

DEVELOPING AND REGULATING LNG INFRASTRUCTURE

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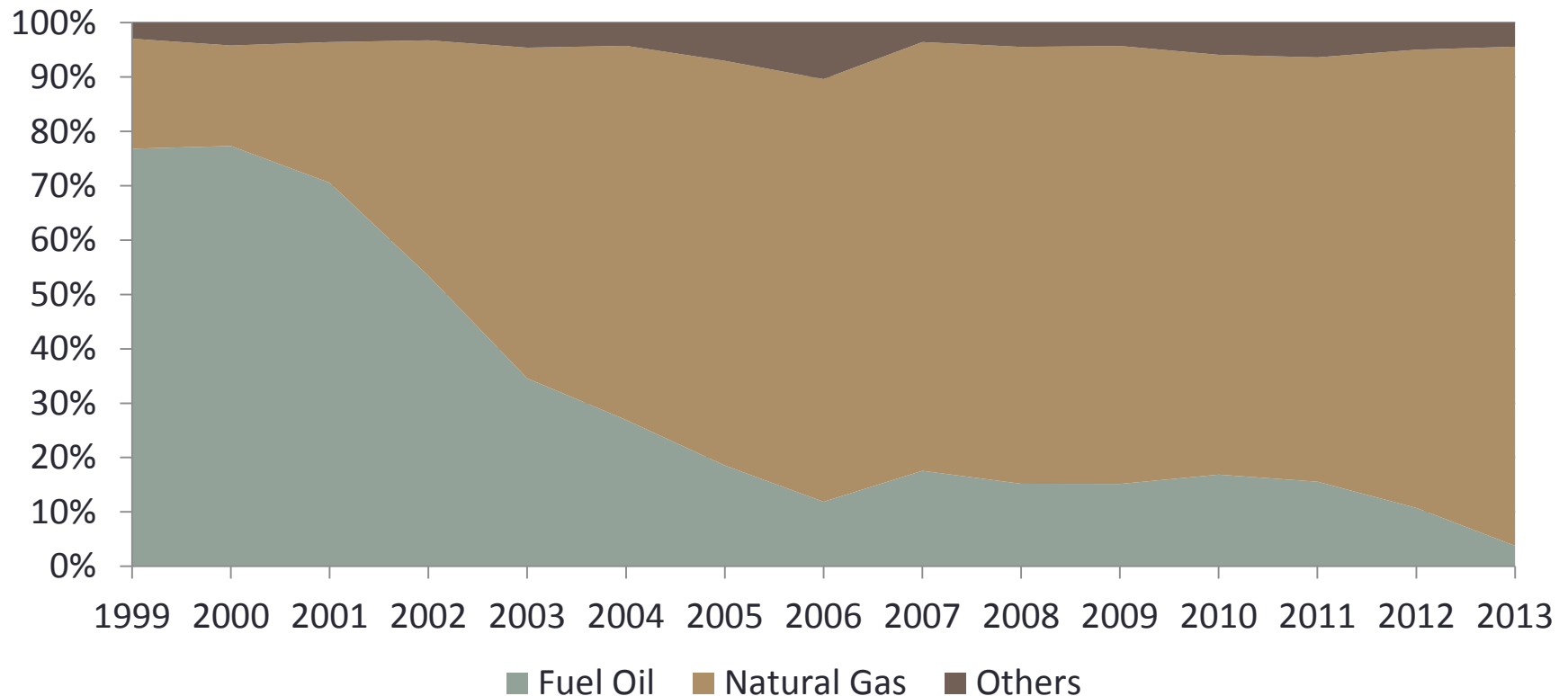


Smart Energy, Sustainable Future

Growth in Singapore's Demand for Natural Gas

- Natural gas is the **dominant fuel source for power generation in Singapore**. Beyond power generation, natural gas is also used in several industry applications.

