

# THE STRAITS TIMES

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## PUB joins scheme that will reward businesses for lowering electricity usage



The new initiative is to reward businesses for lowering their electricity usage as part of efforts to help ease demand for energy on the power grid. PHOTO: PUB



**Ang Qing**

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SINGAPORE - National water agency PUB will join a new initiative to reward businesses for lowering their electricity usage as part of efforts to help ease demand for energy on the power grid.

On Thursday, PUB said it will join the Energy Market Authority's (EMA) Demand Side Management Sandbox initiative for energy-intensive commercial and industrial firms. This will make it the first government agency to take part in the initiative, which comprises two programmes and runs until January 2025.

PUB will partner national grid operator SP Group to participate in both programmes to cut energy usage during peak periods or when supply from renewable energy sources is not consistent.

The first is the Demand Response programme, which incentivises companies to reduce their electricity demand voluntarily when wholesale electricity prices spike. The second, the Interruptible Load programme, rewards companies for reducing some electrical load during periods of tight power generation supply.

When demand is well managed, said EMA in 2022, businesses and households are expected to benefit, paying lower electricity bills in the long run.

PUB chief executive Goh Si Hou said the initiative aligns with the agency's bid to raise energy efficiency in its operations. This is becoming more important, as more energy-intensive water sources like Newater and desalination are tapped to meet future growth in water demand.

He said: "It will provide PUB with greater flexibility in managing energy demand, and allow us to achieve cost savings. At the same time, our participation will support the national effort for energy resilience, and bring system-level benefits to all users."

For a start, the Marina Raw Water Pumping Station at Kallang Basin will participate in the programmes, PUB said on Thursday.

Each of the four pumps at the station can transfer 30 million gallons of water daily, and require about 1.3 megawatts of power, or the equivalent of powering about 110 four-room Housing Board flats, said PUB.

The station transfers raw water from Marina Reservoir to Upper Peirce Reservoir to maintain optimal water levels in the reservoirs. Its daily energy consumption varies depending on the number of pumps in operation.

A deal inked between SP and PUB on Wednesday will ensure that when the electricity load needs to be curtailed, SP will reduce or interrupt demand from its Marina Bay district cooling ice thermal energy storage systems and its partners, including PUB.

Once on board, PUB will work closely with SP in the first few months to calibrate the daily operational process.

EMA chief executive Ngiam Shih Chun said: “As we transform our energy sector to be more sustainable, it is also important that consumers are empowered to optimise and reduce their electricity consumption, in exchange for a share of the system-wide benefits. We encourage more consumers to come on board the programmes to enjoy these benefits.”


Businesses that consume at least 100kW of electricity an hour are eligible for this initiative. The monthly energy consumption of a four-room HDB flat, for instance, is about 360kWh.

Businesses will pay a penalty if they under-deliver on the electrical load they promised to reduce.

As at the end of March, five buildings have registered for EMA’s Demand Response programme and eight buildings come under its Interruptible Load programme.

In October 2022, an EMA spokesman said that if the initiative proves to be successful, it could be made permanent.

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