

ENERGY

PTT ups R&D spending to handle digital disruption

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PTT Plc, the national oil and gas conglomerate, aims to increase its budget for R&D activities from 3% of annual net profit to deal with several disruptive technologies affecting the sector.

Wittawat Svasti-xuto, senior executive vice-president for innovation and digital, said PTT has yet to decide on a new rate.

The 3% rate was set by the government for each state enterprise for R&D activities, based on annual net profit.

Mr Wittawat said several disruptive technologies have penetrated business sectors PTT competes in globally, and some firms may be left behind unless they adjust to the risks.

He said the energy sector is no different than banking, telecommunications and several service sectors in facing disruption.

“Many firms have allocated massive budgets for their R&D activities [for other business opportunities] in the digital era and they always know that some businesses facing disruption will soon disappear from the market,” said Mr Wittawat.

Separately, PTT signed a memorandum of understanding with the National Innovation Agency (NIA) to establish R&D practices for the company in three years.

Under the collaboration with the NIA, PTT plans to introduce innovations to produce biogas from community waste, which

will be used to generate electricity.

The project is being developed under its subsidiary, Global Power Synergy Plc, located in Rayong, with power generation capacity of 9.9 megawatts.

Chansin Treenuchagron, chief of technology and engineering, said the electricity value chain and quality clean energy are two key challenges for the energy sector to drive PTT to find new technologies.

PTT’s strategic technology focuses on new innovations, including the Internet of Things, drones, artificial intelligence, robotics, automation, biotechnology (biochemicals, biopharmacy and biocosmetics), smart grids, smart metering and circular economies (waste reuse).

PTT is undertaking proof of concept for a sensor technology, being used at a gas separation plant for preventive maintenance, as well as use of robotics in dangerous areas and drones as surveyors.

“These technologies can be commercialised by 2019-20,” said Mr Chansin.

Last November, PTT set aside 10 billion baht to invest in the first phase of its innovation centre in the Eastern Economic Corridor in Wang Chan district, Rayong, which is intended to serve as an R&D facility for bio-based petrochemical products.

Most of the 10-billion-baht went to infrastructure development on an 800 rai plot in the first phase, while the total project covers a 3,140 rai area.



An electric car being charged at PTT’s charging station, one of several disruptive technologies the company is exploring. KITJA APICHONROJAREK