



TRUST

SOCIAL
ACCOUNTABILITY

UNITY

RELIABILITY AND
CONSISTENCY

TRANSPARENCY AND
INDEPENDENCE



Annual Report 2012

the Energy Regulatory Commission
& Office of the Energy Regulatory Commission

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Royal Speech of
His Majesty King Bhumibol Adulyadej

“When there is an opportunity and work to do,
you should do it heartily without setting any exception or condition.

A really capable person will always accomplish any task
entrusted to him. The more attention, diligence and honesty
you have, the more success in work you will achieve.”

An Excerpt from the Royal Speech
on the Graduation Ceremony of the College of Technology
and Vocational Education

8 July 1987

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In the fiscal year of 2012, the form, criteria and process of the issuance of energy industry operation licenses have been developed to be modern, with the use of electronic systems to optimize the efficiency, reduce the procedures and facilitate license applicants to be able to apply for a license at one time (One Stop Service: OSS). Concurrently, we also give importance to the environmental management by organizing hearings on power projects that may cause severe impact on the community in both environmental and health aspects; the hearing outcome will be taken into consideration of license issuance. This is to comply with Section 67, Clause 2, of the Constitution of the Kingdom of Thailand B.E. 2550 (2007).

4



Another significant implementation of the ERC in the 2012 fiscal year was the issuance of the regulations and criteria on the procurement of electricity and the announcement on a new round of Request for Proposals on the Purchase of Power from Independent Power Producers (IPPs) for supplying to the grid during 2021 – 2030 in compliance with the Power Development Plan B.E. 2555 – 2573 (PDP 2010, 3rd revision) at the amount of 5,400 MW, via competitive bidding. In this regard, the ERC also supervised the selection process to be fair for all parties.

Moreover, the ERC has also regulated the implementation of Power Development Fund in accordance with the objectives, among others, to decentralize development to locality and to enhance development of local communities that have been affected by power plant operation. In the 2012 fiscal year, the ERC approved the annual work plans of 37 Power Development Funds in designated areas and a total budget of over 1,650 million baht was allocated for the administrative cost of the Funds and for the operation of community projects as proposed in the work plans.

From the end of 2011 to early 2012, Thailand had experienced the most catastrophic flood in the past decades, which caused vast destruction of people's lives and property. The ERC did not refrain from action, but was well aware of its social responsibility. Various measures were urgently introduced to assist people and entrepreneurs who had been affected by the floods, including consideration on reduction or postponement of fee collection in order to alleviate people's sufferings amidst such a situation.

With regard to international cooperation in energy industry regulation and in order to respond to the forthcoming establishment of the ASEAN Economic Community in 2015, the ERC has given importance to the development of ASEAN Energy Regulators' Network (AERN), under which Thailand had the honor to host the first official AERN Meeting in March 2012. The main objective of AERN is to enhance the development of energy infrastructure in the region, that is, the ASEAN Power Grid and the Trans-ASEAN Gas Pipeline projects, in the regulatory aspects so that the project operation would be smooth under harmonized rules, regulations and standards.

Finally, I am confident that the past experience, implementation and creation of participatory networks with all stakeholders in all sectors will contribute to the development of energy industry regulation of the ERC, including the operation of the OERC, to be more efficient and effective for the benefits of all stakeholders in the energy sector and the country as a whole.



Professor Emeritus Dr. Direk Lavansiri
Chairman of the Energy Regulatory Commission

Vision, Mission and Core Values

Vision

To regulate energy industry operation with fairness, transparency and efficiency, with international acceptance.

Mission

To regulate energy industry operation in order to establish a secure energy system that is reliable, efficient and fair for both energy consumers and energy industry operators, while remaining environmentally friendly, by adhering to fair and transparent execution of the defined duty and responsibilities for the benefit of sustainable development of the country in terms of social, economic and environmental aspects.



Core Values

“TRUST,” an acronym reflecting the belief, value and desirable behavior in energy industry regulation, consists of :

T	Trust	Stakeholders can be confident in the ERC's decisions and action.
R	Reliability and Consistency	The ERC will execute its duty without prejudice and the ERC's decisions will be consistent over time.
U	Unity	The ERC will work together with team spirit to achieve the defined vision.
S	Social Accountability	The ERC's operation and decisions will be accountable and open to public participation.
T	Transparency and Independence	The ERC's operation, decisions, appeal process and complaint-handling will be transparent and in compliance with the law, with high relevance to stakeholders and financial independence.

Energy Regulatory Commission



Professor Emeritus Dr. Direk Lavansiri

Chairman, Energy Regulatory Commission

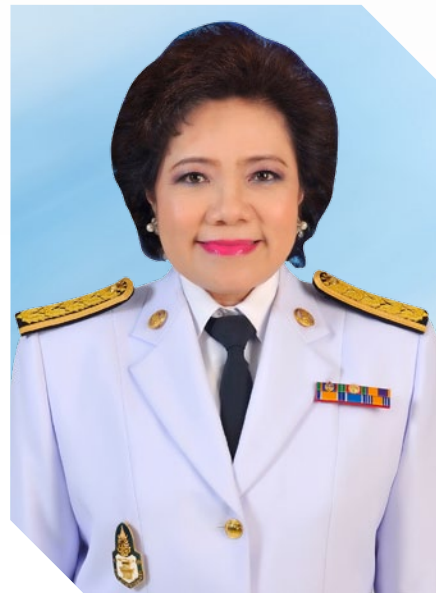
Science or Engineering



Mr. Nopadon Mantajit

Commissioner

Energy -- Natural Gas



Mrs. Pallapa Ruangrong

Commissioner

Economics or Energy Management



Lt. Thaksin Limsuvan

Commissioner

Law



Mr. Boonsong Kerdklang

Commissioner

Energy -- Electricity



Mr. Pisit Soontararat

Commissioner

Political Science (Government), Social Science
and Environment



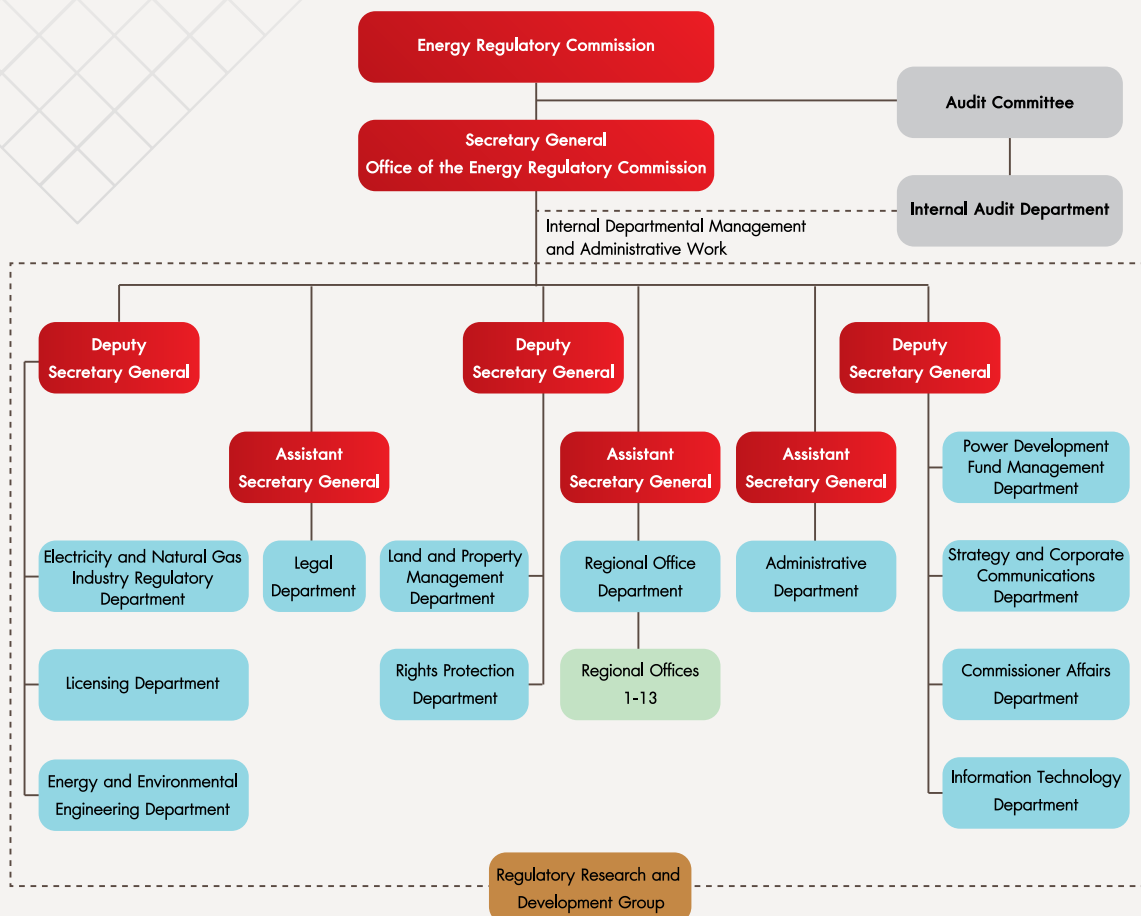
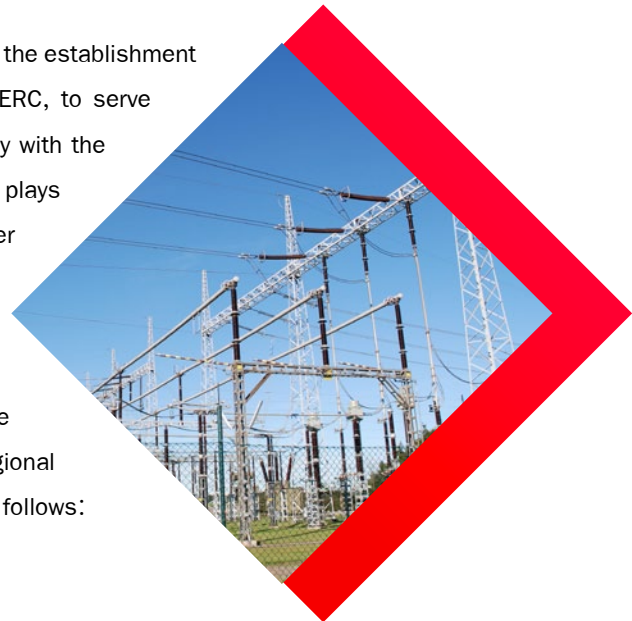
Mr. Sun Vithespongse

Commissioner

Finance and Accounting

Office of the Energy Regulatory Commission

The Energy Industry Act of 2007 (the Act) stipulates the establishment of the Office of the Energy Regulatory Commission, or OERC, to serve as the Secretariat to the ERC. The OERC is a state agency with the status of a juristic person under the ERC supervision and plays a key role in supporting duty execution of the ERC in order to achieve the objectives of the Act in the formation of balanced development in energy, economic, social and environmental dimensions, which will bring about efficient energy management system of Thailand and will enhance the national economic system to be competitive at both regional and global levels. The OERC organizational structure is as follows:





1

Mr. Kawin Thangsupanich

Secretary General

2

Mr. Atiluck Attapich

Deputy Secretary General

3

3

Mr. Pornchai Patiparnprechavut

Deputy Secretary General

4

Ms. Narupat Amornkosit

Deputy Secretary General



5

Mr. Kamon Pintong

Assistant Secretary General

6

Mr. Choosak Wongsavat

Assistant Secretary General

7

7

Mr. Kittipong Pinyotrakool

Assistant Secretary General



1

2

3

4



Mrs. KunphasVajanarat

Director, Internal Audit Department



Ms. Narumon Intharak

Director, Electricity and Natural Gas Industry
Regulatory Department



5

6



Mr. Khomgrich Tantravanich

Director, Licensing Department



Mr. Tongkum Piyateravog

Director, Energy and Environmental
Engineering Department



Mr. Prated Srichomphu

Director, Rights Protection Department



Mr. Surasak Ruangchan

Director, Land and Property Management
Department



7

8

9

10



Mrs. Ruedee Paringkan

Director, Power Development Fund
Management Department



Ms. Rangsim Pakkoh

Director, Commissioner Affairs Department



Mr. Pornthep Chotinuchit

Director, Strategy and Corporate
Communication Department



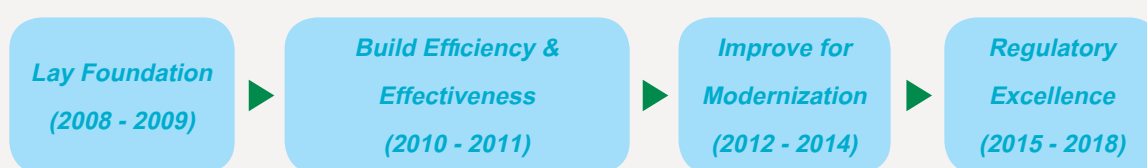
Mr. Niwet Jaratdamrong

Director, Information Technology Department

Strategic Plan for Energy Industry Regulation (2008 - 2012)

In order to propel the regulation of Thailand's energy industry in compliance with the objectives of the Energy Industry Act, implementation has been undertaken according to the six strategies under the Strategic Plan for Energy Industry Regulation for the period 2008 - 2012, which is the framework to enhance efficiency of the ERC's duty execution and to promote the national energy system development in a suitable direction.

Direction and Milestones of the Energy Industry Regulation



Strategy	Goal
Strategy No. 1 Licensing, regulation and protection of the interests of energy consumers, communities and the nation.	- To have energy industry licensing process that is efficient, with international, transparent and fair criteria. - To regulate and monitor energy industry operation to meet service quality standards, engineering and safety standards of the electrical system and natural gas transmission system so as to safeguard both short and long-terms interests of energy consumers, the community and the nation.
Strategy No. 2 Promotion of efficient energy industry operation and use of energy.	- To increase efficiency in the generation, transmission and distribution systems of electricity and natural gas. - To regulate the tariffs to be transparent and fair.
Strategy No. 3 Promotion of good management and competition in the energy industry.	To have good management of immovable property usage in the energy industry operation together with fair competition in the energy industry and prevention of abusive use of monopoly power.
Strategy No. 4 Promotion of the national energy structure with security, reliability and safety.	To have the national energy structure that is secure, reliable and safe.
Strategy No. 5 Promotion of public participation in energy system development.	- To establish Regional Energy Consumer Committees (RECCs) and Power Development Fund as a mechanism to create participation of various sectors in the energy system development. - To have various sectors take part in the development of energy industry regulation and energy efficiency improvement. - To increase public knowledge, understanding and awareness of energy industry regulation to create their motivation to participate in the energy system development.
Strategy No. 6 Organizational development to be a high-performance organization with a good image and ranked as national corporate excellence.	To establish a highly efficient, transparent and just management system that is internationally accepted.



***Achievements
in Fiscal Year 2012***

Major Achievements

1. Enhancement of energy consumers' participation: through the mechanism of Regional Energy Consumer Committees (RECCs) in order that the execution of energy industry regulation can extensively take care of energy consumers and that power plants can sustainably co-exist with the community. The ERC and RECCs have jointly determined the implementation direction in the form of the energy consumer protection plan involving various issues, such as establishing the service standards, safety standards, standards of service provision contracts, etc., which are significant components in creating balance, satisfaction and fairness for energy consumers, energy industry operators and the community.

In the fiscal year of 2012, the ERC, jointly with the OERC, set up the ERC Retreat Project as a channel to build up relationships, knowledge and understanding of energy regulatory work among the ERC, energy consumers and operators. Moreover, this will also serve as the platform for exchanging information and suggestions which will contribute to enhancing efficiency of the national energy industry regulation.

In addition, the ERC has also supervised the Power Development Fund operation under the policy framework of the National Energy Policy Council. In this regard, the OERC will take the functions of receiving, disbursing, keeping and managing the Power Development Fund pursuant to the regulations prescribed by the ERC. In the fiscal year of 2012, the ERC has issued additional six regulations and announcements on the operation of the Power Development Fund, thus making a total of 12 regulations and announcements already

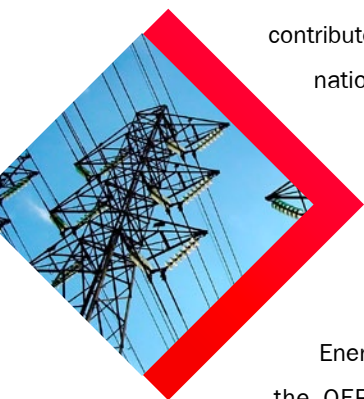
issued. Regarding the management of the Fund operation, there will be a Power Development Fund Committee in each designated area to prepare the annual plan as guided by the manual issued by the OERC. In this fiscal year, the ERC has approved the annual plan of 37 Power Development Funds in designated areas and more than 1,650 million baht has been allocated to Power Development Fund Committees in designated areas for use as the administrative costs and the operation of community projects.

2. Establishment of cooperation with foreign energy regulatory agencies:

to be prepared for participating in the ASEAN Economic Community (AEC) which aims to promote the ASEAN region as a single market and production base for liberalized transfer of goods, services, investment, skilled labor and capital investment by the year 2015. In order to achieve the goal, energy development and management is necessary and action must be urgently taken.

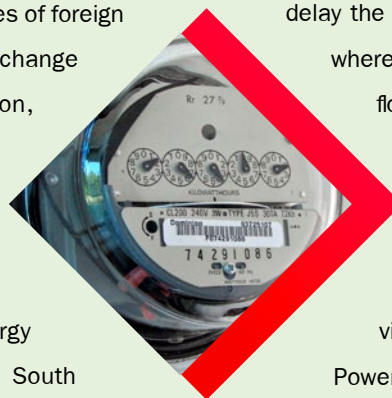
Under the cooperation framework between ASEAN and the Asian Development Bank (ADB), the ADB has proposed the concept of establishing a cooperation network in energy industry regulation, called "ASEAN Energy Regulators' Network (AERN)," which aims to share knowledge and experience in energy regulation in the ASEAN region. In 2010, ADB presented the concept to the 28th meeting of ASEAN Senior Officials Meeting on Energy (SOME) in Vietnam, and in 2011, the scope of work of AERN was presented and approved by the 29th ASEAN Ministers on Energy Meeting (AMEM) in Brunei.

The ERC, being Thailand representative, hosted the first official meeting of AERN on 3



March 2012, in Bangkok, Thailand, with the aim of upgrading cooperation between energy regulatory agencies to the network of energy regulatory agencies under the framework of ASEAN energy cooperation to mutually develop energy industry regulation in the region and also to exchange knowledge and information, especially about ASEAN Power Grid (APG) and Trans-ASEAN Gas Pipeline (TAGP) projects, in order to enhance energy security of the region.

Apart from the ASEAN region, the ERC also recognizes the importance of building up cooperation with other regions, for example, being a member of the National Association of Regulatory Utility Commissioners (NARUC) of the USA to share knowledge and experience related to the electricity and natural gas industry regulation, which is considerably beneficial to Thailand in upgrading the energy regulatory standards of the country to meet the international standards. Furthermore, there have been several visits of representatives of foreign energy regulatory agencies to exchange knowledge about energy regulation, such as Bhutan Electricity Authority of Bhutan, the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety of Germany, and renewable energy agencies of the countries in the South Pacific Islands, etc.



3. Relief measures for flood victims:

the ERC approved the setting-up of measures to assist and relieve energy consumers and licensees who suffered from the floods in late 2011, consisting of the general public, the industrial sector and the licensees. The relief measures were divided into three phases as follows:

3.1 Immediate measures, i.e.: (1) to relieve the sufferings of electricity users hit by the

flood, by waiving the monthly service charge if there was no electricity consumption in the flood months, and affected individuals could request exemption from the terms of minimum electricity charge calculated from comparison with the electricity use in the previous month. These measures were effective from the month in which the individuals were hit by the flood up to April 2012. Moreover, electricity users affected by the flood could contact concerned Power Utilities to request delay of payment for electricity bill of each flood-affected month for a period of three months without interest; (2) to provide food, boats and necessary items for survival; (3) to propose to the NEPC to review the policy on subsidizing 90-unit electricity consumption free of charge so as to reduce the burden of the industrial sector; (4) to maintain the Power Factor fine at the current rate of 14 baht per Kvar and start using the new Power Factor fine rate at 56.07 baht per Kvar as from the billing in May 2012 onwards; (5) to reduce/ delay the license fee collection in the case where the licensees suffered from the flood.

3.2 Recovery

measures, i.e.: (1) to consider the F_t value

to ease the burden of flood victims; (2) to cooperate with the

Power Utilities and IPPs in setting up

technician teams to repair flood-damaged electrical equipment; (3) to coordinate with the

IEAT in the rehabilitation of industrial estates with regard to electricity supply; and (4) to determine remedy measures to enable flood-affected licensees to resume their business operation.

3.3 Long-term measures: consider the approach to assist the three Power Utilities, which had to bear the burden in place of the flood victims and of which the sub-station equipment was flood-damaged.

Highlights of Activities in Fiscal Year 2012

September 2011



- The atmosphere of the selection of the general public sector representatives to be members of the Power Development Fund Committee of the Power Development Fund: Krabi Power Plant, at the District Office of Klongkanan, Krabi Province.

November 2011

- The OERC initiated a project on RECC Knowledge Sharing, Project 3, on the “Course on Systematic Thinking Process to Develop RECC Strategies,” No. 4, at Khanom District, Nakhon Si Thammarat Province. The project was participated by RECC members from Regions 7, 10, 11 and 12, with the purpose of enhancing systematic thinking process of the RECCs, which will lead to the development of RECC Strategic Plan to be used as guidelines for cooperation between RECCs and the OERC during the period of 2011 – 2014.



- During the flood crisis in several provinces in late 2011, the ERC jointly with the PEA and MEA considered issuing the criteria for delaying the payment for electricity charge in the disastrous areas for the benefits and to help reduce the burdens of electricity users who were affected by the floods.





December 2011

- The ERC was awarded the ASEAN Outstanding Engineering Achievement Award for the year 2011: Being High Performance Energy Regulatory Body in Thailand. Such an award was given to organizations with high performance in energy industry regulation.

January 2012

- The OERC held the 1st award-giving ceremony under the project on knowledge building by the e-Learning system with the aim to create a network of people in the energy field and to encourage the establishment of online energy learning center, pursuant to the ERC policy. The ceremony was presided over by Professor Emeritus Dr. Direk Lavansiri, ERC Chairman, with the attendance of Commissioner Lt. Thaksin Limsuvan and Commissioner Pisit Soontararat.



- A meeting to select the experts to be members of the Mae Moh Power Plant Community Development Committee (CDC) in Lampang Province. Participants were representatives of the government and general public sectors.



February 2012

- Professor Emeritus Dr. Direk Lavansiri was granted a plaque and certificate for being Distinguished Chulalongkorn University Engineer, from the Chulalongkorn University Engineering Alumni Association and the Faculty of Engineering, Chulalongkorn University.



- The OERC arranged the 1st academic seminar and meeting on RECC performance at The Emerald Hotel, Bangkok. The RECC strategic plans of all 13 regions for joint implementation with the ERC on power users' rights protection during 2012–2014 were presented, including a keynote speech on the “Royal Talent for Energy” and a panel discussion on the topic, “Thai Energy ... for Whom,” in which Mr. Metta Bantherngsuk, former Deputy Permanent Secretary of Energy, kindly participated as a panelist.



March 2012

- Professor Emeritus Dr. Direk Lavansiri, ERC Chairman, presided at a seminar on “Implementation of Smart Grid in North America” which was held by the OERC to transfer knowledge and experiences of foreign experts, including the application of Smart Grid in the USA, and to learn about problems and obstacles in the implementation as well as ways to solve such problems, to be applied to the design and implementation of Smart Grid in Thailand so that the operation would be suitable and efficient because Thailand is presently in the stage of technology learning and development.



- Mr. Arak Chonthanon, Minister of Energy, and his team visited the OERC and were welcomed by Professor Emeritus Dr. Direk Lavansiri, ERC Chairman, and other Commissioners along with the OERC Executives.



- The OERC hosted the 3rd academic conference on ASEAN energy regulation under the theme of “Energy Regulation and the Promotion of Energy Conservation” at Four Seasons Hotel, Bangkok, participated by representatives of energy regulatory organizations from 11 countries to share knowledge and experience in energy conservation promotion in Southeast Asia. Moreover, Thailand also proposed the official establishment of the ASEAN Energy Regulators’ Network (AERN) to nine participating ASEAN member states, i.e. the Philippines, Indonesia, Cambodia, Laos, Malaysia, Vietnam, Singapore, Brunei and Thailand, to be the focal energy regulatory body at the regional level. The first AERN Meeting was held in Thailand and the discussions were made on the draft Term of Reference of AERN to set the implementation direction of AERN cooperation.



- The ERC invited EGAT, MEA and PEA to provide information in the case where the Republic of the Union of Myanmar would halt the supply of natural gas during 8–18 April 2012, result in the use of fuel oil and diesel oil for power generation in place of the natural gas shortage, and hence higher electricity production costs. In addition, the ERC also invited business and industrial sectors, such as the Federation of Thai Industries, Thai Chamber of Commerce, Kasikorn Bank, and companies and federation groups to discuss the matter and urged for their voluntary cooperation in reducing the use of electricity during the peak load during 8 – 18 April 2012, for two hours, from 1.30 PM – 3.30 PM, with a target to reduce electricity use during Songkran festival by 1,000 MW, equivalent to electricity consumption reduction by 20%.



April 2012

- Commissioner Nopadon Mantajit presided over the Workshop on Integrated Resources Planning and the development of Thailand Power Development Plan (PDP) with the aim to provide opportunities for agencies involved in the PDP development to exchange opinions contributing to the development of the plan. The knowledge gained from the workshop can be put into practice to achieve practical benefits.

May 2012

- The ERC, in cooperation with the National Defence College Association of Thailand (NDCAT), held a special dialogue on the “Thai Energy Crisis -- Problems and Solutions” to provide better understanding of the energy crisis in Thailand together with the approaches to prevent and resolve energy crisis that may happen in the future. On this occasion, General Jaran Kullavanijaya, NDCAT President, was honored to open the special dialogue at the National Defence College of Thailand, the National Defence Studies Institute.



June 2012

- The OERC, jointly with the Institute of Asian Studies, Chulalongkorn University, held a “Conference on Development of the Network for Rights Protection of Stakeholders in the Energy Industry” (electricity and natural gas in the pipeline systems) to publicize the role and mission of the ERC, OERC, including OERC Regional Office 4 and the RECCs, regarding the protection of rights and benefits of energy users.



August 2012

- Professor Emeritus Dr. Direk Lavansiri, ERC Chairman, was awarded “ANQ Recognition for Excellence in Quality Practice” for outstanding quality management in Asia. The awards were conferred to agencies of both public and private sectors at the Asian Network for Quality (ANQ) Congress 2012, Hong Kong Special Administrative Region of the People’s Republic of China.

Achievements in Fiscal Year 2012

Since 1 February 2008 until now, it has been about four years that the ERC has been carrying out its duty regulating the electricity and natural gas industry transparently and fairly so as to lay the foundation for proactive development of the energy sector of the country, to develop the energy regulatory system and analyze the outcome of the regulation in order to improve energy industry regulation to ensure that all relevant parties -- the general public, energy business operators, society and the country, as a whole, will be treated fairly and gain highest benefits from the energy industry regulation, and to ensure that power plants and communities can co-exist sustainably. During the past year, the ERC had six major achievements following the Strategic Plan for Energy Industry Regulation, No. 1, as follows:

1. Licensing, regulation and protection of the interests of energy consumers, communities and the nation.

2. Promotion of efficient energy industry operation and use of energy.

3. Promotion of good management and competition in the energy industry.

4. Promotion of the national energy structure with security, reliability and safety.

5. Promotion of public participation in energy system development.

6. Organizational development to be a high-performance organization with a good image and ranked as national corporate excellence.

1. Licensing, regulation and protection of the interests of energy consumers, communities and the nation: by executing the regulation to ensure fairness for energy consumers in terms of energy prices and energy industry operations in compliance with engineering and safety standards

and environmental standards, including the impact on the community. Major achievements in this area are as follows:

1.1 Regulating the licensing process to be up to standard, fair and accountable in accordance with Section 51 of the Act, as follows:

1.1.1 The ERC has improved the licensing process in accordance with Section 67, Clause 2, of the Constitution of the Kingdom of Thailand (2007), and other related laws. On 18 November 2011, the OERC held a hearing on the thermal power plant project of GHECO-One Co., Ltd., at the auditorium of Rayong Government Complex. Such practice will serve as the guidelines for the OERC's officials in arranging the hearing process to obtain views and comments of the general public and stakeholders to be used in the consideration of license granting for energy operation that may cause serious impact on the communities in terms of environmental quality, natural resources and health.

1.1.2 The ERC has given importance to environmental management by considering issuing the ERC regulation on measures for preventing, solving and monitoring environmental impact to be imposed on those who are exempted from preparing an EIA report according to the law on enhancement and conservation of national environmental quality of B.E. 2555 (2012) (or "Code of Practice: CoP") as a mandatory mechanism for power generation operators with a generating capacity below 10 MW to comply with the CoP of each fuel type at each stage of their energy business operation, from the beginning of the plant construction to the power generation stage, including the plant demolition when closing down the business. This is due to the fact that nowadays there are a large number of power plants with a

capacity below 10 MW. The ERC is in the process of considering the draft “Regulation of the ERC on the Code of Practice (CoP) in Environmental Management for the operation with a Generating Capacity below 10 MW, B.E....” for biomass power plants. The regulation is expected to be enforced by December 2012.

1.1.3 The ERC has regulated the energy industry through the issuance of licenses for energy operation and has improved the licensing process jointly with relevant authorities pursuant to Section 48¹ of the Act, in compliance with the timeframe specified in the ERC Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008). In the fiscal year of 2012, a total of 131 licenses were issued, divided into 128 licenses for electricity industry operation and 3 licenses for natural gas industry operation.

Table 1 : Licensing for energy operation in the Fiscal Year 2012

License Type	No. of Licenses Granted from 2009 to September 2012	Fiscal Year 2012 (1 October 2011 – 30 September 2012)	
		No. of Licenses Granted	
1. Electricity Industry License	509	128	
1.1 Electricity Generation License	360	105	
– Installed capacity not over 10 MW	224	76	
– Installed capacity of 10 MW – 150 MW	93	26	
– Installed capacity over 150 MW	43	3	
1.2 Electricity Transmission System License	5	–	
1.3 Electricity Distribution System License	73	11	
1.4 Electricity Distribution License	70	12	
1.5 Power System Control License	1	–	
2. Natural Gas Industry License	16	3	
2.1 Natural Gas Transportation License through Pipeline Natural Gas System	11	3	
2.2 Gas Aquisition and Wholesale License	1	–	
2.3 Gas Retail License through Natural Gas Distribution System	3	–	
2.4 Gas Storage and Transformation of Liquid to Gas License	1	–	

Remarks: Data as at 30 September 2012

The ERC has integrated the licensing into the One Stop Service (OSS) and improved the licensing process on the electronic system to support energy industry licensing at the regional level to be quick and accountable. A Memorandum of Understanding

(MOU) was signed with the Ministry of Interior on the guidelines and procedures for permitting construction of buildings and others for energy operation pursuant to Section 48 of the Act so that licensing would be effective with clear procedures

¹ Section 48 of the Act specifies that in the case that the facility construction or factory establishment for the purpose of energy industry operation must comply with the law on factories, the law on building control, the law on town and country planning or the law on energy development and promotion, the granting under the laws on those respective matters shall be under the authority and duties of the ERC under this Act. In this regard, the ERC shall have to solicit for comments from the authoritative agencies under those respective laws, and such agencies must notify the ERC of their comments and amount of fees chargeable under those respective laws.

to facilitate license applicants for energy operation and other relevant license types. Moreover, the licensing database has also been improved to ensure its accuracy, being up-to-date with highest efficiency, which will be useful for license issuance

consideration in the future. In 2012, the ERC has also granted 102 regulated energy production licenses under the law on energy development and promotion and 52 power generation facility operation licenses under the law on factories.

