

SP Group Central to Singapore's Sustainable Transportation Goals

Simon Hoare - 11 January 2022



We had the pleasure to sit down with Olivia Oo, VP of SP Group's Mobility Team, to discuss how SP Group has, and continues to, position itself at the forefront of Singapore's shift to cleaner, greener transportation solutions through infrastructure development, partnerships and the embracing of novel technologies.

The rise of the electric vehicle continues globally. In ASEAN, the EV has become a central tenet of government strategies across the region, providing greener, cleaner transportation for the masses. There is also increasing focus on a technology that is positioned as a key aspect of reduced emissions targets, and a core barometer of the public perception of *clean* – clearer skies.

Singapore, supported by top-class grid infrastructure and a smaller overall population, has been very vocal in its desire to shift towards greater EV adoption and has positioned itself as the trailblazer. Challenging targets of infrastructure development and EV uptake over the course of the next 20 years hope to see the internal combustion engine (ICE) eliminated on its roads by 2040.

SP Group, the nation's grid operator and a leading utilities and sustainable energy solutions provider in the region, has positioned itself to play a central role in Singapore's e-mobility journey. SP Group's own EV journey began with the electrification of its own fleet and soon after, Olivia Oo was brought in to help drive the Singaporean utility's broader EV charging infrastructure strategy. Now Vice President of SP Group's Mobility team, Olivia is responsible for *"setting the direction for what (and) where we want to be, who we need to be to support Singapore's transition to green mobility... and also the actual day to day, here and now execution of the business"*. She splits her role into two main areas of focus: supply, which encompasses all aspects of infrastructure delivery; and demand, working with partners, be they landlords or fleet owners, to ensure their needs are met. In short, Olivia and her team are responsible for the success of SP Group's e-mobility business.

The Chicken or the Egg?

Increasing the adoption of EVs is often seen as a chicken and egg scenario; developers are apprehensive about installing costly infrastructure for a minority market, while consumers often cite a lack of charging infrastructure and range anxiety as being major obstacles to purchasing an electric vehicle.

Underpinning any EV adoption drive is supportive government direction and policy, Olivia highlights how much this has improved from when she started in her role. Three years ago, the lack of direction made it very difficult to have conversations with prospective partners who didn't see the benefits or appreciate the long-term view that was necessary. Now, the government has been quite explicit with regards to where it intends to be in the next 20 years, from infrastructure development to the actual phasing out of ICE vehicles by 2040; *"those very specific milestones and targets have been very helpful in getting everyone aligned. It conveys to everyone – not just in the industry, but even the man on the street, that e-mobility is going to become a way of life, and it's going to happen within the next 10 years."*

A clear infrastructure development strategy

With the backing of clear direction from the government, SP Group can now set the narrative themselves. Already the largest fast charging network in the country, their mission is to ensure the necessary infrastructure will be in place to support the move to EVs by consumers, without waiting for the market to grow. Their mandate is clear – *"SP Group believes that this is important for the sustainable development of the nation, for our climate change obligations and for the environment. We are extremely committed to enabling Singapore's transition to green mobility, and to empower the future of energy through low-carbon, smart energy solutions."*

SP Group's strategy has been to focus on DC charging infrastructure development, seeing the fast-charging network as a critical enabling technology that also allows SP Group to stand out in an increasingly crowded market. 30% of SP Group's 450 charging points are fast-charging DC chargers scattered in easily accessible locations across the island including retail, commercial, industrial and hospitality properties, as well as tourist attractions and petrol stations. With such a wide network, EV drivers are able to enjoy accessible, reliable, and convenient charging solutions that may not be accommodated at their residences. Residential charging is gradually increasing, with some condos adopting EV chargers in their premises, *"but it's taking some time. So then the goal of actually providing DC chargers, very high speed chargers, in very publicly accessible locations, is that you want anyone who wants to have an EV to be able to charge even if you don't have a charger in their own home carpark"*. This also allows the network to cater to private hire drivers or the taxi drivers, for whom time is of the essence and fast charging will be critical to their decision to adopt EVs.

A rocky road ahead

Despite increasingly clear direction from the government and staunch support internally, there are nevertheless challenges in encouraging EV adoption in Singapore. First and foremost is pricing, EVs are generally more expensive options than ICE vehicles and while battery technology will continue to improve and help to further drive down showroom costs, Olivia would like to see more supportive policies from government in terms of greater incentives and rewards to those looking to make the switch.

As with any disruptive technology, there is always some push back and apprehension to embrace change. Developing infrastructure in public spaces across Singapore is critical and a clear part of SP Group's strategy. However, trying to *"build a little bit ahead of the curve"* faces some push back when the majority doesn't see justification for it, just yet. *"What cannot be ignored is that the vast majority of vehicles in Singapore are still petrol vehicles based on ICE technology...When we speak to a landlord about installing a charger on their premises, the first thing they'll say is, well, I already have a parking problem, I really don't have enough lots. I'm going to get complaints from my existing petrol car drivers*

and my tenants who may not want these prime lots to be secured for EVs". This push back applies to residential properties too, although *"there is growing interest from many landlords, including private condominiums. New greenfield developments especially are provisioning for EV charging infrastructure to cater for EV drivers of the foreseeable future."* As adoption increases, the expectation is that a two-pronged approach will force change here; SP Group proposing the development of charging infrastructure, and residents demanding at-home charging options when they switch to EVs.

A constantly evolving journey

The journey towards Singapore's elimination of the ICE by 2040 will be a journey of discovery. Evolving technologies and best practices from more mature markets will force adjustments to strategies and targets. Partnerships and an openness to learn are critical, *"we are one part of the broader ecosystem"* emphasises Olivia. She believes that all stakeholders need to come together to realise their collective goals, understanding each other's challenges, and working to overcome these will help them *"not only understand what the future is going to look like, but also play a part in shaping that future...to say actually, this is how I think EV charging should look like in Singapore"* and dictate the path of the journey accordingly.

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