



Barriers and its removal: coal fired power

2 October 2014



Major Issues in coal fired power plant



Community acceptance

Local protest against coal







- ✓ Continuous public relation/education of clean coal
- ✓ CSR activity for community benefit



Lack of clear standard on environment/relocation

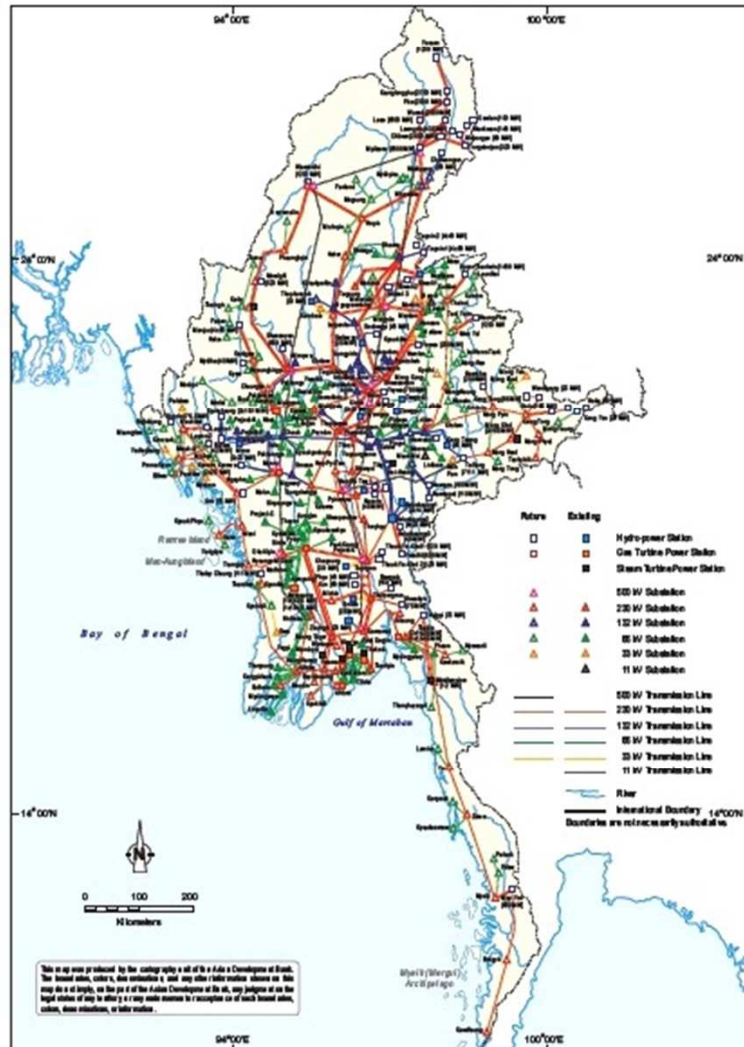




- ✓ MM government to set the standard and promote the complying project

Limitation in choosing site and generation capacity

Figure A5.2 Planned Transmission System



Source: Ministry of Electric Power, August 2010.



- ✓ MM government to plan and obtain fund for the T/L construction



Free share/Free power



Burden for the project economics



Free share/Free power



- ✓ Free power/share may not be suitable for fossil fuel power plant



PROJECT FINANCE



- All the above issues +
- PPA format
 - Credibility of off taker
 - Lender's right
 - others



- ✓ MM government to set the bankable PPA format with fuel cost pass through tariff structure
- ✓ Guarantee from MOF may be necessary
- ✓ MM government to cooperate to protect lender's right/security

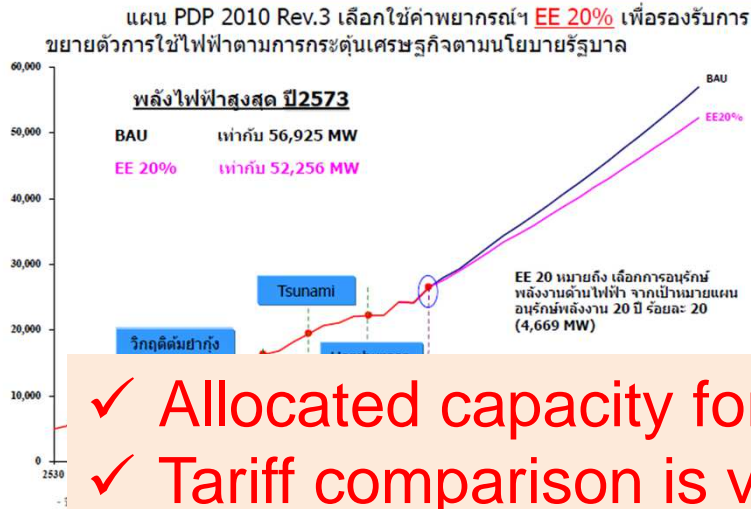
Major Issues for export to Thailand





สำนักงานนโยบาย
และแผนพลังงาน
กระทรวงพลังงาน

การจัดทำค่าพยากรณ์ฯ พลังไฟฟ้าสูงสุดรวมสุทธิ (ชุด 30 พ.ค.55)