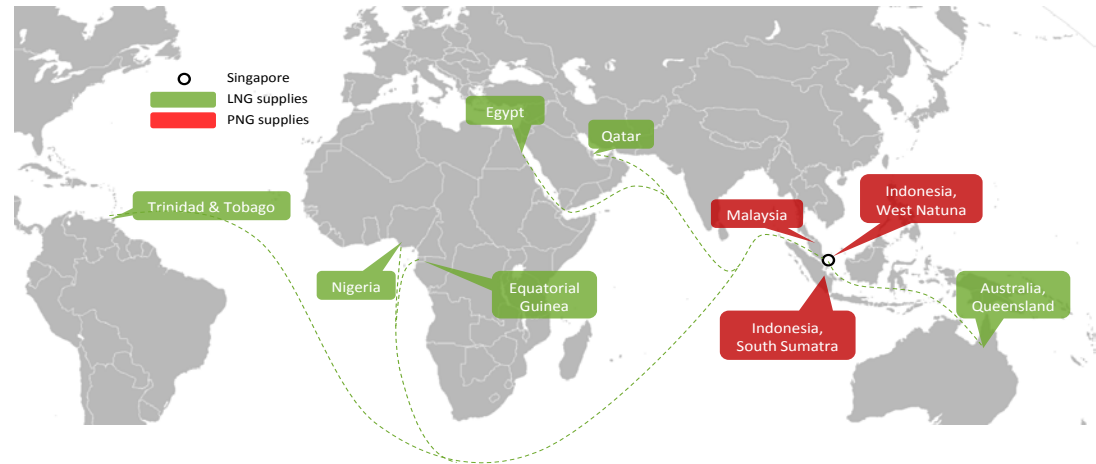
Fuel Mix for Singapore Power Generation



Decision to import LNG to meet our **strategic objectives of energy security and price competitiveness**

1

Flexibility to import from multiple sources and access competitively priced gas from global markets



Reference: <http://thediplomat.com/2013/09/singapore-emerges-as-lng-trading-hub/>

2

Enhances competition in the electricity market

3

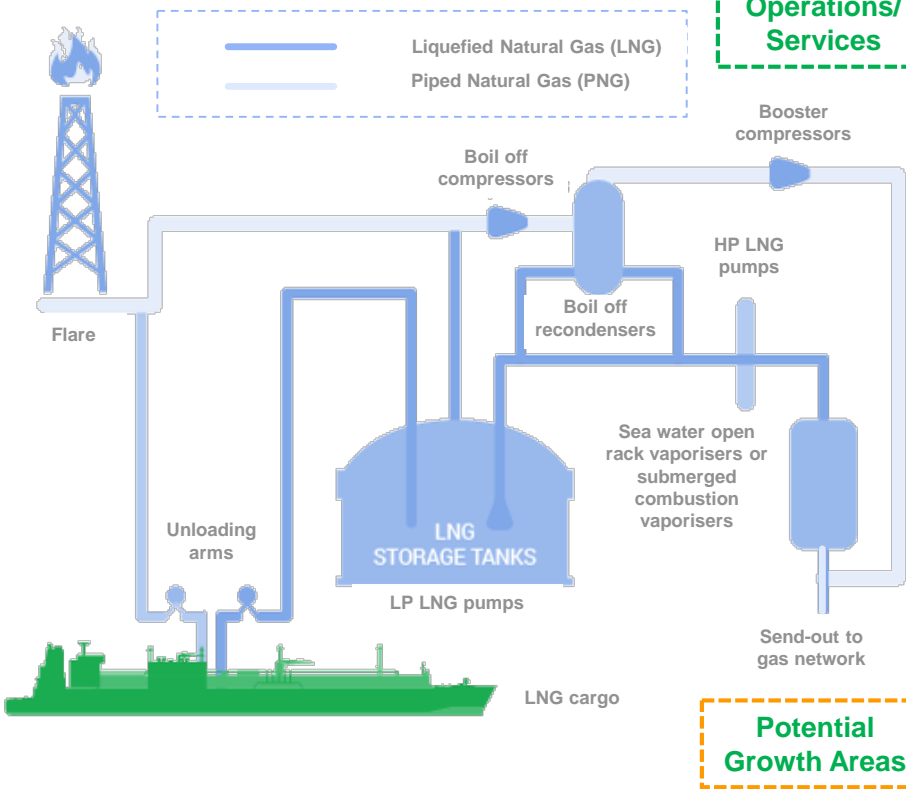
Places Singapore in a favourable position to be the natural gas hub for Asia and support growth of LNG ancillary services in Singapore

