



A TPI Polene Power plant in Saraburi province. The company expects larger capacity and a higher power tariff will lead to a big bump in revenue.

TPIPP upbeat on record revenue outlook

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SET-listed TPI Polene Power Plc (TPIPP), the subsidiary of cement producer TPI Polene Plc (TPIPL), expects to report record revenue in 2018 because of a new capacity expansion and a higher power tariff.

Vice-president Worawit Lerdbussarakam said total sales from power generation in 2018 will double to 1.5 billion kilowatt-hours (units) from 800 million units in 2017.

TPIPP is Thailand's leading producer of heat-waste power, which uses heat from the cement production process at the parent firm's facility in Saraburi, as well as refuse-derived fuel (RDF).

TPIPP uses the by-product heat to generate power.

Mr Worawit said the company started operating three new power generators in the fourth quarter last year, adding capacity of 290 megawatts from a 70MW RDF, a 150MW imported coal generator and a

70MW imported coal-mixed RDF.

TPIPP's four existing generators have a combined capacity of 150MW, bringing total capacity to 440MW.

Existing power generators have two units of RDF with a capacity of 20MW and 60MW, and two waste-heat generator units with the capacity of 40MW and 30MW.

The Electricity Generating Authority of Thailand (Egat) and TPIPL are TPIPP's only buyers.

The company is confident about its growth this year after witnessing higher operating efficiency in its four older power generators as well as the new capacity added in the fourth quarter last year.

He said the units of electricity TPIPP sells to Egat will increase in line with global oil prices.

"A profit in 2018 may reach almost 2 billion baht, representing a 50% increase because the new power generators come with full-year operations," said Mr Worawit.

He added the company is planning fast

growth in 2018 as it seeks to acquire power plants, both on-going operations and new developments.

The power generation licence provider, the Energy Regulatory Commission (ERC), is planning to grant new licences for renewable energy, including RDF and biomass, but has not decided on the number.

Mr Worawit said several high-density community cities in Thailand are planning to deal with the waste power generation such as Nonthaburi and Ayutthaya at each capacity of 20MW.

TPIPP is also interested in availing an RDF power generation licence from the Bangkok Metropolitan Administration.

He said TPIPP is talking with D and J Clean Energy System Co, which holds several licences to develop and operate a solar-farm power plant with the Provincial Electricity Authority.

TPIPP shares closed yesterday on the SET at 7.95 baht, down five satang, in trade worth 139 million baht.