

ENERGY

PDP with private trade planned

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Power distribution among private and household producers is set to have a clear-cut plan by the end of this year, making Thailand the first country in Southeast Asia to implement this platform.

Policymakers plan to implement peer-to-peer trading in the near future after Thailand's reliance on an enhanced single buyer (ESB) model for more than three decades.

Under the ESB model, each private power producer must sell surplus electricity to the three state utilities: Electricity Generating Authority of Thailand, Provincial Electricity Authority and Metropolitan Electricity Authority (MEA).

In the past, only state power utilities could legally produce and distribute electricity. In the 1990s, policymakers allowed private power producers to sell to state utilities' grid.

Energy Minister Siri Jirapongphan said the country cannot depend on the ESB model.

The global trend of electricity generation uses a variety of models, including peer-to-peer trading and smart grids, and Thailand must adapt to these changes, he said.

He said a revised national power development plan (PDP) will add a time frame for peer-to-peer power trading.

"The first stage may start with districting a power generation community with renewable power from solar photovoltaic systems," said Mr Siri. This model will open up power trading among owners of solar rooftops under a production-by-consumer system.

While designing the plan, the Energy Regulatory Commission will conduct a feasibility study to find measures to promote



A privately owned solar farm in Samut Sakhon.

private investors, particularly small and medium-sized enterprises.

"The new PDP will open up Thailand's power market and bring new private operators to participate in the industry with innovative management and trading," said Mr Siri.

He said blockchain technology in the power sector has been adopted quickly and will attract new investors, in line with the Thailand 4.0 initiative.

But the peer-to-peer business will not be implemented completely simultaneously, Mr Siri said. Instead, policymakers will gradually open the segment for private investment.

"We will have a power tariff below 3.6 baht per kilowatt-hour [unit]."

Sompop Pattanarayankool, director of the Policy and Strategy Coordination

Office, said the new PDP will have semi-deregulated peer-to-peer power trading because the model is new to Thailand.

"There are several regulations that are expected to be revised for more suitable methods such as trading taxes, grid code, micro grid and wheeling charges," said Mr Sompop.

BCPG Plc, a renewable power business arm of Bangchak Corporation Plc, is the first company to prepare for the transformed power market through a collaboration with Sansiri named T77, the first peer-to-peer power trading project in Southeast Asia.

BCPG has installed a solar rooftop at T77.

BCPG teamed up with the MEA last month to collaborate on the feasibility study for new power distribution and develop a pilot project over the next two years.