

Press Release

For Immediate Release

Energy Market Company Launches Electricity Procurement Portal for Businesses PowerSelect's unique 15-minute live auction helps businesses secure the best electricity offers in the shortest possible time

Singapore, 14 November 2018 – A new online portal which helps businesses purchase electricity efficiently – PowerSelect by Energy Market Company (EMC) – has enabled Sakae Holdings to save more than \$12,000¹ in electricity bills over the next 12 months.

PowerSelect is developed by EMC, a wholly-owned subsidiary of Singapore Exchange (SGX), and is the most comprehensive electricity procurement portal for businesses in Singapore. PowerSelect offers different procurement options including a unique 15-minute live auction, houses data from the wholesale and futures electricity markets to help businesses make decisions around their electricity purchases, and is supported by a good mix and number of electricity retailers in Singapore.

Says SGX CEO Loh Boon Chye: “EMC has a 15-year track record in enhancing the efficiency and transparency of Singapore’s wholesale electricity market. Tapping on this experience, SGX launched Asia’s first electricity futures market to support the liberalisation of Singapore’s power sector, providing electricity retailers with an avenue to hedge their risks. I am delighted that we are now extending our services to benefit business consumers as well.”

EMC has been licensed by the Energy Market Authority (EMA) to operate Singapore’s wholesale electricity market since 2003. “We understand the power business and have strong ties with industry players like electricity generators and retailers. PowerSelect was developed with the knowledge, experience and relationships that we have built over the years,” says Toh Seong Wah, CEO of EMC.

PowerSelect serves businesses with an average monthly consumption of at least 10MWh, which is equivalent to a monthly electricity bill of at least \$2,000. Sakae Holdings is PowerSelect’s first

¹Amount of additional savings compared to the best offer that Sakae obtained on its own. Computed based on the regulated tariff for Q4 2018 (\$241.30/MWh per month) and Sakae’s average monthly electricity consumption.

customer (see [Annex A](#) for a case study on Sakae Holdings' electricity procurement exercise through PowerSelect).

Says Mr Douglas Foo, Chairman of Sakae Holdings: "Sakae's innovative culture means we are constantly looking for ways to improve our business model and operations. We are very pleased with the results of our electricity procurement through PowerSelect. Not only did we achieve our desired outcome of securing a better electricity package, we also saved substantial time and effort that we would otherwise have to spend sourcing for quotes and negotiating with electricity retailers."

Different electricity procurement options on PowerSelect

PowerSelect offers businesses a choice of different electricity procurement options. Businesses that wish to avoid the time-consuming process of comparing quotes can call for **Live Auctions**, where electricity retailers compete for their contracts within a 15-minute timeframe. The competitive and transparent bidding process helps businesses secure the best electricity offers in the shortest possible time. PowerSelect Live Auctions work best for businesses that prefer Fixed Price Plans or Discount Off Tariff Plans (see PowerSelect Fact Sheet at [Annex B](#) for details).

Businesses with unique or special requirements can purchase electricity through **Invitations to Tender**. Under this method of procurement, electricity retailers prepare customised proposals for the customers' consideration. The retailers are incentivised to put forward their best offers upfront as they have no visibility of other retailers' proposals.

Good mix and number of participating electricity retailers on PowerSelect

PowerSelect's participating retailers comprise a good mix of retailers with power generation arms as well as independent retailers. As of November 2018, a total of 11 electricity retailers have come on board, which means businesses can conveniently access a wide range of offers at one go.

Sunseap Energy is one of the electricity retailers participating in PowerSelect. Frank Phuan, CEO and Executive Director of Sunseap Group, says, "EMC has an excellent track record in operating Singapore's wholesale electricity market, and we are happy that it is extending its expertise into the retail market. Sunseap Energy is pleased to come on board PowerSelect as it provides us with another avenue to reach more customers."

Access to electricity price data on PowerSelect

Businesses can also access data from the spot and futures electricity markets on PowerSelect, to help them in planning and decision making. PowerSelect is the only electricity procurement portal that houses data such as wholesale and futures electricity prices, which are exclusively held by EMC and SGX.

EMC will explore the possibility of extending the portal to small electricity consumers like households in future.

