

PLENARY 2: Market Regulation and Cross Border Trading

The Plenary 2 session focused on market regulation and cross-border electricity towards achieving net zero emissions by 2050 and the critical role of the ASEAN Power Grid in managing intermittency of variable renewable energy. The discussions highlighted the importance of market mechanisms, interconnectivity and the introduction of Renewable Energy Certificates (RECs) to enhance grid stability and facilitate cross-border energy trade. Drawing on best practices from the European Union's energy market integration and the Nordic countries' System Operation Agreement, the session underscored the need for transparent pricing and regulatory frameworks to meet private sector expectations. Cooperation among governments was deemed essential, with plans for a new Memorandum of Understanding (MoU) aimed at fostering mutual benefits in resource management and electricity exports.

The session also emphasized that private sector involvement hinges on clear government policy signals and consistent strategic direction, which could lead to innovative regulations and potential private-led interconnectors. The role of the government in providing strong political will and setting deadlines was highlighted as crucial for progress. The discussion pointed out that mutual benefits could be achieved through resource management and electricity exports, with templates ready for commercial agreements, legal and regulatory aspects, and technical feasibility. The need for dialogue and addressing mutual benefits in cross-border energy trade was also stressed.

Action items from the session included finalizing a cross-border policy between Singapore and the Energy Market Authority (EMA) and establishing a National Energy Market (NEM) framework promptly. These steps are aimed at ensuring that the necessary regulatory and market structures are in place to support the ambitious energy goals and facilitate effective cross-border energy trading.