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# Energy reform means big changes for PTT, major power distributors

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THE ENERGY REFORM will inevitably affect businesses of Thailand's energy giant and other major electricity generating and distributing authorities, Pornchai Rujiprapa, chairman of the National Energy Reform Committee, said yesterday.

Among those affected by reform would be energy giant PTT, Electricity Generating Authority of Thailand, Metropolitan Electricity Authority and Provincial Electricity Authority, he said.

Pornchai and members of the National Energy Reform Committee told the press that reform is needed in the country's energy system in order to achieve energy security, sustainability and a competitiveness energy sector that would ultimately benefit consumers.

The first draft of an energy reform plan is expected to be completed by the end of this year.

"The reform will affect all parties including PTT, EGAT, MEA, PEA and the Department of Mineral Fuels of Energy Ministry. We have already discussed this with these organisations and they agree that they have to transform themselves," said Pornchai.

Reform would focus on a liberalisation of electricity production, liquefied natural gas (LNG) trade,

and gas pipeline business that are now under monopolies such as PTT and other state enterprises, said the committee.

The other reform would focus on reducing dependence on imported energy, which now accounts more than 80 per cent of national energy consumption.

EGAT, MEA and PEA would have to revise their production and electricity transmission to purchase additional electricity from independent producers and households that employ solar rooftops or other renewable energy facilities and feed them into the electricity supply grid, said Pornchai.

This would lead to installing a "smart" grid to accommodate two-way electricity transmission as households would generate electricity as well as consume it.

The committee also wanted to tackle the issue of generating electricity from waste or garbage, which has not seen much progress in Thailand, Pornchai said in referring to communities fearing the environmental impact often oppose building electricity generation plants that feed on waste.

To liberalise LNG trade, more import licenses would be given to other parties, said Manoon Siriwan, member of the committee and energy expert.

"PTT had long been solely an importer of LNG, while EGAT has just recently been given an import

license and in the future more importers of LNG will be allowed," said Manoon.

"Under the reform plan, the PTT would also be forced to separate its gas pipeline businesses and third parties would be allowed access to use the gas pipeline," said Manoon.

The reforms would impact on the PTT and others, but energy liberalisation will be a step-by-step process and not a drastic move, Pornchai and Manoon said.

The committee also foresees a coming age of clean energy and electricity vehicles (EVs) as many countries have tried to reduce emission of carbon dioxide and other global warming gases. This will also impact on electricity generating and supply in the future as well as infrastructure for EVs.

The committee said they chose not to discuss creation of a national oil company as some groups had previously proposed.

The Energy Ministry may need to spin off the Department of Mineral Fuels in order to look after production-sharing contracts with oil and gas firms that have exploration business with the government.

Energy reform is one of 11 reform strategic processes being developed under the 20-year strategic plan. The final strategic plan would also bind a new government following next year's election, the junta has said.