Table 2 : Licensing for regulated energy production and for power generation facility operation

License Type	No. of Licenses Granted	
	2012	Total Generating Capacity (MW)
1. License for regulated energy production	102	5,764.86
2. License for power generation facility operation	52	212.18
Total	154	5,977.04

Remarks: Data as at 30 September 2012

1.2 Regulating and inspecting engineering, safety and environmental standards

in order to ensure that the national power system is secure, reliable and safe by setting conditions and measures for energy operators to comply with so as to achieve higher service quality and standards. In addition, penalties have been set and random inspections of energy operation have been carried out, including the improvement of energy service quality standards and the development of handbook on inspection and monitoring energy industry operation facilities in three aspects: 1) engineering and safety standards, 2) environmental and impact on the community, and 3) energy industry performance and efficiency. In the year 2012, the OERC developed a handbook for post auditing the licensees of all types, including the preparation of a database system for data keeping once the audit is actually undertaken. In executing the above-mentioned, trial inspections were undertaken of some power plant categories using the mentioned handbook to get feedback from the licensees. In the later part of the fiscal year, the OERC disseminated information about the handbook to the licensees and planned random inspection in accordance with the first handbook. Improvement of the handbook was made after random inspections

of some power plants were made to ensure that they complied with the engineering and safety standards, as well as the performance of the energy industry operation facilities. Furthermore, study, analysis and improvement of the post audit were undertaken, together with data/information verification and finding for more facts from the complaints of electricity users.

Moreover, the Continuous Emission Monitoring Systems (CEMS) were set at seven power plants of the Electricity Generating Authority of Thailand and 11 IPPs, by linking the database with other concerned agencies; regulation of power service quality standards was undertaken in compliance with the standards approved by the Committee on Energy Policy Administration (CEPA) on 3 March 2009.

2. Promotion of efficient energy industry operation and use of energy: the ERC has regulated energy operation to be efficient to create satisfaction and acceptance of energy users and operators.

2.1 Regulating energy operation to ensure its efficiency. Power generation efficiency of SPPs with firm contracts, using either renewable energy as fuel or cogeneration system, has been

regulated. In the fiscal year of 2012, the ERC considered registration of five agencies to be neutral agencies, responsible for measuring the heat energy ratio of the use of supplementary fuel according to the handbook on reporting the use of supplementary fuel in small electricity production systems using renewable energy and measuring the performance index of primary energy utilization in the generating process of combined electrical and heat energy (Primary Energy Saving: PES), pursuant to the Manual for Measuring Efficiency of the Combined Heat and Power System and Calculating the PES Ratio for cogeneration SPPs.

2.2 Regulating energy tariffs to be fair for all stakeholders. In order to regulate the power tariffs and tariffs for natural gas transportation to

reflect the costs of energy industry operation and to be fair for both energy users and operators, the following were executed in the fiscal year of 2012:

2.2.1 Regulating the power tariffs according to the automatic tariff adjustment mechanism (F_t value) every four months by using the consideration principles that are fair for all parties, reflecting the actual costs which include the cost of fuel used for power generation, the cost of power purchase which differs from that in the base tariff and the impact of foreign exchange rates. Moreover, public hearings were arranged and recommendations from energy users were taken into consideration together with the impact of electricity cost on people. In the fiscal year of 2012, the ERC considered the F_t for four times as follows:

Table 3: Retail F_t rates charged to power consumers

	Retail F_t rate, excluding VAT (satang per unit)
September – December 2011	-6.00
January – April 2012	0.00
May 2012	0.00
June – August 2012	30.00
September – December 2012	48.00

2.2.2 Regulating the power tariffs pursuant to the measure on free electricity for the households with consumption not exceeding 50 units per month. The ERC revised the measure on power tariff subsidy for power users under the residential category, according to the policy approved by the cabinet on 27 December 2011, by reducing the free-of-charge units from not over 90 units per month to 50 units per month, aiming to keep the tariff subsidy at an appropriate level and in accordance with the objective to help genuine low-income power users. The expense burden incurred was distributed to power users under the categories of medium general services, large general services, specific business services and non-profit organizations.

2.2.3 Consideration on the damage resulting from the use of other fuel types which were more expansive than natural gas for electricity production due to the leakage of natural gas pipeline (Platong gas field). Before considering the damage, the ERC had investigated the facts jointly with EGAT and PTT for the transparency and fairness to all stakeholders; then it was deemed appropriate that PTT should be liable for the damage caused by the use of other fuels with higher prices than natural gas for power generation, accounting for a total amount of 2,481.85 million baht. This amount would be used to help reducing the burden of F_t in the round of September – December 2012, by about 5 satangs per unit.

2.2.4 Adjusting the natural gas transmission service charge of PTT and defining the criteria for calculating the tariffs for natural gas procurement and wholesale according to the manual for calculating natural gas prices and natural gas transmission tariffs issued by the Energy Policy and Planning Office, Ministry of Energy, the investment plan and the operating costs on the part of variable costs actually incurred, the actual average growth rate of natural gas price and the growth rate of Consumer Price Index (CPI) announced by the

Ministry of Commerce in order to obtain actual facts and the difference between the facts and the assumptions used in calculating the natural gas transmission tariffs, both in terms of investment and expenses on the part of variable costs. The natural gas transmission tariffs on the part of fixed costs (Td) will be reviewed every 3–5 years while the variable costs (Tc) will be reviewed annually. In the fiscal year of 2012, the ERC approved the natural gas transmission tariffs as follows.

Table 4 : Natural gas transmission tariffs based on the use of natural gas transmission pipeline systems in five zones (Unit: baht per million BTU)

Zone	Fixed Cost (Td)	Variable Cost (Tc)
Zone 1: Offshore natural gas transmission pipeline system, in Rayong	8.5899	1.3380
Zone 2: Offshore natural gas transmission pipeline, at Khanom	14.2177	1.3380
Zone 3: Onshore natural gas transmission pipeline	12.0654	1.3380
Zone 4: Onshore natural gas transmission pipeline, at Jana	2.4855	0.0145
Zone 5: Onshore natural gas transmission pipeline, at Namphong	1.1299	0.0000

Remarks: 1. According to the NEPC resolution of 18 October 2007, the criteria for calculating natural gas transmission tariff has been approved and the manual for calculating natural gas prices and natural gas transmission tariffs has been developed.
2. The ERC considered the natural gas tariffs on 13 September 2012.

2.3 Establishing regulatory measures to assist energy users during a crisis. In order to help people affected by the flood crisis in late 2011 up to early 2012, the ERC had requested cooperation from relevant agencies in formulating relief measures together, resulting in the following seven relief measures: 1) determine immediate measures to alleviate flood victims' burden of electricity bills, 2) stabilize the Ft rate, 3) review the policy on 50-unit free electricity use, 4) coordinate with relevant agencies in the rehabilitation of the industrial sector, 5) set up technician teams to help repair electrical equipment/appliances in the industrial and household sectors, 6) delay the license fee collection for flood affected cases, and 7) determine

relief measures to support flood-affected licensees to be able to resume their operation.

3. Promotion of good management and competition in the energy industry: Major achievements of the ERC included the regulation of power purchase from Independent Power Producers (IPPs), Small Power Producers (SPPs) and Very Small Power Producers (VSPPs) to be in accordance with Thailand Power Development Plan 2010–2030 (3rd Revision)² and the Alternative Energy Development Plan (AEDP) 2012 – 2021, including the enhancement of energy regulatory cooperation with ASEAN countries, which can be summarized as follows:

²On 23 March 2010, the Cabinet passed a resolution approving the NEPC resolution of 12 March 2010, according to which Thailand Power Development Plan 2010–2030 was approved to enhance security of power procurement in the future, stimulate investment in the energy sector, create confidence of power producers, including visualization of the response to the policy on reducing the emission of greenhouse gases from the power generation sector.

3.1 Regulating power purchase from Independent Power Producers (IPPs) and issuing the regulations and criteria on electricity procurement for supplying to the system during 2021–2030:

the ERC has regulated the purchase of power from four IPPs that have been selected from the IPP bidding for power purchase in the year 2012–2014, with a total capacity of 4,400 MW, as follows:

Project	Type of Fuel	Generating Capacity (MW)	Location	SCOD/COD
Gheco-One Co., Ltd.	Coal	660	Map Ta Phut Industrial Estate, Rayong Province	24 Nov 12
National Power Supply Co., Ltd. (in the process of contract signing)	Coal	540	Panom Sarakham District, Chachoengsao Province	15 Nov 16 15 Mar 17
Gulf JPUT Co., Ltd. (Formerly Siam Energy Co., Ltd.)	Natural gas	1,600	Rojana Industrial Estate, Ayudhaya Province	1 Jun 15 1 Dec 15
Gulf JPNS Co., Ltd. (Formerly Power Generation Supply Co., Ltd.)	Natural gas	1,600	Nongsaeng District, Saraburi Province	1 Jun 14 1 Dec 14

In addition, in the fiscal year of 2012, the ERC issued the regulations and criteria for electricity procurement and a Request for Proposals from IPPs to supply power to the system during the years 2021–2026, according to the PDP 2010, 3rd Revision, with a total capacity of 5,400 MW, pursuant to the cabinet resolution approving the NEPC resolution at its meeting No. 3/2555 (142nd) on 8 June 2012.

energy, that had been affected from the flood crisis, requests for change of location of Cogeneration SPP power plants that had been affected by the floods, requests for the use of supplementary fuel in the solar power projects, consideration of power purchase acceptance pursuant to the regulations for power purchase from Non-Firm SPPs B.E. 2550 (2007) (Revised in 2009) and the regulations for power purchase from Cogeneration SPPs with Firm Contracts, B.E. 2553 (2010) (Revised in 2011).

3.2 Regulating the power purchase from Small Power Producers (SPPs) and Very Small Power Producers (VSPPs):

the ERC has regulated the power purchase from SPPs and VSPPs according to the Thailand Power Development Plan 2008 – 2021 (PDP 2007: 2nd Revision) and the AEDP (2012 – 2021). Furthermore, the ERC considered solutions to the problems regarding power purchase from SPPs and VSPPs in various cases, such as requests for extension of time to receive Adders by VSPPs using solar



Table 5 : Status of power purchase from SPPs and VSPPs

Status of power purchase	SPP (Data as of 30 September 2012)						VSPP (Data as of 30 September 2012)					
	Firm		Non-Firm		Total		Cogeneration		Renewable		Total	
	No. of Projects	Capacity (MW)	No. of Projects	Capacity (MW)	No. of Projects	Capacity (MW)	No. of Projects	Capacity (MW)	No. of Projects	Capacity (MW)	No. of Projects	Capacity (MW)
1. Pending notification of purchase acceptance	1	22.0	37	1,663.1	38	1,685.1	0	0.0	249	1,160.9	249	1,160.9
2. Pending PPA signing	9	810.0	7	401.0	16	1,211.0	0	0.0	116	345.3	116	345.3
3. PPA signed	47	4,230.0	10	652.0	57	4,882.0	9	37.8	590	3,076.6	599	3,114.4
4. Supplying power to the grid	44	2,264.6	19	433.9	63	2,698.5	6	15	320	850.3	326	865.3
Total	101	7,326.6	73	3,150.0	174	10,476.6	15	52.8	1,275	5,433.1	1,290	5,485.9

Remarks : 1. Firm SPP means a private power producer with a proposed sale capacity to EGAT's system of more than 10 MW but not over 90 MW, with a PPA term of 20 – 25 years.
2. Non-Firm SPP means a private power producer with a proposed sale capacity to EGAT's system of more than 10 MW but not over 90 MW, with a PPA term of 5 years.
3. Cogeneration VSPP means a very small power producer that generates electricity using the system that generates both thermal energy and electricity, and the capacity supplied to the grid is up to 10 MW.
4. Renewable VSPP means a very small power producer that generates electricity from renewable energy, and the capacity supplied to the grid is up to 10 MW.

3.3 Regulation of the codes regarding the connection to electricity network systems of the three Power Utilities and to natural gas network systems of PTT to be in compliance with the principles set forth under Section 81 of the Act, taken into consideration the security, safety and quality of the energy system. The codes must be fair or must not discriminate any person requesting connection to the energy network systems. In this regard, the ERC is in the process of establishing guidelines on the energy network system and electricity system operation regulation.

3.4 Enhancement of cooperation with ASEAN countries under the ASEAN Energy Regulators' Network (AERN). The first official AERN meeting was held on 3 March 2012, with participation of representatives of energy regulatory

agencies from nine ASEAN countries. The meeting agreed to develop the draft scope of work of AERN (Terms of Reference: TOR) with the aims to develop cooperation in energy regulation and to support the vision of ASEAN Economic Community (AEC) on energy cooperation, particularly in the ASEAN Power Grid (APG) and Trans-ASEAN Gas Pipeline (TAGP) projects. As the host of the 1st AERN meeting, the ERC reported the progress of implementation of AERN to the Senior Officials Meeting on Energy (SOME) in July 2012 and to the ASEAN Ministers on Energy Meeting (AMEM) in September 2012, in Cambodia. Moreover, an Interim Meeting of AERN was held among AERN Member States from 28 to 29 August 2012, to consider the progress of the operation on ASEAN Power Grid and the operational plan of AERN.

4. Promotion of the national energy structure with security, reliability and safety:

the ERC has performed important tasks in this regard, by providing opinions on various energy plans in accordance with Section 11(5) of the Act,

i.e. providing opinions on the energy procurement and investment plans in the electricity industry for further consideration and approval by the cabinet³ as follows:

Plan	Status of Plan Approval
Thailand Power Development Plan	1. Thailand Power Development Plan B.E.2553 – 2573 (2010 – 2030), 3 rd Revision, (approved by the Cabinet on 19 June 2012)
Investment plan in the electricity industry	1. Hydropower projects at Klong Tron Dam, Kiew Kor Ma Dam and downstream of Chulaporn Dam (approved by the Cabinet on 18 October 2011) 2. Project on North Bangkok Power Plant, Block 2 (approved by the Cabinet on 10 July 2012)
Energy network system expansion plan	1. Main transmission system expansion project to accommodate power purchase from SPP Cogeneration Power Plants, in accordance with EGAT's 2010 regulations for the purchase of power (approved by the Cabinet on 18 October 2011) 2. EGAT's project on renovation and expansion of aged transmission systems, Phase 2 3. Provision of opinions on the MEA's electric power distribution system improvement and expansion plan, No. 11, 2012–2016 (Opinions sent to the Ministry of Energy via ERC's letter dated 18 November 2011) 4. PEA's projects on the construction of distribution systems with submarine cables to various islands (Koh Kood and Koh Mak, Trat Province (Opinions sent to the Ministry of Energy via ERC's letter dated 16 November 2011) 5. PEA's construction of transmission systems with submarine cables to Koh Pa-ngan and Koh Tao, Suratthani Province (approved by the Cabinet on 22 October 2012) 6. Second Review of the Natural Gas Transmission Pipeline System Master Plan, No. 3, B.E. 2544 – 2554 (2001 – 2011) (Additional Revision) (approved by the National Energy Policy Council (NEPC) on 4 October 2012)

5. Promotion of public participation in energy system development:

the ERC has laid the foundation to promote participation of energy users by decentralizing energy regulation to regional level, including creating channels and networks that will facilitate and contribute to effective and extensive provision of information and news on energy regulation as well as protection of energy users. Consideration on the use of immovable properties has been undertaken in order to be fair to all stakeholders. Regional Energy Consumer Committees (RECCs) and Power Development Funds have been established as a mechanism for creating participation of various sectors in developing the energy system and enabling people

to have knowledge and understanding of the energy industry. The major achievements can be summarized as follows:

5.1 Energy consumer protection via

RECCs: the ERC has executed its duty on the protection of rights and interests of energy consumers and stakeholders in the energy industry extensively and fairly via the RECCs, which is the mechanism to support duty execution of ERC in protecting energy consumers pursuant to the intention of the Act. The RECCs are entrusted with the following power and duties: to handle complaints of and give advice to energy consumers in line with the framework stipulated by the ERC; to give advice

³ The execution according to Section 11(5) of the Act requires that ERC provide opinions on the power development plan, the investment plan of the electricity industry, the natural gas procurement plan and the energy network system expansion plan for submission to the Minister of Energy.

to the ERC on energy consumer protection; and to propose corrective and improvement measures regarding energy service provision.

In the fiscal year of 2012, the RECCs considered a total of 139 complaints, mostly about voltage drop and power outage which caused damage to electrical appliance and the service charges that may be incorrect or unfair (resulting from inaccurate records of units of electricity use).

In order to develop the RECC potential in carrying out the duty mentioned above, the ERC together with the OERC initiated a project called, “RECC Knowledge Sharing,” comprising four courses as follows:

5.1.1 Basic Knowledge for RECCs to enhance the knowledge of negotiation technique and knowledge of energy regulatory tasks.

5.1.2 Knowledge about Energy Systems, which was arranged in all four regions of the country, including study visits to some energy industry operation facilities.

5.1.3 Systematic Thinking Process to determine RECC strategies in each region and the overarching strategies jointly with the OERC.

5.1.4 Renewable Energy Study Visits in neighboring countries.

It was aimed that RECCs could apply the obtained knowledge to improving their operational efficiency to protect the rights and benefits of energy consumers in cooperation with the civil society sector.

5.2 Building up knowledge and awareness of energy and participation of the civil society sector: the ERC and OERC have been promoting participation of the civil society sector in energy regulatory work since 2010, via carrying out various projects to educate and raise energy awareness of people in all areas as well as disseminating, via RECCs, information about energy consumer protection and the rights and benefits they should obtain. As at the end of Fiscal Year 2012, such

implementation had already been carried out in 41 provinces and in Fiscal Year 2013, the operation will be undertaken in Region 2 and Region 12, covering 14 provinces, to expand the networks protecting rights and benefits of stakeholders in the energy industry, which will lead to more efficient participation of people in energy regulatory work.

In addition, the OERC also communicated information about policies and hearings [on energy projects] between the ERC and the RECCs together with relevant networks via various media, such as the ERC journal “Regulator” and the Handbook on Energy Consumers’ Rights, to publicize energy regulatory work to energy users, the general public as well as stakeholders in the undertaking of energy regulation, including booklets, entitled “The Role of RECCs and Energy Consumer Protection,” comic books, entitled “Master Pendharma (“Fair”) and Energy Knowledge” as well as the OERC website (www.erc.or.th) on the part of “Participatory Process in Energy Regulation (Implementation of RECCs and Networks), including the e-Learning website (www.erc.or.th/e-learning).

5.3 Regulating the use of immovable property for energy network system construction: the ERC considered the use of immovable property to ensure appropriateness and fairness to all stakeholders, including the issuance of announcements on demarcation of areas to be surveyed for 5 energy network systems,



announcements on demarcation of areas for 17 energy network systems and the determination of prices of land and property covered by energy network system areas in 10 provinces. In addition, deliberation was made on the appeals against

energy network system areas and against the locations of electricity poles, involving 216 appellants, and the appeals against the amount of specified compensation, involving 239 appellants, with a total of 487 cases having been completed.

Table 6 : Property utilization charges or compensation

Property Utilization Charge or Compensation according to the Electricity Generating Authority of Thailand Act B.E. 2511 (1968)	Property Utilization Charge or Compensation according to the Energy Industry Act B.E. 2550 (2007)*
1. Land Compensation 1.1 Farmland: 50% of the specified price 1.2 Horticultural land: 70% of the specified price 1.3 Residential land: 90% of the specified price	1. Land compensation for all types of land: 90% of the specified prices
2. Compensation for land to be used for pole location: 100%	2. Compensation for land to be used for pole location: 100%

Remarks: *Proclamation of the ERC on Criteria, Procedures and Conditions of Determination and Payment of Compensation, 2009

5.4 Survey on satisfaction towards energy industry regulation and service provision of the OERC:

the ERC has given importance to the improvement of energy industry regulation and service provision of the OERC. Surveys were, therefore, carried out on the satisfaction of stakeholders in energy industry regulation and service provision of the OERC in the year 2012. The information obtained would be used for analyzing and improving the systems, methods or direction of energy industry regulation and service provision of the OERC to be more efficient, transparent and fair. This can also be a communication channel to obtain information about the needs, problems, obstacles and complaints of stakeholders in the energy industry. Satisfaction and expectation were surveyed and evaluated with regard to five Core Business Processes, consisting of: the issuance of energy operation licenses, the regulation on engineering and safety standards with due consideration of the environmental impact, energy consumer protection, implementation of the Power Development Fund and immovable property utilization for energy system network construction. The evaluation outcome of satisfaction towards the energy regulatory execution in the year 2012, as a whole, was averaged at 81.59 percent.

5.5 Managing the Power Development

Fund in the fiscal year of 2012: this is aimed to create a new dimension of co-existence between power plants and the communities around the plants, which is an approach for sustainable energy development, focusing on decentralizing development to locality, enhancing development of local communities which have been affected by the operation of power plants, promoting the use of renewable energy and technology in the electricity industry operation which renders less environmental impact with due consideration of balance of natural resources and fairness to electricity users, according to Section 93 of the Act. In the fiscal year of 2012, the ERC managed the Power Development Fund (the Fund) implementation according to Section 97(1) – (6) of the Act as follows:

5.5.1 Implementation according to Section 97(1): the ERC has issued the regulations and proclamations related to the implementation of the Fund according to Section 97(1) to compensate the licensees who have provided power services to various localities to enhance extensive electrification.

5.5.2 Implementation according to Section 97(2): to compensate power users who have to pay more expensive electricity rate because

the licensee who has an electricity system operator unfairly discriminates ordering power generation. However, so far there has not been such a case for which compensation has to be made via the F_t.

5.5.3 Implementation according to Section 97(3): to develop or rehabilitate the local areas affected by the operation of power plants. Contributions to the Fund were collected from power generation licensees according to their power production from January 2011 to June 2012, accounting for a total of 3,148.08 million baht. Allocation of money from the Fund to concerned localities started in 2012, both for the funds in Category A and those in Category B. Major performances in the fiscal year of 2012 are as follows:

(1) Determining the designated areas, relevant Fund management categories and the number of Community Development Committee (CDC) members of individual funds in the areas surrounding the power plants, totaling 157 funds.⁴

(2) For the recruitment of Power Development Fund Committees to manage the Fund in each designated area, the OERC has collaborated with the Ministry of Interior and the Ministry of Energy in recruiting the CDCs in the designated areas to manage the local funds under Category A and Category B, totaling 50 funds. The recruitment of CDC members was completed for 39 funds, divided into Category A: 10 funds and Category B: 29 funds.

(3) The ERC has issued a total of six regulations and announcements related to the administration of the Power Development Fund in designated areas, i.e. the ERC regulation on the procurement of the Fund, ERC regulation on the receipt of money and asset donated to the Fund, ERC announcement on the administrative cost (2 issues), and ERC announcement on the criteria for money allocation and consideration of community projects financed by the Fund under Section 97(3)

(2 issues). Furthermore, the OERC also launched a guidebook on the annual plan presentation and implementation of community projects supported by the Power Development Fund so that it could be used by CDCs as guidelines for implementing Power Development Fund in designated areas, and workshops were organized to create CDCs' knowledge and understanding as well.

(4) The ERC has approved a budgetary framework for development or rehabilitation of localities around the power plants of approximately 2,000 million baht and has allocated money to fund the Power Development Fund in designated areas since March 2012, accounting for a total amount of more than 1,650 million baht; divided into the CDCs' administrative costs of 39 funds, totaling approximately 141 million baht, and project funding according to the annual work plan of the year 2012, as approved by the ERC, totaling 37 funds, comprising 10 funds of Category A and 27 funds of Category B. A total of more than 4,500 community projects have been approved, worth about 1,540 million baht.

5.5.4 Implementation following Section 97(6): to pay for the administrative cost of the Power Development Fund. The ERC has allocated the money received from electricity generation licensees at a rate of 5 percent, or approximately 43 million baht, for the implementation pursuant to the ERC resolutions in three major areas: 1) reserve for emergency to initially relieve or mitigate the impact caused by a power plant, 2) subsidization made for development or rehabilitation of local areas having been affected by the power plant operation for which the obtained allocation was insufficient for the locality development or rehabilitation, and 3) the administrative cost of the funds -- for the recruitment of CDC of the funds under hydropower plants and of those to be additionally established as well as the promotion of participatory process of the Funds in designated areas.

⁴Consisting of 10 funds in Category A (with allocated money over 50 million baht per year), 40 funds in Category B (with allocated money over 1 million baht up to 50 million baht), and 107 funds in Category C (with allocated money not over 1 million baht).

6. Organizational development to be a high-performance organization with a good image and ranked as national corporate excellence: emphasis was placed on the organizational development to excellence along with the database system development to be utilized to enhance efficient regulatory work. Major achievements are as follows:

6.1 Establishing the organizational development plan based on the PMQA criteria of the Office of the Public Sector Development Commission and the criteria of Thailand Quality Award (TQA) of the Office of Thailand Quality Award , a tool for organizational management to excellence since the technical basis and procedures are equivalent to the international award criteria. So far, the OERC has developed a conceptual framework for management by applying the evaluation criteria of the two awards to the development of working process and operation to be efficient, effective and up to the international standards. In addition, a committee and a working group on high-performance organization development were appointed to get the organization prepared for the assessment and to prepare the self-assessment report. In 2012, the OERC was assessed for the first time and still failed to meet the criteria. However, learning from the previous outcome, the OERC will make improvement and develop the organization to be assessed in the next year.

6.2 Development of personnel competency to be knowledgeable and skillful in regulatory work. In 2012, the OERC arranged training courses for its personnel divided into two levels, i.e. practitioner level and executive level. The contents of the courses included: energy economics and regulation, energy industry structure, fundamental laws for regulation, etc. This was aimed to develop the potential, expertise and proficiency in the operation.

6.3 Development of knowledge management in the organization by developing teaching materials in energy through electronic media (e-Learning) according to the ERC conceptual framework regarding the vision of 3E (Energy, Environment and Education) in order to enhance the creation of knowledge center and encapsulate

the world of energy study, which is one of the key mechanisms for building the foundation of knowledge management in various issues of energy and for developing energy personnel via self-learning. In this connection, interested persons can attend various e-Learning energy courses of the OERC via the website: www.erc.or.th/e-Learning, which has received collaboration from more than 40 experts and lecturers from leading universities, including experts in specific fields. Currently, 11 modules (31 subjects) are provided, with over 500 hours of online instruction. To date, more than 20,000 persons have enrolled.

6.4 Creation of academic cooperation and provision of support for research and development with energy-related organizations, both domestic and overseas, on a continuous basis, as follows:

6.4.1 The organization of an academic seminar on “Energy Regulation and the Promotion of Energy Conservation” on 2 March 2012, to enhance academic cooperation with international energy regulatory agencies in ASEAN.

6.4.2 The signing of Memorandum of Agreement between the ERC and the Federal Energy Regulatory Commission (FERC) to establish academic cooperation.

6.4.3 The signing of Memorandum of Cooperation with the Stock Exchange of Thailand to exchange knowledge among energy business agencies and to learn about the capital market mechanism as a source of fund mobilization, which is critical to the development of energy industry.

6.5 Development of the Information Technology (IT) systems: Nowadays, the OERC has set altogether 28 IT systems, consisting of 1 IT system to support the decision making of the management, i.e. Data Warehouse; 9 IT systems for services provision, and 18 IT systems for the office operation with the ability to link the information among internal departments of the OERC, which will facilitate rapid and convenient operation as well as support the use of information for decision making in the energy industry regulation of the ERC and the OERC management. In addition, the information can be used to support service provision to the stakeholders by providing a communication channel through the OERC website (www.erc.or.th).



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***Financial Statements
and Worksheet of the OERC
and the Power Development Fund
in Fiscal Year 2012***

Financial Statements and Worksheet of the OERC and the Power Development Fund in Fiscal Year 2012

Achievements on Revenue Collection and Expenses of the OERC in Fiscal Year 2012

In Fiscal Year 2012, the OERC received revenues from license issuance fees and annual energy industry operation fees, totaling 684.58 million baht. The growth rate of revenue collection has been increasing continuously at an average of 5.12% p.a. during the past four years (compared with the figures in Fiscal Years 2009 – 2012 because the OERC started operation in Fiscal Year 2008, so the 2008 figure was not included in the calculation¹). The OERC used the revenue obtained from the mentioned sources to develop energy industry regulation in various dimensions pursuant to the action plan submitted to the cabinet.

Throughout the 5-year operation (2008 – 2012), the OERC has allocated most of the revenue for the development of strategic projects focusing on laying foundation of energy industry regulation,

e.g. projects on improvement of regulations and proclamations under the Energy Industry Act and projects on inspection of engineering and safety standards in electricity and natural gas industry operation. In the future, the resource allocation strategy will be changed from funding development projects to emphasizing the application and adaptation of the results of various study projects that have been developed to the duty execution in order to create greater benefits to energy industry regulation.

With regard to the operational performance in Fiscal Year 2012, the OERC earned total revenue of 698.810 million baht; 97.96% of this came from fee collection, comprising electricity and natural gas industry license issuance fees, electricity industry operation fees, and natural gas industry operation

¹Remarks:

1. At the meeting on 22 January 2008, the cabinet passed a resolution acknowledging the National Energy Policy Council's resolution of 18 January 2008 on licensing energy industry operation and approving the action plan, expenditure budget, revenue estimate of the OERC for February – May 2008, and the plan for prescribing rates of fees and other benefits at the initial stage.
2. The ERC took office on 1 February 2008.
3. At the meeting on 29 July 2008, the cabinet passed a resolution acknowledging the OERC's achievements, revenue collection, budget disbursement during February – May 2008, and approving the OERC's action plan, revenue estimate, expenditure budget, and the plan for prescribing rates of fees and other benefits during June – September 2008.

fees, while the balance of 2.04% came from other income (interest income). The total revenue of the OERC increased from that in the previous year by 27.774 million baht, or 4.14%, due to the increase in fee collection from electricity industry operators and natural gas industry operators, which increased by 22.520 million baht, and other income (interest income) of 5.254 million baht.

The OERC's total expense was 649.484 million baht. Major expenses comprised: expense on operations (67.88%), expense on human resources (26.26%), and other expenses (5.86%). The OERC's expenses increased by 52.551 million baht, or 8.80%, mainly due to the increase in projects/activities in support of OERC's operations/duties.

