. Further information such as applicable market charges/fees is available on the [EMC website](#).
- 2. Must-schedule requirement.** The Importer shall be obligated to ensure it will be scheduled at least 90MWh every hour in the real-time dispatch schedule⁸ (“**Must-Schedule Requirement**”) and compete to secure dispatch into the SWEM except (1) during periods of planned or unplanned outage; (2) facilitation of contra arrangements between Singapore and Malaysia’s Power System; (3) for the purpose of discharging its duties and obligations under Importer Facility Operating Agreement to facilitate the transfer of energy between Singapore and Malaysia at any time including the mutual support of Singapore’s and Malaysia’s respective power systems. This will be monitored and enforced by the Market Surveillance and Compliance Panel.
- 3. Use-it-or-lose-it (“UIOLI”).** To ensure the Interconnector capacity is not hoarded for a Licence with long tenures, and provided that EMA allows for Licence to be extended beyond 2 years, the Importer will be subject to UIOLI safeguards where its licensed capacity of 100MW is proportionately reduced if the **Must-Schedule Requirement** is not met, after a grace period of 6 months is exceeded.
- 4. Pay-As-Scheduled Settlement.** The Importer is expected to deliver the scheduled quantity in each half-hourly dispatch period and will be paid by EMC as per Electricity Market Rules based on its scheduled quantity. For avoidance of doubt, this means that the Importer will not be paid by EMC according to its metered quantities. During daily operations, actual differences between the metered quantities and the scheduled quantities would mean that the Importer had either borrowed or lent electricity from/to TNB. The upstream generation company/electricity supplier is thus expected to enter into a commercial arrangement with TNB and/or the Importer separately to address these differences.
- 5. Metering Arrangements.** Singapore and Malaysia will utilise each country’s respective meters, for settlement in the Singapore and Malaysia jurisdictions respectively. The Importer may wish to enter into arrangements with TNB and TNB’s Grid System Operator (“**GSO**”) to address the risk of transmission losses and meter reading differences.

⁸ In the Electricity Market Rules, a real-time dispatch schedule means a schedule determined by the market clearing engine that contains the quantities of energy, reserve and regulation scheduled in respect of a registered facility.

6. **Metering Allocation in the event multiple importers share a single Interconnector.** It is possible that in the future, multiple importers could be delivering imports via the same Interconnector. As a single common meter reading will be read at the meter located in SPPA's transmission substation where the Interconnectors are terminated, the respective importers will be paid proportionately based on their respective scheduled quantities.

7. The Importer, having successfully registered as a market participant, is required to apply with EMC to create a separate user account on behalf of GSO. GSO will be able to access the user account to log into EMC to obtain the importer's half-hourly dispatch schedule from the EMC so as to facilitate dispatch across the Interconnector. The user ID will only allow GSO to access to the Importer's half-hourly dispatch schedule MW quantity dispatch information.

Technical requirements

8. **Reduction in import quantity limit due to system circumstances.** If the Interconnector or any equipment that is related or connected to or forms part of it (i.e. including but not limited to submarine cable, transformers, overhead lines) forming the Interconnector are out of service (e.g. due to equipment outage for repair or maintenance), then total imports would be reduced to quantum specified in the Agreed Operating Procedures. In addition, to facilitate contra arrangements between Singapore and Malaysia power systems, imports will be reduced to a quantity as advised by PSO and/or GSO. If preservation of the security and stability of the system necessitates, the interconnector may be disconnected if continuation of operating the interconnector will jeopardise the system.

9. **Reliability of supply.** Imported supply shall be non-intermittent (i.e. imported electricity supply for each half-hourly dispatch period must remain constant and stable to meet its half-hourly real time dispatch schedule.) The quantity of supply may only change during the transition between dispatch periods as per market dispatch schedule in accordance to the Electricity Market Rules.

10. **Provision to facilitate contra arrangements/mutual support.** In ensuring the import limits are not infringed, the importer, in coordination with PSO and GSO, shall be required to adjust its offers as advised by the PSO and/or GSO, to facilitate the return of energy between Singapore and Malaysia power systems (i.e. facilitate the contra arrangement); or (ii) mutual support to either Malaysia or Singapore's power system in times of need during imports.

