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JOINT PRESS STATEMENT BY SP SERVICES AND THE ENERGY MARKET
AUTHORITY OF SINGAPORE

'PAY-AS-YOU-USE' METERING SCHEME

1 SP Services is pleased to announce the implementation of a pre-paid metering scheme called 'Pay-As-You-Use' (PAYU) with effect from 16 May 2005. The scheme is supported and approved by the Energy Market Authority of Singapore.

2 The scheme provides an option for HDB residential customers, whose electricity supply has been disconnected due to arrears, to have their supply reconnected while offering them the flexibility to settle their arrears over time. Participation is voluntary and customers with significant arrears can now better manage their electricity consumption in line with their ability to pay.

3 The scheme is open to HDB residential customers who fulfill the following criteria:

- Those customers who have been disconnected and are unable to pay the minimum sum required to be reconnected; and
- Those who have defaulted on at least two installment plans.

4 Under the scheme, a smart key-operated meter will be installed for customers who have opted for the scheme. This pre-paid meter will replace the conventional meter. Customers on this scheme need not pay for the meter and its installation cost.

5 First-time customers will also be issued with a smart key with a credit of S\$5. This is an upfront credit provided by SP Services to help them get started on the scheme. No deposit is required. Thereafter, customers may top up the value of the smart key at any of the 62 Post Offices or the SP Services Customer Service Centres at Somerset Road and Woodlands Civic Centre.

6 The minimum amount for topping-up is S\$10 and the maximum is S\$250. At every top-up, 20% of the top-up amount will be deducted to pay for the arrears and 80% of the top-up amount will be credited on the smart key.

7 To transfer the credited amount from the smart key onto the meter, the customer simply inserts the smart key into the meter. The smart key will then transfer the value on it to the meter. The electricity consumption and tariff rate are displayed on the meter.

8 The meters will be tested before installation, as is the case for conventional meters. There will be a display on the meter for customers to check the credit balance. There is an emergency credit of \$3 that customers could tap into when the credit falls below \$1. This allows the customer time to top up his credit and avoid disruption of supply, especially during a Sunday or a public holiday. The emergency credit used will be deducted at the next top-up.

9 Customers on the PAYU scheme will pay the same tariff as other customers on the conventional metering scheme.

10 Pre-paid metering systems have been implemented in countries such as UK, New Zealand, China and the USA.