Achievements on Revenue Collection and Expense of the Power Development Fund in Fiscal Year 2012

In Fiscal Year 2012, the total operating revenue of the Power Development Fund was about 26,286.69 million baht while the total operating expense was approximately 21,997.61 million baht. The surplus to net expense was about 4,289.08 million baht and this amount of money shall be reserved mainly for the Power Development Fund's implementation for any operation under Section 97(1) and Section 97(3).

As at 30 September 2012, the Power Development Fund had total assets of approximately 8,865.47 million baht, increasing from that in the previous year by about 3,802.31 million baht and total liabilities of the Fund was about 1,899.73 million baht, decreasing from that in the previous year by about 486.77 million baht. The total capital (assets surplus to liabilities) was about 6,965.74 million baht, increasing from the previous year by about 4,289.08 million baht.



Auditor's Report

To: The Energy Regulatory Commission

The Office of the Auditor General has audited the consolidated and separated statements of financial position of the Office of the Energy Regulatory Commission as at 30 September 2012 and 2011, the consolidated and separate statements of income of the Office of the Energy Regulatory Commission, the consolidated and separate statements of changes in capital position of the Office of the Energy Regulatory Commission, and the consolidated and separate statements of cash flows for the years then ended of the Office of the Energy Regulatory Commission and the Power Development Fund. The Entity's management is responsible for correctness and completeness of information presented in these financial statements. The responsibility of the Office of the Auditor General of Thailand is to express an opinion on these financial statements based on the audits.

The Office of the Auditor General of Thailand has conducted the audit in accordance with generally accepted auditing standards, which require that the Office of the Auditor General of Thailand plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audits include examination of the evidence supporting the items, both the amounts and disclosures of information, in the financial statements, the assessment of suitability of the accounting principles used and significant financial estimates made by the management, as well as evaluating the overall financial statement presentation. The Office of the Auditor General of Thailand believes that the audits provide a reasonable basis for the opinion.

สำนักงานการตรวจเงินแผ่นดิน

Office of the Auditor General

โครงการเผยแพร่ผลงานวิจัย เติบโตประเทศไทยสู่ยุคไร้พรมแดน เนื่องในโอกาสพระราชพิธีมหามงคลเฉลิมพระชนมพรรษา ๗ รอบ ๕ ธันวาคม ๒๕๕๔



In the opinion of the Office of the Auditor General of Thailand, the aforementioned consolidated and separate financial statements of the Office of the Energy Regulatory Commission present fairly, in all material respects, the consolidated and separate financial position of the Office of the Energy Regulatory Commission as at 30 September 2012 and 2011, the results of consolidated and separate operations, and the consolidated and separate cash flows of the Office of the Energy Regulatory Commission for the years then ended of the Office of the Energy Regulatory Commission and the Power Development Fund, and of the Office of the Energy Regulatory Commission in accordance with generally accepted accounting principles.

(Mr. Adisorn Puawaranukroh)
Director of Financial Audit Office

(Ms. Rutaichanok Sitthiphan)
Auditor-in-Charge

สำนักงานการตรวจเงินแผ่นดิน

Office of the Auditor General

วันที่ 28 สิงหาคม 2556

โครงการแผนพัฒนาระบบราชการ และมีการแก้ไขโครงสร้างองค์กรและหน่วยงานราชการ สำนักงานคณะกรรมการการป้องกันและปราบปรามการทุจริตแห่งชาติ ๗ รอบ ๕ ธันวาคม ๒๕๕๔

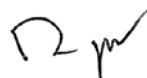
Office of the Energy Regulatory Commission and Power Development Fund

Statement of Financial Position
as at 30 September 2012 and 2011

Unit: Baht

		2012		2011	
		Consolidated	Separated	Consolidated	Separated
	Note		for OERC		for OERC
Assets					
Current Assets					
Cash and cash equivalents	4.1	5,338,751,129.35	508,025,332.35	1,752,137,003.91	568,872,788.20
Account receivable	4.2	1,089,119,484.67	35,526,558.60	408,358,313.69	13,671,030.56
Account receivable – internal borrowings	4.3	13,676,113.55	13,094,113.55	13,086,035.58	13,086,035.58
Accrued revenues	4.4	1,576,785,473.52	2,195,241.90	2,983,915,132.18	643,238.43
Temporary investment	4.5	1,401,600,000.00	-	501,931,506.86	-
Supplies	4.6	1,954,163.33	1,571,852.33	770,716.03	770,716.03
Other current assets	4.7	10,948,467.72	10,502,921.84	7,872,784.43	7,872,784.43
Total Current Assets		9,432,834,832.14	570,916,020.57	5,668,071,492.68	604,916,593.23
Non-current Assets					
Property, plant and equipment	4.8	55,001,180.84	51,587,252.11	76,641,813.54	76,641,813.54
Intangible assets	4.9	18,608.28	18,608.28	-	-
Other non-current assets		33,500.00	-	-	-
Total Non-current Assets		55,053,289.12	51,505,860.39	76,641,813.54	76,641,813.54
Total Assets		9,487,888,121.26	622,421,880.96	5,744,713,306.22	681,558,406.77
Liabilities and Capital					
Current Liabilities					
Account payable	4.10	702,466,912.96	19,572,644.56	24,643,016.19	24,643,016.19
Accrued expenses	4.11	1,227,293,210.90	13,094,113.55	2,399,224,879.68	12,971,035.58
Deferred state revenue to the Ministry of Finance	4.12	31,135,258.05	31,135,258.05	86,057,893.81	86,057,893.81
Other current liabilities	4.13	21,457,349.26	18,823,276.57	18,906,119.45	18,661,305.45
Total Current Liabilities		1,982,352,731.17	82,625,292.73	2,528,831,909.13	142,333,251.03
Total Liabilities		1,982,352,731.17	82,625,292.73	2,528,831,909.13	142,333,251.03
Capital					
Surplus to accumulated expense		7,505,535,390.09	539,796,588.23	3,215,881,397.09	539,225,155.74
Liabilities and Capital		9,487,888,121.26	622,421,880.96	5,744,713,306.22	681,558,406.77

The accompanying notes are an integral part of these financial statements.



(Mr. Kavin Thangsupanich)

Secretary General

Office of the Energy Regulatory Commission



(Mr. Kittipong Pinyotrakool)

Assistant Secretary General

Acting Director, Administrative Department

Office of the Energy Regulatory Commission and Power Development Fund

Statement of Income

for the Years Ended 30 September 2012 and 2011

Unit: Baht

	Note	2012		2011	
		Consolidated	Separated	Consolidated	Separated
			for OERC		for OERC
Operating Revenues					
Income from fees/contributions	4.14	26,889,929,263.02	684,578,835.42	15,842,587,019.40	662,059,045.51
Other incomes	4.15	95,569,240.36	14,203,721.62	22,482,264.27	8,977,121.31
Total Operating Revenues		26,985,498,503.38	698,809,557.04	15,865,069,283.67	671,036,166.82
Operating Expenses					
Expense on human resources	4.16	170,584,737.93	170,584,737.93	137,425,917.85	139,425,917.85
Expense on operations	4.17	479,707,374.43	440,897,594.49	425,251,088.68	425,251,088.68
Depreciation and amortization	4.8, 4.9	31,709,673.59	31,496,283.32	24,142,264.09	24,142,264.09
Cost subsidies	4.18	21,928,310,109.96	6,505,223.34	12,526,356,875.50	8,980,000.00
Expense on money allocation to Power Development Funds in designated areas		36,778,329.00	-	-	-
Other expenses		-	-	133,485.80	133,485.80
Total Operating Expenses		22,647,090,224.91	649,483,839.08	13,114,309,621.92	596,932,746.42
Surplus to Net Expenses		4,338,408,278.47	49,325,717.96	2,750,759,661.75	74,103,420.40

The accompanying notes are an integral part of these financial statements.

Office of the Energy Regulatory Commission and Power Development Fund

Statement of Changes in Capital Position
for the Years Ended 30 September 2012 and 2011

Unit: Baht

	Note	2012		2011	
		Consolidated	Separated for OERC	Consolidated	Separated for OERC
Surplus to accumulated expense at the beginning balance		3,215,881,397.09	539,225,155.74	559,962,026.19	559,962,026.19
Less Additional remittance of previous-year state revenue	4.12	(17,619,027.42)	(17,679,027.42)	(8,782,397.04)	(8,782,397.04)
		3,798,262,369.67	521,606,128.32	551,179,629.15	551,179,629.15
Surplus to net expenses		4,338,408,278.47	49,325,717.96	2,750,759,661.75	74,103,420.40
Less Deferred state revenue to the Ministry of Finance	4.12	(31,135,258.05)	(31,135,258.05)	(86,057,893.81)	(86,057,893.81)
Surplus to accumulated expense at the ending balance		7,505,535,390.09	539,796,588.23	3,215,881,397.09	539,225,155.74

The accompanying notes are an integral part of these financial statements.

Office of the Energy Regulatory Commission and Power Development Fund

Statement of Cash Flows

for the Years Ended 30 September 2012 and 2011

Unit: Baht

		2012		2011	
		Consolidated	Separated	Consolidated	Separated
	Note		for OERC		for OERC
Cash Flows from Operating Activities					
Surplus to net expenses		4,338,408,278.47	49,325,717.96	2,750,759,661.75	74,103,420.40
Adjustments for:					
Depreciation and amortization	4.8, 4.9, A	31,447,245.22	31,233,854.95	25,002,375.08	25,002,375.08
Loss from assets amortization	D	-	-	133,475.80	133,475.80
Interest income	4.15	(93,021,052.29)	(11,708,262.87)	(21,383,642.48)	(7,878,698.68)
Surplus to Net Expense from Operating		4,276,834,471.40	68,851,310.04	2,754,511,870.15	91,360,572.60
Activities before Changes in Operating Assets and Liabilities					
Increase in account receivable		(680,761,170.98)	(21,855,528.04)	(405,264,601.72)	(10,577,318.59)
Decrease (Increase) in accrued revenues		1,429,152,683.94	-	(2,974,056,268.23)	-
Decrease (Increase) in borrowing		(590,077.97)	(8,077.97)	1,137,303.62	1,137,303.62
Decrease (increase) in supplies		(1,183,447.30)	(801,136.30)	678,429.28	678,429.28
Decrease (increase) in other current assets		(3,075,683.29)	(2,630,137.41)	2,097,363.11	2,097,363.11
Increase in other non-current assets		(33,500.00)	-	-	-
Increase (decrease) in account payable (exclude asset payable)		678,212,092.77	(4,682,175.63)	8,326,232.38	8,326,232.38
Increase (decrease) in accrued expenses		(1,171,931,668.78)	123,077.91	2,385,000,140.48	(1,253,703.62)
Decrease in deferred state revenue to the Ministry of Finance		(103,676,921.23)	(103,676,921.23)	(67,145,322.15)	(67,145,322.15)
Increase in other current liabilities		2,508,233.18	118,974.49	6,619,485.30	6,374,681.30
Cash Inflows (payment) from Operating Activities		4,425,455,011.74	(64,560,614.08)	1,711,904,642.22	30,998,237.93
Actual Interest Income		70,998,027.01	10,156,259.40	11,702,279.06	7,412,960.78
Net Cash Inflows (Payment) Provided by Operating Activities		4,496,453,038.75	(54,404,354.68)	1,723,606,921.28	38,411,198.71
Cash Flows from Investing Activities					
Cash inflows from fixed asset amortization	D	-	-	950,000.00	950,000.00
Cash payment for fixed assets	B, C	(10,147,220.17)	(6,419,901.17)	(44,876,467.56)	(44,876,467.56)
Cash payment for intangible assets	4.9	(23,200.00)	(23,200.00)	-	-
Cash payment for temporary investment		(899,668,493.14)	-	(501,931,506.86)	-
Net cash used in investment activities		(909,838,913.31)	(6,443,101.17)	(545,857,974.42)	(43,926,467.56)
Net Increase in Cash and Cash Equivalents		3,586,614,125.44	(60,847,455.85)	1,177,748,946.86	(5,515,268.85)
Cash and Cash Equivalents at Beginning of the Year		1,752,137,003.91	568,872,788.20	574,388,057.05	574,388,057.05
Cash and Cash Equivalents at Ending of the Year	4.1	5,339,751,129.35	508,025,332.35	1,752,137,003.91	568,872,788.20

Office of the Energy Regulatory Commission and Power Development Fund
Statement of Cash Flows
for the Years Ended 30 September 2012 and 2011

Notes to the Statement of Cash Flows

- A. For the separate financial statements for OERC in Fiscal Year 2012, assets from donation increased by 305,425.00 baht. The depreciation of donated assets was 262,428.37 baht.
- B. The details in 2012 are as follows:
- (1) For the consolidated financial statements, asset payable at the beginning balance as at 1 October 2011 was at the amount of 388,196.00 baht; during the year, fixed assets increased by 10,064,449.17 baht, and assets from donation was 305,425.00 baht. The asset payable of 10,147,220.17 baht was settled and hence there was no accrued asset payable left.
 - (2) For the separate OERC's financial statements, asset payable at the beginning balance as at 1 October 2011 was at the amount of 388,196.00 baht; during the year, fixed assets increased by 6,337,130.17 baht and assets from donation was 305,425.00 baht. The asset payable of 6,419,901.17 baht was settled and hence there was no accrued asset payable left.
- C. In 2011, assets payable at the beginning balance as at 1 October 2010 was at the amount of 4,851,291.03 baht; during the year, fixed assets increased by 72,988,500.81 baht (transfer of work in process at a value of 26,743,867.02 baht, the computer suspense account at 5,560,000.00 baht and assets from donation at 271,261.26 baht). The asset payable of 44,876,467.56 baht was settled; as at 30 September 2011, the accrued asset payable was 388,196.00 baht and the depreciation of assets from donation was 139,889.01 baht.
- D. In 2011, the OERC amortized one vehicle with the historical cost of asset of 1,359,000.00 baht. The accumulated depreciation as at the amortization date was 275,524.20 baht and the OERC received the accident indemnity of 950,000.00 baht. Therefore, the loss from amortization was 133,475.80 baht.

The accompanying notes are an integral part of these financial statements.

Office of the Energy Regulatory Commission and Power Development Fund
Notes to Financial Statements
for the Years Ended 30 September 2012 and 2011

1. Backgrounds and authoritative roles

1.1 Background and objectives

The Energy Industry Act, B.E. 2550 (2007) ("the Act"), is a law enacted to accommodate the policy on national energy industry management restructuring, according to which the functions of energy policy making, regulation and energy industry operation are clearly separated from each other, aiming to enhance greater participation and roles of the private sector, communities and the general public as well as to achieve efficient, secure, adequate and extensive energy industry operation with fair pricing and standard quality responding to the demand and sustainable development of the country in terms of social, economic and environmental aspects; the Act has been effective since 11 December 2007.

1.2 Authoritative roles

1.2.1 The Energy Regulatory Commission (ERC) has been appointed under the provisions of the Act, to regulate the electricity and natural gas industry operation under the state policy framework, with the Office of the Energy Regulatory Commission (OERC) serving as the secretariat to the ERC.

ERC Responsibilities include the issuance of energy industry operation licenses; regulation of engineering and safety standards in the energy industry operation; regulation of tariffs; providing opinions on the power development plan, the investment plan of the electricity industry, the natural gas procurement plan and the energy network system expansion plan; protection of energy consumers; including the issuance of secondary legislation to regulate the energy industry operation to be in compliance with the provisions of the Act.

1.2.2 The Office of Energy Regulatory Commission (OERC) is a state agency which is not considered a government agency or state-owned enterprise under the law on budgetary procedure. The OERC is a juristic person under the supervision of the ERC, with an OERC Secretary General, selected and appointed by the ERC, to be responsible for the OERC operations and to be the commanding officer of the officials and employees of the OERC.

OERC Responsibilities include the administrative work of the ERC; receiving fees as prescribed by law or specified by the ERC; receiving complaints about energy industry operation; studying, compiling, analyzing and disseminating information about energy industry operation, competitive conditions, electricity demand forecast (load forecast) and other relevant information; preparing revenue and expenditure estimates of the OERC; and performing any other task as assigned by the ERC.

Revenues of the OERC consist of:

- (1) The revenue or benefits derived from the exercise of authority and duties as assigned to the ERC and the OERC under the Act;
- (2) A general subsidy allocated by the government;
- (3) Money or assets donated; and
- (4) Interest or any benefit incurred from the money or assets of the OERC.

All revenues, except money or assets donated, after deducting the operating expense of the OERC and other appropriate costs, will be remitted to the Ministry of Finance as state revenue. In the event that the OERC revenue is inadequate for the operating costs, the government will allocate government budget to the OERC at an amount deemed necessary.

OERC expenses - The OERC budget of expenses shall be presented by the ERC to the cabinet for approval. As for the management and administration of the budget, assets and inventories of the OERC, this shall be in accordance with the regulations set forth by the ERC.

1.2.3 The Power Development Fund (The Fund) is established and regulated by the ERC according to the Act with the following objectives:

- (1) To provide funding to encourage service provision for underprivileged power consumers or to enhance extensive electrification and to decentralize development to provincial areas.
- (2) To compensate power consumers for having to pay expensive electricity bills because the electricity system control licensee instructs electricity industry licensees to generate electricity in an unfair and discriminatory manner.
- (3) To develop local communities affected by the operation of power plants.
- (4) To promote the use of renewable energy and technologies for electricity industry operation that have minimal environmental impact, taking into consideration the balance of natural resources and fairness to power consumers.
- (5) To increase knowledge, awareness and participation of the public in power-related issues.

The Act stipulates that the Minister of Energy shall have authority and duties to propose to the National Energy Policy Council (NEPC) the policy on sending of contributions to the Fund and on the Fund utilization, and that the ERC shall issue regulations or announcements on criteria, procedures and conditions for contribution sending to the Fund and for the Fund utilization to conform with the NEPC's policy and in compliance with the principles of the Fund management and administration pursuant to the Act.

In this regard, the money and asset belonging to the Fund are not subject to remittance to the Ministry of Finance as state revenue under the law on treasury balance and the law on budgetary procedure. The OERC shall receive, disburse, keep, and manage the money of the Fund separately from budget of the OERC. The receipt, disbursement, keeping and management of the money of the Fund shall comply with the ERC regulations.

The establishment of the criteria, procedures and conditions of sending of contributions to the Fund shall include distinct account separation according to the activities as specified under Section 97(1), (2), (3), (4) and (5) and shall comply with the ERC regulations issued under the policy framework of the NEPC, taking into consideration the impacts on power consumers who have to bear the burden resulting from the obligation of electricity industry licensees to send contributions to the Fund.

1.3 The preparation of the consolidated financial statements

The OERC has prepared the consolidated financial statements of the OERC and the Fund, starting from the year ended 30 September 2011 onwards (the “Power Development Fund” started operation in Fiscal Year 2011, pursuant to the ERC Regulation on Power Development Fund B.E. 2553 (2010), which came into force on 21 December 2010, by presenting the information separately to ensure clarity).

2. Basis of financial statement preparation

These financial statements have been prepared by illustrating details in the statement of financial position, statement of income, statement of changes in capital position, and statement of cash flows of the Office of the Energy Regulatory Commission and the Power Development Fund according to the Generally Accepted Accounting Principles (GAAP) and the Regulation of the Energy Regulatory Commission on Finance and Accounting of the Office of the Energy Regulatory Commission, B.E. 2551 (2008), which correspond with the accounting principles for state organizations as stipulated by the Ministry of Finance.

3. Summary of significant accounting policy

3.1 Revenue and expense recognition based on the accrual basis

3.1.1 The income from fees of the OERC is the income or benefits derived from the execution of the authority and duties of the ERC and the OERC according to the Energy Industry Act, B.E. 2550 (2007), comprising license fees for electricity and natural gas industry operation, annual fees for electricity and natural gas industry operation, and fees for electricity and natural gas industry operation license renewal. The income is recognized when the ERC passes a resolution approving license issuance and when the annual fee payments are due.

3.1.2 The revenue of the Power Development Fund from electricity industry licensees is recognized by using the calculation method as per the ERC order for any operation under Section 97 as follows:

Operation under Section 97(1)

For revenue from the electricity retail licensees to be used for revenue compensation among the electricity authorities, the Electricity Generating Authority of Thailand (EGAT) and the Metropolitan Electricity Authority (MEA) shall collect contributions from power consumers as per the power tariff structure and send contributions to the Power Development Fund in order to pay as revenue compensation to the Provincial Electricity Authority (PEA). The revenue recognition shall be calculated from actual units of electricity sale to consumers and units of electricity purchase according to the report of EGAT at the rate specified by the ERC.

For revenue from electricity retail licensees to be used for service provision for underprivileged power consumers, the licensees shall collect the contributions from power consumers who are under the categories of medium general services, large general services, specific business services, non-profit organizations, temporary power customers, interruptible customers, and reserved power customers according to the power tariff structure and send the money to the Fund in order to pay as compensation to electricity retail licensees who provide services for underprivileged power consumers whose electricity consumption in the billing period of July 2011 to May 2012 did not exceed 90 units, and do not exceed 50 units as from the billing in July 2012 onwards, in compliance with the government policy. The revenue recognition shall be calculated from the actual units of electricity sale as reported, at the rate specified in the ERC order on sending contributions to and disbursement of money from the Power Development Fund by public and private organizations.

Operation under Section 97(3) and operation under Section 97(6)

For revenue from electricity generation licensees that the licensees collect from power consumers as per the power tariff structure and send to the Power Development Fund, the revenue recognition is based on calculation of the actual units of electricity generated, as reported, at the rate specified by the ERC. 95% of the money shall be used for development and rehabilitation of localities affected by power plant operation for any operation under Section 97(3) and 5% will be allocated for the Fund administrative cost for any operation under Section 97(6).

3.1.3 Interest income recognition is based on a proportional time basis, taken into consideration the interest rates specified by the banks.

3.1.4 Revenue from donation, for equipment with value per unit lower than 20,000 baht, is recognized on the date of acquisition.

3.1.5 Revenue from donation, for equipment with value per unit from 20,000 baht upwards, is recognized as unrealized revenue from donation on the date of acquisition and as revenue from donation in proportion of depreciation calculated for each type of equipment. As for donated money, it is recognized based on the donors' objectives, and the write-off as revenue from donation will be made at donation payment.

3.1.6 Utilities expenses shall be recorded as recognized expenses in the fiscal year in which billing is received.

3.1.7 Expenditure requiring a borrowing or cash advance authorized in the present fiscal year to be used in the following fiscal year shall be recognized as an expense of the fiscal year in which the borrowing is authorized, as follows:

- Travel expense for not more than 60 days
- Other operating expenses for not more than 15 days

3.1.8 Cost subsidies from the Power Development Fund for revenue compensation among the Power Utilities and for underprivileged power consumers.

- Cost subsidies for revenue compensation among the Power Utilities shall be recognized as per the amount of subsidy disbursed by the PEA, calculated from the actual units of electricity sale at the rate specified by ERC.

- Cost subsidies for underprivileged power consumers, that is, power consumers under the residential category, small general services and agricultural pumping service, with electricity usage less than the stipulated ceiling, shall be paid to the electricity retail licensees who provide services to the underprivileged power consumers according to the actual expense incurred thereby in each month to support the government policy.

3.1.9 Expense on fund allocation to Power Development Funds in designated areas means the money according to the work plans and annual budgets, which was approved to spend for management and operating costs of community projects, and to be paid to Power Development Funds in designated areas. The expense shall be recognized when the work plans for a given fiscal year are approved by the ERC and the money is transferred to the concerned Power Development Funds in designated areas.

3.2 Supplies

The total value of supplies is recorded as supplies account on the date of purchase or acquisition and the supplies account will be adjusted as expense when the supplies are used as at the end of accounting period. The method used for supply cost valuation is First In, First Out (FIFO).

3.3 Property plant and equipment (PPE) and intangible assets

The PPE and intangible assets are presented based on the costs as at the purchasing date or the date of acquisition or at completion of construction.

3.3.1 Record is made only for PPE and intangible assets with value per unit, when acquired, from 20,000 baht up.

3.3.2 Depreciation of PPE and intangible asset amortization is calculated by using a straight-line method (estimated useful life basis) pursuant to the ERC resolution at its Meetings No. 26/2552 (2009) (65th) on 29 September 2009, and No. 24/2554 (2011) (133rd) on 30 June 2011 on the part of the Power Development Fund, OERC. 5510/0181 dated 31 May 2012, as follows:

(1) Property plant and equipment (PPE)

(1.1) Office equipment

(1.1.1) Mobile phones	Lifetime	3 years
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(1.1.2) Others	Lifetime	8 years
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(Delivered in Fiscal Years 2009-2011)

(1.1.3) Others	Lifetime	5 years
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(Delivered in Fiscal Year 2012)

(1.2) Office appliances

(1.2.1) Office appliances	Lifetime	5 years
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(Delivered in Fiscal Years 2009-2011)

(1.2.2) Office appliances	Lifetime	2 years
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(Delivered in Fiscal Year 2012)

(1.3) Vehicles and transportation	Lifetime	5 years
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(1.4) Audio-visual aids	Lifetime	5 years
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(1.5) Electronic devices	Lifetime	5 years
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(1.6) Computers

(1.6.1) Computers	Lifetime	3 years
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(Delivered in Fiscal Year 2009)

(1.6.2) Computers	Lifetime	5 years
(Delivered in Fiscal Year 2008)		
(1.7) Sports Equipment	Lifetime	2 years
(1.8) Building improvements	Lifetime	3 years
(Calculation of useful life is based on office space leasing contract.)		
(2) Intangible asset		
Computer software	Lifetime	3 years

3.4 Deferred state revenue to the Ministry of Finance

All revenue, except the revenue of the Power Development Fund and donated money or assets, after deducting operating expenses and other appropriate costs, shall be remitted to the Ministry of Finance as state revenue within the following fiscal year. However, while pending delivery of the remittance, the money may be disbursed as advanced money for expenses in the following fiscal year.

The Regulation of the Energy Regulatory Commission on State Revenue Delivery and Operating Expenses and Other Appropriate Costs of the Office of the Energy Regulatory Commission, B.E. 2551 (2008), has defined appropriate costs as follows:

3.4.1 Obligated liabilities prior to the end of fiscal year through, for example, ordering the purchase of assets, hire of work, hire of construction work, consultant engagement or asset renting, with purchasing orders, job orders, contracts or agreements already made, but the payment for which could not be settled by the fiscal year end. Such purchasing orders, hiring orders, contracts or agreements are considered supporting documents for requesting reserves for outstanding disbursement in following fiscal years until such obligations expire.

3.4.2 Expenses which have not become obligated liabilities but a budget is to be reserved for their payment after the fiscal year end and for which reserves for outstanding disbursement in following fiscal years have been requested.

3.4.3 Other necessary obligated expenses, as approved by the ERC.

3.5 Reserves for outstanding disbursement in following fiscal years

Reserves for outstanding disbursement in following fiscal years refer to items of appropriate costs which are obligated liabilities of the OERC before the end of fiscal year but the payment for which could not be settled by the fiscal year end, or expenses which have not become obligated liabilities but a budget is to be reserved for their payment after the fiscal year end, pursuant to the Notes to Financial Statements Items 3.4.1 – 3.4.3, for which the ERC will have to approve the reserve of a budget for disbursement in following fiscal years according to the expense plan presented by the Secretary General, at the latest, before the last business day of the fiscal year. The amount of the reserved budget for outstanding disbursement in following fiscal years must be within the budget for the annual expense estimate, already approved by the cabinet.

The total amount of the above-mentioned reserves for outstanding disbursement in following fiscal years is included in accounting item "Surplus to accumulated expense."

4. Additional information

4.1 Cash and cash equivalents include:

Unit: Baht

	2012		2011	
	Consolidated	Separated for OERC	Consolidated	Separated for OERC
		Separated for Power Development Fund		Separated for Power Development Fund
Cash on hand and petty cash	944,589.80	200,000.00	200,000.00	200,000.00
Cash at bank – Savings deposits	3,590,134,085.06	307,825,332.35	594,493,144.03	263,145,355.49
Cash at bank – Current deposit	(2,327,545.51)	-	46,564.15	-
Cash at bank – 3-month fixed deposit	1,750,000,000.00	200,000,000.00	1,157,397,295.73	305,527,432.71
Total	5,338,751,129.35	508,025,332.35	1,752,137,003.91	568,872,788.20
				1,183,264,215.71

For the savings deposits, the interest rate is floated according to the rates specified by the financial institutes. For the 3-month fixed deposit, the interest rate received is 3.62 percent per year, maturing on 9 October 2012. For the bank deposit of the Power Development Fund, the rates are 2.50 – 3.60 percent per year, maturing on 4 and 18 October 2012. (In 2011, the rates were 3.05 – 3.10 percent per year, maturing on 4 October and 30 November 2011.)

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4.2 Account receivable includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Account receivable – Income from fees	35,526,558.60	35,526,558.60	-	13,671,030.56	13,671,030.56	-	-
Account receivable – Income from electricity retail licensees for Section 97(1)	773,079,163.53	-	773,079,163.53	-	-	-	-
Account receivable – Income from electricity generation licensees for Section 97(3)	266,488,074.52	-	266,488,074.52	374,952,918.97	-	374,952,918.97	-
Account receivable – Income from electricity generation licensees for Section 97(6)	14,025,688.02	-	14,025,688.02	19,734,364.16	-	19,734,364.16	-
Total	1,089,119,484.67	35,526,558.60	1,053,592,926.07	408,358,313.69	13,671,030.56	394,687,283.13	

4.3 Account receivable - internal borrowing includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Account receivable							
Official domestic travel expense	1,014,597.08	1,014,597.08	-	3,204,126.00	3,204,126.00	-	-
Official overseas travel expense	2,961,543.66	2,961,543.66	-	4,845,366.58	4,845,366.58	-	-
Training and seminar expense	8,721,332.56	8,721,332.56	-	4,365,223.00	4,365,223.00	-	-
Meeting expense	148,638.00	148,638.00	-	100,000.00	100,000.00	-	-
Office operating expense	830,002.25	248,002.25	582,000.00	571,320.00	571,320.00	-	-
Total	13,676,113.55	13,094,113.55	582,000.00	13,086,035.58	13,086,035.58	-	-

4.4 Accrued revenue includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Accrued revenue under Section 97(1) for revenue compensation	937,142,259.13	-	937,142,259.13	694,893,140.87	-	694,893,140.87	
Accrued revenue under Section 97(1) for underprivileged power consumers	421,966,135.89	-	421,966,135.89	,091,442,866.43	-	2,091,442,866.43	
Accrued revenue from electricity generation licensees for Section 97(3)	176,505,429.81	-	176,505,429.81	178,334,247.88	-	178,334,247.88	
Accrued revenue from electricity generation licensees for Section 97(6)	9,289,759.46	-	9,289,759.46	9,386,013.05	-	9,386,013.05	
Accrued interest	31,881,889.23	2,195,251.90	29,686,647.33	9,858,863.95	643,283.43	9,215,625.52	
Total	1,576,785,473.52	2,195,251.90	1,574,590,231.62	2,983,915,132.18	643,283.43	2,983,271,893.75	

4.5 Temporary investment includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
6-month bank deposit	-	-	-	501,931,506.86	-	501,931,506.86	
12-month bank deposit	1,401,600,000.00	-	1,401,600,000.00	-	-	-	
Total	1,401,600,000.00	-	1,401,600,000.00	501,931,506.86	-	501,931,506.86	

For temporary investment, the interest rates received are 3.70 - 4.00 percent per year, maturing on 4 January, 4 May, 29 May and 1 June 2013. (In 2011, the 6-month deposit received the interest rate of 3.40 percent per year, maturing on 4 January 2012.)