Carbon requirements

11. **Renewable Energy Certificates ("RECs").** If the Importer has zero-carbon generation sources for the supply of electricity imports into Singapore, the Importer

shall submit RECs annually to EMA for verification. Such RECs shall adopt Singapore REC standard or an internationally-recognised standard and verified by accredited platforms or providers (e.g. International RECs (I-REC), Tradable Instrument for Global Renewables (TIGR)). REC ownership and trade will be determined on a commercial basis.

Treatment of imports via Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (“LTMS-PIP”)

12. In relation to LTMS-PIP imports, the Importer shall comply with any revision to the Electricity Import Framework and/or participate in any preparatory works (e.g. change in use of new interconnectors, test the operationalisation of LTMS-PIP imports). The Importer shall not unreasonably prevent or delay the implementation of LTMS-PIP imports.

Effective date of Electricity Import Framework

13. The Electricity Import Framework will commence and take effect on and from the **Start Date**.

14. As with any regulatory framework, EMA may from time to time review and enhance/modify any aspect of the Electricity Importer Framework in consultation with the stakeholders.

Annex B: Draft Electricity Import Licence by EMA

Licence No. EMA/IM/[Licence Number]

Electricity Licence for Electricity Importer Licensee

granted under
the Electricity Act (Cap. 89A) to

[Entity Name]

Disclaimer:

This draft Licence is as of 5 Mar 2021.

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ELECTRICITY LICENCE FOR ELECTRICITY IMPORTER LICENSEE

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PART I: SCOPE OF THE LICENCE

1. The Energy Market Authority of Singapore (the “**Authority**”), in exercise of the powers conferred by Section 9 of the Electricity Act (Cap. 89A) (the “**Act**”), hereby grants to [Entity Name] (the “**Licensee**”), a company incorporated in the Republic of Singapore with Registration Number [Entity Registration Number], an electricity import licence (the “**Licence**”) authorising the Licensee to:
 - (a) import electricity through the interconnectors and connection points set out in Schedule A to this Licence; and
 - (b) trade in any wholesale electricity market operated by the Market Company (“**Authorised Business**”),subject to the conditions of this Licence (the “**Conditions**”).
2. The Conditions are subject to modification in accordance with Section 12 of the Act.
3. This Licence authorises the Licensee to import electricity only through the interconnectors and connection points set out in Schedule A to this Licence.
4. Subject to paragraph 5 below, this Licence shall commence on the date set out below (the “**Effective Date**”) and expire two (2) years thereafter unless the Authority, at its option, extends the duration of the Licence that is equivalent to the duration of the electricity import/supply agreement entered into between the Licensee and a Power Plant Developer (the “**Supply Agreement**”) from the Effective Date. Any request for further extension of this Licence by the Licensee due to the renewal or further extension of the Supply Agreement is subject to the approval of the Authority.
5. The Authority may at any time during the term of this Licence revoke or suspend this Licence in accordance with Section 13 of the Act.
6. Any request for the termination of this Licence by the Licensee is subject to the approval of the Authority, whose approval shall not be unreasonably delayed or withheld beyond a 90-day period. Notwithstanding such request, the Licensee shall continue to be bound by the terms of this Licence until such time as the Authority notifies the Licensee in writing of such approval. The Licensee shall not be released from any obligation arising under this Licence prior to the date of such notification.

[Date]

NGIAM SHIH CHUN

Chief Executive

Energy Market Authority of Singapore

PART II: CONDITIONS OF THE LICENCE

Condition 1: Interpretation

1. Unless the context otherwise requires, words and expressions used in this Licence shall be construed as if they were in an Act of Parliament and the Interpretation Act (Cap. 1) applied to them and references to an enactment shall include any statutory modification or re-enactment thereof or any legislation substituted therefor after the date when this Licence comes into operation. A reference in this Licence to a body, whether statutory or not, that ceases to exist or whose functions are transferred to another body includes a reference to the body which replaces it or which substantially succeeds to its functions, powers or duties. A reference in this Licence to the word “including” or a grammatical variation thereof means “including but not limited to”.
2. Unless the context otherwise requires or the term is otherwise defined in paragraph 3 of this Condition, all terms defined in the Act shall have the same meaning when used in this Licence.
3. In this Licence, unless the context otherwise requires:

“Act”	means the Electricity Act (Cap. 89A);
“Authorised Business”	means, in respect of the Licensee, the business of importing electricity through the interconnectors and connection points set out in Schedule A to this Licence and trading in any wholesale electricity market operated by the Market Company;
“Authority”	means the Energy Market Authority of Singapore;
“Agreed Operating Procedures”	means the operating procedures agreed and entered into by Licensee, the Power System Operator, the Transmission Licensee and all other licensed electricity importer licensees as required under and in accordance with Condition 19;
“Connection Point”	means the point on the transmission system in Singapore where interconnectors are terminated;
“Director”	means any person who is a “director” within the meaning of Section 4(1) of the Companies Act (Cap. 50);

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“Effective Date”	has the meaning ascribed to that term in paragraph 4 of Part I;
“Import Capacity”	means the maximum power that can be imported, expressed in MW as set out in Schedule A;
“interconnector”	means a set of feeder circuits which transmit or convey electricity generated outside Singapore to the transmission system in Singapore;
“Licence”	means the electricity import Licence described in paragraph 1 of Part I;
“Licensee”	means the Licensee described in paragraph 1 of Part I;
“Malaysia Grid System”	means the system consisting (wholly or mainly) of high voltage electric lines (132kV and above) owned or operated by TNB and used for the transmission of electricity from one power station to a sub-station or to another power station or between substations or to or from any external interconnection, and includes any plant and apparatus and meters owned or operated by TNB in connection with the transmission of electricity;
“MW”	means Megawatts;
“Metering Code”	means the code of practice issued by the Authority that describes the minimum standards of performance in accordance with which a metering service provider is required to perform metering services;
“Power Plant Developer”	means a person who owns a power plant connected to the Malaysia Grid System and has entered into the Supply Agreement with the Licensee;
“Power System”	means a system comprising (a) the transmission system; and (b) generation facilities and load facilities, as defined in the market rules, connected to the transmission system in Singapore;

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“Power System Operator”	means the Authority exercising its function and duty in ensuring the security of supply of electricity to consumers and arranging for the secure operation of the transmission system in accordance with the market rules and applicable codes of practice as described in Section 3(3)(e) of the Act;
“Regulatory Contract”	means an agreement or arrangement which an electricity licensee is required, by a condition of this Licence, to enter into under Section 9(7)(a)(ii) of the Act;
“related enterprise”	in relation to the Licensee or its subsidiary means any company or partnership over which the Licensee or its subsidiary, as the case may be (either directly or through another subsidiary company) is able to exercise control, that is, to direct the decision-making process of the company or partnership, whether through holding issued share capital or voting power of the company or partnership;
“Relevant Legislation”	means the Act and the Energy Market Authority of Singapore Act (Cap. 92B), and includes in each case the regulations made thereunder;
“Supply Agreement”	means the Supply Agreement referred to in paragraph 4 of Part I;
“TNB”	means Tenaga Nasional Berhad, a limited liability company with the address at No. 129, Jalan Bangsar, 59200 Kuala Lumpur, Malaysia (Company Registration No. 200866-W); and
“Transmission Code”	means the code of practice issued by the Authority that describes the minimum standards of performance which a transmission licensee and those electricity licensees subject to such code of practice are required to observe with respect to the provision or use of transmission services.

4. For the purposes of the restriction on the transfer of this Licence, the provisions of Section 11 of the Act shall apply and, accordingly:

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- (a) this Licence is not transferable without the approval in writing of the Authority; and
 - (b) any purported transfer of this Licence shall be void.
5. Any reference in this Licence to a numbered paragraph is a reference to the paragraph bearing that number in the condition in which the reference occurs.
 6. Where in this Licence the Licensee is required to comply with any obligation within a specified time limit, that obligation shall be deemed to continue after that time limit if the Licensee fails to comply with that obligation within that time limit.
 7. The provisions of Section 99 of the Act shall apply for the purposes of the service of any document pursuant to this Licence.
 8. EMA has the right to revoke/suspend this Licence forthwith if the Licensee contravenes or fails to comply with any condition of this Licence.

