CEO’s Message

Singapore has come a long way in stabilising the Covid-19 outbreak. With infections under control and community transmission kept low, the authorities have been easing measures progressively as our nation continues the journey of safe re-opening towards Phase 3.

In line with the government’s advisory issued in September, the EMC team resumed split team work arrangements from 29 September, with half of our staff working in the office and the other half working from home each week. We continue to stay vigilant and adhere to strict safe management measures in our office to ensure the well-being of our colleagues.

In the wholesale electricity market, the Uniform Singapore Energy Price (USEP) has been picking up gradually since the start of Phase 2 of Singapore’s safe re-opening in mid-June. It reached $73.94/MWh in September, which is the third highest monthly level this year so far, before declining again in October, but remaining above $60/MWh.

In October, we welcomed a new retailer, Bioenergy Pte Ltd, in the National Electricity Market of Singapore (NEMS). Bioenergy is our first new market participant this year. In the same month, we also registered a new Interruptible Load (IL) facility, bringing the total registered capacity of IL facilities in the market to 16MW.

On top of the developments in the wholesale electricity market, in October, we launched a new offering – Renewable Energy Certificates (RECs) – on our electricity procurement portal, PowerSelect. This is in response to a market need as awareness of the need to mitigate climate change grows and more businesses are looking for options to offset their carbon footprint. EMC’s entry into the RECs market enables us to contribute to the development of renewable energy while supporting our customers towards their sustainability goals, and is aligned with Singapore’s aim to inspire other urban societies towards sustainable living.

Separately, I am delighted that we have been able to continue supporting Chaoyang School during these challenging times. The school children have shown tremendous resilience amid a global pandemic which has disrupted the school year and put a halt to many of the fun activities and celebrations that they typically look forward to. I am glad to hear that the students of Chaoyang School enjoyed the new way of celebrating Children’s Day that the school put together for them this year.

I am sure all of us are looking forward to Phase 3 when more activities will resume safely, albeit requiring new ways of working and living. At EMC, we continue to adapt to the ‘new normal’ and we appreciate your support as we stay focused on our business priorities to improve and develop the NEMS.

Toh Seong Wah
Chief Executive Officer
Market Update

Overview of USEP and Supply Cushion – Jan to Oct 2020

The daily average Uniform Singapore Energy Price (USEP) ranged between $56.78/MWh and $193.79/MWh in September, and between $58.47/MWh and $79.25/MWh in October. The monthly average USEP, which rose 8.9 percent to $73.94/MWh in September, decreased 8.8 percent to $67.44/MWh in October. The decrease in the monthly average USEP in October reversed the three consecutive months of upward trend recorded since June.

September’s supply cushion grew to 24.7 percent as demand declined 1.7 percent and supply increased 0.7 percent. The rise in September’s USEP can be attributed to the increase in the number of days when the USEP climbed above $100.00/MWh – there were three days in September which recorded a daily average USEP of more than $100.00/MWh, compared to only one day in August.

In October, demand and supply rose by 1.7 percent and 0.2 percent respectively. This led to a decrease in the supply cushion by 4.6 percent. Despite the lower supply cushion level, the USEP in October fell as a result of lower prices overall registered throughout the month.

New Entrants to the NEMS

One new market participant registered in the National Electricity Market of Singapore (NEMS) in October:

<table>
<thead>
<tr>
<th>Market Participant</th>
<th>Market Participant Class</th>
<th>Date Registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioenergy Pte Ltd</td>
<td>Retailer</td>
<td>7 October</td>
</tr>
</tbody>
</table>

The total number of retailers in the NEMS is now 21. In the same month, an existing market participant registered a new facility in the NEMS:

<table>
<thead>
<tr>
<th>Market Participant</th>
<th>Facility Type</th>
<th>Capacity (MW)</th>
<th>Date Registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enel X Singapore</td>
<td>Interruptible Load (IL)</td>
<td>1.9</td>
<td>22 October</td>
</tr>
</tbody>
</table>

With the addition of this new facility, the total registered capacity of IL facilities for contingency reserve in the NEMS increases to 16MW.
Companies looking to meet their environmental sustainability targets by reducing their carbon footprint can now purchase Renewable Energy Certificates (RECs) from EMC to offset their electricity consumption.

