

Summary of Key Feedback Received from the Public Consultation Exercise on the Draft Energy (Resilience Measures and Miscellaneous Amendments) Bill

1. On 27 Aug 2021, the Ministry of Trade and Industry (MTI) and Energy Market Authority (EMA) published a public consultation document to seek public feedback on the draft Energy (Resilience Measures and Miscellaneous Amendments) Bill. The public consultation closed on 20 Sep 2021. In total, MTI and EMA received 16 responses from the industry and public.

2. Most of the feedback focused on the Bill's proposed clauses, which are to: (a) empower EMA to impose requirements on licensees to reduce greenhouse gas emissions; (b) empower EMA to acquire, build, own and/or operate critical infrastructure; and (c) clarify the role of 'responsible persons' to ensure that gas installations are inspected regularly and properly maintained. We appreciate the feedback provided by respondents and have outlined our responses below.

Summary of Key Feedback and MTI's Response

Clause to empower EMA to impose requirements on licensees to reduce greenhouse gas emissions

3. The majority of the respondents recognised that this was needed to facilitate the decarbonisation of electricity generation, although some also suggested that the standards should only be imposed on new generation units. Some respondents also suggested that it was sufficient to rely on existing carbon taxes to incentivise the reduction of carbon emissions in the power sector.

4. We are grateful for the support and constructive feedback. Singapore has made strong commitments to reduce carbon emissions as part of our enhanced 2030 Nationally Determined Contributions (NDC) and 2050 Long-Term Low-Emissions Development Strategy (LEDS). While we recognise the role that carbon tax plays in incentivising emitters to lower emissions, the proposed clause will allow EMA to develop further targeted measures to transition the sector to low-carbon generation sources and reduce the sector's emissions. EMA will take into account respondents' feedback, work with the industry to develop reasonable standards, and provide a transition period for existing generation units as needed.

Clause to empower EMA to acquire build, own and operate critical infrastructure, including generation capacity

5. Some respondents were supportive of the clause as they recognised that this would allow EMA to safeguard the reliability of Singapore's power system. However, other respondents were concerned that EMA would act as both regulator and owner/operator of the generation units, and these units would compete with existing units in the Singapore Wholesale Electricity Market (SWEM) and depress wholesale electricity prices.

6. Having a safe, secure, and reliable supply of electricity is critical to Singapore's survival. As part of the energy transition, enabling EMA to build, own and operate critical electricity infrastructure will become increasingly important in safeguarding the security and reliability of our electricity supply. We would like to reiterate our commitment to ensuring a competitive wholesale electricity market. Proper governance structures will be put in place to ensure fair competition and mitigate any potential conflicts of interests. EMA will be engaging the industry further on the details.

Clause that clarifies that "responsible persons" are required to ensure that gas installations are inspected at stipulated time intervals and properly maintained under the Gas Act

7. Respondents were supportive of this clause as it safeguards public safety.

Conclusion

8. We thank all respondents for their valuable feedback. We have taken these into consideration when finalising the proposed legislative amendments. The Bill will be further discussed in Parliament in the coming month.