Condition 2: Electricity Import Limit, Usage of Connection Point and Ownership of Interconnectors

1. The Licensee shall not, without the prior written approval of the Authority, import electricity via any interconnector or connection point other than the interconnectors and connection points set out in Schedule A to this Licence. Upon the approval of the Authority, such interconnector or connection point approved by the Authority shall be deemed to be included in and form part of Schedule A with effect from such date as specified by the Authority in its approval.
2. The Authority may, at its discretion, direct the Licensee to import electricity via any other interconnector and/or connection point. Upon such direction of the Authority, such other interconnector and/or connection point as specified by the Authority in the direction shall be deemed to be included in and form part of Schedule A with effect from such date as specified by the Authority in the direction.
3. The Licensee shall only be allowed to import electricity up to the Import Capacity, and from the generation sources and location(s), and subject to the parameters and conditions specified in Schedule A. Notwithstanding this, the Authority may, if it considers necessary (i) in the event of any prolonged outage of the interconnector or any equipment that is related or connected to or forms part of it (including but not limited to submarine cables, transformers and overhead lines) or (ii) for the purpose of discharging the Authority's duties and obligations in order to facilitate the transfer of energy between Singapore and Malaysia at any time including the mutual support of Singapore's and Malaysia's respective power systems, specify such reduction to the Import Capacity or revoke/suspend the Licensee's Authorised Business for such period or periods as the Authority considers necessary.
4. The Licensee shall not discontinue any import of electricity from any interconnector or connection point set out in Schedule A without the prior written approval of the Authority. The Licensee shall seek prior written approval from the Authority 6 months in advance of its intention to discontinue any such import

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of electricity during the first 2 years and 4 years in advance after the Authority extends the duration of the Licence. Where the Authority approves the discontinuation of any such import of electricity by the Licensee, such import of electricity shall be deemed to be deleted from Schedule A with effect from such date as specified by the Authority in its approval.

5. The Licensee may apply for the approval of the Authority to revise Schedule A. Upon the approval of the Authority, the revised Schedule A shall take effect from such date as specified by the Authority in its approval.
6. The Licensee shall not acquire, own, operate or have control over any interconnector and/or connection points, where relevant, other than the interconnectors and connection points set out in Schedule A to this Licence, without the prior written approval of the Authority.

Condition 3: Composition of the Board of Directors

1. The Licensee shall procure that at all times its directors shall not be employed by nor hold any office or engagement with:
 - (a) any other Electricity Importer licensee or any person exempted from the obligation to hold an electricity licence to import or export electricity;
 - (b) any person authorised by an electricity licence or exempted from the obligation to hold an electricity licence, to engage in an activity referred to in one or more of subsections (a), (b), (ba), (e), or (g) of Section 6(1) of the Act; or
 - (c) a gas transporter or gas transport agent under the Gas Act (Cap. 116A).
2. The Authority may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition, for such period, as the Authority may determine.

Condition 4: Prohibition of Acquisition of Shares

1. The Licensee shall not directly or indirectly through its related enterprises acquire or hold any shares in:
 - (a) any other electricity importer licensee or any person exempted from the obligation to hold an electricity licence to import or export electricity;
 - (b) any person authorised by an electricity licence or exempted from the obligation to hold an electricity licence, to engage in an activity referred to in one or more of subsections (a), (b), (ba), (e) or (g) of Section 6(1) of the Act; or
 - (c) a gas transporter or gas transport agent under the Gas Act (Cap. 116A).
2. The Authority may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition, for such period, as the Authority may determine.