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About Energy Market Company

Energy Market Company (EMC) operates the wholesale market of the National Electricity Market of Singapore (NEMS), which is Asia's first liberalised electricity market. EMC completes the connection between those who make electricity in Singapore and those who use it.

As the exchange for wholesale electricity trading, EMC provides a transparent and competitive trading platform and its key activities include calculating prices, scheduling generation, clearing and settling market transactions as well as supporting governance of the market. EMC is a wholly-owned subsidiary of Singapore Exchange (SGX).

For more information on EMC, please visit www.emcsg.com.

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PowerSelect Case Study: Sakae Holdings' Live Auction

- Procurement method: PowerSelect Live Auction
- Plan type: Discount Off Tariff Plan
- Contract duration: 1 year
- Number of participating electricity retailers: 5
- Winning electricity retailer: Sunseap Energy
- **Additional savings in electricity bill with PowerSelect Live Auction: More than \$12,000² over 12 months**

Comparison of Sakae Holdings' electricity procurement process in the past (without PowerSelect) and recently (with PowerSelect)

	Without PowerSelect	With PowerSelect
Procurement process	<ul style="list-style-type: none"> • Shortlist electricity retailers • Brief electricity retailers face-to-face individually • Receive and compare quotations • Negotiate with electricity retailers individually • Sign contract with electricity retailer with best offer <ul style="list-style-type: none"> ➤ Entire process took 1-2 months ➤ Reached out to 3 electricity retailers at most 	<ul style="list-style-type: none"> • Shortlist electricity retailers; set reserve price (starting bid) and contract parameters • Conduct Live Auction on PowerSelect • Sign contract with winning electricity retailer <ul style="list-style-type: none"> ➤ Entire process took less than 2 weeks ➤ Reached out to 5 electricity retailers concurrently ➤ Secured better electricity package

²Amount of additional savings compared to the best offer that Sakae obtained on its own. Computed based on the regulated tariff for Q4 2018 (\$241.30/MWh per month) and Sakae's average monthly electricity consumption.

PowerSelect Fact Sheet

powerselect.sg



Procurement Options on PowerSelect

PowerSelect offers businesses a choice of different procurement options, including:

Live Auctions

Electricity retailers compete for the consumer's business within a 15-minute timeslot. Not only does this fast-track the purchasing process, the consumer gets the best offers as a result of the competitive and transparent bidding process.

Live auctions are suitable for the following types of electricity plans:

1. Fixed Price Plan

Businesses that prefer price certainty throughout their contract duration can opt for a Fixed Price Plan. Electricity retailers offer their best prices and the retailer with the lowest price wins the auction.

2. Discount Off Tariff Plan

Businesses that do not mind some degree of price fluctuation can consider a Discount Off Tariff Plan. Electricity retailers offer their best discounts off the regulated tariff (for example, a 20% discount), and the retailer with the biggest discount wins the auction.

Invitations to Tender

This option is tailored for businesses with special requirements or preferences, for example, businesses that prefer to buy 'green' energy, or prefer a 'hybrid' contract with both a fixed price component and a component that is indexed to fuel price.

In such cases, electricity retailers will submit customised proposals based on the customer's needs. The customer then selects the electricity package that best meets its requirements.



Customer Journey on PowerSelect

The customer goes through three simple steps to purchase electricity on PowerSelect:

1. Register an Account

The customer first creates an account on PowerSelect with basic information like company name, address, company registration number and contact details.

2. Submit Procurement Request

Once the account is created, the customer can log in to submit a request to start a Live Auction or Invitation to Tender. The customer sets its reserve price (starting bid), specifies the contract parameters (for example, preferred plan type and contract duration), and shortlists the electricity retailers that it wishes to invite to participate in the auction or tender.

3. Complete the Purchase

At the end of the auction or tender, the customer completes the purchase by entering into a contract with the winning electricity retailer.



PowerSelect Participating Electricity Retailers

The participating electricity retailers* include:

- Best Electricity Supply
- ES Power
- Geneco
- GreenCity Energy
- Hyflux Energy
- I Switch
- Keppel Electric
- PacificLight Energy
- Sembcorp Power
- Sunseap Energy
- Tuas Power Supply

*As of November 2018



Electricity Price Data Available on PowerSelect

Businesses can access the following data to help them plan and make decisions around their electricity purchase:

- Spot or wholesale electricity prices
- Electricity futures prices