REC is an additional offering on PowerSelect, our online portal which helps businesses secure the best electricity deals in Singapore. With this new offering, EMC now provides a one stop marketplace for businesses to purchase electricity and offset their consumption conveniently.

Customers purchasing RECs from us can select from a large pool of local and overseas suppliers, across different renewable energy sources. They can buy in confidence as the RECs that we offer are accredited by either the International REC Standard Foundation (I-REC) or the Tradable Instrument for Global Renewables (TIGR) Registry – the two key independent global RECs accreditations that ensure verification of trades and adherence to best practices in the sector.

Organisations that require a large quantity of RECs which individual sellers may not have can also rely on us to aggregate supply.

For more information about our electricity packages and/or RECs, you can contact our team at support@powerselect.sg.
**User Forums**

**Market Information Sharing Forum (MISF)**

The Markets and Operations team hosted the 113th session of the bi-monthly MISF on 10 September virtually via WebEx.

The following topics were shared with the attendees during the session:

- Market performance and key highlights in July and August;
- System enhancements and projects; and
- Feature topics:
  - System changes in relation to rule change “Review of timelines in relation to provision of credit support”;
  - Provision of Annual Generation Outage Plan (AGOP) processed data; and
  - Recap of market participant/facility registration process

We would like to thank all participants for their continuous support and strong interest in the MISF.

Market participants who are interested in presenting at future MISFs are encouraged to contact the Markets and Operations team.

**Market Systems User Group (MSUG)**

The bi-monthly MSUG forum was held virtually via WebEx on 15 October. EMC’s Technology team updated attendees on the following topics:

- Overview of NEMS systems availability year-to-date for FY2020/2021;
- Overview of NEMS systems service desk calls received between October 2019 and September 2020;
- Overview of change releases deployed between October 2019 and September 2020;
- NEMS systems incidents;
- Planned NEMS systems maintenance for October, November and December;
- Disaster Recovery Preparedness (DRP) Exercise;
- Status updates on Technology (infrastructure) projects:
  - Network technology refresh;
  - Tier 3 network segregation project;
  - NEMSCAP Refresh Project (NRP);
  - Database upgrade;
  - Single Sign On (SSO) server technology refresh; and
  - 2-Factor Authentication Using Software Based Tokens.
- Sharing of statistics on report downloads (via Web Services)
- Status updates on Technology (applications) projects:
  - Review of timelines for provision of credit support;
  - Review of default levy arrangements (Stage 2); and
  - Migration of Submissions Management System.

The next MSUG forum is tentatively scheduled for Thursday, 17 December. We will update all participants via email ahead of the forum.

**EMC Training Programme**

**Next course on 19 and 20 November 2020**

The next run of the virtual two-day course *Understanding Electricity Markets* is scheduled on 19 and 20 November. Our trainers will be conducting six sessions covering the following topics:

- Understanding Electricity
- Why Reform and Regulation is Essential in the Electricity Industry
- The National Electricity Market of Singapore and its Unique Features
- Pricing Mechanism and Economic Dispatch
- Market Settlement and Credit Risk Management
- How Consumers can Influence Electricity Markets

The course dates* for 2021 are as follows:

- 25 and 26 February
- 20 and 21 May
- 19 and 20 August
- 18 and 19 November

*Subject to changes arising from developments in the Covid-19 pandemic

We advise you to book early to secure your place in the course date of your choice, and benefit from our early-bird discount where applicable.

Further details on the programme and how to register are on our website, www.emcsg.com. For enquiries, please e-mail trainingprogramme@emcsg.com or contact Jan Lee at +65 6779 3000.