4.6 Supplies include:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Office supplies	1,158,016.20	775,705.21	382,311.00	432,584.91	432,584.91	-	
Computer supplies	788,170.00	788,170.00	-	264,655.00	264,655.00	-	
Office appliances	-	-	-	65,975.00	65,975.00	-	
Electronic devices	7,977.12	7,977.12	-	7,501.12	7,501.12	-	
Total	1,954,163.33	1,571,852.33	382,311.00	770,716.03	770,716.03	-	

4.7 Other current assets include:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Guarantee for lease and service contracts	8,811,704.43	8,811,704.43	-	6,117,584.43	6,117,584.43	-	-
Value Added Tax – Input tax	170.09	170.09	-	278.63	278.63	-	-
Value Added Tax – Deferred Input tax	306,870.25	306,870.25	-	805,288.28	805,288.28	-	-
VAT surplus payment	1,384,177.07	1,384,177.07	-	949,633.09	949,633.09	-	-
Other current assets	445,545.88	-	445,545.88	-	-	-	-
Total	10,948,467.22	10,502,921.84	445,545.88	7,872,784.43	7,872,784.43	-	-

4.8 Property, Plant and Equipment (PPE) includes:

	Account Balance as at 1 October 2011				Change during Year Increase				Account Balance as at 30 September 2012				Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund		Consolidated	Separated for OERC	Separated for Power Development Fund		Consolidated	Separated for OERC	Separated for Power Development Fund		
Historical Cost													
Leasehold improvement	37,468,458.59	37,468,458.59	-	-	29,000.00	-	-	29,000.00	37,497,458.59	37,468,458.59	-	29,000.00	
Equipment – Computers	28,440,610.39	28,440,610.39	-	-	7,773,889.00	4,980,680.00	2,793,209.00	2,793,209.00	36,214,499.39	33,421,290.39	-	2,793,209.00	
Equipment – Office equipment	8,934,767.58	8,934,767.58	-	-	586,540.00	35,000.00	551,540.00	551,540.00	9,521,307.58	8,969,767.58	-	551,540.00	
Equipment – Office appliances	1,154,121.72	1,154,121.72	-	-	51,304.67	51,304.67	-	-	1,205,426.39	1,205,426.39	-	-	
Equipment – Audio-visual aids	12,293,955.17	12,293,955.17	-	-	968,290.50	647,220.50	321,070.00	321,070.00	13,262,245.67	12,941,175.67	-	321,070.00	
Equipment – Vehicles	27,702,130.84	27,702,130.84	-	-	-	-	-	-	27,702,130.84	27,702,130.84	-	-	
Equipment – Sports equipment	807,200.00	807,200.00	-	-	-	-	-	-	807,200.00	807,200.00	-	-	
Equipment – Others	-	-	-	-	32,500.00	-	32,500.00	32,500.00	32,500.00	-	-	32,500.00	
Assets from donation	525,461.26	525,461.26	-	-	305,425.00	305,425.00	-	-	830,886.26	830,886.26	-	-	
Work in process	-	-	-	-	317,500.00	317,500.00	-	-	317,500.00	317,500.00	-	-	
Total	117,326,705.55	117,326,705.55	-	-	10,064,449.17	6,337,130.17	3,727,319.00	3,727,319.00	127,391,154.72	123,663,835.72	-	3,727,319.00	

	Amount shown in the book As of 1 October 2011			Increased amount during the year			Amount shown in the book As of 30 September 2012		
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund
Less Accumulated depreciation									
Leasehold improvement	(14,390,196.21)	(14,390,196.21)	-	(11,227,013.94)	(11,226,522.68)	(491.26)	(25,617,210.15)	(25,616,718.89)	(491.26)
Equipment									
- Computers	(10,662,308.29)	(10,662,308.29)	-	(10,249,553.74)	(10,058,932.31)	(190,621.43)	(20,911,862.03)	(20,721,240.60)	(190,621.43)
Equipment									
- Office equipment	(1,806,291.57)	(1,806,291.57)	-	(1,187,039.22)	(1,172,325.17)	(14,714.05)	(2,993,330.79)	(2,978,616.74)	(14,714.05)
Equipment									
- Office appliances	(381,496.95)	(381,496.95)	-	(254,438.16)	(254,438.16)	-	(635,935.11)	(635,935.11)	-
Equipment									
- Audio-visual aids	(2,277,654.15)	(2,277,654.15)	-	(2,530,783.46)	(2,523,770.48)	(7,012.98)	(4,808,437.61)	(4,801,424.63)	(7,012.98)
Equipment									
- Vehicles	(10,796,662.27)	(10,796,662.27)	-	(5,587,134.47)	(5,587,134.47)	-	(16,383,796.74)	(16,383,796.74)	-
Equipment									
- Sports equipment	(133,614.25)	(133,614.25)	-	(406,139.96)	(406,139.96)	-	(539,754.21)	(539,754.21)	-
Equipment									
- Others	-	-	-	(550.55)	(550.55)	(550.55)	-	-	(550.55)
Assets from donation	(236,668.32)	(236,668.32)	-	(262,428.37)	(262,428.37)	-	(499,096.69)	(499,096.69)	-
Total	(40,684,892.01)	(40,684,892.01)	-	(31,705,081.87)	(31,491,691.60)	(213,390.27)	(72,389,973.88)	(72,176,583.61)	(213,390.27)
PPE Net	76,641,813.54	76,641,813.54	-				55,00,180.84	51,487,252.11	3,513,928.73
Depreciation									
For the Year Ended 30 September 2012							(31,705,081.87)	(31,491,691.60)	(213,390.27)
For the Year Ended 30 September 2011							(25,142,264.09)	(25,142,264.09)	-

4.9 Intangible assets include:

	Account Balance as at 1 Oct 2011				Change during Year Increase				Account Balance as at 30 Sep 2012				Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund		Consolidated	Separated for OERC	Separated for Power Development Fund		Consolidated	Separated for OERC	Separated for Power Development Fund		
Historical Cost													
Computer software	-	-	-	-	23,200.00	23,200.00	23,200.00	-	23,200.00	23,200.00	23,200.00	-	-
Total	-	-	-	-	23,200.00	23,200.00	23,200.00	-	23,200.00	23,200.00	23,200.00	-	-
Less accumulated amortization													
Computer software	-	-	-	-	(4,591.72)	(4,591.72)	(4,591.72)	-	(4,591.72)	(4,591.72)	(4,591.72)	-	-
Total	-	-	-	-	(4,591.72)	(4,591.72)	(4,591.72)	-	(4,591.72)	(4,591.72)	(4,591.72)	-	-
Intangible asset	-	-	-	-					18,608.28	18,608.28	18,608.28	-	-
Amortization													
For the Year Ended 30 September 2012									(4,591.72)	(4,591.72)	(4,591.72)	-	-
For the Year Ended 30 September 2011									-	-	-	-	-

4.10 Account Payable includes:

	2012		2011		Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Separated for OERC	Separated for Power Development Fund
Account Payable – State agencies	16,651,042.74	16,651,042.74	-	11,157,758.47	-
Account Payable – External entities	13,226,619.69	2,921,601.82	10,305,017.87	13,485,257.72	-
Account Payable – Fund subsidies for underprivileged	672,589,250.53	-	672,589,250.53	-	-
Total	702,466,912.96	19,572,644.56	682,894,268.40	24,643,016.19	-

4.11 Accrued expenses include:

	2012		2011		Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Separated for OERC	Separated for Power Development Fund
Subsidy expense	1,214,199,097.35	-	1,214,199,097.35	-	2,386,253,844.10
Travel expense	3,976,140.74	3,976,140.74	-	8,049,492.58	-
Meeting expense	148,638.00	148,638.00	-	100,000.00	-
Training and seminar expense	8,721,332.56	8,721,332.56	-	4,250,223.00	-
Operating expense	248,002.25	248,002.25	-	571,320.00	-
Total	1,227,293,210.90	13,094,113.55	1,214,199,097.35	12,971,035.58	2,386,253,844.10

The subsidy expense is an accrued subsidy that is disbursed under Section 97(1). The total amount of the expense is reported by the Power Utilities and requests for disbursement approval are still underway.

4.12 Deferred state revenue to the Ministry of Finance includes:

		Unit: Baht	
		2012	2011
	Beginning surplus to accumulated expense	539,225,15.74	559,962,026.19
<u>Less</u>	Additional state revenue sent during the year	<u>(17,619,027.42)</u>	<u>(8,782,397.04)</u>
		521,606,128.32	551,179,629.15
	Operating revenues	698,809,557.04	671,036,166.82
	Operating expenses	<u>(649,483,839.08)</u>	<u>(596,932,746.42)</u>
		(570,931,846.28)	625,283,049.55
<u>Plus</u>	Accumulated depreciation of purchased equipment	<u>71,682,078.64</u>	<u>40,448,223.69</u>
		642,613,924.92	665,731,273.24
<u>Less</u>	Reserves for outstanding disbursement in following fiscal years (Note 5)	<u>(476,547,743.24)</u>	<u>(454,228,634.68)</u>
	Supplies at end of year	(1,571,852.33)	(770,716.03)
	Guarantee for lease and service contract*	(8,811,704.43)	(3,117,584.43)
	Valued added tax (VAT) - Input tax	(170.09)	(278.63)
	VAT – Deferred input tax	(306,870.25)	(805,288.28)
	VAT - Surplus payment	(1,384,177.07)	(949,633.09)
	Leasehold improvement	(37,468,458.59)	(37,468,458.59)
	Work in process	(317,500.00)	-
	Equipment purchase expense	<u>(85,070,190.87)</u>	<u>(79,332,785.70)</u>
	Deferred state revenue to the Ministry of Finance	<u>31,135,258.05</u>	<u>86,057,893.81</u>

*Guarantee for lease and service contract must be remitted as state revenue when the contract maturity date is due.

4.13 Other current liabilities include:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
VAT – accrued output tax	2,324,167.39	2,324,167.39	-	894,366.49	894,366.49	-	
Accrued vouchers	988,440.99	988,440.99	-	1,630,278.96	1,630,278.96	-	
Accrued social insurance	277,424.00	277,424.00	-	290,700.00	290,700.00	-	
Retention, contract guarantee and other guarantees	15,140,640.84	13,394,151.79	1,746,489.05	14,074,188.79	14,074,188.79	-	
Deferred withholding tax (Por Ngor Dor 1)	1,281,114.41	1,281,114.41	-	1,053,896.08	1,053,896.08	-	
Deferred withholding tax (Por Ngor Dor 3)	9,566.59	9,566.59	-	13,556.75	13,556.75	-	
Deferred withholding tax (Por Ngor Dor 53)	164,512.83	164,512.83	-	169,425.44	169,425.44	-	
Deferred revenue from donation (debt)	1,208,393.26	331,789.57	876,603.69	526,442.79	288,792.94	237,649.85	
Transferred money awaiting checking	52,109.00	52,109.00	-	246,100.00	246,100.00	-	
Other current liabilities	10,979.95	-	10,979.95	7,164.15	-	7,164.15	
Total	21,457,349.26	18,823,276.57	2,634,072.69	18,906,119.45	18,661,305.45	244,814.00	

4.14 Income from fees/contributions includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Fees from electricity industry licenses	1,845,000.00	1,845,000.00	-	2,315,000.00	2,315,000.00	-	
Fees from natural gas industry licenses	150,000.00	150,000.00	-	500,000.00	500,000.00	-	
Fees from electricity industry operation	480,003,727.99	480,003,727.99	-	461,062,190.30	461,062,190.30	-	
Fees from natural gas industry operation	202,565,107.43	202,565,107.43	-	198,181,855.21	198,181,855.21	-	
Fees from electricity industry license renewal	15,000.00	15,000.00	-	-	-	-	
Contributions from electricity supply licensees under Section 97(1) for revenue compensation among Power Utilities	13,543,445,281.98	-	13,543,445,281.98	9,904,995,067.92	-	9,904,995,067.92	
Contributions from electricity supply licensees under Section 97(1) for subsidizing underprivileged power consumers	10,307,602,635.51	-	10,307,602,635.51	3,153,872,738.79	-	3,153,872,738.79	
Contributions from electricity generation licensees for Section 97(3)	2,236,587,385.53	-	2,236,587,385.53	2,042,234,619.86	-	2,042,234,619.86	
Contributions from electricity generation licensees for Section 97(6)	117,715,124.58	-	117,715,124.58	79,425,547.32	-	79,425,547.32	
Total	26,889,929,263.02	684,578,835.42	26,205,350,427.60	15,842,587,019.40	662,059,045.51	15,180,527,973.89	

Contributions from electricity supply licensees pursuant to Section 94(1) to spend under Section 97(1) for revenue compensation among the Power Utilities:

	Unit: Baht	
	2012	2011
Contributions from the Electricity Generating Authority of Thailand and the Metropolitan Electricity Authority	13,543,445,281.98	9,904,995,067.92
Less Cost subsidies for revenue compensation paid to the Provincial Electricity Authority	(13,291,178,341.38)	(9,706,956,560.00)
Balance	252,266,940.60	198,038,507.92

Contributions from electricity supply licensees pursuant to Section 94(1) to spend under Section 97(1) to subsidize underprivileged power consumers:

	Unit: Baht	
	2012	2011
Contributions from electricity supply licensees	10,307,602,635.51	3,153,872,738.79
Less Cost subsidies for underprivileged power consumers	(8,630,626,545.24)	(2,810,420,315.50)
Balance	1,676,976,090.27	343,452,423.29

Contributions from electricity generation licensees pursuant to Section 94(1) to spend under Section 97(3) and Section 97(6):

	Unit: Baht	
	2012	2011
Contributions transferred from the former Community Development Fund in areas surrounding power plants	-	533,149,209.95
95% of contributions to spend under Section 97(3)	2,236,587,385.53	1,509,085,409.91
5% of contributions to spend under Section 97(6)	117,715,124.58	79,425,547.32
Less Expense on money allocation to Power Development Funds in designated areas	(1,658,308,888.71)	-
Expense on the Fund administration	10,511,091.01	-
Balance	685,482,530.39	2,121,660,167.18

4.15 Other incomes include:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Interest income from financial institute	93,021,052.29	11,708,262.87	81,312,789.42	21,383,642.48	7,878,698.68	13,504,943.80	
Income from donation	275,618.37	275,618.37	-	158,389.01	158,389.01	-	
Other incomes	74,392.27	48,662.95	25,729.32	383,138.01	382,938.85	199.16	
Income from returned budget in previous year (return from internal borrowings)	2,198,177.43	2,198,177.43	-	557,094.77	557,094.77	-	
Total	95,569,240.36	14,230,721.62	81,338,518.74	22,482,264.27	8,977,121.31	13,505,142.96	

4.16 Expense on human resources includes:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Salary and wage	115,219,690.29	115,219,690.29	-	93,503,175.28	93,503,175.28	-	-
Board compensation and other benefits	21,750,000.00	21,750,000.00	-	21,750,000.00	21,750,000.00	-	-
Overtime compensation	2,482,918.12	2,482,918.12	-	1,659,163.21	1,659,163.21	-	-
Special compensation	15,733,220.60	15,733,220.60	-	11,717,494.71	11,717,494.71	-	-
Severance pay and termination pay	-	-	-	2,174,883.66	2,174,883.66	-	-
Medical treatment expense	232,759.50	232,759.50	-	46,505.82	46,505.82	-	-
Other human resource expenses	5,464,488.24	5,464,488.24	-	1,834,629.80	1,834,629.80	-	-
Welfare expense	9,701,661.18	9,701,661.18	-	4,740,065.35	4,740,065.35	-	-
Total	170,584,737.93	170,584,737.93	-	137,425,917.85	137,425,917.85	-	-

In Fiscal Year 2012, **expense on human resources** significantly increased from that in Fiscal Year 2011 in the following:

Salary and wage

The expense increased due to a greater number of staff.

Welfare expense

In the previous fiscal year, medical treatment expense of outpatients was claimed from the health insurance, but in this fiscal year outpatients' health insurance has been canceled and replaced by the welfare according to the ERC Regulation on Staff and Employee Welfare.

Other human resource expenses

The expense increased due to the cost of living assistance payment for OERC's staff and employees, starting in the 3rd quarter of Fiscal Year 2011 according to the resolution of ERC's meeting No.17/2011 (126th) on 28 April 2011.

4.17 Expenses on operations include:

	2012			2011			Unit: Baht
	Consolidated	Separated for OERC	Separated for Power Development Fund	Consolidated	Separated for OERC	Separated for Power Development Fund	
Expense on human resources	6,144,446.80	-	6,144,446.80	-	-	-	-
Meeting allowance	16,016,594.00	8,702,350.00	7,314,244.00	5,362,050.00	5,362,050.00	-	-
Other compensation	1,463,760.00	1,063,000.00	400,760.00	1,953,500.00	1,953,500.00	-	-
Official domestic travel	27,660,590.34	26,671,494.34	989,096.00	2,,354,989.33	2,,354,989.33	-	-
Official overseas travel	22,141,751.64	22,141,751.64	-	26,149,540.67	26,149,540.67	-	-
Meetings and training/seminars	25,949,960.96	25,018,600.96	931,360.00	19,461,271.06	19,461,271.06	-	-
Expenses on subsidy	819,740.00	-	819,740.00	-	-	-	-
Office lease and services	40,668,308.63	40,668,308.63	-	30,602,105.91	30,602,105.91	-	-
Office equipment rent	6,192,633.86	6,192,633.86	-	3,871,663.24	3,871,663.24	-	-
Contribution to social insurance and Provident Fund	7,885,556.23	7,808,160.23	77,396.00	6,168,372.81	6,168,372.81	-	-
Health insurance, accident insurance and life insurance	3,929,542.11	3,764,542.11	165,000.00	3,328,368.16	3,328,368.16	-	-
Contracted services	94,715,315.42	89,369,628.44	5,345,686.98	66,283,157.51	66,283,157.51	-	-
Engagement of consultants and experts	191,146,516.00	191,146,516.00	-	216,111,616.34	216,111,616.34	-	-
Miscellaneous expense	15,300,907.64	4,436,398.77	10,864,508.87	5,060,724.95	5,060,724.95	-	-
Supplies expense	10,653,280.55	7,147,357.63	3,505,922.92	6,762,387.21	6,762,387.21	-	-
Equipment with value lower than specified standard	2,639,864.46	947,227.33	1,692,637.13	6,168,433.94	6,168,433.94	-	-
Utilities expense	6,378,605.79	5,819,624.55	558,981.24	5,342,907.55	5,342,907.55	-	-
Total	479,707,374.43	440,897,594.49	38,809,779.94	425,251,088.68	425,251,088.68	-	-

In Fiscal Year 2012, expenses on operations significantly increased from that in Fiscal Year 2011 in the following:

- Contracted services The increase resulted from expenses on enhancing communication channels for corporate public relations.
- Office lease and services The increase was due to the lease of additional office space of the OERC as per the lease agreement No. CH.OFF.0001/55 dated 4 April 2012.

4.18 Cost subsidies include:

	2012		2011		Unit: Baht
	Consolidated	Separated for OERC	Consolidated	Separated for OERC	
					Power Development Fund
Cost subsidies	6,505,223.34	6,505,223.34	-	8,980,000.00	-
Cost subsidies for revenue compensation among the Power Utilities	13,291,178,341.38	-	13,291,178,341.38	-	9,706,956,560.00
Cost subsidies for underprivileged power consumers	8,630,626,545.24	-	8,630,626,545.24	-	2,810,420,315.50
Total	21,928,310,109.96	6,505,223.34	21,921,804,886.62	8,980,000.00	12,517,376,875.50

5. Reserves for Outstanding Disbursement in Following Fiscal Years (exclusively for OERC) include:

	2012	2011	Unit: Baht
Beginning Reserves for Outstanding Disbursement in Following Fiscal Years	454,228,634.68	486,517,234.39	
Less Disbursement during the year			
Obligated liabilities	(240,310,947.34)	(153,128,642.76)	
Non-obligated liabilities	(50,674,767.22)	(171,981,593.43)	(325,110,236.19)
Additional delivery as at 30 September 2012			
Additional delivery during the year	(17,607,774.46)	(8,402,657.47)	
Deferred additional delivery	(120,376.17)	(1,110,133.67)	(9,512,791.14)
Balance of reserves for outstanding disbursement from previous year	145,514,769.49	151,894,207.06	
Plus Present year reserves for outstanding disbursement in following fiscal years			
Obligated liabilities	129,930,532.75	158,652,182.62	
Non-obligated liabilities	201,102,441.00	143,682,245.00	302,334,427.62
Ending reserves for Outstanding Disbursement in Following Fiscal Years as at 30 September 2012	476,547,743.24	454,228,634.68	

The amount of reserves for outstanding disbursement is included in "cash and cash equivalents" and "surplus to accumulated expense" items.

According to the Minutes of the Meeting No. 32/2012 (189th) on 20 September 2012, the ERC approved the reserves in Fiscal Year 2012. As at 30 September 2012, the total amount of reserves was 331,032,973.75 baht, consisting of non-obligated liabilities at the amount of 201,102,441.00 baht and obligated liabilities at 129,930,532.75 baht.

As for the balance of reserves for outstanding disbursement from previous years, accounting for 145,514,769.49 baht, this comprises the reserve for outstanding disbursement in the years 2009 and 2010, for obligated liabilities, at the amount of 280,000.00 baht and 37,107,060.72 baht respectively, and that in the year 2011 at the amount of 108,127,708.77 baht, divided into obligated liabilities at 78,697,120.95 baht and non-obligated liabilities at 29,430,587.82 baht. In this connection, the ERC has approved further reserve for non-obligated liabilities at the same deliberation.

According to the Minutes of the Meeting No.36/2011 (145th) on 28 September 2011, the ERC approved the reserves in Fiscal Year 2011 at a total amount of 302,334,427.62 baht, consisting of non-obligated liabilities at the amount of 143,682,245.00 baht and obligated liabilities at 158,652,182.62 baht, the details of which can be shown as follows:

	Unit: Baht	
	2012	2011
Obligated Liabilities		
Office management and administrative expense	32,477,730.57	19,894,434.73
Capital budget expense	17,509,259.00	2,795,910.00
Other expenses	79,943,543.18	135,961,837.89
Total Obligated Liabilities	129,930,532.75	158,652,182.62
Non-obligated Liabilities		
Human resources expense	19,040,000.00	15,300,000.00
Office management and administrative expense	10,134,000.00	13,593,800.00
Capital budget expense	98,495,000.00	-
Other expenses	73,433,441.00	114,788,445.00
Total Non-obligated Liabilities	201,102,441.00	143,682,245.00
Grand total	331,032,973.75	302,334,427.62

Details of the reserves for outstanding disbursement in following fiscal years as at 30 September 2012 and 2011, by fiscal year in which the reserves were made, are as follows:

	Unit: Baht	
	2012	2011
Reserves for outstanding disbursement in FY 2009	280,000.00	30,524,000.00
Reserves for outstanding disbursement in FY 2010	37,107,060.72	121,370,207.06
Reserves for outstanding disbursement in FY 2011	108,127,708.77	302,334,427.62
Reserves for outstanding disbursement in FY 2012	331,032,973.75	-
Total	476,547,743.24	454,228,634.68

6. Staff Provident Fund

The OERC has established the Staff Provident Fund for all OERC permanent staff members, pursuant to the provision of the Provident Fund Act, B.E. 2530 (1987).

Staff members and the OERC contribute to the Fund under this scheme at a rate of 5-10 percent of individual staff salaries. The staff members will be beneficiaries of contributions made to the Fund by the OERC pursuant to the regulation and rules of the Fund and subject to the length of service of each staff member. The OERC has appointed a fund manager to manage the Fund, as required by the Provident Fund Act (1987).

The OERC's contributions to the Provident Fund for the year ended 30 September 2012 amounted to 6,394,927.23 baht.

7. Staff benefits

In the accounting period of 2012, the OERC has yet to allocate the expenditure budget for staff benefits as per Thai Accounting Standards, No. 19, concerning Employee Benefits. The allocation will be carried out in the next accounting period in order to comply with the aforesaid accounting standards.

Currently, Team Excellence Consulting Co., Ltd. has been engaged to work on this matter in accordance with the job order No. PO560076 dated 16 July 2013.

8. Obligation

On 10 September 2012 the Power Development Fund entered into an engagement contract with a consultant in order to facilitate the Fund's operation, with a total contract value of 5,578,000.00 baht. It is stipulated that the consultant's work must be finished within 12 months as from the day following the date of work commencement specified in the contract.

9. Approval of financial statements

These financial statements were approved by the Secretary General of the Office of the Energy Regulatory Commission on 28 August 2013.



***Action Plan
for Fiscal Year 2013***

Action Plan for Fiscal Year 2013

In Fiscal Year 2013, the ERC will start implementing the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017) which still focuses on “Development of Principles and Guidelines on Energy Industry Regulation to be up to international standards and more modern.” The ERC shall speed up the issuance of regulations and proclamations on energy industry regulation, so that they would be comprehensive as per the responsibilities stipulated by law. In addition, the ERC shall continue scaling up the studies to develop energy industry regulatory works in order to meet international standards and maximize benefits for stakeholders in all sectors. The tasks are divided into four major aspects based on the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017), as follows:

1. Promotion of Energy Industry Regulation that Is up to Standard, Fair and Reliable¹

(1) The integration of licensing process according to Section 47 and Section 48 of the Act (Single Window) to be up to standard, fair and accountable. The ERC will enter into agreements with concerned agencies so that applicants can apply for licenses via Single Window service in 2015. Apart from that, e-licensing system will be developed in order to facilitate entrepreneurs to submit applications for electricity and natural gas industry licenses through the entrepreneur web portal in 2013. Moreover, all databases associated with energy industry operation licensing will be integrated to be up-to-date and accurate in order to enhance effective energy industry regulation and development.

(2) Inspection and development of equipment standards, engineering and safety standards, and environmental standards to be applied to every type of energy industry. In addition, Proclamations of energy service quality standards will be issued to cover every type of energy industry with a view to upgrading the energy industry standards.

(3) Regulation of energy tariffs to be suitable and fair, reflecting the genuine costs of effective energy industry operation. The criteria for determining natural gas transmission tariffs will be developed, and the criteria for regulating electricity dispatch ordering of the Electricity System Operator will be established for fair electricity dispatch ordering that reflects genuine costs and efficiency of power plants. Furthermore, the power tariff structure for the period of 2013–2015 will be reviewed and the criteria for determining the Critical Peak Pricing will be setup as a measure to promote efficient electricity use (Demand Response) during the period of peak demand.

(4) Enhancement of extensive energy service provision as well as secure and reliable energy systems. A framework for extensive energy service provision (Universal Service Obligation) will be developed in order to set relevant criteria for enforcement within 2015. In addition, the efficiency of Power Development Fund management will be enhanced with regard to revenue compensation/subsidization for service provision to underprivileged power consumers and extensive electrification as per Section 97(1) of the Act². Apart from that, the result of research studies will be applied to the determination of alternative measures for electricity procurement to adequately respond to domestic demand and to strengthen security and reliability of energy systems of the country, i.e. a proposal on the criteria to support continued utilization of power plants of which the Power Purchase Agreements (PPA) have expired/will expire (Repowering) and the suggestion to support additional electricity procurement from excess capacity. Besides, the study and simulation of load forecast will be carried out so that it could be used for the analysis and preparation of opinions on Thailand Power Development Plan for submission to the cabinet’s consideration and to prepare recommendations on measures to enhance security and reliability of the energy systems.

¹ In response to Strategy No. 1 of the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017).

² Section 97(1) under the Energy Industry Act B.E. 2550 states that Power Development Fund shall be used to compensate and subsidize electricity industry licensees who have provided services for underprivileged power consumers or to enhance extensive electrification or to support the policy on the development of decentralization to provincial areas;

2. Promotion of Efficient Energy Industry and Enhancement of Fair Competition³

(1) Fair and transparent energy procurement process. This will be implemented by preparing the Request for Proposals Package (RFP Package) and announcing the electricity procurement from Independent Power Producers (IPPs), via competitive bidding, with a total purchase capacity of 5,400 MW for supplying into the system starting 2021–2026. Apart from that, the ERC will regulate the negotiation for electricity procurement with the Electricity Generating Public Company Limited (EGCO) in connection with the new power plant development in the premise of Khanom Power Plant to supply electricity into the system by 2016 in order to replace Khanom Power Plant of which the PPA will expire in 2016, pursuant to Thailand Power Development Plan 2010–2030, 3rd revision, which was approved by the cabinet on 19 June 2012. In addition, the criteria and process of electricity procurement from SPPs and VSPPs will be revised.

(2) Stipulation of criteria for utilization of and connection to electricity and natural gas networks as well as the criteria for determining the tariffs for the use of electricity network systems (Wheeling Charges) and the tariffs for the use of and connection to natural gas networks (Third Party Access Charges) to encourage utilization of energy networks so that the use of infrastructure of the country would be cost effective and to encourage greater private sector's participation in natural gas acquisition and wholesale, and provision of natural gas transportation service through transmission pipeline system, which will give more options to energy consumers.

(3) Expediting cooperation among energy regulatory agencies of 10 ASEAN member states (ASEAN Energy Regulators' Network: AERN) in order to develop energy industry regulation, according to AERN's work plan, and ASEAN energy infrastructure development to support the establishment of ASEAN Community in 2015.

3. Rights Protection of Energy Consumers and Stakeholders in the Dimension of Energy Industry Regulation⁴

(1) Extensive and fair protection of rights of energy consumers and stakeholders in the energy industry. The ERC has declared the year 2013 to be the "Year of Energy Consumer Protection."

Accordingly, an energy consumer protection plan will be developed in order to upgrade energy consumer protection and to materialize energy consumer protection work in terms of energy industry regulation so as to create value and contribute to provision of justice to energy consumers, via determination of such matters as service standards, safety standards, standard forms of service provision contracts, criteria for tariff determination, complaint deliberation mechanism, regulation of Power Development Fund utilization to comply with the stipulated objectives, regulation of license granting with due consideration of consumers' rights and impact on people and environment, fair deliberation of compensation rates for expropriation or infringement upon immovable property covered by the energy transmission system network boundaries, etc., which are in conformity with and in response to the intention of the Energy Industry Act B.E. 2550 (2007).