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Condition 5: Compliance with Market Rules

1. The Licensee shall at all times comply with the provisions of the market rules applicable to the Licensee.
2. The Licensee shall apply to the Market Company for registration as a market participant and shall apply to the Market Company for the registration of each interconnector and connection point set out in Schedule A. Nothing in this paragraph shall require the Licensee to register with the Market Company any interconnector and connection point that is exempted from the requirement of registration under the market rules.
3. The Licensee shall notify the Authority:
 - (a) of the filing of the applications referred to in paragraph 2 of this Condition;
 - (b) upon being registered or denied registration as a market participant;
 - (c) upon registration of each interconnector and connection point set out in Schedule A or upon the registration of any interconnector or connection point set out in Schedule A being denied;
 - (d) upon the suspension or termination of its registration as a market participant, or upon the cancellation or revocation of the registration of any interconnector or connection point set out in Schedule A under the market rules or upon the filing of an application for the transfer of the registration of any such interconnector or connection point under the market rules; and
 - (e) no less than three (3) months before any application is filed by the Licensee to withdraw its registration as a market participant.

Condition 6: Codes of Practice

1. The Licensee shall be subject to and shall comply with:
 - (a) the Transmission Code;
 - (b) the Metering Code; and
 - (c) any other relevant codes of practice and standards of performance issued or approved under Section 16 of the Act.
2. The Licensee shall be requested to participate in the development of any code of practice and standard of performance to be issued by the Authority if such code of practice or standard of performance will directly or indirectly affect the Authorised Business of the Licensee.
3. The Licensee may propose modifications to a code of practice or standard of performance that is in force at the relevant time by notifying the Authority in writing of the proposed modification. The Authority may:
 - (a) review the proposed modification to a code of practice and determine whether the proposed modification should be made, in accordance with the code modification process set out in the relevant code; and

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- (b) review the proposed modification to a standard of performance to determine whether the proposed modification should be made.
- 4. The Authority may by written notification, exempt the Licensee from compliance with any code of practice, in whole or in part, and subject to such terms and conditions as the Authority may determine.
- 5. (1) The Licensee shall not:
 - (a) with regard to its Authorised Business or the electricity industry,
 - (i) make, prepare, attest to or certify, orally or in writing, any representation or statement that is false, incorrect or misleading or open to misconstruction by any person; or
 - (ii) make any representation or statement, orally or in writing, or give any answer, orally or in writing, or otherwise conduct itself in a manner that is likely to mislead any person; or
 - (b) mislead or otherwise create any confusion in the mind of a person about its Authorised Business.
- (2) If the Authority is satisfied that the Licensee is contravening or has contravened any provision of paragraph (1), the Authority may, by notice in writing to the Licensee, direct the Licensee to take such steps, as are specified in such direction, to correct such false, incorrect or misleading representation, statement or answer or to correct such confusion, including without limitation, by requiring the Licensee to publish a correction or to write to such persons to set out the correct facts within a specified period of time as directed by the Authority.
- (3) The Authority may take enforcement action against the Licensee in accordance with the provisions of the Act if the Licensee fails to comply with the direction of the Authority issued under paragraph (2) above.

Condition 7: Regulatory Contracts

- 1. The Licensee shall enter or shall have entered into the following Regulatory Contracts:
 - (a) a connection agreement with the transmission licensee for the connection of the interconnectors set out in Schedule A;
 - (b) if so requested by the Market Company, a contract referred to in Condition 8;
 - (c) an agreement with the Power System Operator for the purposes of creating a contractual relationship between the Power System Operator and the Licensee as a market participant; and
 - (d) an agreement with a market support services licensee for the provision of metering services.
- 2. The Licensee shall participate in the development of any regulatory contract to which the Licensee will be a party.

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3. If after a period which appears to the Authority to be reasonable, or such period agreed to between the parties and approved by the Authority, or such other period as stipulated by the Authority from time to time, the Licensee has failed to enter into a Regulatory Contract referred to in paragraph 1 of this Condition, the Authority may, at the request of the Licensee or the party aggrieved by such failure, determine any terms of the Regulatory Contract in such manner as appears to the Authority to be reasonable. The Licensee shall thereafter enter into the Regulatory Contract on the terms determined by the Authority.
4. Paragraph 3 of this Condition shall not apply to any regulatory contract under which the Authority or an entity that is operated by or to which the Authority has a shareholding is a party, in which case an independent third party shall be appointed to negotiate any terms that remain unresolved as between the Authority or the aforesaid entity, as the case may be, and the Licensee.
5. Any dispute arising under any regulatory contract to which the Licensee is a party shall, subject to paragraph 3 of Condition 8, be resolved in accordance with the dispute resolution provisions of such regulatory contracts.