4

Environmentally Cleaner Fuel due to its lower carbon intensity compared with other fossil fuels

Singapore's first LNG terminal was commissioned in May 2013

LNG Receiving / Regasification Terminal



Current Terminal Operations/ Services

Main Operations

- Receiving
- Reloading
- Regasification
- Boil-off Gas (BOG) recovery
- Auxiliary systems
- Control and safety systems

Ancillary Services

Vessel cooldown

Storage and send-out

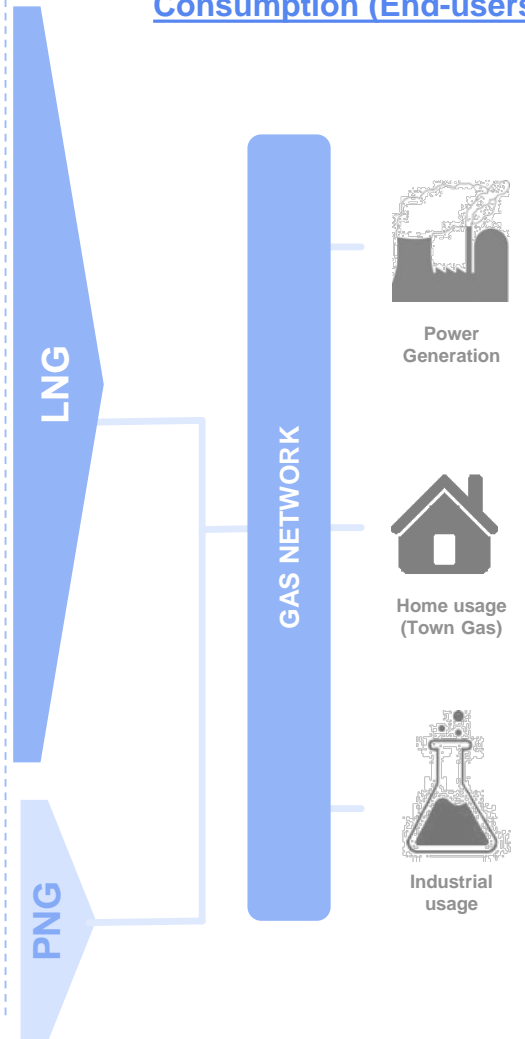
Storage and reload (e.g. Break bulk)

Cold Energy Utilisation Services

LNG Bunkering

Potential Growth Areas

Consumption (End-users)



Regulatory oversight to ensure outcomes of reliability, affordability and open access

Reliability

Performance standards and gas safety regulations

Annual system-wide emergency exercises

Affordability

EMA price regulates SLNG's core throughput services

Growth of alternative revenue streams through the provision of ancillary services

Open Access

Separate ownership of infrastructure from commercial activities

Open Access legislation

Build ahead of demand to **widen our strategic options**

- **Continued expansion of our existing terminal** to enhance our energy security and allows buyers to access spot cargoes when the price is right.
- **Forward looking terminal design to allow for the development of ancillary services** such as break-bulk, LNG bunkering and cold energy integration.



- **Building the 2nd LNG terminal in eastern Singapore for geographical diversification.** This will support new industrial sites and power plantings.

Q & A
