

MEDIA RELEASE

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New Residential Demand Response Pilot to Empower Households to Reduce Electricity Consumption during Demand Peaks

The Energy Market Authority (EMA) and SP Group (SP) will pilot a Residential Demand Response (R-DR) programme to empower households equipped with smart meters to actively reduce electricity consumption during demand peaks in the power system. Targeted to be launched by second half of 2024, this pilot is the first-of-its-kind in Singapore to call upon households to make a significant difference for a more resilient and sustainable energy future.

2 With system peak demand forecasted to increase at a compound annual growth rate of up to 6.5% over the next five years, reducing electricity consumption temporarily during peak demand periods, otherwise known as Demand Response (DR), helps to keep the power system running smoothly and more efficiently by making use of demand-side resources in addition to supply-side (such as large conventional power plants) to balance electricity demand and supply. For commercial and industrial companies, EMA has seen about a 1.5 times increase in demand-side resources, totaling to about 100MW since the launch of EMA's regulatory sandbox¹.

3 With smart meters progressively being deployed to residential and non-residential consumers, more consumers will soon be able to contribute to DR, by using these smart meters to monitor their electricity consumption, making electricity management simpler and more rewarding. Consumers can keep track of their weekly carbon emissions and adjust their electricity consumption habits accordingly to help reduce emissions, thereby minimising their environmental impact. As of September 2023, SP has installed more than 834,000 smart electricity meters across residential and non-residential premises.

¹ In 2022, EMA launched a two-year regulatory sandbox for commercial and industrial companies to optimise their energy consumption. Participating companies will have to manage their electricity demand when activated and receive payments as an incentive for reducing their electrical demand on the national power grid.

4 The residential demand response pilot will use the SP mobile application (SP app) to send alerts to participating households to temporarily reduce or defer their electricity consumption. Households can take action by deferring the use of home appliances such as washing machines or dishwashers, or increase the temperature or even switch off air-conditioning. Participants will in turn enjoy benefits such as financial incentives.

5 On the pilot for households, Mr Ngiam Shih Chun, Chief Executive of EMA, said: "The demand response pilot helps to involve households in lowering electricity demand during peak periods. This can help create a more sustainable and efficient energy ecosystem for everyone."

6 Mr Stanley Huang, Group Chief Executive Officer of SP Group, said: "Partnering EMA on this pilot, SP Group will empower consumers with digital solutions to be more energy efficient and reduce carbon emission. Enhanced features on our SP App will provide consumers with timely and useful information on their utilities usage and patterns. Insights from this data are aimed at nudging consumers to make adjustments easily to reduce their consumption."

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About the Energy Market Authority

The Energy Market Authority (EMA) is a statutory board under the Singapore Ministry of Trade and Industry. Through our work, we seek to build a clean energy future that is resilient, sustainable, and competitive. We aim to ensure a reliable and secure energy supply, promote effective competition in the energy market and develop a dynamic energy sector in Singapore. Visit www.ema.gov.sg for more information.

About SP Group

SP Group is a leading utilities group in the Asia Pacific, empowering the future of energy with low-carbon, smart energy solutions for its customers. It owns and operates electricity and gas transmission and distribution businesses in Singapore and Australia, as well as sustainable energy solutions in Singapore, China, Thailand and Vietnam.

As Singapore's national grid operator, about 1.6 million industrial, commercial and residential customers benefit from its world-class transmission, distribution and market support services. These networks are amongst the most reliable and cost-effective worldwide.

Beyond traditional utilities services, SP Group provides a suite of sustainable and renewable energy solutions such as microgrids, cooling and heating systems for business districts and residential townships, solar energy solutions, electric vehicle

fast-charging stations and digital energy solutions for customers in Singapore and the region.

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