

# OVERVIEW OF ENERGY AND REGULATORY STRUCTURE OF SINGAPORE

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*Smart Energy, Sustainable Future*

# Balancing Singapore's Energy Challenges



# Singapore's Energy Landscape

- **Singapore imports almost all our energy and is subject to the volatility of the global markets.** Today, more than 90% of our electricity is generated using natural gas. Many other industries also use natural gas as feedstock.
- First LNG terminal became operational in May 2013. This will allow Singapore to **source for price-competitive gas globally**, as compared to importing piped natural gas from Malaysia and Indonesia previously.
- Beyond LNG, Singapore is **looking at possible options to diversify our energy mix**, such as electricity imports and renewable energy.

## Development of a Secondary Gas Market

- Unlike more liquid regional markets where buyers have access to gas-on-gas pricing, our gas is mostly sold on **long-term contracts and indexed to oil products**. This subjects Singapore to volatility of global markets.
- We hope that recent changes in the global gas market could lead to cheaper prices in Asia, plus opportunities to diversify the price formulae of our gas contracts.
- Singapore is also studying the development of a secondary gas market to **better allow industry players to trade gas in a spot market with each other, and optimise their own portfolios**.

# Facilitating Deployment of Renewable Energy in Singapore

- Due to our physical constraints, Singapore has limited renewable energy options. **Solar is currently the most viable renewable energy option for Singapore.** Limitations include: space constraints, cloud cover and shadows from neighbouring buildings.



- Singapore is taking proactive steps to maximise solar deployment, while looking for technological and economic solutions to deal with its intermittent nature.

# Promoting Competitive Energy Markets



Developing an Electricity Futures Market

Working towards Full Retail Contestability (FRC)



Introducing a Demand Response Program

**Thank You**