

Memorandum of Understanding
between
the Energy Regulatory Commission of Thailand
and
the German International Cooperation (GIZ)

Under the Energy Industry Act B.E. 2550 (2007) ("the Act"), enforced since December 2007, the Energy Regulatory Commission (ERC) of Thailand was first established on 1 February 2008, comprising seven Commissioners, to be responsible for the regulation of electricity and natural gas industry in Thailand to ensure compliance with the objectives of the Act under the policy framework of the government, via the National Energy Policy Council (NEPC) chaired by the Prime Minister. The Office of the Energy Regulatory Commission (OERC) functions as the Secretariat to support the work of the ERC.

The goal of the ERC is to regulate energy industry operations to ensure maximum national energy security and reliability conforming to international standards.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (German International Cooperation, GIZ) is a federally owned organization, having the objective to improve people's lives on a sustainable basis. It supports the German Government in achieving its objectives in international cooperation for sustainable development and international education. The GIZ provides viable, forward-looking solutions for political, economic, ecological and social development in a globalized world.

In Thailand several activities of GIZ target the improvement of the energy sector in a sustainable and climate-friendly way.

Among the objectives of the Act are promotion of economical and efficient use of energy and resources in energy industry operation with due consideration of environmental impact and the balance of natural resources, and the use of renewable energy which has minimal impact on the environment in the electricity industry operation.

In this connection, the Thai Ministry of Energy has launched the Alternative Energy Development Plan (AEDP) 2012-2021, aiming to have renewable energy account for a 25% share of the energy supply chain by 2021.

In addition, the 20-year Energy Efficiency Development Plan (EEDP) 2011-2030 has been formulated by the Ministry of Energy to provide a national policy framework and guidelines on energy efficiency improvement implementation in the long term, with a target to reduce energy intensity (energy consumption/GDP) by 25% by 2030, compared with that in 2010.

Given considerable expertise of the GIZ in renewable energy and energy efficiency as well as its past experience of implementing numerous cooperative energy projects with Thailand in both aforesaid fields, both ERC and GIZ agree to execute a Memorandum of Understanding on

cooperation in support of renewable energy and energy efficiency promotion, particularly in a regulatory perspective, as a step towards establishing a long-standing, mutually beneficial relationship between the two organizations.

This Memorandum of Understanding will serve as an instrument to initiate cooperation between the GIZ and the ERC, through exchange of best practices, consultancy provision and capacity building by GIZ experts. In the course of what is anticipated to be a long-term relationship, the following specific issues envisaged for the ERC-GIZ cooperation may be considered:

1. Power generation from renewable energy, e.g. renewable generation regulation, renewable zoning, problems with renewable integration, renewable generation bidding and renewable tariffs setting;
2. Energy Efficiency, e.g. Energy Efficiency Resource Standards (EERS); and
3. Capacity Building, e.g. training/seminars/presentations by GIZ experts.

It is believed that the ERC-GIZ cooperation will contribute to steady development of alternative energy utilization and energy efficiency in Thailand, pursuant to the targets of the AEDP 2012-2021 and the EEDP 2011-2030 of the Thai government, and hence turning Thailand to become a low carbon society with improved people's lives on a sustainable basis.

Based on the Memorandum of Understanding, annual work packages can be agreed depending on the availability of financial resources.

Each Party shall have the right to terminate the Memorandum of Understanding by giving written notice to the other Party at any time.


Signed in Bangkok, in duplicate, this 8th day of April 2015.

For the Energy Regulatory Commission of
Thailand



(Mr. Pornthape Thunyapongchai)
Chairman

For the German International Cooperation
(GIZ)



(Mr. David Oberhuber)
Country Director
GIZ Office Bangkok