

**SPEECH BY MR CHEE HONG TAT,  
CHIEF EXECUTIVE, ENERGY MARKET AUTHORITY,  
AT THE OPENING OF DIAMOND ENERGY'S DEMAND RESPONSE  
CENTER AT CLEANTECH ONE,  
ON 21 NOVEMBER (FRIDAY) AT 3:05 PM**

Mr Zainul Abidin Rasheed, Chairman of Diamond Energy

Ladies and gentlemen

A very good afternoon to all.

2. First, let me express my congratulations to Diamond Energy for the launch of its Demand Response Centre, the first dedicated facility of its kind in Singapore.
3. In Singapore, almost all our energy supply is imported. We have to continually explore the diversification of our imported energy sources to enhance our energy supply security and cost competitiveness.
4. At the same time, it is also important to look at different ways for consumers to enhance energy efficiency for sustainability.
5. In this regard, demand response provides an effective platform for consumers to actively manage their energy consumption in a cost-effective and automated manner.
6. Demand response programmes have been successfully implemented in countries such as the US and Australia.
7. Worldwide, there are more than 10 million sites providing demand response. According to Navigant Research's "Market Data: Demand Response" report, the market potential of demand response is estimated to be up to 155 TW by 2020.

**Demand Response in Singapore**

8. EMA has worked with the industry stakeholders to develop a Demand Response Programme for Singapore. The programme is being implemented and is expected to be ready by end 2015.
9. Through our demand response programme, contestable consumers can participate in the wholesale electricity market to get paid for reducing or shifting their loads when the spot electricity price is high.

10. Let me briefly explain how the Demand Response Programme works to benefit consumers.

- a. Contestable consumers who can reduce at least 0.1 MW of their load can participate in the programme.
- b. They can do so directly by registering with EMC as a market participant, or through demand response aggregators like Diamond Energy.
- c. Offers will be submitted for the demand response provider to reduce demand to lower the spot electricity price for the next half-hour period.
- d. If scheduled, the demand response provider will proceed to reduce its loads accordingly. In return, it will receive payment for helping to reduce the electricity price for all consumers.
- e. Over the longer term, demand response will lead to more efficient infrastructure investments to meet demand growth.

11. I am confident that demand response will lead to more options for consumers to manage their electricity cost and also promote greater competition in our electricity market.

12. With companies such as Diamond Energy offering innovative demand management, including demand response services, consumers will be able to further reduce their electricity cost while improving system efficiency.

13. In fact, Diamond Energy recently won an award for Power Retailer of the Year for Asia Demand Response Aggregator. This was at the regional Asian Power Awards in September 2014, given in recognition of the company's pioneering efforts in Singapore and Vietnam.

14. Diamond Energy was the first company in Singapore to market itself as an aggregator of Interruptible Load. In Vietnam, the company was lauded for its ongoing work to design, implement and manage a Demand Response pilot in Ho Chi Minh City - the first of its kind in the country.

### **Smart Nation with Smart Buildings**

15. Last year, Diamond Energy collaborated with Siemens to launch the Siemens Centre in MacPherson. I was glad to witness the launch of that collaboration.

16. The pilot project aims to demonstrate the feasibility of demand-side management systems and operations in commercial buildings.

17. I am happy to learn that the pilot project simulations look promising, including ways to reduce electricity consumption by curtailment of some air-conditioning systems in the building.

## **Conclusion**

18. The opening of Diamond Energy's Demand Response Centre is an important milestone to help consumers realise the benefits of demand-side management in Singapore.

19. I hope this will encourage more businesses to consider and adopt demand-side practices to reduce their business costs, which will be a win-win for them and their customers.

20. I am also delighted to learn that Diamond Energy is targeting to sign up 50 MW of demand response capacity next year, to coincide with the celebration of Singapore's 50<sup>th</sup> anniversary of independence.

21. Let me conclude by congratulating Diamond Energy on the launch of its Demand Response Centre. I wish them continued growth and commercial success.

22. Thank you.