Furthermore, in Fiscal Year 2013 there will be implementation of projects to create knowledge and awareness of energy and to encourage participation of the general public in order to support energy industry regulatory work in 8 provinces under Regional Office 2, i.e. Phitsanulok, Nan, Phrae, Uttaradit, Sukhothai, Tak, Kamphaeng Phet and Phichit, and 6 provinces under Regional Office 12, i.e. Songkhla, Phatthalung, Satun, Pattani, Yala, and Narathiwat, making a total of 14 provinces. (This is a continuation of the project started in 2010 and the implementation was carried out in 7 regional areas, covering 41 provinces.) The project has been operated in compliance with the objective of the Act in terms of protection of energy consumers' benefits concerning tariff rates and service provision quality. In addition, the ERC also opens opportunities for energy consumers in various sectors, both the general public sector and licensees, to share their opinions and give information to the ERC via the organization of hearings, which is part of the process to create energy consumers' rights protection networks, and there will be registration of network participants for use as a database of hearing process organization, in conformity with Section 26 of the Act which provides energy consumers with the opportunity to give opinions or information to the ERC prior to issuance of any regulations, rules, announcements or codes which will affect power consumers or licensees.

³ In response to Strategy No. 2 of the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017).

⁴ In response to Strategy No. 3 of the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017).

(2) Fair utilization of immovable property for construction of energy network systems, by improving the process of energy network system area announcement, compensation determination, deliberation of appeals on energy network system areas and compensation to be standardized and fair and to be within the time frame stipulated by law. A manual on the handling of immovable property will be prepared and reviewed. Apart from that, the regulations and proclamations regarding compensation determination and payment for energy network system construction will be revised to reduce obstruction to energy network system construction, so that energy supply can be provided to all regions across the country, while ensuring that immovable property owners whose rights have been infringed upon due to the construction of such energy systems will be treated fairly.

(3) Power Development Fund management for the benefits of the community, by supporting and encouraging practical and efficient implementation of the strategic plan of the Power Development Fund, developing the potential of personnel working under the Power Development Fund and Community Development Committees, including managing and allocating money from the Fund pursuant to Section 97(3) of the Act⁵ to designated areas effectively, transparently and fairly. In addition, dissemination of knowledge and understanding, including raising conscience of local people in the areas surrounding a power plant, will be carried out so that they would realize the benefits of the Power Development Fund and participate in community project implementation, the development of performance monitoring process and the utilization of the Fund in designated areas to ensure its efficiency, via field visits to inspect and monitor the progress of community projects, the organization of civil society forums in the villages/communities surrounding a power plant, and creating inspection and monitoring networks by the popular sector in designated areas.

4. Organizational Development to Regulatory Excellence⁶

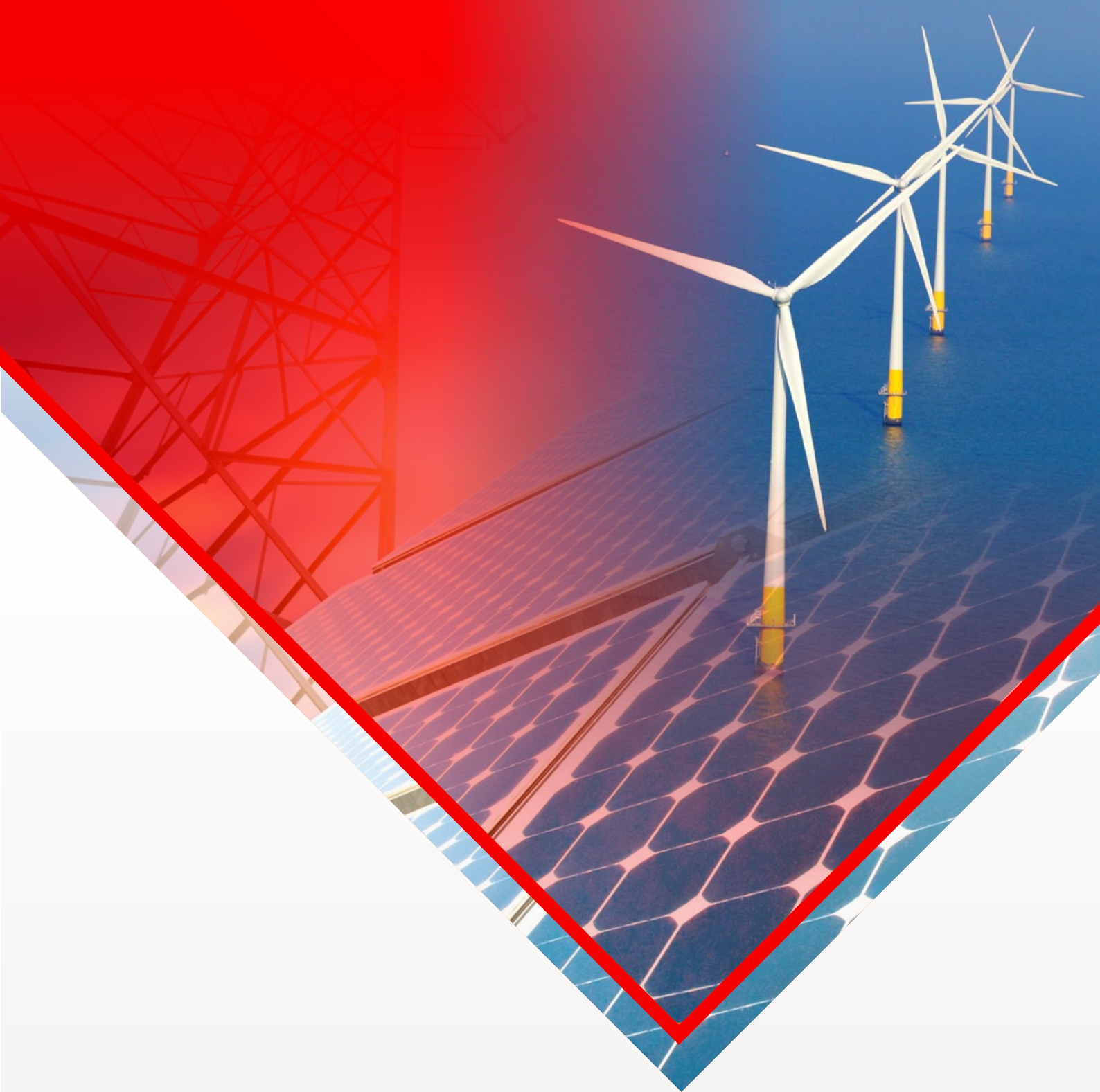
(1) Organizational development and capacity building of human resources to regulatory

excellence. In 2013 the OERC is still encouraged to operate as per the ERC's Model to Excellence, by continuously carrying out its activities based on the PMQA criteria by integrating the management to be systematic, with regard to the following issues: strategic planning; survey on satisfaction towards the energy industry regulation; knowledge management within the organization, involving both information technology and knowledge needed for energy industry regulation, in terms of energy economics, engineering, legal, and social, community & cultural dimensions which are crucial to the energy industry regulation; control and improvement of operational processes; as well as risk management and internal audit, aiming at increasing the operational efficiency, with transparency and accountability, so that the organization could render services that meet the expectation of stakeholders in all sectors. Apart from that, personnel competency will be developed pursuant to the OERC's Human Resources Development Plan 2012–2014 so that they would have interdisciplinary knowledge to accommodate the OERC operation to excellence. In addition, the ERC will look for a permanent premise for the OERC instead of renting the present premise at Chamchuri Square in order to have more working space to accommodate efficient duty execution, which will bring about long-term benefits and will make the use of budget most worthwhile, i.e. by using the remaining money from the administration in Fiscal Year 2012 and setting up accumulated budget in following fiscal years until the procurement plan for permanent OERC premise can be undertaken by 2017.

(2) To be the center of energy knowledge and information, by developing the Information Technology Master Plan and the Information Technology Action Plan, evaluating the use of every IT system and improving IT systems to fully and efficiently support energy industry regulation, further developing the data warehouse system to accommodate the IT and Energy Knowledge Center to support energy industry regulation and service provision to external stakeholders. In 2013 the power consumption database will be developed, and the report on the analysis of power demand trends will be undertaken.

⁵ Section 97(3) under the Energy Industry Act B.E. 2550 states that the Power Development Fund shall be used to develop or rehabilitate localities affected by the operation of a power plant.

⁶ In response to Strategy No. 4 of the Strategic Plan for Energy Industry Regulation, No. 2 (2013–2017).



Appendices

Abbreviation

ERC	Energy Regulatory Commission
NEPC	National Energy Policy Council
MEA	Metropolitan Electricity Authority
EGAT	Electricity Generating Authority of Thailand
PEA	Provincial Electricity Authority
RECC	Regional Energy Consumer Committee
CDC	Community Development Committee
TDC	Tambon Development Committee
The Managing Committee	Managing Committee on Power Generation from Renewable Energy Promotion
The Act	The Energy Industry Act of B.E. 2550 (A.D. 2007)
PTT	PTT Plc.
EPPO	Energy Policy and Planning Office
The Office/OERC	Office of the Energy Regulatory Commission
F_t	Automatic Power Tariff Adjustment Mechanism
EIA Report	Environmental Impact Assessment Report
IEE Report	Initial Environmental Examination Report
ONEP	Office of Natural Resources and Environmental Policy and Planning
Adder	Additional energy purchasing price
COD	Commercial Operation Date
IPP	Independent Power Producer or Large-scale Power Producer
PDP 2010	Thailand Power Development Plan for 2010–2030
ROIC	Return on Invested Capital
SCOD	Scheduled Commercial Operation Date
SPP	Small Power Producer
VSPP	Very Small Power Producer
WACC	Weighted Average Cost of Capital

Appendix 1

Summary of the Energy Regulatory Commission Resolutions in Fiscal Year 2012

Number of Meeting Attendance of the ERC in Fiscal Year 2012

Name-Surname	Position	No. of Meeting Attendance/ Total No. of Meetings
1. Mr. Direk Lavansiri	Chairman of the ERC	43/45
2. Mr. Nopadon Mantajit	Commissioner	41/45
3. Mrs. Pallapa Ruangrong	Commissioner	41/45
4. Lt. Thaksin Limsuvan	Commissioner	43/45
5. Mr. Boonsong Kerdklang	Commissioner	45/45
6. Mr. Pisit Soontararat	Commissioner	44/45
7. Mr. Sun Vithespongse	Commissioner	41/45

Summary of the Minutes of ERC Meetings in Fiscal Year 2012

In Fiscal Year 2012, the ERC convened meetings to consider matters and carry out its tasks as defined in the Energy Industry Act (the Act), which can be summarized as follows:

ERC Meeting No. 37/2011 (146th) 4 October 2011

1. Approve the license issuance as follows: an electricity generation license, with a total installed capacity of 8.25 megawatts (MW); and a regulated energy production license (new application), with a total generator rating of 8,250 kilovolt-ampere (kVA).

2. Approve the results of appeal deliberation regarding the announcement on demarcation of the natural gas network system area in connection with the right-of-way boundary of petroleum transportation through transmission pipeline system for construction of the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT, involving 12 appellants, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 30 August 2011 as follows:

2.1 To affirm the announced right-of-way boundary of the natural gas network system, involving 11 appellants because, in terms of engineering, the pipeline route cannot be adjusted. For the appellants who run industrial and agricultural business, PTT shall reduce engineering impact and coordinate with the appellants to set out the natural gas network system construction plan, taking into consideration engineering security and the appellants' land utilization.

2.2 To strike one case out of the case-list because the appellant called off the petition with no intention to continue pursuing the appealed issue, causing the appeal to terminate.

3. Approve the results of appeal deliberation regarding the electricity network system area and the objection to the pole location of the Electricity Generating Authority of Thailand (EGAT), involving 18 appellants, according to the opinions of the

Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 30 August 2011 as follows:

3.1 To adjust the electricity network system area for the 500-kV border (in Nan province) – Nan 2 transmission line construction project, as proposed by one appellant because it is feasible in terms of engineering. In addition, all of the land owners who will be affected by the adjustment of the right-of-way have given written consent and EGAT can afford the cost of adjustment without any effect on the general public. In this regard, the OERC shall announce the electricity network system area accordingly.

3.2 To affirm the announced electricity network system area for the 230-kV Ratchaburi 3 – Samut Sakhon 4 transmission line construction project, involving one appellant, because the right-of-way is considered appropriate in terms of engineering, economic, social and environmental aspects. In addition, the land owners who will be affected by the right-of-way adjustment do not agree with the adjustment.

3.3 To adjust the locations for pole installation under the 230-kV Samut Sakhon 4 – (Samut Sakhon 1) – Samut Sakhon 3 – Sampran 1 transmission system improvement project, as proposed by seven opponents because, in terms of engineering, the pole relocation is feasible.

3.4 To affirm the determined pole locations, involving 3 opponents, as follows:

3.4.1 The 230-kV Samut Sakhon 4 – (Samut Sakhon 1) – Samut Sakhon 3 – Sampran 1 transmission line improvement project because the pole relocation is not feasible in terms of electricity transmission system engineering, coupled with the fact that the determined pole location is about 1,000 meters away from the location of the existing pole and locates at the outer edge of the land than the existing pole location,

hence the opponent can utilize more land than before.

3.4.2 The 115-kV Tha Wung – Lopburi 1 transmission line improvement project because EGAT's operation is the transmission line construction and improvement in the existing electricity transmission line area, which requires the demolition of the existing poles and construction of new ones. During the operation, it is necessary to install temporary concrete poles and tie points for electricity wiring so that electricity could be supplied to the people as usual. In addition, practically such temporary pole installation must be placed at the boundary of the transmission line area or slightly outside the transmission line area so that there would be enough working space. In this regard, EGAT had negotiated with the opponent whose land is outside the transmission line area to rent the land for placing the temporary poles, but the appellant did not agree. Therefore, EGAT has to place the temporary poles in the transmission line area; otherwise, EGAT would have to shut down the whole electricity system in order to construct and improve the mentioned transmission line, which will cause difficulty to power consumers in Lopburi and other provinces nearby. In addition, EGAT has already complied with all procedures required by law.

3.4.3 As for the 230-kV transmission line improvement project, linking Mae Moh 3 – Mae Moh 4 – Lampang 1 – Lampoon 1 – Lampoon 2, in terms of engineering, the poles cannot be relocated to the locations proposed by the opponent. If the pole locations were changed, EGAT would have to remove two poles that have already been installed in order to adjust the locations of all four poles so that the length of transmission line from one pole to another and the ground clearance (the vertical distance between the transmission line and the ground) would conform to the safety standard codes.

3.5 To strike the objections of six opponents out of the case-list because the opponents have submitted to the ERC their written requests to cancel the objections, causing the objections to terminate. The six cases consist of: (1) the 230-kV transmission line improvement project, linking Mae Moh 3 – Mae Moh 4 – Lampang 1 – Lampoon 1 – Lampoon 2, involving two opponents; (2) the 230-kV transmission line improvement project, linking Samut Sakhon 4 – (Samut Sakhon 1) – Samut Sakhon 3 – Sampran 1, involving one opponent; (3) the 230-kV Surin 2 – Buriram transmission line improvement project, involving one opponent; (4) the 230-kV Nakhon Phanom 2 – Nakhon Phanom Grid Connection Point transmission line, involving one opponent; and (5) the 500-kV Pluak Daeng – 500-kV Nong Chok Grid Connection Point – Wang Noi, Line 2, transmission line construction project, involving one opponent.

4. Approve the results of appeal deliberation regarding compensation for impacts caused by the natural gas network system of PTT Plc. ("PTT"), involving 20 appellants in accordance with the opinions of the Sub-committee on Deliberation of Appeals on Compensation at its meeting on 27 June 2011, as follows:

4.1 To dismiss the appeal for land compensation of one appellant because the appellant did not file the appeal within the 30-day timeframe as specified by the Regulation of the ERC on Criteria, Procedures and Conditions of Lodging of Appeals and Appeals Deliberation, Objection and Objection Deliberation B.E. 2552 (2009).

4.2 To decline consideration of the issue that two appellants have requested for compensation for land outside the natural gas network system area as the matter is beyond the ERC jurisdiction.

4.3 To affirm the determined land compensation for 16 appellants because the rate of compensation is considered fair and reasonable.

4.4 To increase the compensation for the following two items of plants/trees for appellants: (1) pineapple plants -- because in 2007, EGAT used to pay compensation for pineapple plants to the appellants whose land were covered by the 500-kV transmission system area, linking Pluak Daeng – 500-kV Nong Chok Grid Connection Point – Wang Noi, Line 2, at a rate of 50,000 baht per rai. Therefore, EGAT's rate of compensation for pineapple plants should be applied to determination of compensation to the appellants; and (2) guava trees -- for the costs of seedlings and growing labor, at 30 baht per tree. In the case of full plot planting, the compensation shall be paid at a maximum of 400 trees per rai; in the case of planting together with other agricultural crops, the compensation shall be paid at a maximum of 200 trees per rai. In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date that PTT receives the OERC's written notice. If the compensation payment cannot be made within the specified period of time, PTT shall pay interest to the appellants at the maximum fixed deposit interest rate of the Government Saving Bank (GSB) as from the date over the specified period, until the additional compensation is paid.

5. Approve the result of the consideration of petition from Mrs. Pacharin Tatpayak and Mrs. Sompong Saiyathong, et al., in which the petitioners requested the ERC to inspect the facts to ensure fairness about compensation for the land used for pole installation and for impact of the network system area of the Metropolitan Electricity Authority (MEA), in accordance with the opinions of the Sub-committee on Deliberation of Final Decisions, Orders, Regulations, Rules, Proclamation or any other Provisions of the ERC at its meeting on 29 July 2011 and on 31 August 2011. The ERC views that for the MEA's having exercised the rights of pole installation and wiring on the petitioners' land and the transmission line wiring being in the EGAT's transmission system right-of-way, the MEA has already obtained permission from EGAT, and by virtue of the power indicated in the clarification of the Yanhee Electricity Authority regarding Exploration for Pole Installation and Wiring of High Voltage Transmission Line of the Yanhee Electricity Authority, No. 3, June 1967, there is evidence that the MEA has already paid additional compensation through EGAT and EGAT has paid the compensation to the owners or occupiers of the property or other right holders at that time. The amount of compensation has already included the MEA's contribution via EGAT. The ERC, therefore, instructs the OERC to inform the petitioners that the MEA's exercise of the rights of pole installation and wiring on the land which is in EGAT's transmission line area has been completely and correctly undertaken according to the law and that the ERC's resolution at its meeting on 13 January 2011 in which the issue was considered, is not considered the issuance of ERC's order according to Section 121, to which energy consumers or stakeholders who are not satisfied with any order issued by the ERC may lodge an appeal to the ERC.

6. Acknowledge the facts about land allocation in the Agricultural Land Reform Office (ALRO) areas for utilization as well as the criteria and procedures for applying for permission to access or utilize the ALRO land for developing wind power projects. In addition, the OERC shall expedite consideration of license granting for applicants for electricity generation from wind energy that have already complied with and prepared correct and

complete documents as required by related laws, regulations and proclamations.

ERC Meeting No. 38/2011 (147th) 13 October 2011

1. Approve the results of petition and appeal deliberation regarding the Provincial Electricity Authority (PEA) rejection of the requests for change in the power plant sites of five Very Small Power Producers (VSPP), i.e. (1) Best Business Co., Ltd.; (2) Infinite Green Co., Ltd.; (3) Gunkul Powergen Co., Ltd.; (4) G-Power Source Co., Ltd.; and (5) Nakhon Ratchasima Solar Co., Ltd. (granted the right transfer as a subsidiary of Pacific Solar (Thailand) Co., Ltd.) in accordance with the opinion of Sub-committee Regulating Power Purchase from SPPs and VSPPs at its meeting on 7 October 2011. The ERC views that this is the petition and appeal against the PEA's action as the contract party. In this regard, the PEA has informed each contract party that its action was undertaken as per the resolution of the Managing Committee on the prohibition of any change, amendment and addition to renewable energy projects. Furthermore, the ERC has never issued any proclamation or order prohibiting change in the power plant sites. Therefore, the ERC passes a resolution acknowledging the petitions and appeals for change in the power plant sites of the VSPPs, and assigns the OERC to notify the five VSPPs to comply with the conditions specified in the Power Purchase Agreement (PPA) and also inform the Managing Committee about the petitions and appeals of these five VSPPs.

2. Approve the following license issuance: four electricity generation licenses, with a total installed capacity of 39.042 MW; ten power generation facility operation licenses (Ror Ngor 4: Factory Category No. 88), with a total engine power of 81,691.02 horsepower (HP); five regulated energy production licenses (Por Kor 2) (renewal), with a total generator rating of 268,697 kVA. Moreover, the ERC assigns the Sub-committee on the Screening of Energy Industry License Issuance under the Act to expeditiously seek a solution to the problem of application for regulated energy production license renewal after the expiry date of the existing licenses for submission to the ERC for further consideration.

3. Approve the principles of calculating revenue subsidy, adder subsidy and subsidy rate per unit for the revenue compensation among the Power Utilities in 2011 and 2012. The maximum revenue compensation has been set at 13,379 million baht. The delivery and disbursement of money shall be made through the Power Development Fund under Section 97(1).

4. Approve the criteria for compensation payment for the land used for transmission tower installation under the following eight transmission network system improvement projects of EGAT: (1) 115-kV Tha Wung – Lopburi 1 transmission line; (2) 115-kV Pangkone – Sakon Nakhon 1 transmission line; (3) 115-kV Kanchanaburi 2 – Kanchanaburi 1 transmission line; (4) 115-kV Roi Et 1 – Maha Sarakham transmission line; (5) 115-kV Klaeng – Chanthaburi transmission line; (6) 115-kV Bang Pa-in 1 – Ayutthaya 1 transmission line; (7) 230-kV Krabi – Phang-nga 2 transmission line; and (8) 230-kV Samut Sakhon 4 – (Samut Sakhon 1) – Samut Sakhon 3 – Sampran 1 transmission line, at twice as much as the cost estimate for the purpose of fee collection for registration of right and legal act concerning immovable property according to the location of each transmission tower at a rate of 100 percent of the determined price for the compensation. With regard to compensation

payment for trees and agricultural products damaged during the construction, EGAT's standard price list for trees and agricultural products announced in 2011 shall be used as the benchmark for calculating the compensation.

5. Approve the determination of land and property prices used for the calculation of compensation with regard to EGAT's 230-kV Krabi – Phang-nga 2 (in the network system expansion section) transmission line area in Krabi province, in accordance with the opinions of the Committee on Compensation for Land and Property for Krabi Province at its meeting on 3 August 2011 and 7 September 2011 as follows:

5.1 For government land, the cost estimate for the purpose of fee collection for registration of right and legal act of the Treasury Department being enforced when EGAT requested permission to use state property land will be used as the benchmark for calculating the compensation. The payment shall be made according to the ERC's criteria, procedures and conditions of determination and payment of compensation.

5.2 For ALRO land, the compensation for land utilization to be paid to Krabi's ALRO shall be determined at 20 percent of the cost estimate for the purpose of fee collection for registration of right and legal act for use during 2008 – 2011. The payment shall be made according to the ERC's criteria, procedures and conditions of determination and payment of compensation.

5.3 The compensation for trees shall be determined as follows: (1) for economic trees, general crops, seasonal plants and paddy, to refer to EGAT's standard price list, as revised in March 2011, except for good-variety rubber trees, oil palm, coconut, good-variety mango, good-variety durian, parkia speciosa (or stink beans) and good-variety rambutan; (2) Indonesian zalacca of bearing age and not of bearing age at 5,000 baht and 2,500 baht per tree respectively; rubber mother trees (more than 3 years old) at 2,500 baht per tree; small good-variety rubber trees at pre-tapping stage (trunk perimeter less than 12 centimetres), small rubber trees at pre-tapping stage (trunk perimeter less than 32 centimetres) and large rubber trees under tapping (trunk perimeter at 32 centimetres and above) at 1,120 baht, 2,500 baht and 4,000 baht per tree respectively; small-sized oil palm trees of less than 1 year old, middle-sized oil palm of 1 year old or above but less than 3 years old, and large-sized oil palm of 3 years old or above at 570 baht, 2,500 baht and 5,000 baht per tree respectively; coconut of bearing age and not of bearing age at 2,360 baht and 1,250 baht per tree respectively; good-variety mango of bearing age and not of bearing age at 4,440 baht and 1,500 baht per tree respectively; small-sized good-variety durian trees at the height of less than 2 meters, middle-sized ones at the height from 2-meters or above, and large-sized ones of bearing age at 1,850 baht, 4,000 baht and 6,000 baht per tree respectively; parkia speciosa (stink beans) of bearing age and not of bearing age at 3,000 baht and 1,500 baht per tree respectively; and small-sized good variety rambutan trees at the height of less than 2 meters, middle-sized ones at the height from 2 meters or above, and large-sized ones of bearing age at 1,360 baht, 3,250 baht and 5,000 baht per tree respectively; and (3) for the trees that are not on EGAT's tree compensation price list, EGAT shall liaise with the District Agricultural Extension Officer to compare them with the types of trees on EGAT's standard price list to determine the compensation for the tree owners.

5.4 With regard to compensation for building/structure demolition and removal, it is deemed appropriate

to use the compensation prices relating thereto, according to EGAT's standard price list announced in 2011, except for the earth work, for which the prices pursuant to the price list of the Local Administrative Organization shall be used. For the Factor F, the latest revised table according to the "most urgent" letter of the Ministry of Finance, No. Gor Kor 0421.5/Wor 27 dated 4 April 2011 shall apply.

5.5 To use the price of the Bank for Agriculture and Agricultural Cooperatives (BAAC) as the basis for increasing the compensation prices. For the land adjacent to the roads, sois (side-streets), paths, and the land next to the entrance of Huayung radio station, the price shall be increased by 50 percent, and for the last unit of land that is not adjacent to any road, soi and path, the price shall be increased by 100 percent of the BAAC's price.

5.6 To apply the highest unit price as the criteria for calculating compensation for the whole plot of land, as one unit, in the case where there are two units of land or more located in the area stated in Item 5.1 and the transmission line passes through both units.

5.7 To pay compensation for land to people who occupy and utilize the pieces of land which do not belong to the government and who have no evidence of land ownership and have not paid annual local development tax, based on the price determined by the Committee on Land and Property Price for Krabi Province. The payment shall be made according to the ERC's criteria, procedures and conditions of determination and payment of compensation. In this regard, EGAT shall coordinate with concerned sub-district headmen and village headmen to record the testimony as evidence to facilitate the receipt of compensation.

Besides, the ERC acknowledges the financial assistance payment for humanitarian reasons to people who occupy every type of government land for utilization, which are: (1) financial assistance payment to people who occupy and utilize the land covered by the electricity transmission line, by applying the criteria for land compensation payment to the calculation of financial assistance payment, *mutatis mutandis*; (2) in the case of ALRO land, prior to such payment, land occupation and utilization as at the announcement date of the transmission line area must be verified, by using the testimonial issued by Krabi's ALRO as evidence; (3) in case of government land, EGAT shall coordinate with sub-district or village headmen to investigate and find out about the actual possessors and users of the land before the announcement date of the demarcation of the transmission line area, by recording the testimony as evidence to facilitate the receipt of such financial assistance; (4) it is deemed appropriate to apply the cost estimate for the purpose of registration of right and legal act on immovable property, announced for use during 2008 – 2011, by increasing the price by 50 percent to be used as the basis for calculating the financial assistance; (5) increase the price of the land adjacent to the entrance road to Huayung radio station, Zone 01, Block M, by 50 percent and to apply the adjusted price to calculating the financial assistance payment for the land in Unit 3, Zone 01, Block H, too; and (6) the aforementioned financial assistance payment criteria shall be used for the payment for land used for pole installation in the areas of government land in Nueklong District and Mueang Krabi District, Krabi province; EGAT shall be informed to consider implementation in accordance with the opinions of the Committee on Land and Property Price for Krabi Province.

6. The OERC is assigned to revise the components and authority and duty of the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3) and the Sub-committee Monitoring and Evaluating Projects under Power Development Fund for any Operation under Section 97(3), by reducing the Sub-committees' components so that they could perform their duty fast and with flexibility according to the objectives of their establishment and by increasing the authority of the Sub-committees to appoint their consultants to provide information or analyze specific pieces of work for use as supplementary information for consideration on a case by case basis.

7. Acknowledge the OERC's supportive operation during the flood crisis pursuant to a meeting with the Power Utilities (PUs) on 11 October 2011, where the PUs reported the following preparedness and measures to help flood victims. EGAT has already shut down the power plant operation in some flooded areas and this will not affect the security of electricity procurement. In this regard, EGAT will closely monitor the situation and water level. With regard to the MEA, they will provide similar support to that given during the recent political unrest, while the PEA will provide similar support to that given during the tsunami incident. In this respect, the OERC should analyze the flood impact alleviation for flood victims via the Ft in order to help relieve their burden and should prepare relief measures for flood victims after the flood subsides.

ERC Meeting No. 39/2011 (148th) 20 October 2011

1. Approve the issuance of five electricity generation licenses, with a total installed capacity of 119 MW and two Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 38,500 HP.

2. Acknowledge the result of the consideration of the OERC's action plan, revenue estimate and expenditure budget for Fiscal Year 2012, according to the cabinet resolution of 18 October 2011.

3. The OERC is assigned to take the following actions: (1) to monitor the efficiency of electricity generation from wind and solar energy by electricity generation licensees and report the result to the ERC for acknowledgement and to collect information of the amount of capital investment in power generation projects using renewable energy, by fuel type, that have been granted electricity generation licenses from the ERC in each year in order to use as information for preparing an annual report; and (2) to speed up exploring the way to use money from the Power Development Fund and/or OERC's budget to assist flood victims and to establish a coordinating center to solve problems and relieve power consumers during the flood crisis. The OERC shall recommend relief measures for flood victims to the ERC for consideration, and also periodically report the operation outcome to the ERC for acknowledgement.

ERC Meeting No. 40/2011 (149th) 8 November 2011

1. EGAT and National Power Supply Co., Ltd., shall revise the Critical Date and Milestones to conform to the SCOD during 2016 – 2017 according to the NEPC resolution of 25 November 2010. If there is any change in the NEPC policy on

the SCOD, EGAT and the Company will be able to amend the PPA to conform to the NEPC policy, and EGAT, as a contract party, shall consider the proposal of the Company regarding the use of a specialist or a Thai court in the dispute resolution procedure instead of a specialist and an arbitrator in order to conform to the cabinet resolution of 28 July 2009 concerning contract execution between a state agency and a private company. However, if the process according to the resolution is not feasible, EGAT shall present the matter to its original affiliation to further submit to the cabinet for approval of exemption. After EGAT and the Company have completed the revision of the Critical Date and Milestones including other conditions related to EHIA according to the ERC resolution of 11 May 2011, EGAT shall submit the PPA to the Office of the Attorney-General for consideration before signing the PPA with the Company.

2. Approve the appointment of sub-committees according to Section 24 of the Act and the appointment of a working group as follows:

2.1 The Sub-committee Deliberating the Method to Procure New OERC Premises, comprising 10 members, with the authority and duties to consider and explore the method to acquire new premises for the OERC and the method to carry out the interior design of the new office as well as to explore the method to procure the budget and all costs required for the procurement for submission to the ERC.

