

Source : BANGKOK POST

Date :
- 3 OCT 2017

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No :

60341783

ENERGY

Ratch eyes
power boost
from deals

YUTHANA PRAIWAN B4

SET-listed Ratchaburi Electricity Generating Holding Plc (Ratch), Thailand's largest private power producer in terms of capacity, is in talks on four business deals as it seeks to acquire stakes in other projects to expand capacity.

Chief executive Kijja Sripattangkura said the four deals collectively account for 1,000 megawatts of generating capacity. Two of the deals are expected to be finalised this year.

Mr Kijja said one deal involves domestic renewable power and the rest are overseas projects. He declined to name the sellers.

The moves are part of Ratch's plan to raise power-generating capacity. The company aims to have 10,000MW by 2022, up from the current 7,500MW.

For greenfield development, Ratch is ready to join a bid for renewable power under the small power producer programme and under the hybrid power purchasing agreement, which lets private firms use mixed renewable resources to supply power to state utilities at a set amount.

The two programmes are worth a combined 300MW of capacity.

An additional 269MW will come from renewable power projects under the very small power producer scheme, due to start early next year.

"Over the next 8-9 years, there will be only renewable power opened for bidding at a small size in the Thai power market," Mr Kijja said.

Last month, Ratch announced a plan to allocate capital expenditure of US\$5 billion (167 billion baht) to expand capacity to 10,000MW over the next five years.

Funds for the huge outlay will be raised from accumulated net profits, cash on hand and loans.

Ratch announced new portfolio investment will bring overseas revenue to 40% of total by 2023 from 29% this year.

Ratch's new projects in the first half of 2017 included the Pink and Yellow mono-rail lines, the gas-fired Riau power plant in Indonesia and the Collinsville Solar PV project in Australia, with a combined equity capacity of 360MW.

RATCH shares closed yesterday on the Stock Exchange of Thailand at 54 baht, an increase of 25 satang, in trade worth 212.6 million baht.

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