

Guide to Becoming a Licensed Electricity Retailer

Introduction

This Guide summarises the steps that you will need to take towards becoming a Licensed Electricity Retailer (“LER”). The whole process may take 6-8 months to complete.

You will need to engage the following entities in the application process:

- **Energy Market Authority (“EMA”)**
EMA is the regulator of Singapore’s electricity and gas industry.
- **Power System Operator (“PSO”)**
PSO operates the power system in Singapore.
- **Energy Market Company Pte Ltd (“EMC”)**
EMC operates the Singapore Wholesale Electricity Market (“WEM”).
- **SP Services Ltd (“SPS”)**
SPS is the Market Support Services Licensee (“MSSL”). It provides services such as reading meters, management of meter data and facilitating access to the WEM.

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Steps to becoming a Licensed Electricity Retailer

S/No.	Step	Entity	Description	Application Process	Estimated Time to Complete (up to) ¹
1	Electricity Retailer Licence Application	EMA	<ul style="list-style-type: none"> ➤ You will have to apply to EMA for an Electricity Retailer Licence to retail electricity in Singapore. ➤ There are 2 types of retailers: <ul style="list-style-type: none"> <u>Market Participant Retailers (“MPRs”)</u> <ul style="list-style-type: none"> ○ MPRs are retailers who purchase electricity <u>directly</u> from the WEM to sell to contestable consumers. ○ Registration with EMC is required to participate in the WEM. <u>Non-Market Participant Retailers (“NMPRs”)</u> <ul style="list-style-type: none"> ○ NMPRs are retailers who purchase electricity <u>indirectly</u> from the WEM through SPS to sell to contestable consumers. ○ Registration with EMC is <u>not</u> required. 	<p>Refer to here to apply for Electricity Retailer Licence.</p> <p>To apply to become a MPR or NMPR, please select the “Market Company” or the “Market Support Services Licensee” under Question 9 of the above mentioned application form, as the case may be.</p> <p>For further clarification, please contact EMA at 6835 8000, or email ema_enquiry@ema.gov.sg.</p>	8 weeks

¹ The estimated time to complete each step is subject to the applicant cooperating with the relevant entity in particular the submission of complete information for processing.

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S/No.	Step	Entity	Description	Application Process	Estimated Time to Complete (up to) ¹
2a	Market Support Services Agreement (“MSS Agreement”)	SPS	<ul style="list-style-type: none"> ➤ For both MPRs and NMPRs, the MSS Agreement is required for SPS to provide market support services (as defined in the Market Support Services Code). 	<p>Refer to here for more information and signing of the MSS Agreement.</p> <p>Refer to here for the Market Support Services Code.</p> <p>For further clarification, please contact SPS at 1800 233 8000 or email retailerhelp@spgroup.com.sg.</p>	2 weeks
2b	Power System Operator – Market Participant Agreement (PSO-MP Agreement)	PSO	<ul style="list-style-type: none"> ➤ For a MPR, the PSO-MP Agreement is required to enforce each party’s rights and obligations under the Market Rules. ➤ This step is not applicable to NMPRs. 	<p>Refer to here for more information and signing of the PSO-MP Agreement.</p> <p>Refer to here for the Market Rules.</p> <p>For further clarification, please contact EMA at 6835 8000, or email ema_enquiry@ema.gov.sg.</p>	1 week

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S/No.	Step	Entity	Description	Application Process	Estimated Time to Complete (up to) 1
3	Market Participation Application	EMC	<ul style="list-style-type: none"> ➤ To become a MPR, you will need to register with EMC as a Market Participant (“MP”). ➤ There are broadly three requirements to become a MP: <p><u>Prudential Requirements</u></p> <ul style="list-style-type: none"> ○ Each MPR is required to provide credit support to EMC in one or more of the following form: <ol style="list-style-type: none"> a. Guarantee or irrevocable commercial letter of credit; b. Cash deposits; or c. Singapore Government Treasury bills. Refer to the Market Rules – Section 7.6.2 – for more information. ○ Under the Market Rules, the amount of credit support is calculated as follows: <p style="margin-left: 20px;">Credit Support Value = Estimated Average Daily Exposure x 30 Days</p> <p><u>Technical Requirements</u></p> <ul style="list-style-type: none"> ○ Each MPR is required to have the necessary IT system and interface with EMC. 	<p>Refer to here for more information on the Market Participation Application</p> <p>Refer to here for the Market Rules.</p> <p>For further clarification, please contact EMC at 6779 3000/6571 9877, or email MPRegistration@emcsg.com.</p>	4 weeks

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			<p><u>MP Bank Account</u></p> <ul style="list-style-type: none">○ Each MPR is required to open a bank account with EMC's clearing bank, currently OverseasChinese Banking Corporation ("OCBC").○ EMC will assist in linking you up with a OCBC Relationship Manager to open the account. <p>➤ MPRs shall inform EMC on the desired Start Trading Date in advance.</p> <p>➤ This step is not applicable to NMPRs.</p>		
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S/No.	Step	Entity	Description	Application Process	Estimated Time to Complete (up to) ¹
4	Electronic Business Transaction System (“EBT System”)	SPS	<ul style="list-style-type: none"> ➤ Both MPRs and NMPRs are required to implement an IT system to interface with SPS’ EBT System. This is required for managing customer transfers and service requests. ➤ SPS will provide the Market Participation Kit with guidance and direction to design, develop and deploy a software solution for enabling access to SPS’ EBT System. ➤ You may wish to engage an IT vendor to assist in the implementation of your IT system for interfacing with SPS’ EBT System. This step can be done in parallel with Step 1 – 3. A non-refundable Retailer Registration charge of \$5,000 is payable to SPS (as stated in the MSS Agreement). 	<p>Refer to here for the Market Participation Kit.</p> <p>For further clarification, please contact MSSL at 6916 7228 or email retailerhelp@spgroup.com.sg.</p>	<p>4 months</p> <p><i>Time will be needed for the setting up, interfacing and testing of the system between both parties (i.e. MSSL and LERs).</i></p>

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Other Relevant Information

	Description	Contact Information
Retail Contestability	<ul style="list-style-type: none">➤ Please refer to EMA's booklet, "Singapore's Electricity Market & YOU" for more information on the retail market and contestability.	
Market and Other Charges	<ul style="list-style-type: none">➤ Please refer to here for the description of market and other charges applicable to LERs.	For any clarification, please contact MSSL at 6916 7228 or email retailerhelp@spgroup.com.sg .
Code of Conduct	<ul style="list-style-type: none">➤ Each LER is required to comply with the Code of Conduct for Retail Electricity Licensees. Refer to here for the Code of Conduct.	For any clarification, please contact EMA at 6835 8000, or email ema_enquiry@ema.gov.sg .