2.2 The Sub-committee on Human Resources Management, comprising nine members, with the following authority and duties: to screen the rules and regulations on the OERC's personnel management and development for submission to the ERC; to give advice and suggestions regarding the implementation of the OERC's personnel management and development; to monitor, supervise and examine the OERC's personnel management and development to comply with the ERC's resolution; to analyze the workload against the total workforce as well as jointly set the criteria and procedures of performance evaluation, including allocation of incentives/rewards in various forms with compatibility, transparency and fairness so that the personnel would be encouraged in working. In addition, the Sub-committee shall consider the criteria, approach and procedures to evaluate the personnel performance and give suggestion about the evaluation procedures so that the personnel performance evaluation would comply with the ERC policy.

2.3 The Sub-committee on Policy and Strategies, comprising 14 members, with the following authority and duties: to study and analyze information in order to set and/or review the Strategic Plan for Energy Industry Regulation, so that the plan would be updated and conform to the vision and mission of the ERC; to study and prepare the action plan, expenditure budget, and revenue estimate of the OERC for each fiscal year, as well as the plan to determine tariffs so that it would conform to the Strategic Plan for Energy Industry Regulation, for submission to the ERC; and to monitor, evaluate and expedite the operation as per the action plan and annual budget disbursement of the OERC. In this regard, the result of the operation and the budget disbursement shall be periodically reported to the ERC for acknowledgement as deemed appropriate.

2.4 The Working Group on Drafting Consideration Criteria for PPA Renewal for Electricity Industry Operators, consisting of eight members, with the authority and duty to draft the criteria for considering the renewal of electricity industry

operators' PPAs that are expiring, for submission to the ERC for consideration and approval. The criteria must contribute to maximum efficiency of domestic electricity demand and must not hinder the competition in the energy industry operation and must conform to the objectives of the Act.

3. Approve the issuance of one electricity generation license, with a total installed capacity of 6.50 MW provided that the licensee revises the PPA with the PEA regarding the SCOD extension to be accurate and updated and present it to the OERC as well as pays all the required fees before getting the license. Approve the issuance of three Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 5,310.28 HP; in this connection, the OERC is assigned to send notification to the Power Utilities to inform them that the granting of Ror Ngor 4: Factory Category No. 88 licenses does not entail any obligation to the consideration of acceptance to purchase electricity from the operators. In addition, the OERC is assigned to follow up, examine and report the operational progress of the solar power generation licensees to the ERC for acknowledgement.

4. Approve that the electricity retail licensees send contributions to and disburse money from the Power Development Fund (the Fund) in a net amount (VAT not included), by calculating from the amount of money to be sent to the Fund deducted by the amount of money to be disbursed from the Fund, exclusively for electricity retail licensees in order to subsidize the underprivileged power consumers according to Section 97(1), as from the electricity billing in October 2011 onwards.

5. Approve the Work Plan for Fiscal Year 2012 of the Power Development Fund for any operation under Section 97(6) as follows:

5.1 Approve the revenue estimate and expenditure estimate in Fiscal Year 2012 of the Fund for any operation under Section 97(3) and Section 97(6).

5.2 Approve the work plan for Fiscal Year 2012 of the Fund for any operation under Section 97(6) and money utilization for each item. For the following year, the budget by item shall be presented and the OERC shall prepare detailed project work plan for Fiscal Year 2012 for submission to the ERC for further consideration.

5.3 Approve, in principle, the Power Development Fund allocation for the operation under Section 97(6) regarding the subsidization for the development or rehabilitation of localities affected by power plant operation, for which the amount of allocated fund is not enough for local development or rehabilitation, that is, to subsidize the Power Development Funds in small designated areas that receive allocated money less than 1,000,000 baht per year. In this regard, the OERC is assigned to propose the criteria for allocating money to small-sized Funds to the ERC for further consideration.

5.4 Approve, in principle, that the OERC consider allowing electricity industry operation licensees to delay sending money to the Power Development Fund from the expected schedule, as deemed appropriate, in order to reduce the impact of the flood situation.

5.5 Approve, in principle, the budget support from the Power Development Fund for the Fund administration according to Section 97(6) in Fiscal Year 2012, under the expenditure for the Fund administration, Item: Other expenses, at the amount of 8,000,000 baht in order to carry out the projects on creating knowledge and understanding about annual work plan preparation and to support the development of community

projects of Power Development Funds in designated areas of all 13 OERC Regional Offices as well as projects on public relations to create accurate knowledge and understanding of people who have got discrepant information about the Power Development Funds in designated areas.

6. Approve the results of appeal deliberation regarding transmission line areas and the objection to the locations of EGAT's electric poles lodged by five appellants, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 26 September 2011 as follows:

6.1 To dismiss the appeals of two appellants against the announcement on demarcation of electricity network system areas, i.e. the 500-kV border (in Nan province) – Nan 2 transmission line construction project, involving one appellant, and the 230-kV Ratchaburi 3 – Samut Sakhon 4 transmission line construction project, involving one appellant, because the appeals were submitted after the timeframe stipulated by law.

6.2 To affirm the determined pole locations of the 230-kV Mae Moh 3 – Mae Moh 4 – Lampang 1 – Lamphun 1 – Lamphun 2 transmission line improvement project, involving three appellants, because the new route of pole locations that the appellants request is near the river, canal and public way, which must be avoided according to the safety standard code on determining pole locations for safety and security of the electricity network system.

7. Approve the appointment of three EGAT staff members as competent officials under Section 122(5) of the Act to operate the construction of the electricity network system, install poles, demolish buildings/structures, and cut down trunks, branches or roots of trees in the 230-kV Nakhon Phanom 2 – Nakhon Phanom grid connection point transmission line area. The appointment will be effective for 12 months as from the signing date of the appointment order.

8. Acknowledge the presentation of information about the establishment and management of Power Development Fund in the designated area of GHECO-One Co., Ltd., as well as the operational guidelines to encourage local people to participate in the fund management, to the Board of Independent Commission on Environment and Health and acknowledge the schedule of opinion hearing from the general public and stakeholders set by the Committee on Public and Stakeholder Hearing for the thermal power plant project of the Company on 18 November 2011.

9. Acknowledge the summary of the study outcome on the operation of the project on Creating Networks Protecting Rights of Stakeholders in the Energy Industry, Phase 2, and also approve the operational guidelines for dealing with complaints of the Networks. The OERC is assigned to take the following actions: (1) publicize the roles of Regional Energy Consumer Committees (RECCs) to power consumers on a continuous basis; (2) process and classify the issues of complaints by group, characteristic and type, especially for the complaint issues that are common in every regional area, for submission to the ERC for consideration so as to seek the approach for solving such problems that is appropriate and consistent, and the petitioners should receive explanation in order to minimize similar problems that may occur in other regional areas where the discussion forums have not yet been organized; and (3) report the operational result to the Minister of Energy periodically.

10. Acknowledge the OERC's preparedness for the flood crisis and instruct the OERC to expeditiously study details of the

implementation according to the relief plan for flood victims after the flood in order to alleviate the cost burden of the people.

ERC Meeting No. 41/2011 (150th) 10 November 2011

1. Approve the opinions given on the MEA's investment plan to be presented to the Minister of Energy for consideration according to Section 11(5), with no need to organize a hearing pursuant to Section 79, but to have a hearing organized upon the approval granting of each project because people who are directly affected by each project are different entities. The aforementioned plans are: (1) Plan for Improvement and Expansion of the Electricity Distribution System No. 10 for the period 2008 – 2011 (revised edition); and (2) Plan for Improvement and Expansion of the Electricity Distribution System No. 11 for the period 2012 – 2016.

2. Approve the evaluation of the impact of Thailand power tariff adjustment for the period 2011 – 2015 and instruct the OERC to send a written clarification to the petitioners regarding the power tariff adjustment as follows:

2.1 Approve the determination of monthly service charge for power consumers under Schedule 6.1.3 (non-profit organization), using the normal tariff rate, of which the voltage level is lower than 12 kV (for MEA customers) and 22 kV (for PEA customers), at a rate of 20 baht per month, effective as from the billing round of July 2011 onwards.

2.2 Approve the retention of the Power Factor (retail) surcharge rate at 56.07 baht/kvar. The effective date shall be delayed, starting from the billing round of May 2012 onwards. In the meantime, while the surcharge rate is not yet effective, the Power Utilities shall use the existing rate of 14.02 baht/kvar from July 2011 – April 2012. For the surcharge that the Distribution Utilities (DUs) have already collected, the DUs shall return the difference to the power consumers. In this regard, the DUs shall further consider setting the code of practice for returning the surcharge and also educate power consumers about electrical appliance improvement.

2.3 Approve the retention of Power Factor (wholesale) surcharge rate at 18.68 baht per kvar. The effective date shall be delayed, starting from the billing round of May 2012 onwards. In the meantime, while the surcharge rate is not yet effective, the Power Utilities shall use the existing rate of 4.67 baht/kvar from July 2011 – April 2012. For the surcharge that EGAT has already collected, EGAT shall return the difference to the DUs.

2.4 Instruct the OERC to undertake the feasibility study on the proposal of Jong Stit Co., Ltd., concerning determination of special tariffs for industrial power consumers under the Large General Services Schedule, using the voltage level of 230 kV, to be an input for the power tariff review in 2013.

3. Approve the relief measures for power consumers and licensees who are affected by flood as follows:

3.1 Approve the MEA's flood relief approach for power consumers who are flood victims, by waiving the monthly service charge for flood-affected power consumers in the month where there was no electricity consumption, and approve the PEA's proposal that flood-affected power consumers can ask for exemption from the terms of minimum electricity charge calculated from comparison with electricity usage in the previous month. This shall be effective from the month that the power

consumers were affected by flood to April 2012, and the PUs shall give clear and understandable definition of the minimum electricity charge and the types (or schedules) of power consumer who are eligible for such exemption. In addition, acknowledgement is given to the proposal to delay monthly electricity bill payment of power consumers who are flood victims; such consumers can contact the PUs to request delaying the payment for electricity bill of each flood-affected month for 3 months without interest. In this regard, if any power consumers cannot manage to pay for the electricity bills, the PUs can consider delaying the payment, as deemed appropriate, without causing undue burden to the power consumers.

3.2 Approve the flood relief approach for power consumers and licensees who are affected by flood, and assign the OERC and the relief centers to provide assistance and follow up the implementation according to the measures set forth and also to set the working details, based on the ERC's opinions/ comments, for practical effectiveness and periodically report the implementation outcome to the ERC for acknowledgement, as follows: (1) when setting up a measure, the eligible beneficiaries and the assistance period shall be clearly determined; (2) the consideration of Ft to help alleviate the electricity bill burden of flood victims should be made by round (four months). In principle, the Ft for the round of January – April 2012 may be retained; the Sub-committee Regulating Energy Tariffs and Service Charge is assigned to further look into this matter; and (3) when considering the method to help the PUs which have to bear the burden instead of the flood victims and whose sub-station equipment was flood-damaged, which is part of long-term relief measures, financial status of the PUs and the suitable rate of return, given the turnover during the unexpected situations, must be taken into consideration as well. Moreover, it is deemed unjust to pass through all costs incurred to consumers via the electricity charge.

3.3 Approve that the approach of appropriate subsidization for free-of-charge electricity consumption at 50 units per month, which will entail a subsidy burden of approximately 200 million baht per month, shall be presented to the NEPC for consideration and revision of the policy on subsidizing free electricity for the underprivileged power consumers. In this regard, the OERC is assigned to revise the subsidizing procedures by determining that the Distribution Utilities shall absorb the subsidy burden because EGAT has already absorbed the burden of F stabilization.

4. Acknowledge the PUs' implementation outcome, guidelines and consideration process regarding the SCOD postponement. The OERC is ordered to speed up the revision of the draft regulation for power purchase and the PPA model for the purchase of power from SPPs and VSPPs using renewable energy, for submission to the ERC for consideration. In addition, the OERC is assigned to compile problems encountered in the actual implementation of power purchase from renewable energy SPPs and VSPPs and inform the Managing Committee accordingly. Approval is also given to the appointment of a working group to develop regulations, procedures and approaches to support the purchase of power generated by renewable energy, so that the implementation would be harmonized and undertaken in the same direction and to support the purchase of power generated by renewable energy in the future.

ERC Meeting No. 42/2011 (151st) 17 November 2011

1. Approve the issuance of energy industry operation licenses and other issues related to the licensing as follows:

1.1 Approve the method for applying for renewal of a regulated energy production license (Por Kor 2) after the expiry date of the existing license, and assign the OERC to draft a regulation determining the criteria and conditions for consideration of Por Kor 2 licensing, for submission to the ERC for approval.

1.2 Approve, in principle, the issuance of an electricity generation license for SPP Four Co., Ltd., with an installed capacity of 6 MW. In this regard, the OERC shall examine accompanying documents and qualifications of the Company, focusing on the issue that the Company was not instructed by a court order to rehabilitate the business or to go bankrupt, shareholding structure, trading of agreement and significant changes in the information of the licensee. If the licensee has all and correct qualifications as stipulated by the ERC Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008), the Company shall be granted the license. However, if there is any significant issue found during the examination, it shall be presented to the ERC again for consideration.

1.3 Approve the issuance of two electricity generation licenses, with a total installed capacity of 10.72 MW; five Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 27,014 HP; one license for regulated energy production (Por Kor 2) (new application), with a total generator rating of 7,920 kVA.

1.4 The OERC is instructed to take the following actions: (1) to collect the information about electricity generating operators, for on-site use, who had operated their business before the effective date of the Act and did not apply for a license within the timeframe stipulated in the Act; (2) to investigate the facts and suggest guidelines to solve problems in the case where there is violation of Section 154 of the Act; (3) to issue a written notice to inform power generation facility operation licensees (Ror Ngor 4: Factory Category No. 88) that the SCOD does not establish any obligation as to being granted an energy industry license or not; (4) to coordinate with the Department of Alternative Energy Development and Efficiency (DEDE) to have the latter apply for relevant licenses for the projects under its responsibility as soon as possible in order to comply with the Act; (5) to check the proclamations and regulations related to energy industry operation licensing and develop the criteria of energy industry operation licensing for government projects that are for public interest or non-profit, for submission to the ERC for further consideration; (6) to collect the information about CO2 reduction, owing to renewable energy power plants, for publicity and utilization; and (7) to collect the information about names and status of the regulated energy production (Por Kor 2) licensees whose license has expired but who have not applied for license renewal, and report the outcome to the ERC, as an information input for consideration on further action to be taken.

2. Acknowledge the resolution of the Board of Independent Commission on Environment and Health that the thermal power plant project of GHECO-One Co., Ltd. shall not be approved or granted permission, unless all defects and concerns that will affect the project are resolved, so that all

sectors could be confident in the project operation. The OERC will evaluate the information together with the outcome of public and stakeholder hearing to be obtained via the Committee on Public and Stakeholder Hearing on the thermal power plant project of the Company which will be held on 18 November 2011, for submission to the ERC for further consideration.

3. Acknowledge the OERC's determination of relief measures for power consumers and licensees who are flood victims, as discussed with the electricity Distribution Utilities (DUs). Most of the measures can be implemented by the DUs, except for the one on reduction of the monthly service charge for power consumers under Schedule 6.1.3 (non-profit organizations), effective from the billing round of July 2011 onwards, because there is a problem in practice caused by its retroactive effect, which affects the value added tax; and the DUs are currently considering the way to implement this measure. In addition, the OERC is assigned to study and analyze in details the RECC proposal on subsidizing free-of-charge electricity consumption at the amount of 70 units per month and to further coordinate with the RECC on this matter.

ERC Meeting No. 43/2011 (152nd) 24 November 2011

1. Approve the results of deliberation on appeals for compensation regarding energy network systems, in accordance with the opinions of the Sub-committee on Deliberation of Appeals for Compensation at its meeting on 29 July 2011, as follows:

1.1 Regarding the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT in Rayong areas, involving 12 appellants, as follows: (1) to affirm the determined land compensation prices for 10 appellants because the prices are fair and reasonable; (2) to decline to consider the appeal on financial assistance for humanitarian reasons for two appellants because the appellants are not eligible for submitting appeals on land compensation; (3) to decline to consider the issue that the appellants asked for compensation for four electric poles and lamps which are outside the natural gas network system area because the matter is beyond the ERC jurisdiction; (4) to increase the compensation for three items of trees and agricultural products for the appellants, while affirming the determined compensation prices for the other three items because the prices are considered fair and reasonable. In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date that PTT receives a notification letter from the OERC; otherwise, PTT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the date after the specified period until the additional compensation is paid.

1.2 Regarding the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT in Rayong areas, involving 32 appellants, as follows: (1) to allow one appellant to cancel his appeal as per his written request for appeal cancellation; (2) to dismiss the appeal of one appellant because the appellant has already received the compensation and signed a memo accepting the amount of compensation and stating that he will not file any appeal; therefore, the person is ineligible to exercise the rights to appeal; (3) to dismiss the appeals of seven appellants because the appellants did not file the appeals within 30 days'

timeframe, as stipulated by the ERC Regulation on Criteria, Procedures and Conditions of Lodging of Appeals and Appeals Deliberation, Objection and Objection Deliberation B.E. 2552 (2009); (4) to increase the compensation prices for four items of trees and agricultural products for the appellants and to affirm the compensation price for cultivated banana trees because it is considered fair and reasonable; (5) to increase the land compensation price for one appellant to comply with the precedent ERC resolution; (6) to affirm the determined land compensation prices for eight appellants because the prices are considered fair and reasonable; (7) to affirm the compensation price for one appellant's land that used to be covered by a transmission line area of EGAT because the price is fair and reasonable, but for the appellant's land that has never been covered by the transmission line area before (the land adjacent to Pluak Daeng – Wangtapin Road, with a distance of 40 meters), the price shall be increased because the land is the frontage, and hence it is affected and cannot be utilized as usual; (8) to increase the land compensation price for one appellant for the part that is beyond 40 meters from the public road, to be the same price as that for the frontage land within a distance of 40 meters, according to the precedent judgement of the Supreme Administrative Court and because the appellant's land nearby is also covered by a transmission line area, hence higher impact on the appellant; and (9) to dismiss the appeal of Glow IPP 3 Co., Ltd., requesting payment for maintenance and utilization charge of the land that is covered by the natural gas network system area to Eastern Seaboard Industrial Estate (Rayong) Co., Ltd., as from the 26th year of the natural gas network system area announcement, because the matter is beyond the ERC jurisdiction. In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date of PTT's receipt of a notification letter from the OERC; otherwise, PTT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the date after the specified period until the additional compensation is paid.

2. Acknowledge the current status of the RECC proposal to revise subsidization for free-of-charge electricity consumption at the amount of 70 units per month and approve the approaches for considering the suitability of such subsidization and for determining options for distributing the subsidy, for submission to the NEPC for further consideration. In this regard, the amount of subsidized electricity usage free-of-charge should not be more than 50 units per month.

ERC Meeting No. 44/2011 (153rd) 2 December 2011

1. Approve the development and revision of the proclamation, regulation, criteria and working manual, as follows: (1) approve the draft manual for arranging a hearing according to the Energy Industry Act; (2) assign the OERC to revise the draft ERC Proclamation on the Format of Identification Cards of Consultants and Secretaries to be in compliance with the relevant ERC regulations; and (3) assign the OERC to revise the draft ERC Regulation on Disbursement of Remuneration and Other Expenses on Performing Duties of the Regional Energy Consumer Committee B.E.

2. Approve the results of deliberation on entrepreneurs' petitions, in accordance with the opinions of the Sub-committee

Regulating Power Purchase from SPPs and VSPPs at its meeting on 23 November 2011, as follows:

2.1 Consideration on the complaint lodged by Renewable Power Asia Co., Ltd., and SPP Six Co., Ltd., against EGAT's declining to consider power purchase according to EGAT's Regulations for the Purchase of Power from SPPs, under Non-firm Contracts, B.E. 2550 (2007) (Revised in 2009). The ERC resolves that EGAT shall speed up consideration of power purchase proposals according to the consideration criteria involving readiness in four aspects, which are: (1) land right acquisition, which is appropriate for electricity generating operation; (2) source of fund; (3) technology supply; and (4) licenses as required by law, as well as take action according to the guideline on power purchase consideration of the three PUs, for submission to the Managing Committee for further consideration.

2.2 For the consideration on the complaint and petition for justice lodged by Apollo Solar Co., Ltd., with regard to its request to enter into a PPA with the PEA for electricity generation from solar energy, the ERC resolves that the OERC shall inform the Company that the PEA has already taken action according to the Regulations for the Purchase of Power from VSPPs (Exclusively for Electricity Generated from Renewable Energy) B.E. 2549 (2006) and other relevant government policies.

2.3 For the consideration on the complaint of Thai Solar Future Co., Ltd., against the power purchase consideration by the Distribution Utilities (DUs), the ERC agrees to dismiss the complaint of the Company because the facts cannot be found that the Company is authorized by the applicant for selling electricity and connecting to the electricity system to file the appeal or complaint against the consideration of power purchase by the DUs. However, even if the Company was authorized by the applicant, it is viewed that PEA has already taken action according to the Regulations for the Purchase of Power from VSPPs (Exclusively for Electricity Generated from Renewable Energy) B.E. 2549 (2006) and other relevant government policies.

2.4 For the consideration on the complaint and appeal lodged by Soilcrete Technology Co., Ltd., due to the unfair treatment with regard to the application for sale of electricity generated from solar energy, the ERC resolves that the Company shall be informed that, since it is found later that the Company has already confirmed the project operation with Adder at a rate of 6.50 baht per unit, there is no point for further consideration and that EPPO shall be notified of the result of the consideration too.

3. Approve the guidelines for reviewing the terms of customer guarantee deposit (CGD) according to the opinions obtained from the hearing on the issue, and the Power Utilities (PUs) shall use the guidelines as the framework for preparing details of the CGD terms, which is to be completed within 90 days, for presentation to the ERC for consideration and approval before the enforcement. The OERC is assigned to follow up with the PUs to expeditiously prepare such details so that the terms could practically be effective by 1 January 2012, which will correspond with the Ft review. In addition, the OERC shall take further action to ensure equality and non-discrimination, following the remarks made at the hearing that any expenses concerning basic public utility shall be on the same standard. In other words, if MEA's employees are granted the exemption from

the CGD, the general public should also be granted the same exemption. In addition, investigation should be made whether the PEA has a similar practice to that of the MEA or not.

4. Acknowledge the protest against Jana Power Plant in which the protestors blocked the access roads of the natural gas separation plant and a petition was lodged, urging that the local Community Development Committee (CDC) be promptly appointed. In this regard, negotiation has been made and it has been agreed that there shall be a meeting of the CDC members, representing the general public and government sectors, in order to select the required qualified persons on 6 December 2011 and the list of selected CDC members shall be presented to the ERC for consideration and appointment of the CDC of the Power Development Fund: Jana Power Plant as soon as possible.

5. Acknowledge the temporary suspension of LNG acquisition of PTT because the flood crisis has caused the demand for electricity and natural gas to drop significantly from the forecast. PTT, being the natural gas procurement and wholesale licensee, has examined the administrative approach and found that the suspension of LNG acquisition from PTT LNG Co., Ltd., will result in the decrease in the price of natural gas. Therefore, PTT has notified the Company of the LNG acquisition suspension for about one month, starting from 6 December 2011 onwards, provided that the Company shall store about 160,000 cubic meters of LNG and maintain the plant condition to be ready for transformation of liquid to gas. In this regard, the OERC shall analyze and study the impact that may occur if PTT raises the issue about expenses for LNG storage and transformation preparedness too.

6. Acknowledge the organization of a hearing from the general public and stakeholders of the thermal power plant project of GHECO-One Co., Ltd. The OERC is assigned to prepare the implementation procedures in the case where the opinions of the Board of Independent Commission on Environment and Health and the Committee on Public and Stakeholder Hearing for thermal power plant projects, appointed by the ERC, are different. In this regard, the Map Ta Phut case shall also be studied in order to get the comparative information.

7. Acknowledge the report on the progress of CDC recruitment for Power Development Funds in the designated areas and assign the OERC to take the following actions: (1) to get ready to provide assistance, in terms of personnel, for the areas with the establishment of several Power Development Funds; (2) to develop an action plan for the operation of Power Development Fund and speed up the issuance of the regulations related to the use of Power Development Fund; and (3) to develop a manual and give details of the operation to ensure clear understanding of the operational procedures.

ERC Meeting No. 45/2011 (154th) 8 December 2011

1. Approve the results of appeal deliberation regarding the objection to the issuance of power generation facility operation license (Ror Ngor 4: Factory Category No. 88) to Buasommai Biomass Co., Ltd., and the investigation of the process of license issuance for the Company, in accordance with the opinions of the Sub-committee on Deliberation of Final Decision, Orders, Regulations, Rules, Proclamations or any other Provisions of the Commission at its meeting on 31 August 2011 and on 18 October 2011, as follows: (1) the

ERC order dated 7 October 2010 approving the issuance of power generation facility operation license (Ror Ngor 4: Factory Category No. 88) to the Company is a lawful order because the ERC has considered the matter pursuant to the criteria stipulated by law, including all concerns raised by the local residents to the ERC. Furthermore, the OERC has solicited for comments from concerned authoritative agencies pursuant to Section 48 of the Act, and the Department of Industrial Works (DIW) has provided their comment that they agree to have the license issued to the Company with the conditions annexed to the license in order to prevent, control, regulate and manage the operation of the plant so that it would not cause any trouble, annoyance or danger to plant operators and people living nearby; and (2) the ERC will not revoke the power generation facility operation license (Ror Ngor 4: Factory Category No. 88) that was issued to the Company, as per the objection of the representative of Kam Sang Chai villagers because the ERC has thoroughly considered the license issuance in every dimension and has already taken all concerns that the villagers have submitted to the ERC into consideration.

In this regard, the OERC shall examine the facts and problems resulting from the plant construction of the Company and follow up the remedy and/or relief activities for affected villagers, and shall periodically report to the ERC. In addition, the OERC is instructed to expedite the announcement on the criteria, procedures and conditions of the suspension or cancellation of the license, according to Section 56 of the Act, and to apply the CoP in environmental management for electricity industry operation with an installed capacity of less than 10 MW to the consideration of energy industry operation licensing.

2. Approve the issuance of two electricity generation licenses, with a total installed capacity of 135.342 MW; one power generation facility operation license (Ror Ngor 4: Factory Category No. 88), with a total engine power of 1,340.48 HP; and three licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 2,164,900 kVA.

3. Give consent to the OERC to arrange a hearing on the draft ERC Regulation on Procurement of Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. to obtain opinions from the popular sector and the general public, totaling 100 persons, and a hearing through the OERC website for a period of 15 days, and give consent to the OERC to arrange a hearing on the draft ERC Proclamation on the Administrative Cost for Power Development Fund Implementation in a Designated Area B.E. to obtain opinion through the OERC website for no less than 15 days. After the hearings, the OERC shall apply useful comments and suggestions to the improvement of the draft regulation/proclamation and submit them to the ERC for consideration and approval for further enforcement.

4. By virtue of Section 89, Clause two, of the Act, agree that PTT, who is the licensee, shall pay compensation to energy consumers for the damage resulting from the natural gas pipeline construction from Platong II gas field which caused gas leak at the 34-inch offshore transmission pipeline, and PTT shall cooperate with EGAT to consider setting the amount of compensation according to the actual damage and report the implementation outcome to the ERC promptly.

5. Acknowledge the case of Mae Moh Patients' Rights Network (Mae Moh Network), requesting EGAT to consider withdrawing appeal in the case of Mae Moh power plant in

Lampang Province. This results from the fact that people who live in the areas around Mae Moh power plant jointly filed a court case against EGAT at Chiangmai Administrative Court because Mae Moh power plant had emitted sulfur dioxide from the electricity generation process and from lignite combustion, causing impact on and damage to the local people, including pets and crops. On 4 March 2011, Chiangmai Administrative Court rendered judgement that EGAT shall pay compensation to the petitioners. Subsequently, EGAT filed an appeal at the Supreme Administrative Court on 3 April 2011, and the OERC issued a letter requesting EGAT to consider the request of Mae Moh Network. EGAT then informed the OERC that EGAT could not withdraw the appeal, as requested by Mae Moh Network, because EGAT is a state agency and hence has to comply with government rules and regulations. EGAT will be able to pay compensation for such a case only when the final judgement is passed. Therefore, when the case is still under consideration by the Supreme Administrative Court, EGAT cannot withdraw the appeal. In this regard, EGAT has already informed, in writing, Mae Moh Network, and the OERC will send a letter to inform Mae Moh Network of the result of EGAT's consideration accordingly.

6. Acknowledge PTT's Action Plan to manage expected impact during the operation shutdown of Yetagun gas field, and PTT together with EGAT shall consider the options to manage the impact of the Yetagun shutdown so that power consumers would be least affected. In this regard, energy security shall be the prime factor to be taken into consideration and the operating expenses on the part that are beneficial to the industry and transportation sectors, which are PTT's customers, must not affect electricity charge of power consumers.

ERC Meeting No. 46/2011 (155th) 15 December B.E. 2011

1. Approve the issuance of four electricity generation licenses, with a total installed capacity of 82.869 MW; two electricity distribution system licenses; two electricity retail licenses; three power generation facility operation licenses (Ror Ngor 4: Factory Category No. 88), with a total engine power of 15,050.97 HP; and four regulated energy production (Por Kor 2) licenses (new application), with a total generator rating of 60,070 kVA.

2. Approve the guidelines on consideration of revenue compensation among the PUs, as follows:

2.1 Approve the guidelines on revenue compensation (financial transfer) among the PUs in 2012 as follows:

2.1.1 For revenue compensation, to use the financial criteria for determining the power tariff structure, i.e. ROIC. The ceiling of revenue compensation among the PUs in 2012 shall be set at 13,379 million baht according to the ERC resolution on 13 October 2011. The revenue compensation in 2012 shall be sent and disbursed through the Power Development Fund under Section 97(1).

2.1.2 To revise the revenue compensation among the PUs in 2011 by calculating the expected revenue of the PUs again, based on the actual financial status and actual electricity sale units; the surplus/deficit derived from the revision shall be incorporated into the revenue compensation in 2012.

2.1.3 The MEA and EGAT shall send contributions to the Power Development Fund under Section 97(1) for revenue compensation among the PUs, and the PEA

shall disburse money from the Power Development Fund under Section 97(1) as well. The money shall be sent and disbursed at a rate per unit, by using the forecast of electricity demand according to the assumption used for preparing the estimation of financial status in order to consider revenue compensation among the PUs in 2012.

2.2 Approve the principle of the guidelines on revenue compensation among the PUs after 2012 onwards. Consideration will be based on the objectives of the Power Development Fund under Section 97(1), i.e. to compensate and subsidize for electricity industry licensees who have provided services for underprivileged power consumers and to provide extensive electrification, and to support the policy on development decentralize to provincial areas. In this connection, the OERC shall bear in mind the ERC comments when preparing the criteria for calculating revenue compensation among the PUs, as follows:

2.2.1 To consider a suitable ROIC rate because the flood situation will cause a considerable decrease in the ROIC rate of each PU. Therefore, when calculating revenue compensation, the expenses incurred during the flood situation should be excluded from normal operating expenses prior to calculating a new ROIC that will be used for determining the amount of revenue compensation. This is to comply with the objective of revenue compensation among the PUs according to Section 97(1). As for the policy on free-of-charge electricity consumption, which should be considered as part of the operation according to the objective of Power Development Fund under Section 97(1), and the expense thereof should be deducted from the transfer of revenue compensation among the PUs.

