

## PRESS RELEASE



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### **Singapore energy R & D gets boost from new fund**

**Singapore, 3 Nov 2008** – Energy Market Authority (EMA) has set up an Energy Research Development Fund (ERDF) to seek energy solutions that take into account the unique environment and conditions of Singapore's energy landscape. This was announced by the Minister for Trade and Industry, Lim Hng Kiang at the welcome dinner of the International Energy Week.

Minister Lim Hng Kiang said, "This \$25 million fund, to be spent over the next 5 years, will provide financial support to any interested parties, aimed at developing capabilities and knowledge, including the creation of suitable market mechanisms and infrastructure to enable the implementation of new energy solutions. The ERDF will fund projects on a smaller scale initially, to pave the way for larger scale adoption once the energy solutions have proven feasible."

Mr Khoo Chin Hean, Chief Executive of EMA said, "We can already see cleaner and more efficient energy technologies emerging and we anticipate these will become cost competitive in time. We will need to ready our infrastructure for such technologies and a high degree of customisation to local conditions may be needed. The ERDF is to seed the research and development work needed to enable such customization. This will ensure we stay ahead of the curve and not have to wait till suitable knowledge is developed elsewhere for us to adopt technologies that can benefit Singapore."

Examples of new energy solutions include the imminent entry of plug-in hybrid electric vehicles (PHEVs). While PHEVs are suitable for a compact urban environment like Singapore, they may not be used here without supporting infrastructure to enable such vehicles to be charged. There is a need for R&D to determine what kind of supporting infrastructure is required in Singapore where the majority of the population lives in housing estates and how that infrastructure can be optimized.

The search for alternative energy solutions is increasingly taking on global proportions and a country's ability to adapt to such new energy solutions as they emerge will become a point of competitive advantage. It would be suboptimal if an emerging energy solution that best suits Singapore cannot be used because there is a lack of knowledge to ensure that the right kind of supporting infrastructure is in place.

While there are existing public sector schemes that promote energy research, the ERDF focuses on developing enabling capabilities. It will go beyond technology research, encompassing the building up of knowledge to enable the creation of

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suitable policies, including the market signals and infrastructure needed to exploit new opportunities from emerging energy solutions. Both local and overseas institutions will be invited to submit their proposals and bid for research funds from the ERDF.

### **About the Energy Market Authority**

Energy Market Authority (EMA) was formed on 1 April 2001 as a statutory board under the Ministry of Trade and Industry 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.