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# Debate on foreign workers intensifies

SINGAPORE MINISTER DIGS IN ON MOVE TO RESTRICT OUTSIDE LABOUR DESPITE CONCERNS FROM BUSINESS

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ELECTRICITY Generation Plc (EGCO) has allocated an investment budget of around Bt30 billion for three overseas projects under construction, aside from any possible further funding related to the acquisition of the Paju power plant in South Korea.

The three power projects in the pipeline have total equity contracted capacity of 544MW. The first two are the 160MW Xayaburi power plant in Laos, and the 223MW San Buenaventura power plant in the Philippines, with both projects to be completed and begin commercial operations in 2019. The third project, the 161MW Nam Theun 1 power plant in Laos, will be completed and start commercial operations in 2022, says EGCO.

The investment budget, howev-

er, does not include new investment projects and two projects under development - the Quang Tri coal-fired power project in Vietnam and expansion of the Star Energy geothermal power project in Indonesia, the company's president, Jakgrich Pibulpairroj, told a press conference yesterday.

In 2019, EGCO will continue to focus on sustainable growth and a high return for shareholders, he said. The company will seek new investment opportunities in the power business, an area in which they have expertise in both fossil-fuel and renewable-power plants. The company will also seek new investment opportunities to grow in related business, especially in Asia Pacific. At the same time, EGCO will optimise the efficiency of its commercially operating power plants and ensure that the projects under con-

struction are completed to plan and budget, said Jakgrich.

"EGCO Group sees limited growth opportunity in the local power business in Thailand," he said. "We will expand our investment mainly in other countries, especially in Asean countries where we already operate, such as Laos, Philippines and Indonesia. At the same time, we will expand to other countries in Asia Pacific, such as South Korea," said Jakgrich.

"We will seek opportunity to invest in related businesses, such as LNG [liquid natural gas], through cooperation with strong partners, like SK E&S. In Thailand, we are ready to make investment in support of the government's policy and the new PDP 2018. For IPP, we are ready to participate in the bidding in any area across the country, especially in the West, South or East of Thailand."

The company believes that aggressive investment will drive business sustainable growth in the long term. The company can show a Bt21.07 billion year-end net profit, up 78 per cent from 2017, and expects to pay the final dividend from the second-half-year operation of 2018 at Bt3.50 per share, and a full-year dividend payment of Bt9.50 per share.

Jakgrich said EGCO Group's 2018 performance exceeded its goals. Major factors contributing to high profitability included Bt14.17 billion in gains from divestment of three assets - East Water, GIDEC and MPPCL. The company, however, recorded a normal operating profit of Bt9.19 billion, a decrease of Bt73 million.

Highlights of the company's performance included a 49 per cent investment in Paju Energy Service Co Ltd, the owner and operator of the 1,823MW Paju combined-cycle power plant in Gyeonggi province,

South Korea. For this investment, EGCO Group partnered with SK E&S Co Ltd, which has expertise in the LNG business. This partnership not only allowed EGCO Group to expand its business to a new market in Asia Pacific, but also opened the door for the company to enter the LNG business, a high potential future business in Thailand and other countries in the region. The deal was completed on January 15, 2019.

As of February 28, EGCO Group runs 27 operating power plants with total equity contracted capacity of 5,154MW in six countries: Thailand, Lao, Philippines, Indonesia, Australia and South Korea.

There are three projects under construction with total equity contracted capacity of 544MW. The company's power plants generate electricity using a variety of fuel sources - natural gas, coal, biomass, waste, hydro, solar, wind and geothermal.