2.2.2 Accurate information should be publicized that power consumers are the ones who absorb the burden of revenue compensation and subsidization under Section 97(1) to the PEA, as the cost burden will be included in the F_t charge on power consumers' bills.

2.2.3 The existing principle of revenue compensation can be maintained, but the revenue compensation must be reviewed when the actual financial status and electricity sale units are obtained. In addition, according to Section 97(1) there shall be compensation and subsidization for electricity service providers in three cases, i.e.: (1) for the provision of services for underprivileged power consumers; (2) for the enhancement of extensive electrification; and (3) for development decentralization to provincial areas. Currently, the expenses for which the PEA will explicitly receive compensation and subsidization cover the first two cases, i.e. the expenses incurred from the implementation pursuant to the free electricity consumption policy and the expenses incurred from the implementation to solve problems of households with no electricity supply, in the case where the expenses for pole installation and wiring for such households do not exceed 50,000 baht -- which is the normal cost of distribution system expansion of the PEA and the PEA is responsible for all the costs incurred. With regard to the expenses that remain unclear, i.e. PEA's investment in its operation regarding service provision which will be compensated and subsidized under Section 97(1), the OERC shall liaise with the PEA to have the latter propose the criteria, procedures and details of expense estimation related to such service provision, that will be used for determining revenue compensation, and the OERC will check the expenses incurred and consider the suitability. The foregoing approach will make

the development of revenue compensation clearer and better reflect the actual expenses.

2.2.4 One problem encountered in determining revenue compensation is the duplication of expenses used for calculation and/or double counting. Therefore, the procedures should be improved by instructing the PEA to self-certify the expenses and to have the accounts clearly separated. If this cannot be done, they will not receive the revenue compensation. In this regard, the OERC may establish a working group to deal with this issue and there shall be representatives from the PUs joining as working group members, and from 2012 onwards, the OERC should provide suggestion to improve the method for revenue compensation to be clearer.

3. Approve the report of F_t factor calculation for F_t adjustment for the round of June – September 2011, to be used for F_t calculation for the round of January – April 2012, in accordance with the opinions of the Sub-committee Regulating Energy Tariffs and Service Charges at its meeting on 14 December 2011. The accumulated difference (Accumulated Factor: AF) between the actual F_t [derived from calculation] and the F_t charged up to the month of September 2011, which is – 7.47 satang per unit or a sum of – 960.81 million baht, will be carried forward as the AF in October 2011, at approximately – 8.32 satang per unit.

4. Approve the result of F_t calculation for collection in January – April 2012 and order the OERC to arrange a hearing according to Section 67 of the Act via the OERC website in order to present the hearing result to the ERC for further consideration, as follows:

4.1 Approve to deduct the following from the F_t to be collected in January – April 2012: the discount of 458.33 million baht from Yetagun gas supply and the compensation of 284.13 million baht for natural gas used for Khanom power plant operation during April – June 2011, totaling 742.46 million baht, together with 8,029 million baht from EGAT who bears the burden on behalf of power consumers.

4.2 Approve the result of retail F_t calculation to be charged to power consumers in the billing round of January – April 2012 at 0.00 satang per unit (VAT not included) and approve the result of wholesale F_t calculation to be charged to the MEA and PEA in January – April 2012 at –0.05 and –2.39 satang per unit respectively.

5. Approve the principle of determining the commencement date of operation facility construction, i.e. to consider the foundation pile driving date as the commencement date of power plant construction for IPPs' delivery of contributions to the Power Development Fund. In this regard, the above-mentioned determination may raise the issue of non-compliance with the conditions annexed to the PPA between EGAT and Gulf JP NS Co., Ltd., which state that the Company shall send its contribution to the Fund starting from the PPA signing date to the COD date. Therefore, the contract parties shall discuss with each other to find a correct and suitable way for implementation.

6. Approve the review of the ERC resolution at its meeting on 10 November 2011 concerning relief measures for power consumers and licensees who are flood victims, on the part of the provision of assistance and relief under the immediate measures (for the industrial sector) about the determination of Power Factor surcharge (retail), to cover EGAT's direct customers and reserved electricity customers as well.

1. Approve a list of five neutral agencies to carry out the measurement of thermal energy ratio of supplementary fuel use and the measurement of performance index of primary energy utilization in the generating process of combined electrical and heat energy (Primary Energy Saving: PES) of renewable energy SPPs with firm contracts, as follows: (1) Bright Management Consulting Co., Ltd.; (2) Direction Plan Co., Ltd.; (3) Energy Research Institute, Chulalongkorn University; (4) Arun Chaiseri Consulting Engineers Co., Ltd.; and (5) Aurecon Consulting (Thailand) Co., Ltd. Besides, the Meeting also approves operational guidelines on registration of neutral agencies, i.e. to announce the list of registered agencies on the OERC website and invite those who are interested to be PES neutral agencies to submit their applications via the OERC website. Moreover, the OERC is assigned to inform EGAT of the list of PES neutral agencies, and EGAT is to check that the mentioned PES neutral agencies do not have common interests with any SPPs which are contract parties with EGAT in connection with the PES measurement before proceeding with further steps.

Additionally, the OERC shall abide by the ERC comments in carrying out further action, i.e.: (1) to review the required qualifications of applicants, which state that an applicant to be enlisted as an PES neutral agency must provide evidence that the agency has been registered with the Thai Consultants Database Center, Ministry of Finance, because such requirement may restrict the number of applicants to only a few since those who may be able to act as PES neutral agencies are those with knowledge and competency in specific fields, and hence the hiring may not be made under a general consultant contract; (2) there should not be a deadline for application submission, but those who are interested should be allowed to submit the applications at any time, in the same manner as the registration of consultants by the Thai Consultants Database Center, Ministry of Finance. The OERC shall examine and screen the qualifications of the applicants in order to submit to the ERC for endorsement and announcement as registered PES neutral agencies as the registration of PES neutral agencies should be supported in order to have a greater number of applicants; and (3) the OERC should send an inquiry letter to the Thai Consultants Database Center, Ministry of Finance, to find out whether they have a list of consultants who are experts in the measurement of thermal energy ratio of supplementary fuel use and PES measurement or not. If the list is available, but the experts are yet to be registered as PES neutral agencies, the OERC shall send invitation letters to the experts to apply for the registration. The method will be more convenient and easier, which may increase the number of applicants.

2. Approve the issuance of three electricity generation licenses, with a total installed capacity of 16.849 MW.

3. Acknowledge the hearing result on F_t calculation for the collection in the round of January – April 2012, and the OERC shall clarify the points raised by those who have shared their opinions, according to the comments given by the ERC, and approve the adjustment of F_t for the collection in January – April 2012, which has passed the hearing process, as follows:

3.1 Approve to deduct the following from the F_t to be charged in January – April 2012: the discount of 458.33 million baht from Yetagun gas supply and the compensation of

284.13 million baht for natural gas used for Khanom power plant operation during April – June 2011, totaling 742.46 million baht.

3.2 Approve the retail F_t to be charged to power consumers in the billing round of January – April 2012 at 0.00 satang per unit (VAT not included), which is lower than the forecast F_t derived from calculation, accounting for about 8,029 million baht. This amount will be calculated as the AF for F_t calculation for the round of May – August 2012. Approval is also given to the wholesale F_t to be charged to the MEA and PEA in the billing for January – April 2012 at -0.05 and -2.39 satang per unit respectively.

4. Approve the determination of land and property prices for the calculation of compensation related to EGAT's 500-kV transmission line area from the border (in Nan province) – Nan 2 in Nan province area, as follows:

4.1 Land price determination.

4.1.1 Approve land price determination in Tha Wang Pha district, Nan province, in accordance with the opinions of the Committee on Land and Property Price for Nan Province (Nan Committee) at its meeting on 28 January 2011 and 21 July 2011, as follows: (1) to use land prices in the following sub-districts: Phator, Saenthong, Paka, Sripoom, and Tarnchum as a benchmark for calculating land compensation for the owners or occupying persons or other right holders, by increasing the prices from the cost estimate for the purpose of fee collection for right and legal act registration concerning immovable property, announced for use during 2008 – 2011, for every price unit by 200 percent; (2) for land in Songkwae district, during the land and property price investigation of the Songkwae District Working Group on Survey and Examination of Land and Property Price (Songkwae District Working Group), it was found that most of the land in Songkwae district that the transmission line will pass through are the land that hill tribes have trespassed and occupied in order to use the land for agriculture without any document of right. The hill tribes have jointly submitted a petition to have land price determined at the same rate for every occupier, i.e. 200,000 baht per rai, except for the frontage land adjoining to Tha Wang Pha – Chiangkan State Highway (No. 1148), for a distance of 40 meters, only for the land with evidence of land title, for which the requested compensation rate is 450,000 baht per rai. The Songkwae District Working Group, therefore, proposed the requested compensation prices to Nan Committee. The latter viewed that the proposed prices were not in compliance with the ERC criteria, procedures and conditions of determination and payment of compensation. Therefore, the proposed prices could not be used for determining the land compensation, and there was a resolution to submit the information of the Songkwae District Working Group to the ERC for consideration; (3) in the case of the possession of land that is not state land, without evidence of land title and without payment of the annual local development tax, EGAT shall coordinate with concerned sub-district or village headman to record the testimony as evidence of the receipt of compensation; (4) in the case where any plot of land located in the transmission line area involves two price units or more, it is deemed appropriate to use the highest appraisal price unit as the basis for calculating compensation payment for the whole plot of land; and (5) the compensation for utilization of ALRO land in Nan province is determined at 20 percent of the cost estimate for the purpose of fee collection for right and legal act registration concerning immovable property,

announced for use during 2008 – 2011, and the payment shall be made according to the ERC criteria, procedures and conditions of determination and payment of compensation.

4.1.2 Approve the land price determination in Songkwae district, Nan province, by applying the same land price determination method as that in Tha Wang Pha district, with adjustment of the cost estimate for the purpose of fee collection for right and legal act registration concerning immovable property, announced for use during 2008 – 2011 for every price unit in Chondan sub-district, Zone 01, Block A, and Narailuang sub-district, Zone 03, Block A, to be 200,000 baht per rai, except for the frontage land adjoining to Tha Wang Pha – Chiangkan State Highway (No. 1148), for a distance of 40 meters, only for the land with evidence of land title, for which the requested compensation rate is 450,000 baht per rai, because the land price does not comply with the ERC criteria, procedures and conditions of determination and payment of compensation, so it cannot be used to determine the compensation for land for the owners. However, for the land in Tha Wang Pha district in Nan province, the Nan Committee has already determined land compensation prices for the owners. Therefore, the Meeting agrees to apply the method used for determining land compensation in Tha Wang Pha district to the determination of land compensation in Songkwae district as well because the two districts are next to each other and the land utilization as well as the determination of cost estimate for the purpose of fee collection for right and legal act registration concerning immovable property of each district is similar.

4.1.3 Approve compensation payment in the case of the possession of land that is not state land, without evidence of land title and without payment of the annual local development tax. In this regard, EGAT shall coordinate with concerned sub-district or village headman to record the testimony as evidence of the receipt of compensation.

4.1.4 Approve the use of the highest appraisal price as the basis for calculating compensation for the whole plot of land in the case where any plot of land locates in the transmission line area and has two price units or more.

4.1.5 Approve the compensation for utilization of ALRO land in Nan province at the rate of 20 percent of the cost estimate for the purpose of fee collection for right and legal act registration concerning immovable property, announced for use during 2008 – 2011. The payment shall be made according to the ERC criteria, procedures and conditions of determination and payment of compensation.

4.2 Approve price determination for trees in calculating compensation related to the 500-kV border (Nan province) – Nan 2 transmission line area, in accordance with the opinions of Nan Committee at its meeting on 28 January 2011 and on 21 July 2011, as follows: (1) for economic trees, general crops, seasonal plants and paddy, EGAT's standard price list as revised in March 2011 shall be referred to, except for good-variety lychee, good-variety longan, sweet tamarind, teak, monastery bamboo, mah-khwaen (*Zanthoxylum limonella*), good-variety rubber trees, sticky rice, corn and tobacco – for which new compensation prices must be determined; and (2) for trees that are not on EGAT's tree compensation price list, EGAT shall coordinate with the District Agricultural Extension Officer to compare them with the types of trees on EGAT's standard price list of 2011 to further determine the compensation for the owners.

4.3 Approve building and structure price determination for calculating compensation related to the 500-kV border (Nan province) – Nan 2 transmission line area, in accordance with the opinions of Nan Committee at its meeting on 28 January 2011 and 21 July 2011. That is, for compensation for building and structure demolition and removal, the compensation prices for building and structure demolition and removal according to EGAT's standard price list announced in 2011 shall be applied, except for the earth work, for which the price list of the Local Administrative Organization supervising the areas where the transmission line passes through shall be used as the basis for compensation payment.

4.4 Order EGAT to consider humanitarian assistance payment, as appropriate, with due consideration of the right and fairness.

5. Approve, in principle, the determination of the following abbreviations: “ERC” for the Energy Regulatory Commission, “OERC” for the Office of the Energy Regulatory Commission, and “Secretary General of the OERC” for the Secretary General of the Office of the Energy Regulatory Commission. In this connection, the OERC shall revise the draft ERC Regulation on Revision of the Definitions in the Regulations of the Energy Regulatory Commission B.E., in accordance with the comments of the ERC before arranging a hearing via the OERC website for a period of seven days. If there is no point of objection, the regulation shall be publicized in the Government Gazette and all concerned agencies shall be informed accordingly.

ERC Meeting No. 48/2011 (157th) 29 December 2011

1. Approve the issuance of two power generation facility operation licenses (Ror Ngor 4: Factory Category No. 88), with a total engine power of 18,959.77 HP; four regulated energy production (Por Kor 2) licenses (renewal), with a total generator rating of 208,135 kVA; and one electricity generation license, with an installed capacity of 19.60 MW. In this regard, the OERC shall expeditiously check and follow up energy industry operators according to Section 154 of the Act who have not yet applied for licenses to have them apply for relevant licenses as required by law.

2. Approve the procedures, time frame, and plans for sending contributions to and disbursement of money from the Power Development Fund (the Fund) on the part of private-sector electricity retail licensees for subsidizing underprivileged power consumers, as follows:

2.1 Approve the determination of procedures and time frame for sending contributions to the Fund to subsidize electricity charge for underprivileged power consumers in the same manner as the sending of contributions by electricity generation licensees pursuant to Section 97(3) because the majority of electricity retail licensees in the private sector are also electricity generation licensees. Therefore, the sending of contributions to the Fund according to Section 97(1) and 97(3) can be done concurrently without causing any confusion.

2.2 Approve the plans for sending contributions to and disbursement of money from the Fund by private electricity retail licensees, as follows: (1) regarding the plan for sending contributions to the Fund, the sending shall be on a monthly basis -- the contribution amount shall be calculated from the product of the actual net sale units of the month and the contribution

rate of 0.12 baht per unit; if there is any discrepancy in the net sale units used for calculating the contribution amount, the retail licensees shall deduct/add the difference of sale units thereof in the following month; and (2) regarding the plan for the Fund disbursement, the disbursement shall be made on a monthly basis as per the total subsidy actually occurred in that month; if there is any discrepancy in the amount of subsidy, the difference shall be used to adjust the Fund disbursement in the following month. In this regard, the sending of contributions to and disbursement of money from the Fund shall be made as a net amount.

2.3 Approve the principle of the draft ERC order on sending contributions to and disbursement of money from the Power Development Fund on the part for private electricity retail licensees for underprivileged power consumer subsidization, and order the OERC to revise the draft order in accordance with the ERC comments.

3. Approve the appointment of the CDC of Power Development Fund (PDF): Jana Power Plant, Songkla Province. In addition, the OERC shall speed up the presentation of the CDC to the ERC for consideration and appointment, once the recruitment of the CDC members representing all sectors has been completed.

4. In order that the collection of service charge is correct and fair to power consumers who are flood victims, which is under the ERC authority and is pursuant to the objective of the Act on the part of energy consumer protection, the ERC deems it appropriate to have the MEA and PEA set forth clear operational guidelines on the collection of electricity charge, service charge and fees during the flood-hit months and also publicize the guidelines to all power consumers, as follows:

4.1 In the event that there is electricity billing for the months in which a power consumer did not use electricity because of the flood and that the billing is based on the average electricity usage in the flood-hit months and the following month, the flood-hit power consumer can notify the concerned PU to check and separate the billing according to the actual consumption. If there was no electricity use in the flood-hit months, the service charge will be waived.

4.2 In the case where the electricity charge is higher than the actual usage due to electricity leakage, power consumers in flood areas can request the concerned PU to consider and investigate the matter. If there is leakage due to the flood, the excessive electricity charge shall be returned, as appropriate.

4.3 In the case where power supply was disconnected and fee is collected for re-connecting the power meter because a power consumer did not receive the electricity bill during the flood period or could not travel to make the payment due to the flood, the power consumer shall submit a petition to the concerned PU to check and return the fee for re-connecting the meter.

5. Acknowledge the cabinet resolution of 27 December 2011 which approved the NEPC resolution of 30 November 2011 concerning the revision of free electricity consumption measure from previously for households with electricity consumption not exceeding 90 units per month to not exceeding 50 units per month. This will involve approximately 4.37 million power consumers per month and the subsidy burden of electricity charge in this regard will decrease from 0.12 baht per unit to 0.03 baht per unit. The ERC was assigned to proceed with the implementation of related matters.

6. Acknowledge the report on the progress of implementation to help relieve and rehabilitate power consumers and energy industry licensees who are flood victims, and instruct the OERC to take the following actions: (1) with regard to the request to change the power plant sites of SPPs which are affected by flood, to be fair, all SPPs who are flood victims should be equally considered and the matter should be treated as a force majeure; if the contract parties cannot reach an agreement, the matter can be submitted to the ERC for consideration; and (2) the OERC shall speed up creating RECC's understanding that the subsidization of 50 units of electricity consumption free of charge is the government policy that the ERC is responsible for putting into practice. Besides, the OERC should collect the information about contribution sending to Power Development Funds, under Category C, for which the contribution amount received is sometimes less than the fee, and there shall be a method to collect money in order to maximize benefits and to comply with relevant regulations.

7. Acknowledge the report on the financial statements for Fiscal Year 2011, ended 30 June 2011 and ended 30 September 2011, and assign the OERC to take the following actions: (1) to monitor the change in revenue caused by the decrease in electricity use due to the flood; (2) to consider revising the ERC Regulation on Finance and Accounting of the OERC B.E. 2551 to correspond with the principle of sending back remittance to the Ministry of Finance, which should be done after the Office of the Auditor General of Thailand has certified the OERC's financial statements, for submission to the ERC for further consideration; and (3) as for the procurement of new OERC premises, energy saving and alternative energy use should be taken into consideration, and there should be a comparison between advantages and disadvantages of the existing premises and the new premises as well as a comparison of different procurement methods. In this regard, consideration should also be made on financial administration planning in order of priority and on reserve of budget in advance.

ERC Meeting No. 1/2012 (158th) 12 January 2012

1. Approve the preparation and revision of proclamations and regulations, as follows: (1) approve the draft ERC Regulation on Remuneration and Other Expenses on Performing Duties of the Regional Energy Consumer Committee B.E.; (2) instruct the OERC to revise the draft ERC Regulation on Support for Activities that Promote and Enhance Work Execution of the ERC and OERC B.E.; (3) approve the revision of ERC Proclamation on Administrative Cost for the Operation of Power Development Fund in a Designated Area B.E.; and (4) approve the draft ERC Proclamation on Administrative Cost for the Operation of Power Development Fund in a Designated Area B.E.

2. Approve the principle of the guidelines on monitoring power purchase from renewable energy power producers. The OERC shall revise the issue concerning consideration of proposals to sell electricity to be clearer and prepare an ERC order to instruct the three Power Utilities to issue an announcement on the guidelines on monitoring power purchase from renewable energy power producers and to revise the application form for electricity sale and electricity system connection. In this regard, the PU shall publicize the guidelines within 30 days as from the

receipt date of the ERC order, and the OERC shall publicize the guidelines via the OERC website as well.

3. Approve the postponement of PPA signing as requested by Thep Sathit Wind Farm Co., Ltd. and Chaiyaphum Wind Farm Co., Ltd., in accordance with the opinions of the Sub-committee Regulating Power Purchase from SPPs and VSPPs at its meeting on 23 November 2011. Accordingly, EGAT shall postpone the PPA signing dates of both companies according to terms specified in the Regulations for the Purchase of Power from SPPs, under Non-Firm Contracts B.E. 2550 (2007) (as Revised in 2009).

4. Approve the issuance of energy industry operation licenses and other relevant matters related to licensing, as follows:

4.1 Approve the issuance of two electricity generation licenses, with a total installed capacity of 11.898 MW, and one regulated energy production (Por Kor 2) license, with a generator rating of 8,000 kVA.

4.2 Approve the change in items which have been licensed, i.e. the permission for four licensees to change their names, as follows: (1) "Thai Ceramic Power Co., Ltd." to "Jemago Co., Ltd.;" (2) "Phu Khieo Bio-Energy Co., Ltd." to "Mitr Phol Bio-Energy Co., Ltd.;" (3) "Thai National Power Co., Ltd." to "Glow SPP 11 Co., Ltd.;" and (4) "Rayong National Power Co., Ltd." to "Glow SPP 13 Co., Ltd."

4.3 Approve the granting of permission to Electricity Generating Plc. (EGCO) to be the sole shareholder, holding 100 percent shares, of SPP Four Co., Ltd.

4.4 Approve that the change of a licensee's name is not considered to be a significant change in licensed items, pursuant to ERC Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008), Article 14, and approve the procedures for changing the name of a licensee. In this regard, the OERC is assigned to issue a proclamation determining the procedures for changing the name of a licensee and publicize it via the OERC website.

5. Approve land and property price determination for use as the criteria for calculating compensation for the owners of land and property owners covered by PTT's Navanakorn – Rangsit natural gas network system area, as follows: (1) to determine the land price at 1,420,000 baht per rai for calculating land compensation; and (2) to use EGAT's tree and agricultural product price list, which was revised in 2011 and is the most up-to-date, as the benchmark for compensation determination.

6. Approve the layout showing detailed characteristics of the directions and right-of-way for laying the following energy network systems:

6.1 PTT's natural gas network system, i.e. the Sai Noi – North Bangkok Power Plant/South Bangkok Power Plant (the branch-off section to North Bangkok Power Plant) natural gas transmission line project in order to lay a 24-inch diameter gas transmission line for a distance of about 7.035 kilometers. The project consists of the location of the block valve station of the natural gas transmission line system with an area of about 2 rais, located in Talingchan sub-district, Talingchan district in Bangkok, and the location of the metering and regulating station, with an area of about 3 rais, located in Bangkruay sub-district, Bangkruay district in Nonthaburi province. The width of the natural gas network system area is 5 meters.

6.2 PTT's natural gas network system, i.e. the Alpha Tech – Suwinthawong natural gas transmission line project in Wangtakien sub-district and Nakhon Nueang Ket sub-district, Mueang Chachoengsao district, Chachoengsao province, with a distance of approximately 2.25 kilometers. The width of the natural gas network system area is 4 meters.

6.3 EGAT's 230-kV transmission line, at the cross-section of the 230-kV Mae Moh 3 – Chiang Rai transmission line to Phayao Substation, with a distance of about 60 meters, in the area of Bantam sub-district, Mueang Phayao district, Phayao province. The width of the electricity network system area from the center of the transmission towers is 20 meters on each side (making a total width of 40 meters both sides).

6.4 EGAT's transmission lines in accordance with the opinions of the Sub-committee Deliberating Layout, Direction and Right-of-way for Laying Energy Network System at its meeting on 29 November 2011, as follows:

6.4.1 To adjust the route of the 230-kV Mae Moh 4 – Lamphun 2 transmission line and the 115-kV Mae Moh 3 – Lampang 1 transmission line, at three sections where the lines are installed on the same transmission towers.

6.4.2 To adjust the route and expand the 230-kV Mae Moh 4 – Lamphun 2 transmission line area, at a total of six sections.

6.4.3 The route of the 230-kV transmission line, linking Mae Moh 4 – Mae Moh 4 connection point at Mae Moh sub-district, Mae Moh district, Lampang province, at a distance of about 1.80 kilometers and the system width of 40 meters. This is to connect the transmission system to Lamphun 2 Substation. The route of the transmission line that will be connected is located in Mae Moh power plant area, which EGAT has already been granted permission for utilization from the Royal Forest Department.

6.5 EGAT's 500-kV border (in Nan province area) – Nan 2 transmission line and 500-kV Nan 2 – Mae Moh 3 transmission line.

7. Acknowledge the request for support for PEA operations as follows: (1) support for the policy and action plan on Smart Grid; (2) the determination of revenue compensation among the Power Utilities for 2012, by requesting that the compensation for revenue from tariff shall be determined at a rate that would result in the same ROIC level for the three PUs; (3) consideration of the way to help the PEA regarding contribution sending to and disbursement of money from the Power Development Fund for revenue compensation among the PUs and for subsidizing underprivileged power consumers in order to prevent the PEA from the lack of financial liquidity in the month that the Fund does not have enough money or the disbursement is delayed; (4) consideration of the way to help with the value added tax (VAT) burden for underprivileged power consumers, that the PEA has already sent to the Revenue Department during July – November 2011; (5) speeding up consideration of the determination of special tariff for electricity distribution on islands, according to the NEPC resolution of 12 March 2010; (6) consideration of the approach to assist the PEA with the cost burdens due to the flood, which consist of damage to electricity systems, the exemption of service charge and minimum electricity charge, and the permission for delayed payment of electricity charge by power consumers; and (7) request for reduction of the

annual fee for energy industry operation based on the electricity sale volume in the flood areas.

8. Acknowledge EGAT's announcement on the improvement of the 115-kV Sattahip 1 – Sattahip 2 transmission line and that on the improvement of the 115-kV Samut Sakhon 4 – Samut Songkhram transmission line.

ERC Meeting No. 2/2012 (159th) 18 January 2012

1. Approve that a working group should be appointed to consider legal issues and regulations on power purchase as well as relevant ERC's and Managing Committee's resolutions, for submission to the ERC for further consideration.

2. Approve the issuance of five licenses for regulated energy production (Por Kor 2), with a total generator rating of 29,991.50 kVA; three electricity generation licenses, with a total installed capacity of 20.34 MW; three power generation facility operation licenses (Ror Ngor 4: Factory Category No. 88), with a total engine power of 22,004.64 HP; one electricity distribution system license and one electricity retail license.

3. Approve the appointment of Mr. Nattapong Sirichana (Deputy Governor of Songkhla Province) as Chairman of the CDC of PDF: Jana Power Plant, Songkla Province, in place of Mr. Peerasin Panpeng (Deputy Governor of Songkhla Province).

4. Approve the deliberation of appeals on compensation related to EGAT's 115-kV Tha Tako – Chaibadan transmission line and 230-kV Ratchaburi 3 – Samut Sakhon 4 transmission line in accordance with the opinions of the Sub-committee on Deliberation of Appeals on Compensation at its meeting on 27 September 2011 and 25 November 2011, as follows:

4.1 To increase land compensation for three appellants because the ERC has approved the application of cost estimate of land capital for the purpose of right and legal act registration with regard to immovable property, announced for use during 2008 – 2011, with an adjustment to increase the price to be close to the market price currently used, to be used as the basis for calculation of land compensation for the appellants who own the land that is overlapped with the transmission line area.

4.2 To increase tree compensation prices for three appellants, as follows: (1) large teak trees to be increased to 1,000 baht per tree; (2) good-variety mango trees of bearing age to 6,155 baht per tree; and (3) coconut palms of bearing age to 5,000 baht per tree and those not of bearing age to 2,500 baht per tree, while the compensation for aromatic coconut trees shall be affirmed at the determined price because it is considered a fair and reasonable price.

4.3 To increase the compensation for laterite filling for one appellant to 379.44 baht per cubic meter because this is the cost of laterite compacting and filling in Laksam sub-district, Banpaew district, that Banpaew sub-district Administrative Organization informed the OERC.

4.4 To affirm the determined land compensation prices for two appellants and affirm the determined building/structure compensation prices involving three items, because the prices are considered fair and reasonable.

4.5 To dismiss the deliberation on appeal of one appellant because the appeal was not filed within 30 days' timeframe as stipulated by the ERC regulation, and order

that the matter should be referred to EGAT to consider paying compensation according to the practice stipulated by EGAT.

4.6 To dismiss the deliberation on appeals of two appellants because the matter is beyond the ERC jurisdiction.

4.7 To assign EGAT to consider granting assistance for the remaining parts of land which are outside the transmission line area in order to alleviate the damage to the appellants. In this regard, EGAT should consider giving assistance according to stipulated regulations in the same manner as other cases.

In this connection, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of receipt of the OERC's written notice; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

5. Approve land and property price determination for calculating compensation in the natural gas network system area under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) in Prachinburi province area according to the resolution of the Committee on Land and Property Price for Prachinburi Province (Prachinburi Committee) on 9 August 2011, as follows:

5.1 Approve the land prices used for calculating compensation for the owners or occupiers or other right holders who are affected by the above-mentioned natural gas transmission pipeline project in Prachinburi province areas, by using the cost estimate of land capital for the purpose of fee collection for right and legal act registration, announced for use during 2012 – 2015, as the benchmark for calculating the compensation.

5.2 Approve the cost of demolition and removal of buildings, tenements or other structures on the land, to be used for calculating compensation for the owners or occupiers or other right holders who are affected by the above-mentioned natural gas transmission pipeline project in Prachinburi province areas.

5.3 Approve compensation prices for trees and agricultural products used for calculating compensation for the owners or occupiers or other right holders who are affected by the above-mentioned natural gas transmission pipeline project in Prachinburi province areas, as follows: (1) ordinary trees and agricultural products, and (2) flowering-plants and ornamental plants -- consent is given to the resolution of the Working Group on Survey and Examination of Prices of Trees and Agricultural Products Grown in Mueang Prachinburi District on 13 October 2011.

5.4 Give consent to PTT to coordinate with relevant government agencies and property owners to jointly examine and determine the compensation for other property damage occurred during the land access for the project construction, exclusively for the damage actually occurred.

5.5 Give consent to PTT to coordinate with property owners regarding compensation payment for the demolition and removal of property on the land, trees and agricultural products in highway land areas in order to negotiate and settle the financial assistance payment, as appropriate; however, the payment ceiling must not exceed the amount specified in the criteria for submission to the ERC for determining each type of compensation.