Condition 8: System Security and Reliability

1. The Licensee shall, if so requested by the Market Company acting on behalf of the Power System Operator, negotiate and enter into regulatory contracts designed to support the reliable operation of the power system. These regulatory contracts, if applicable, may include an ancillary service contract regarding the provision of ancillary services as defined in the market rules.
2. A regulatory contract referred to in paragraph 1 of this Condition shall comply with all applicable provisions of the market rules and shall, when so required by the Authority in accordance with the market rules, be on such terms and conditions as may be approved by the Authority.
3. Any dispute arising under a regulatory contract referred to in paragraph 1 of this Condition shall be resolved in accordance with the dispute resolution provisions of the market rules.
4. If new interconnectors between Singapore and Malaysia are constructed and come into operation, the Licensee shall, if so requested by the Authority, use the new interconnector(s) and/or connection point(s) for the transmission of electricity and bear the associated charges of such interconnector(s) and/or connection point(s).
5. Before the Authority, at its option, extends the duration of the Licence beyond two (2) years from the Effective Date, the Licensee shall procure existing backup generation in Singapore (if so requested by the Authority) and/or install new backup generation in Singapore, that is sufficient to fully back up the Import Capacity, to cater for the event when the electricity to Singapore via any interconnector and/or connection point becomes unavailable for an extended period of time.

Condition 9: Preparation for Emergencies and Security Arrangements

1. The Licensee shall take such action as the Authority may reasonably require, taking into consideration the provisions of the market rules related to emergency preparedness and restoration of the power system.
2. The Licensee shall develop and implement such plans and arrangements as are prudent to ensure the safety, security and reliability of its operations at all times and, where reasonably practicable, the continuity of supply from the interconnectors and connection points set out in Schedule A in the event of an emergency taking into consideration the provisions of the market rules relating to emergency preparedness and restoration of the power system.

Condition 10: International Obligations

1. The Licensee shall exercise its rights and powers and perform its duties and obligations under this Licence in a manner which is consistent with the Singapore Government's obligations:
 - (a) by virtue of the Singapore Government being a member of an international organisation or a party to an international agreement; or
 - (b) to attain or facilitate the attainment of that which is requisite and expedient in view of the Singapore Government being a member of such an organisation or a party to such an agreement,to the extent that the Licensee has notice of such membership or agreement pursuant to paragraph 2 of this Condition.
2. The Authority shall notify the Licensee from time to time of any membership or agreement to which paragraph 1 of this Condition applies.
3. The Licensee may apply to the Singapore Government for compensation or grant to offset any loss or damage sustained as a result of complying with paragraph 1 of this Condition based on an audited claim submitted by the Licensee for such loss or damage.

Condition 11: Investigation of Offences

1. The Licensee shall monitor its activities with respect to compliance with this Licence and shall report any suspected non-compliance to the Authority. The Licensee shall also submit annually, or at such other frequency as notified by the Authority in writing, a compliance statement to the Authority that it has complied with the requirements in this Licence or describing any cases of suspected non-compliance.
2. Where it comes to the attention of the Licensee that another electricity licensee has breached its electricity licence or relevant legislation, the Licensee shall report such suspected non-compliance to the Authority.
3. Where the Licensee reports suspected non-compliance by itself or another electricity licensee, or requests the Authority to institute a prosecution against any person for contravening a provision of relevant legislation in relation to the

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Authorised Business, the Licensee shall furnish to the Authority as soon as reasonably practicable:

- (a) a written report on the suspected non-compliance or contravention; and
 - (b) any relevant information and evidence in the possession or control of the Licensee and requested by the Authority.
4. Where the Authority receives any information from any person other than the Licensee indicating that an offence under relevant legislation may have been committed in respect of activities or property belonging to or managed by the Licensee, the Authority may, subject to Section 5 of the Act, inform the Licensee of such information and the Licensee shall furnish to the Authority as soon as reasonably practicable:
- (a) a written report on the suspected offence; and
 - (b) any relevant information and evidence in the possession or control of the Licensee and requested by the Authority.
5. The Licensee and its directors and officers shall give full assistance and cooperation to the Authority and its prosecuting officer or counsel in connection with any prosecution proceedings arising from paragraphs 1 through 4 of this Condition.

Condition 12: Information, Access and Audit Rights of the Authority

1. The Licensee shall promptly inform the Authority of any circumstances which result, or are likely to result, in a change in the information provided to the Authority and shall provide updated information to the Authority in a timely manner.
2. Without prejudice to the powers of the Authority to call for information under or pursuant to any other conditions in this Licence or relevant legislation, the Licensee shall, at the Licensee's cost, furnish to the Authority such information as the Authority requires pursuant to Section 4 of the Act and in such form as the Authority requires.

Condition 13: Special Administration Order

1. In accordance with any special administration order made by the Minister under Section 29 of the Act, the Authority may directly or indirectly manage the affairs, business and property of the Licensee in accordance with Section 28 of the Act. In such an event, the Licensee shall allow the Authority such access to or control of its property as required to permit the Authority to meet its obligations under the special administration order during the period for which the order is in force.

Condition 14: Payment of Fees

1. The Licensee shall, at the times stated hereunder, pay to the Authority fees of the amount specified in, or determined under, paragraphs 2 to 5 of this Condition.

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2. The Authority shall, after the issue of this Licence, notify the Licensee in writing of the initial fee to be paid and the Licensee shall pay such fee to the Authority within 30 (thirty) days thereof.
3. The Authority shall notify the Licensee on or before the 1st of April of each year in which this Licence is in effect of the fee to be paid and the Licensee shall pay such fee to the Authority on or before 30th April of each such year.
4. Without prejudice to any other powers of the Authority under this Licence or the Act, if the Licensee shall fail to pay in full any fee due pursuant to this Condition on or before the due date for payment thereof, the Licensee shall, in addition to the fee due, also pay to the Authority interest thereon at the Prescribed Rate described in paragraph 5 below, which interest shall accrue daily on the amount unpaid on and from such due date to the date of actual payment and shall be compounded monthly at the end of each calendar month.
5. The Prescribed Rate shall be the rate which is four percentage points (4%) above the arithmetic average of the rates quoted in Singapore by The Development Bank of Singapore Limited, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited (or such other banks as the Authority may specify in writing from time to time) as being the respective prime lending rates of such banks for each day of the period for which interest accrues, and in respect of any day during such period which is not a day for which such a rate is quoted the last preceding rate quoted shall apply.

Condition 15: Obligation to Provide Performance Bond

1. The Licensee shall provide a performance bond, guarantee, banker's guarantee or such other form of security as the Authority shall reasonably require to secure performance of any or all of the obligations, terms or conditions applicable to the Licensee and to be observed or performed under this Licence or the Act. The Authority may at its discretion, require new or additional or other security to be furnished by the Licensee at any time. Such security shall be on such terms and for such duration, and shall be furnished within such period, as the Authority may reasonably require. The Authority shall give the Licensee no less than fourteen (14) days' prior notice before calling or drawing on the performance bond, guarantee, banker's guarantee or such security.

Condition 16: Creditworthiness of Licensee

1. The Licensee shall provide timely updated information to the Authority on its creditworthiness, at a minimum frequency of once per year. If the Authority reasonably assesses that the Licensee is not sufficiently creditworthy, the Authority may revoke this License.

Condition 17: Obligation to Provide Open Access to Infrastructure

1. The Licensee shall provide access to the interconnectors and connection points set out in Schedule A, without undue discrimination.

