

MEDIA RELEASE

Keppel receives EMA's conditional approval to import 300 MW of solar power from Indonesia

Singapore, 08 September 2023 - Keppel Corporation, through its Infrastructure Division, has received conditional approval from the Energy Market Authority of Singapore (EMA) for the long-term import and sales of 300 megawatt (MW) of low-carbon electricity from renewable energy sources in Indonesia to Singapore.

The conditional approval by EMA to Keppel was announced by Dr Tan See Leng, Minister for Manpower and Second Minister for Trade and Industry, Singapore, on the sidelines of the Indonesia Sustainability Forum in Jakarta, Indonesia, in the presence of H.E. Rachmat Kaimuddin, the Deputy for Infrastructure and Transportation Coordination at the Coordinating Ministry for Maritime Affairs and Investment, Indonesia, as well as Mr Ngiam Shih Chun, Chief Executive of EMA.

This low-carbon electricity import is part of the Green Corridor project between Singapore and Indonesia spearheaded by the Sustainable Energy Association of Singapore (SEAS) and supported by the Coordinating Ministry for Maritime Affairs and Investment of the Republic of Indonesia. The Green Corridor project aims to promote the development of a green manufacturing supply chain and industry in Indonesia to accelerate renewable energy generation projects in Indonesia, both for domestic needs and for cross border electricity trade between Singapore and Indonesia.

Keppel's 300 MW electricity import from Indonesia to Singapore is planned to be supplied from more than 2 gigawatts (GW) of installed solar PV plants and integrated with utility-scale battery energy storage systems for round-the-clock stable and reliable energy supply. The low-carbon electricity will be transmitted from the Riau Islands, Indonesia, to Singapore via a common subsea transmission cable system to be jointly developed and shared by a consortium comprising Keppel, EDP Renewables APAC and Vanda RE¹. Following the conditional approval, the parties will be conducting the marine survey on the proposed route for their subsea power cables, as approved by the Indonesian authorities.

The electricity import from Indonesia is expected to commence end-2027, subject to requisite approvals from Indonesia and Singapore authorities.

EMA targets to import up to 4 GW of low-carbon electricity by 2035, making up around 30% of Singapore's electricity supply by accessing the abundant low-carbon electricity in the region. This also promotes the development of renewable energy in the region and paves the way towards realising the vision of an ASEAN Power Grid.

¹ Keppel is a member of SEAS and part of the SEAS Pathfinder Consortia which comprises Keppel, EDP Renewables Asia Pacific and Vanda RE.

Ms Cindy Lim, CEO, Infrastructure Division of Keppel, said, “We are pleased to receive conditional approval for the cross-border import and trade of 300 MW of low-carbon electricity from Indonesia as part of the landmark Green Corridor project, which will help support the development of renewable energy manufacturing industry and capabilities in Indonesia. Keppel strongly supports regional power grids and cross-border electricity trading initiatives so as to accelerate ASEAN’s decarbonisation efforts and improve accessibility to sustainable energy services in the region. We would like to thank the governments of Singapore and Indonesia for their support as Keppel works with our esteemed partners to bring the project to fruition.”

Earlier this year in March, Keppel was the first entity in Singapore to receive conditional approval from EMA for the large-scale renewable energy import of 1 GW of low-carbon electricity and had signed a Power Purchase and Export Agreement (PPEA) with Cambodia’s Royal Group Power Company Ltd (RGP), for RGP to supply and export and Keppel to import utility-scale low-carbon electricity into Singapore. This includes aggregating and firming up renewable energy sources from Cambodia, together with selected pumped storage hydro facilities in Lao PDR, which Keppel is working on closely with PSG Corporation Public Company Limited (PSGC).

Keppel was also the first company to successfully commence multilateral cross-border electricity trade involving four ASEAN countries through the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) on 23 June 2022, marking a historic milestone as the first renewable energy import into Singapore.

Under this pathfinder project, more than 260 GWh of renewable hydropower has been imported and traded from Lao PDR to Singapore via Thailand and Malaysia using existing interconnectors. Keppel will be able to leverage its experience from the LTMS-PIP for the successful implementation of large-scale import and sales, especially in terms of supply reliability and cost-competitiveness.

The abovementioned development is not expected to have any material impact on the earnings per share and net tangible assets per share of Keppel Corporation for the current financial year.

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About Keppel Corporation

Keppel Corporation (SGX:BN4) is a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity. Headquartered in Singapore, Keppel operates in more than 20 countries worldwide, providing critical infrastructure and services for renewables, clean energy, decarbonisation, sustainable urban renewal and digital connectivity.

Keppel creates value for investors and stakeholders through its quality investment platforms and diverse asset portfolios, including private funds and listed real estate and business trusts, and has a total portfolio with more than \$65 billion of assets under management.

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