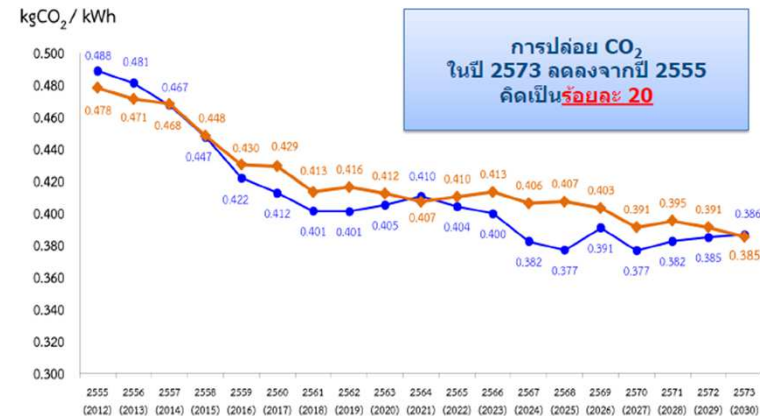
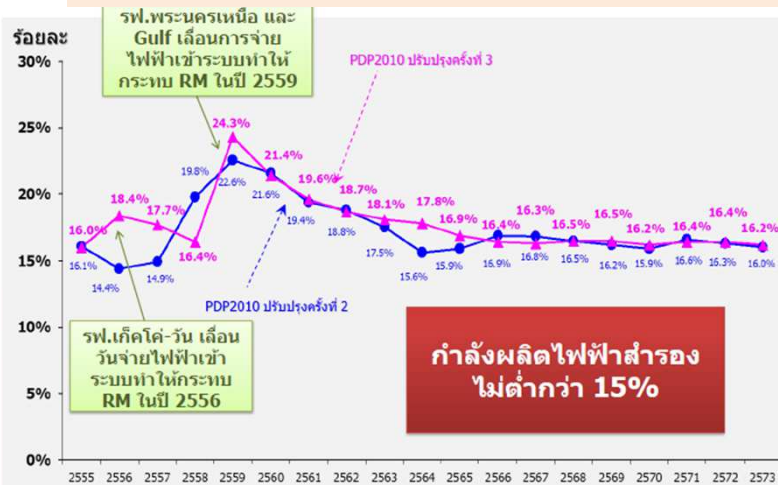
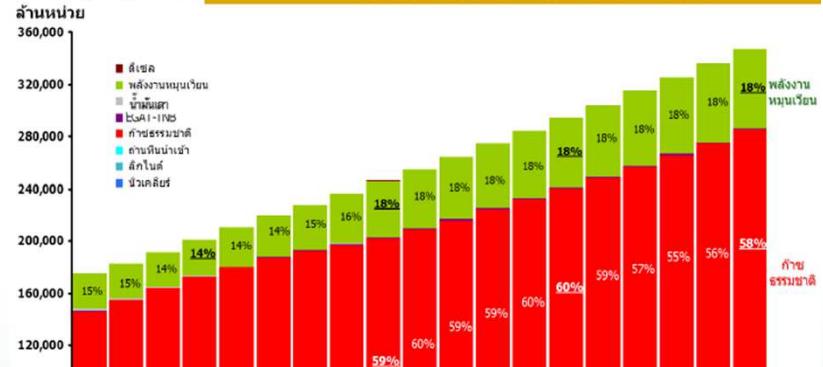


- ✓ Allocated capacity for import coal fired power plant?
- ✓ Tariff comparison is versus local gas plant? or local coal plant?

สำนักงาน
และแผน
กระทรวง

สำนักงานนโยบาย
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สัดส่วนกำลังผลิตไฟฟ้า แยกตามประเภทเชื้อเพลิง



MOU for power export



✓ MOU for power exchange shall be executed between TH and MM governments



- ✓ Why export when the domestic electrification rate is so low??
 - Bankability
- ✓ Export of environmental issue to Myanmar??
 - Clean coal technology





thank you



Issue	Barrier	Countermeasure / note
Community acceptance	<ul style="list-style-type: none"> Local protest against coal. 	<ul style="list-style-type: none"> Continuous public relation/ education of clean coal. CSR activity for community benefit.
Standard	<ul style="list-style-type: none"> Lack of clear standard on environment/relocation. 	<ul style="list-style-type: none"> MM government set the standard and promote the complying project.
Transmission line	<ul style="list-style-type: none"> Limitation in choosing site and generation capacity. 	<ul style="list-style-type: none"> MM government to plan and obtain fund for the T/L construction.
Free share/ Free power	<ul style="list-style-type: none"> Burden for the project economics. 	<ul style="list-style-type: none"> Free power/share may not be suitable for fossil fuel power plant.
Bankability	<ul style="list-style-type: none"> All the above issues + <ol style="list-style-type: none"> PPA format Credibility of off taker Lender's right others 	<ol style="list-style-type: none"> MM government to set the bankable PPA format with fuel cost pass through tariff structure. Guarantee from MOF may be necessary. MM government to cooperate to protect lender's right.



Issue	consideration
PDP 2015	<ul style="list-style-type: none">• Allocated capacity for import coal fired power plant?• Tariff comparison is versus local gas plant? or local coal plant?
MOU for power export	<ul style="list-style-type: none">• MOU for power exchange shall be executed between TH and MM governments.
Acceptance by Myanmar	<ul style="list-style-type: none">• Why export when the domestic electrification rate is so low??<ul style="list-style-type: none">- Bankability• Export of environmental issue to Myanmar??<ul style="list-style-type: none">- Clean coal technology