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ENERGY

Egco searches abroad for expansion

Vietnam picked to receive first project

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SET-listed Electricity Generating Plc (Egco) has announced another five countries across Asia-Pacific are part of its business expansion in the near future.

President Jakgrich Pibulpaioj said Egco is opening up all kinds of power plants, both fossil fuel-based and renewable energy, as well as seeking different business models for new investment and asset acquisition in the new countries.

The company is exploring business opportunities and expects all business deals to be concluded by 2020.

The five countries are Cambodia, India, Myanmar, Taiwan and Vietnam, with the first tentative project the Quantri coal-fired power plant in Vietnam.

Mr Jakgrich said the Vietnam plant costs US\$2.5 billion (78.6 billion baht) to develop. Egco and its shareholders are talking with the state utility for a power tariff at a capacity of 1,320 megawatts before forming a committed project.

"Power demand in Thailand is growing slightly as the market is mature, so we have to look at overseas projects," he said.

At home, Egco is planning to offer Thai energy policymakers additional capacity at its wholly-owned Khanom Electricity Generating Co (Khegco) plant in Nakhon Sri Thammarat as an alternative to its electricity shortage in the South.

The region's power supply is nearly below demand levels and two new coal-fired power plants planned for Krabi and Songkhla provinces, to be developed by the Electricity Generating Authority of Thailand (Egat) face further delays.

Mr Jakgrich said Egco is conducting an environmental impact assessment report for additional capacity at its plant and estimates it can add another 500-900MW at its gas-fired power plant, with an investment cost averaging \$1 million per MW.

"The development cost is not too high as there are related infrastructures at Khegco, both high-voltage transmission lines and a gas pipeline," he said.

"If the policymakers give a green light to Egco for additional power supply in the South, we will begin the project immediately because we already prepared."

The Khegco site generates 930MW for

Egat, which renewed its power generation concession in 2013.

Egco has invested in five countries over the last two decades — Australia, Indonesia, Laos, the Philippines and Thailand — for a total operation capacity of 4,260MW from fossil fuel and renewables.

The company has announced capital investment expenditures of 12 billion baht over the next five years for three projects.

Egco allocated a budget for the 1,280MW Xayaburi hydropower plant and the 514MW Nam Theun 1 hydropower plant, both in Laos, as well as the coal-fired Buenaventura power plant with 455MW in the Philippines.

The plants in Laos are expected to commercially generate power in 2019, while the one in the Philippines is expected to come online by 2022.

Egco has planned feasibility studies for another two projects: the Pak Beng hydropower plant expected to generate 920MW and a geothermal power plant unit 3 under a joint venture with Star Energy Group Holding Pte estimated to generate 60MW.



Egco plans to offer the government additional capacity at its Khanom power plant in Nakhon Sri Thammarat to deal with an energy shortage in the South.