

**Published on 19/09/2015**

## **Bids invited for solar power projects**

THE ENERGY Regulatory Commission has issued a long-awaited invitation for bids for solar-farm projects developed by state agencies and agricultural cooperatives, expected to spur more than Bt30 billion worth of investments during the next 12 months.

ERC Commissioner Kraisi Karnasuta said that since government agencies are not allowed to use state budgets to invest in solar-farm projects, private investors could be sought to help sponsor the projects, and the agencies could earn rental fees and/or share revenues derived from electricity sales.

"Because it requires at least Bt60 million to install 1 megawatt [capacity] in a solar farm, the investments could be between Bt30 billion and Bt40 billion," ERC Commissioner Viraphol Jirapraditkul said.

The National Energy Policy Council (NEPC) has agreed to a total purchase of 800MW from solar farms developed by state agencies and agricultural cooperatives. But because of constraints to the power-transmission network, the ERC has decided to divide the bidding into two phases, with the first one issued on Thursday for a total purchase of 600MW.

The first phase comprises the target to purchase 200MW of electricity from projects situated in the Metropolitan Electricity Authority's coverage areas, 389MW from the Provincial Electricity Authority's areas, and 11MW from Sattaheap Sattahip Electricity's coverage area, which belongs to the Royal Thai Navy. The PEA's allotment comprises the Northern region (5MW), the East (87MW), the West (159MW), and the Central region (138MW).

Interested agencies have to submit their proposals between November 1 and 10 and they must be able to commence selling power to the grid by September 30, 2016. Those meeting the qualifications will be selected through a lucky-draw process on December 15 this year. The purchase price is fixed for all at Bt5.66 per kilowatt-hour under the 25-year feed-in-tariff contract.

According to the ERC's terms and regulations announced on Thursday, each private investor can join in more than one solar farm project, but cannot sponsor more than 50MW of power capacity in total. Each state agency and agricultural cooperative is not allowed to develop more than 5MW capacity.

Viraphol said the Southern region was not included in the first phase because the regulator believed this part of the country had the potential to develop other types of renewable-power plants such as biomass and biogas.

The ERC will next year invite bids for the remaining of 200MW of state and agricultural-cooperatives' solar-farm projects, which have to commence electricity production by June 30, 2018.

#### Alternative plan

According to the Alternative Energy Development Plan 2015 approved by the NEPC on Thursday, the country is targeted to have a total of 19,000MW of installed capacity from renewable power sources by 2036, of which 6,000MW will be from solar power stations.

Considering the AEDP's target, the ERC's Kraisi said Thailand was progressing well on solar energy with 1,602MW of solar farms and rooftop solar-panel systems already in operation, and the authorities have committed to purchase a total of 3,800MW of power from the solar photovoltaic (PV) systems to date.

The ERC will next week invite bids for the purchase of 46MW from renewable-power projects using biogas or biomass which are in the three southern border provinces of Pattani, Narathiwat and Yala and in four districts of Songkhla.

It will take bids for the purchase of 554MW from renewable-power projects that use biogas, biomass, or energy crops for projects situated in other parts of the country early next year.

Danucha Noichaiboon, managing director of Ekarat Engineering, which has a solar PV factory, commented that the ERC's tendering conditions did not give any edge to locally produced solar panels, since they are open to practically all standards applied in the world.