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2. If a person, after negotiating with the Licensee, is unable to obtain or secure access to or is unsuccessful in obtaining or securing access to any interconnector and connection point set out in Schedule A and applies to the Authority to obtain or secure access to that interconnector and connection point, the Authority may reasonably direct the Licensee to enter into relevant agreements with the applicant to:
 - (a) allow the applicant appropriate right of access to such quantities of electricity imports as may be specified in the Authority's direction;
 - (b) ensure that such right of access is not prevented or impeded;
 - (c) provide for any reasonable fee or charge payable by the applicant to the Licensee in consideration of the Licensee granting the right of access to the applicant;
 - (d) grant the applicant any ancillary or incidental rights that the Authority considers necessary; and
 - (e) specify the arrangement for the allocation of electricity supplied and measured through that interconnector.

Condition 18: Safety and Security of Interconnector

1. The Licensee shall facilitate the maintenance and repair of the interconnector and connection point, where relevant, in a reasonable and prudent manner to ensure the safe and efficient operation of its interconnector.

Condition 19: Agreed Operating Procedures

1. The Licensee shall, by the date specified by the Authority under paragraph 2 of this Condition, enter into an Agreed Operating Procedures with the Power System Operator, the Transmission Licensee and all other licensed electricity importer licensees, as set out in Annex A of this Licence.
2. The Agreed Operating Procedures shall come into force by a date as proposed by the Licensee and approved by the Authority, whose approval shall not be unreasonably delayed or withheld.
3. The Agreed Operating Procedures shall include a procedure for ensuring the secure operation of the power system in the event of electricity supply emergencies and major incidents and revise the Agreed Operating Procedures from time to time, if necessary. The Agreed Operating Procedures shall be developed and revised by the Power System Operator in consultation with the Licensee and Transmission Licensee. The Licensee shall comply with the Agreed Operating Procedures at all times.
4. Where the Licensee and any other licensed electricity importer licensees are unable to come to agreement on the terms of the Agreed Operating Procedures required under Condition 1, the Licensee shall:
 - (a) implement the terms of the Agreed Operating Procedures as directed by the Authority; and

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- (b) comply with any directions made by the Authority.
- 5. The Licensee shall ensure that at all times it has appropriate resources and is able to engage or arrange for persons with the appropriate skills to carry out its obligations under the Agreed Operating Procedures.
- 6. The Licensee shall review the Agreed Operating Procedures at least once during the first 2 years from the Effective Date and thereafter once every 3 years or as and when directed by the Authority.
- 7. The Licensee shall, as and when required by the Authority after consultation with the Licensee at its own cost arrange for audits of the Agreed Operating Procedures to be conducted by an independent third party approved by and shall submit the audit reports to the Authority.

Condition 20: Implementation of Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (“LTMS-PIP”) for Electricity Imports

- 1. The Licensee shall participate in such preparatory works and perform such functions, take such actions and carry out such works in relation to the implementation of the LTMS-PIP as the Authority may direct, and shall use its best endeavours to facilitate and shall not unreasonably prevent or delay the implementation of LTMS-PIP.

Condition 21: Renewable Energy Certificates (“RECs”)

- 1. Where the Licensee imports electricity into Singapore that is generated from zero-carbon generation sources, the Licensee may submit the relevant RECs in respect thereof annually to the Authority for verification. The RECs submitted by the Licensee to the Authority must be in accordance with the Singapore REC standard or an internationally-recognised standard that is verified by accredited platforms or providers and approved by the Authority.

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ANNEX A: Parties to the Agreed Operating Procedures with the Licensee

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Note: The Agreed Operating Procedures shall be developed and revised by the Power System Operator in consultation with the Licensee and Transmission Licensee.

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SCHEDULE A

(Effective on DD MMM YYYY)

1. Operational identifier of interconnector	
2. Connection point	Cable joints at <address, lot number or GPS coordinates> or <name of SPPG substation, including address>
3. Import Capacity	Up to 100MW
4. Import start date	<Depending on the Participant's proposal>
5. Duration of allowed imports	
6. Operational identifier of generating source(s) of imports (e.g. generating station and generating unit name)	
7. Source location(s) of imports	
8. Capacity of generating source(s) of imports	