

**FACTSHEET ON THE LAO PDR-THAILAND-MALAYSIA-SINGAPORE
POWER INTEGRATION PROJECT (LTMS-PIP)**

Background

The Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) serves as a pathfinder to advance cross border power trade in Southeast Asia, and complements existing efforts towards realising the ASEAN Power Grid by creating opportunities for multilateral electricity trading in the region.

2 As part of the first phase of the project, Lao PDR, Thailand and Malaysia initiated the Lao PDR, Thailand and Malaysia Power Integration Project (LTM-PIP) in 2016. These countries signed a two-year Energy Purchase Wheeling Agreement (EPWA) at the 35th ASEAN Ministers on Energy Meeting (AMEM) in Manila, Philippines in September 2017, to trade up to 100 megawatts (MW) of electricity under a Power Purchase Agreement (PPA) Model. Lao PDR, Thailand and Malaysia extended the EPWA in December 2019 for two years till December 2021 and increased the power trade capacity to up to 300MW.

3 At the 38th AMEM in 2020, Lao PDR, Thailand, Malaysia and Singapore announced their commitment to initiate multilateral cross-border power trade in a Joint Statement at the inaugural LTMS Ministerial Meeting. Under the LTMS-PIP, the four countries pledged to explore the technical and commercial feasibility and viability of electricity trade of up to 100MW from Laos to Singapore via Thailand and Malaysia using existing interconnections for a two-year period.

4 At the 39th AMEM in 2021, the four countries issued a Second Joint Statement at the 2nd LTMS Ministerial Meeting to reaffirm their commitment towards the project, made good progress in discussions by the LTMS-PIP Working Group, and looked forward to the early finalisation of all agreements underpinning LTMS-PIP to commence cross-border power trade in 2022.

5 The project commenced on 23 June 2022 and will run for a period of two years.

Developments on the LTMS-PIP

6 Electricite du Laos (EdL), the state utility of Lao PDR, has appointed Keppel Electric Pte Ltd as its working partner to import up to 100MW of hydropower from Lao PDR to Singapore, under the LTMS-PIP. EdL and Keppel Electric signed an exclusive framework agreement in August 2021, as well as a PPA in June 2022, to facilitate the purchase of electrons under the LTMS-PIP.

Benefits of the LTMS-PIP

7 The LTMS-PIP will benefit all four countries, by facilitating the development of a regional market for electricity trading, promoting investments, and enhancing regional electricity supply security and cost-competitiveness. This would help to drive the development and deployment of low carbon energy solutions in the region.

8 The LTMS-PIP contributes to Singapore's sustainability goals under the Singapore Green Plan 2030 by tapping on the abundance of renewable energy from the region, to advance our sustainable energy goals to progressively decarbonise electricity generation and diversify our energy supply.

9 The project will support the broader ASEAN Power Grid vision, as it creates the opportunity to trade electricity beyond neighbouring borders and enhance energy resilience. The ASEAN Power Grid, a key programme area under the ASEAN Plan of Action for Energy Cooperation Phase II: 2021-2025, also aims to promote clean and renewable energy integration in the region.