

MEDIA RELEASE

5 March 2021

EMA Seeking Proposals for Electricity Imports Trial

The Energy Market Authority (EMA) has issued a Request for Proposal (RFP) for the appointment of an importer for a two-year trial to import electricity from Peninsular Malaysia.

2. To meet our climate change commitments, there is a need to change the way Singapore produces and uses energy. Regional power grids are one of the four switches for power supply in Singapore, which will help us achieve a more reliable, affordable and cleaner energy future. (Refer to <u>Annex</u> for more information on the four switches.)

3. The trial, announced by Minister for Trade and Industry Chan Chun Sing at the Singapore International Energy Week 2020, aims to test the technical and regulatory frameworks for importing electricity into Singapore. This will help to facilitate larger-scale imports from the region in future.

4. Under this RFP, up to 100 megawatts (MW) of electricity will be imported for sale in Singapore, via an existing undersea cable between the two countries. This constitutes around 1.5% of Singapore's peak electricity demand in 2020, which can power approximately 144,000 four-room HDB flats for a year.

5. During the two-year trial, the imported electricity should preferably be from lowcarbon sources. Proposals for electricity imported from coal-fired generation sources will not be accepted. Potential importers will have to demonstrate their supply reliability, credibility and track record, ability to secure demand from Singapore consumers, and plans to manage the power supply's carbon emissions.

6. Interested parties are invited to submit proposals by 4 June 2021, 3pm (Singapore time). More details on the RFP are available online at <u>www.ema.gov.sg/rfp-electricity-importer-2021</u>.

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About the Energy Market Authority

The Energy Market Authority (EMA) is a statutory board under the Ministry of Trade and Industry. Our main goals are to ensure a reliable and secure energy supply, promote effective competition in the energy market and develop a dynamic energy sector in Singapore. Through our work, EMA seeks to forge a progressive energy landscape for sustained growth.

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FACTSHEET ON SINGAPORE'S VISION TO BE A BRIGHT GREEN SPARK

To tackle climate change concerns, Singapore has to change the way we produce and consume energy. Minister for Trade and Industry Mr Chan Chun Sing shared Singapore's aspiration to be a "Bright Green Spark" at the Singapore International Energy Week (SIEW) in October 2020 to be an inspiration to other cities as we move towards a cleaner, more reliable and affordable energy future.

2 As part of this vision, we will harness four switches to transform and diversify our energy supply. The four switches are natural gas, solar energy, regional power grids, and emerging low-carbon alternatives. This will be supported by energy conservation efforts and improving energy efficiency across all sectors.

1st Switch: Natural Gas

Natural gas is the cleanest form of fossil fuel and will continue to be a dominant fuel for Singapore's electricity generation in the near future. EMA will continue to diversify our gas sources and work with our power generation companies to improve the efficiency of their power plants.

2nd Switch: Solar

Solar is the most promising renewable energy source for Singapore. Energy storage systems are also vital as they help us manage the intermittency of renewable energy sources. Singapore is working towards a solar target of 1.5 gigawatt-peak by 2025, and at least 2 gigawatt-peak by 2030, with an energy storage deployment target of at least 200 megawatts beyond 2025.

3rd Switch: Regional Power Grids

We are studying ways to develop regional power grids for cost-competitive and low-carbon energy. This could be realised through bilateral cooperation and regional initiatives. For a start, we intend to embark on a two-year trial for 100 megawatts¹ of electricity imports from Peninsular Malaysia to Singapore. We are also initiating cross-border power trade under the 4-country Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP).

4th Switch: Emerging Low-Carbon Alternatives

We are exploring emerging low-carbon solutions (e.g. carbon capture, utilisation and storage technologies, low-carbon hydrogen) that can help reduce Singapore's carbon footprint.

¹ This will make up about 1.5% of Singapore's peak electricity demand (based on 2020's figures).

We will continue to improve our energy efficiency in the various sectors. We will also empower households with more information to help them better manage their electricity consumption.

3 Visit www.beyondthecurrent.gov.sg for more information.