

PRESS RELEASE



27 August 2008

Good progress in the development of the Electricity Vending System

The Energy Market Authority (EMA) is developing the Electricity Vending System (EVS), a pilot project which is co-funded by The Enterprise Challenge (TEC) under the Prime Minister's Office and SP Services Ltd.

Smart meters will enable the retail market for small consumers to become contestable. Contestability will enable competition to develop in the sale of electricity to small consumers.

Smart meters however are expensive. The objective of the EVS is to re-engineer the retail process by making use of the capabilities of smart meters. EVS would thus enable us to reap efficiency gains and potentially reduce the cost of retailing of electricity.

The development of the EVS has been as scheduled. The design of the system and the testing of the component parts have been completed. The next part of the development work requires these component parts to be integrated and tested as a whole.

EMA will conduct trial runs involving 1,000 volunteer households over a 6-month period starting in November 2008.

The trial runs will involve consumer participation and will test the following:

Demand management by Consumer

The EVS enables a consumer to

- choose an electricity package that best suits his lifestyle;
- know the cost of the electricity being consumed when he switches on appliances in his home; and
- manage the electricity consumed in his home.

User friendliness of options to help Consumer buy electricity

The EVS will provide

- information and tools to help a consumer decide on the electricity package which best suits his lifestyle;
- different ways to pay for electricity; and
- additional information that a consumer may want as value-added services.

Consumer Feedback

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- The trials seek to test the efficacy of these various options enabled by the EVS and to gather feedback from consumers on how the EVS can be further improved.

The trials of the prototype EVS will be conducted at selected areas of the Marine Parade Group Representation Constituency (GRC) and West Coast GRC in phases, involving 1,000 volunteers.

The EVS pilot project is expected to be completed by the second half of 2009. EMA will then evaluate the feasibility of implementing the EVS.

About The Enterprise Challenge (TEC)

The Enterprise Challenge (TEC) is an initiative to harness innovative ideas for the Public Service. It provides support for the trial testing of innovative ideas that has the potential to create new value and bring about improvements in the delivery of public services. TEC charts a milestone in the Singapore Public Service's journey to excellence through innovation and enterprise.

About Energy Market Authority (EMA)

EMA was established in the 2001 to forge a secure, long-term electricity industry that thrives on healthy competition. New market structures have been created to promote competition in the electricity and piped gas industries. EMA will also continue to promote cost competitive outcomes for consumers by ensuring a level playing field for competition within the electricity and piped gas industries.