6. Approve that 11 PTT staff members be appointed as competent officials under Section 122(5) of the Act, for the construction of the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) in areas of the following provinces: Rayong, Chonburi, Chachoengsao, Prachinburi, Nakhon Nayok and Saraburi. The appointment shall be effective for 12 months as from the signing date of the appointment order.

7. Acknowledge the report on EGAT's announcement on the improvement of the 230-kV Bangpakong – Nong Chok (3rd circuit and 4th circuit) transmission line.

8. Acknowledge the report on the objection to Nakhon Nueang Ket Power Plant construction of Gulf JP NNK Co., Ltd., and give permission to OERC competent officials to inspect the power plant construction premise according to the stipulated criteria.

ERC Meeting No. 3/2012 (160th) 26 January 2012

1. Assign the OERC to revise the following proclamations and regulations and arrange for hearings via the OERC website and then submit the outcome to the ERC for further consideration: (1) Draft ERC Proclamation on Criteria, Procedures and Conditions for Suspension and Cancellation of Energy Industry License B.E.; (2) Draft ERC Regulation on Appointment of a Consultant and a Secretary (No. 2) B.E.; and (3) Draft ERC Proclamation on Criteria of Making Notification Sign and Notification of Right in the Energy Network System Area (No. 2) B.E.

2. Approve the draft criteria for electricity tariff determination according to the measure on electricity consumption free of charge for power consumers under the residential category with electricity consumption not more than 50 units per month, according to the cabinet resolution of 27 December 2011, as follows:

2.1 To use the estimation of annual electricity units consumed by power consumers under the category that needs subsidization, starting January 2012 onwards.

2.2 The total burden of subsidization for free electricity for power consumers shall be calculated from the estimation of total subsidized electricity sale units multiplied by the current base tariff rate, inclusive of the retail Ft derived from calculation for the round of January – April 2012.

2.3 The burden of subsidization for free electricity for power consumers shall be calculated once a year on the date of Ft adjustment at the beginning of the year, and the difference between the burden derived from calculation and the actual burden in the previous round shall be used to increase/decrease the calculated burden of that given year.

2.4 The new electricity tariff will reflect the current electricity tariff from which the former burden of subsidization for power consumers whose consumption is not over 90 units per month has been deducted, before the adjustment by using the new calculated subsidy burden.

In this regard, the OERC shall arrange a hearing on the foregoing criteria via the OERC website according to Section 67 and coordinate with the RECC to enhance public participation in the hearing to cover energy consumers in every area as well as establish a working group to monitor the operation of the

Power Utilities after being notified of the consideration result. In addition, the Meeting acknowledges the action plan to implement the measure on free electricity for power consumers under the residential category, with electricity consumption not exceeding 50 units per month.

3. Approve the appointment of the CDC of the following Power Development Funds in designated areas:

3.1 PDF: Krabi Power Plant, Krabi Province; and

3.2 PDF: Nam Phong Power Plant, Khon Kaen Province.

4. Approve the change of name of PDF: Phu Khieo Bio-Energy Co., Ltd. to PDF: Mitr Phol Bio-Power Co., Ltd.

5. Approve in principle that preparedness should be made with regard to the opening of a bank account for Power Development Fund in advance. Individual Directors of OERC Regional Offices shall open an account with a bank or financial institution and the OERC shall take action according to the procedures specified in the ERC Regulations on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010). In this regard, the Member and Secretary of each CDC should be one of the authorized persons for the fund disbursement. As for the selection of Vice Chairman of the CDC and another two CDC Members to be authorized persons for ordering payment from the Fund account, this shall be internally arranged by each CDC.

6. Approve the results of deliberation on appeals lodged by land and property owners who are affected by the natural gas network system area under PTT's 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) passing through areas in Rayong, Chonburi and Chachoengsao provinces, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on Compensation at its meeting on 27 September 2011 and 25 November 2011, as follows:

6.1 To dismiss deliberation on appeal on land compensation of one appellant because the appellant submitted the appeal after the stipulated timeframe.

6.2 To dismiss deliberation on appeal for compensation for house demolition and removal of one appellant because PTT has constructed the natural gas transmission pipeline by using the horizontal directional drilling method and the house of the appellant will not be removed. Therefore, the house has not been affected and PTT do not have to pay compensation.

6.3 To dismiss deliberation on appeals lodged by six appellants because the matter is beyond the ERC jurisdiction.

6.4 To affirm the determined land compensation for 11 appellants because the determined compensation is fair and reasonable.

6.5 To increase the land compensation for two appellants because their land is used for eucalyptus cultivation. When affected by the natural gas network system, land utilization has decreased and cannot be used for eucalyptus planting. In order to comply with the judgment of the Supreme Administrative Court in the case where a piece of land is affected by a natural gas network system, causing the land utilization to decrease; the determination of compensation for the same whole plot of land shall be at the same rate, to be fair and reasonable.

6.6 To increase the compensation for trees as follows: (1) banana trees of bearing age shall be compensated according to the rate specified in the 2011 price list of trees

and agricultural products; (2) large palm trees, aged 6 years or more, shall be compensated at the same rate as that EGAT used to pay to the owners who were affected by the transmission line in Chonburi in 2009; (3) for large Siamese rough bush, since EGAT used to pay compensation to the owners who were affected by the transmission line in 2009 at a rate of 1,000 baht per tree, but the appellants have requested for compensation at 400 baht per tree only, the compensation shall be made at the requested rate; (4) for pineapple plants, since EGAT used to pay compensation for pineapple plants that were affected by the 500-kV transmission line, linking Pluak Daeng – 500-kV Nong Chok grid connection point – Wang Noi, Line 2, in 2009 at 50,000 baht per rai, the appellants shall receive the same rate of compensation for pineapple plants as that EGAT paid earlier; (5) for guava trees, the compensation for seedlings and planting labor shall be at 30 baht per tree. If they are planted in the entire plot, the compensation shall be paid for a maximum of 400 trees per rai, but if they are planted between other plants, the compensation shall be paid for a maximum of 200 trees per rai. Since the appellants grow guava trees only in the right-of-way of the natural gas network system, by growing a large number guava trees in between the rows of pineapple planting, which is not in line with agricultural principles that would yield a good crop, but such growing characteristic is in expectations for compensation, the compensation payment criteria, which states that the payment shall be made only for the cost of seedlings, up to 400 trees per rai in the case of full plot planting and up to 200 trees per rai in the case of planting between other plants, is considered fair and reasonable. However, it is deemed appropriate to pay for the cost of guava planting labor as well at a rate of 5 baht per tree; therefore, the compensation for seedlings together with planting labor shall be at 30 baht per tree; (6) for sugarcane, according to the information from Mitr Phol Sugar Corp., Ltd., which is a sugarcane purchasing company, the current price of sugarcane is 1,050 baht per ton. The area of 1 rai can produce 12 tons of sugarcane, accounting for a profit of 12,600 baht per rai; and (7) for eucalyptus trees with the height more than 4 meters, the compensation shall be at the same rate as that paid by the Royal Irrigation Department to the owners affected by the irrigation area in eastern Thailand.

6.7 To make a correction -- from ordinary bamboo at a rate of 250 baht per clump to spiny bamboo with average height more than 3 meters at a rate of 1,200 baht per clump, because PTT has incorrectly determined the type of bamboo.

6.8 To affirm tree compensation prices for the following: (1) large good-variety rubber trees under tapping, with the trunk perimeter at 32 centimetres or above, because the compensation that was paid for good-variety rubber trees under tapping, with the trunk perimeter at 32 centimetres or above, in Rayong was at a rate of 3,000 baht per tree; and (2) guava seedling and planting labor cost because the criteria for compensation payment for guava seedlings and planting labor at a rate of 30 baht per tree is the price and criteria used for payment to Rayong residents earlier, so they are considered fair and reasonable.

In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date of receipt of the OERC's written notice; otherwise, PTT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

7. Approve the report on consolidated financial statements of the OERC and Power Development Fund ended 30 September 2011, and order the OERC to revise the reference to legal provisions in the Notes to Financial Statements on the part for accrued revenues and revenue from electricity industry operation licensees before submitting to the Office of the Auditor General of Thailand.

8. Acknowledge the OERC's action regarding the objection to Nakhon Nueang Ket Power Plant construction and instruct the OERC to send a representative to join the discussion with the protestors to give explanation on 29 January 2012 and then prepare a summary of the investigation and explanation made on the issues in order to coordinate with the province to inform the protestors' leaders of the information and clarification, which may bring the protest to the end.

ERC Meeting No. 4/2012 (161st) 2 February 2012

1. Approve the issuance of energy industry licenses and other issues pertaining to licensing, as follows:

1.1 Approve the issuance of five Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 22,736.69 HP; three Por Kor 2 licenses (new application), with a total generator rating of 5,931.25 kVA; one Por Kor 2 license (renewal), with a total generator rating of 8,100 kVA; 3 Por Kor 2 licenses (generating capacity expansion), with a total generator rating of 4,215 kVA; and one electricity generation license, with a total installed capacity of 1.105 MW.

1.2 Give consent to KI Biogas Co., Ltd., to change significant information of electricity generating operation, i.e. granting permission for the company to expand the installed capacity from 3.72 MW to 4.38 MW and to use biogas as fuel for the expanded capacity. The objective of the expansion is to offer a higher amount of power for sale to the PEA from 3 MW to 4 MW.

1.3 Give consent to Bangkok Green Power Co., Ltd., to change significant information of electricity generating operation, i.e. granting permission for the company to expand the installed capacity from 6.57 MW to 8.76 MW and to use biogas as fuel for the expanded capacity. Approval is also given to the issuance of a Por Kor 2 license (generating capacity expansion) for the Company. In this regard, two more sets of gas-engine generators, with an additional generating capacity of 2,737.5 kVA, shall be installed.

2. Approve the determination of designated areas and the number of the CDC of PDF: IRPC Plc., in which Paknam sub-district, Mueang district in Rayong province is added to the designated areas and the number of CDC has been amended, i.e. Paknam sub-district shall have two CDC members representing the popular sector. Therefore, the number of CDC members of PDF: IRPC Plc. will be 21 persons in total.

3. Approve the appointment of CDC of Power Development Funds in designated areas, as follows:

3.1 PDF: Nakhon Si Thammarat Power Plant 1

3.2 PDF: South Bangkok Power Plant

3.3 PDF: Gulf Yala Green Co., Ltd. Power Plant

3.4 PDF: Khon Kaen Sugar Power Plant Co., Ltd. Power Plant

3.5 PDF: Phu Khieo Bio-Energy Co., Ltd. Power Plant

3.6 PDF: Bangchak Refinery, Bangkok

3.7 The OERC is assigned to examine the qualifications of those who are recruited to be CDC members of PDF: A.T. Biopower Co., Ltd., and carry out the recruitment of CDC members from the popular sector to replace unqualified persons, for further submission to the ERC for consideration.

4. Approve the results of consideration on appeals on compensation regarding the 230-kV Ratchaburi 3 – Samut Sakhon 4 transmission line and the 230-kV transmission line at the cross-section of the 230-kV Phitsanulok 2 – Nakhon Sawan, 2nd circuit, transmission line to Pichit Substation of EGAT, involving eight appellants, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on Compensation at its meeting on 21 December 2011, as follows:

4.1 Appeal on compensation related to the 230-kV Ratchaburi 3 – Samut Sakhon 4 transmission line, involving one appellant. The rates of compensation to be paid to the appellant for orchids are determined as follows: (1) Dendrobium: Bom Daeng, Khao Sanan, Suree Peach and others at 78.75 baht per plant; and (2) Mokara at 223.75 baht per plant. This is due to the fact that, when EGAT notifies the appellant to remove the orchid nurseries, the orchids will definitely be damaged. Therefore, EGAT must pay compensation to the appellant according to the criteria stipulated by the ERC, which comprise the costs of seedling, planting labor, fertilizer and maintenance, as well as opportunity cost according to agricultural principles. According to the information obtained from the Thai Orchids Garden Enterprise Association and Samut Sakhon Provincial Agricultural Extension Office, the average cost and return of Dendrobium Bom Daeng, Suree Peach and Khao Sanan orchids is 42.50 – 73.75 baht per plant, while that of Mokara orchids is 175.50 – 218.75 baht per plant. However, the orchid association and Samut Sakhon Provincial Agricultural Extension Office have calculated the maintenance cost at 5 baht per plant, which is deemed too low and should be set at 10 baht per plant. When combined with the orchid cost and return to be received, the average planting cost and return of Dendrobium Bom Daeng, Khao Sanan, Suree Peach and other Dendrobium orchids should be 47.50 – 78.75 baht per plant and that of Mokara orchids should be 175.50 – 223.75 baht per plant.

4.2 Appeal on compensation related to the 230-kV transmission line, at the cross-section of the 230-kV Phitsanulok 2 – Nakhon Sawan, 2nd circuit, transmission line to Pichit Substation, involving seven appellants, as follows:

4.2.1 To dismiss the appeal of one appellant because, during the announcement on demarcation of the electricity network system area, the land owner already received the compensation for land. The appellant is not the legal owner or occupier of the land located in the transmission line area as at the announcement date of the network system area, so he has no rights to appeal. Moreover, the appellant lodged the appeal after 30 days' timeframe, as stated in the ERC regulation.

4.2.2 To increase land compensation for six appellants because the normal market prices of the appellants' land and the land nearby should be in range of 270,000 – 356,506.24 baht per rai, depending on the location of the land.

4.2.3 To affirm the compensation for land adjacent to State Highway No. 111 (Pichit-Saklek), for a distance of 40 meters, and No. 115 (Pichit bypass – Kamphang Phet), for a distance of 40 meters, at a rate of 350,000 baht per rai because it is a fair and reasonable price.

4.2.4 To affirm the compensation at a rate of 150 baht per tree for large Ceylon Rosewood and 500 baht per tree for small Kapok trees because there is no other official price list or compensation for trees that is higher than the determined price.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of receipt of the OERC's written notice; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

5. Approve appeal consideration regarding the transmission line area announcement, the objection to the determination of electricity pole locations and the objection to electricity pole installation on the land of five appellants who are owners of land and property covered by EGAT's transmission line areas, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 23 November 2011, as follows:

5.1 To dismiss consideration of appeal of one appellant because the appellant filed the appeal after the timeframe stipulated by law.

5.2 To strike out of the case list the objection to the locations of electricity poles lodged by two opponents, because they have submitted written requests to cancel the objection to the ERC, causing the objection to terminate.

5.3 To dismiss the objection to electricity pole installation under the project on the 115-kV Klaeng – Chanthaburi transmission system improvement filed by two opponents because the project implementation takes place within the existing transmission line area and there is no expansion of the transmission line area. EGAT is legally authorized to enter into the land to improve the transmission system and the facts show that EGAT has already complied with all legal procedures. Moreover, the determination of new locations of the poles to be nearer to the edge of the land than the existing ones will provide the opponents with greater land utilization. The determination of new locations of electricity poles is, therefore, appropriate. EGAT shall inform the opponents about the rate of compensation for land to be used for pole location as determined by the ERC. For appellants whose agricultural products are almost ready to be harvested, EGAT shall coordinate with the appellants in order to schedule the date of entry to the land for pole installation and inform the appellants in advance in order to minimize the impact thereof on the appellants.

6. Approve the results of consideration on the objection to the land entry to construct a natural gas network system and the appeal on the PTT's announcement on demarcation of a natural gas network system area lodged by 12 appellants, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 23 November 2011 and on 27 December 2011, as follows:

6.1 To dismiss the objection to the natural gas network system construction submitted by one opponent because, according to the outcome of land boundary survey, the opponent's land is in EGAT's transmission line area. Therefore, the opponent does not have any good cause for objecting to the construction of the natural gas network system. In addition, the opponent does not have agricultural products being harvested,

and PTT's operation has completely and correctly complied with relevant legal procedures; therefore, PTT is legally authorized to enter the opponent's land to construct the gas transmission pipeline.

6.2 To affirm the right-of-way of the natural gas network system that was objected by 11 opponents because it is considered suitable with due consideration in terms of engineering, economic, social and environmental aspects.

7. Acknowledge the report on the development of the objection against Nakhon Nueang Ket Power Plant construction. The OERC invited representatives from Gulf JP NNK Co., Ltd. to discuss about the appointment of a tripartite committee in order to find a solution to the dispute, according to the suggestion of the Deputy Governor of Chachoengsao province. In this regard, the Company expressed disagreement on the appointment of such a committee; however, if the appointment of a tripartite committee is required, the Company requests that clear ground rules for negotiation be set forth at the beginning.

ERC Meeting No. 5/2012 (162nd) 10 February 2012

1. Approve that a joint working group of the OERC and the concerned agency of the Ministry of Interior should be appointed under the name, "Working Group Deliberating Guidelines and Procedures for Licensing Building Construction for Energy Industry Operation." The working group shall be responsible for consideration and development of the code of practice as well as operational guidelines regarding the procedures for applying for a building construction license for energy industry operation according to the law on building control and the law on town and country planning as well as develop the framework on operational cooperation agreement between the OERC and local administrative organizations, for submission to the ERC and the Ministry of Interior for consideration and approval. The implementation in this regard, from the appointment of the working group to the approval of the agreement, shall be finished within 60 days.

2. Approve, in principal, to have a sub-committee appointed to take care of the consideration and approval according to Section 48 of the Act.

3. Approve the issuance of energy industry operation licenses and other related issues as follows:

3.1 Approve the issuance of one power generation facility operation license (Ror Ngor 4: Factory Category No. 88), with a total engine power of 23,187.95 HP

3.2 Give consent to Roi-Et Green Co., Ltd. to change significant information of power generation operation, i.e. to decrease the installed capacity from 10.292 MW to 9.950 MW.

3.3 Approve, in principle, that the OERC shall proceed with the rectification of the installed capacity of the operators who were granted licenses prior to the date on which the ERC passed a resolution that electricity generation for emergency reserve shall not be considered as energy industry operation. In this connection, the OERC shall consider a method to return the annual fee for energy industry operation that was collected according to the installed capacity before the resolution was passed, so as to comply with the relevant regulations and/or operational guidelines, for submission to the ERC for consideration and approval.

4. Approve, in principle, that EGAT can include the power purchase cost in the case where power plants supply electricity more than the target (Supply Excess) and where EGAT purchases electricity less than the guaranteed purchasing amount (Dispatch Shortfall) in the calculation formula of Ft adjustment, so that EGAT could recognize revenues and expenses that correspond with the costs incurred, pursuant to the accounting standards.

5. Acknowledge the hearing result on the draft criteria for power tariff calculation pursuant to the free electricity measure for residential power consumers, with a 5(15)-ampere meter and electricity use not more than 50 units per month, according to the cabinet resolution of 27 December 2011. Consent is also given to the criteria for determining the power tariff; the OERC is assigned to inform the Distribution Utilities to take further action according to Section 67 of the Act.

6. Acknowledge the hearing result on the draft ERC Regulation on Procurement of Power Development Fund for Development or Rehabilitation for Localities Affected by Power Plant Operation B.E., and approve the draft Regulation as revised after the hearing.

7. Approve the work plans for Fiscal Year 2012 of the Power Development Fund for any operation under Section 97(3) and Section 97(6), as follows: (1) approve the revision to the revenue and expense estimates for Fiscal Year 2012 of the Power Development Fund for any activities under Section 97(3) and Section 97(6); (2) approve the work plans for Fiscal Year 2012 of the Power Development Fund for any activities under Section 97(3), with a total budget of 1,990.02 million baht; and (3) approve the framework of the work plans and the budget for administration of the Power Development Fund for any activities under Section 97(6) for Fiscal Year 2012, with a total budget of 43,684,051 million baht.

8. Give consent that the OERC shall propose to the ERC Chairman to consider and make a decision, according to Article 4 of the ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010) in order to allow exemption from complying with Article 35 of the Regulation, i.e. to exempt the preparation of a strategic plan of Power Development Funds in designated areas and the study, evaluation, or research on impact of power plant operation.

9. Approve the name change of the licensees who are responsible for sending contributions to the Power Development Fund, as follows:

9.1 To update the names of licensees because there have been the following changes: (1) Power Development Fund (PDF): Saraburi Province 2 – to change the licensee's name from Thai Ceramic Power Co., Ltd. to Jemago Co., Ltd.; (2) PDF: Rayong Province 1 – to change the licensees' names from Thai National Power Co., Ltd. to Glow SPP 11 Co., Ltd., and from Rayong National Power Co., Ltd. to Glow SPP 13 Co., Ltd.; and (3) PDF: Nakhon Sawan Province 1 – to change the licensee's name from Kaset Thai Sugar Co., Ltd. to Kaset Thai Sugar Industry Co., Ltd.

9.2 To update and add the names of electricity generation licensees of the PDF: Map Ta Phut Industrial Estate, Rayong Province, as follows: (1) to change the name from PTT Chemical Plc. to PTT Global Chemical Plc.; and (2) to add three more licensees, which are: 1) PTT Global Chemical Plc., 2) PTT Asahi Chemical Plc. and 3) Glow Energy Plc. (Project 4, Phase 5).

10. Approve the guidelines for the appointment of CDC of Power Development Funds in designated areas. In this regard, the OERC shall recruit representatives from the popular sector to replace those who are unqualified and propose the list of the whole CDC members to the ERC for consideration and appointment, and there shall be the appointment of a representative from the government sector in the CDC, according to the result of the selection by the authorized persons under Articles 14 or 15 of the ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010), as follows: (1) if the Provincial Governor or the Ministry of Energy notifies the result by indicating the position, the appointment of CDC member from the government sector shall be ex officio; and (2) if the Provincial Governor or the Ministry of Energy notifies the result by indicating the name and position, the appointment of CDC member from the government sector shall be appointed by indicating the name and position.

11. Approve the appointment of CDC of the following Power Development Funds in designated areas:

- 11.1 PDF: Roi-Et Province Power Plant 1
- 11.2 PDF: Saraburi Province 1
- 11.3 PDF: TPI Polene Power Co., Ltd. Power Plant
- 11.4 PDF: Prachinburi Province 1
- 11.5 PDF: Prachinburi Province 2
- 11.6 PDF: Map Ta Phut Industrial Estate, Rayong Province

11.7 PDF: Bangpakong Power Plant, Chachoengsao Province

- 11.8 PDF: Rayong Province 2

12. Approve the results of deliberation on appeals on compensation regarding the electricity network systems, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on Compensation at its meeting on 16 January 2012, as follows:

12.1 Consideration of appeals on compensation related to EGAT's 230-kV Pitsanulok 2 – Nakhon Sawan to Phichit Substation transmission line for the appellants, as follows:

12.1.1 To increase the compensation for land for eight appellants because, according to the inspection, it is found that the determined amount of compensation for the appellants is not fair and reasonable, and hence the compensation for land shall be increased to be in line with the current market price.

12.1.2 To increase the compensation for the following 10 items of trees: (1) Manila tamarind, of bearing age; (2) large neem; (3) kapok, of bearing age; (4) domestic jujube, of bearing age; (5) large and small Siamese rough bush; (6) sugar palm, of bearing age; (7) large sandalwood; (8) Marian plum, of bearing age and not of bearing age; (9) good-variety mango, of bearing age; and (10) large monastery bamboo. Such increase is to adjust tree compensation prices to be at the same level as those on EGAT's price list of tree and agricultural product compensation which was announced in 2011 and the price list of tree compensation of the Royal Irrigation Department, in compliance with the criteria for determining compensation for trees, stipulated by the ERC.

12.1.3 To affirm the compensation for six items of trees, as follows: (1) paper mulberry; (2) ebony; (3) Thai tamarind; (4) good-variety longan; (5) hedge bamboo; and

(6) cluster fig, because there is no price list or compensation determined by any other government agency that are higher than the compensation determined for payment to the appellants. Therefore, the determined compensation prices are considered fair and reasonable.

12.1.4 To dismiss the consideration of the issue on request for compensation payment for the remaining land outside the electricity network system area; however, the matter should be referred to EGAT for consideration according to EGAT's regulations.

12.2 Consideration of appeal on compensation related to EGAT's 230-kV Rangsit – Angthong transmission line, only for the case of increasing compensation for the land used for pole location for one appellant, to be in line with the market price currently used. In this regard, EGAT shall pay interest calculated from the payable compensation to the appellant at the highest fixed deposit interest rate of the GSB as from the day that EGAT started the construction of transmission towers on the land of the appellant up to 8 June 2011 which was the day before EGAT deposited the compensation at the GSB. This is due to the fact that, as per the EGAT Act B.E. 2511 (1968), Section 30, paragraph one, EGAT shall pay a fair compensation to the owner of the land to be used for pole erection or installation for transmission line wiring, and under Section 30, paragraph two, it is stipulated that, in the case where the property owner does not agree to the amount of compensation determined by EGAT, or where the owner cannot be found, EGAT shall deposit the compensation at the Court or a Deposit Office, or at the GSB, and if there is any interest or profit derived from such deposit, it shall also be vested to the owner of the property. In this case, EGAT had announced the demarcation of the transmission line area since 17 August 1994 and started the construction of transmission towers on the land of the appellant. Therefore, EGAT shall be responsible for compensation payment to the appellant for the land used for pole location. If the compensation could not be paid, EGAT had to deposit the compensation at a bank or the Court or a Deposit Office, as stipulated by law. However, EGAT had not complied with the law until 9 June 2011, when EGAT deposited the compensation at the GSB, which accounts for no less than 17 years after the date of the transmission line area announcement, and hence causing the appellant to lose benefits that should have been obtained from the interest derived from the deposit. EGAT, therefore, must be responsible for the above-mentioned payment of interest. In this regard, EGAT shall pay the additional compensation to the appellant within 45 days as from the date of receipt of the OERC's written notice on the result of appeal consideration on compensation.

13. Approve the selection of the natural gas network system route under the project on natural gas transmission pipeline to U-Thai Power Plant of Gulf JP UT Co., Ltd.

14. Acknowledge the issue of Siam Power Generation Co., Ltd., which has an installed capacity of 150 MW and sells 90 MW of electricity to EGAT, while the remaining capacity is sold to G Steel Plc. However, G Steel Plc., which is its main customer, has been bankrupt and has not yet paid for the electricity supply; as a result, Siam Power Generation cannot pay PTT for gas supply, accounting for approximately 500 million baht. If PTT stops selling natural gas to the Company, EGAT will definitely be affected.

15. Acknowledge the report on the development of the objection against Nakhon Nueang Ket Power Plant construction after the Governor of Chachoengsao Province invited relevant government agencies, entrepreneur and the protestor group to jointly discuss in order to find a solution.

16. Acknowledge the operational result of the Audit Committee (one year's period) for Fiscal Year 2011 (7 October 2010 – 6 October 2011).

ERC Meeting No. 6/2012 (163rd) 16 February 2012

1. Approve the supportive comments on EGAT's Transmission System Expansion and Renovation Project, Phase 1: Transmission Line for input for consideration of the Minister of Energy, according to Section 11(5). In this regard, the OERC shall organize a hearing pursuant to Section 26 via the OERC website for 7 days. If the obtained opinions do not have significant impact on the project, the OERC shall proceed with other necessary steps, with no need to present the matter to the ERC for consideration again.

2. Approve the issuance of six electricity generation licenses, with a total installed capacity of 32.86 MW; five Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 70,293.59 HP; five licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 32,260 kVA; one license for regulated energy production (generating capacity expansion), with a total generator rating of 55,000 kVA; one electricity distribution system license, and one electricity retail license. In addition, the OERC shall check the interpretation of the Office of the Council of State in the case where the existing principle city plan expires and in the case where a project starts operation before the draft principle city plan is announced and put into effect.

3. Approve the appointment of CDC of Power Development Funds in designated areas as follows:

- 3.1 PDF: Mae Moh Power Plant, Lampang Province
- 3.2 PDF: Nakhon Sawan Province 1
- 3.3 PDF: Mitr Phu Viang Sugar Co., Ltd.
- 3.4 PDF: Mitr Kalasin Sugar Co., Ltd.
- 3.5 PDF: Samut Prakarn Province 1
- 3.6 PDF: Samut Prakarn Province 2

4. Acknowledge the report on the presentation of information to the Standing Committee on Energy, the House of Representatives and the Senate Standing Committee on Energy, on the power tariff structure, criteria, methodology, variables and procedures for determining power tariff based on fuel prices which have impact on the power generation cost.

5. Acknowledge the report on the development of the objection against Nakhon Nueang Ket Power Plant construction. That is, on 13 February 2012, there was a tripartite discussion, participated by representatives of Chachoengsao province, the Company and the protesters, with the presence of OERC representatives as observers. The discussion was about the approach to establish a quadripartite committee (comprising representatives of the local residents, the Company, relevant government agencies and academics) and the arrangement of a forum for the Company to present project details and to clarify all issues of concerns of the local residents. In this regard, the Company does not agree with the approach, but it is willing to provide explanation to the people living in the surrounding areas of the power plant if a forum is arranged for small groups. However,

there has been no conclusion to the issues of discussion and the representative of Chachoengsao province has informed the ERC that the protesters will gather again on 17 February 2012. In this regard, the province arranged a meeting of relevant parties on 13 February 2012 in order to discuss about the law enforcement if the protesters block traffic. Besides, from a discussion with the Company, it does not agree with the setting up of the quadripartite committee because, from its experience in the establishment of a tripartite committee in order to solve the problems of Bangkla Power Plant, it was eventually found that the committee could not solve any problems. Moreover, since the dispute is currently under consideration of the Administrative Court, the solution to various issues should be finalized by the consideration of the Administrative Court.

ERC Meeting No. 7/2012 (164th) 23 February 2012

1. Assign the OERC to revise proclamations, regulations, criteria or work manual, as follows: (1) to revise the draft Criteria for Money Allocation and Criteria for Considering Community Projects Supported by the Power Development Fund under Section 97(3) B.E.; and (2) to revise the draft Manual for Proposing Annual Work Plan and Implementation of Community Projects Supported by Power Development Funds in Designated Areas, and disseminate the draft manual to CDCs as well as concerned parties to facilitate the community project implementation.

2. Approve the licensing of energy industry operation as follows:

2.1 Authorize the Electricity Generating Public Company Limited (EGCO) to be the 100-percent shareholder of SPP 3 Co., Ltd.

2.2 Give consent to Thai Power Supply Co., Ltd. to transfer the rights under its electricity generation license, electricity distribution system license, electricity retail license and regulated energy production (Por Kor 2) license to National Power Plant 3 Co., Ltd. The rights under the original licenses shall be retained and new relevant licenses shall be issued once National Power Plant 3 Co., Ltd. (transferee) has paid the rights transfer fee to the OERC. In this regard, Thai Power Supply Co., Ltd. shall proceed with necessary arrangements to finalize the transfer of rights and duty as well as other obligations related to the energy industry operation before the issuance of new energy industry operation licenses.

2.3 Give consent to BPK Power Supply Co., Ltd. to transfer the rights under its electricity generation license, electricity distribution system license, electricity retail license and regulated energy production (Por Kor 2) license to National Power Plant 2 Co., Ltd. The rights under the original licenses shall be retained and new relevant licenses shall be issued once National Power Plant 2 Co., Ltd. has paid the rights transfer fee to the OERC. In this regard, BPK Power Supply Co., Ltd. shall proceed with necessary arrangements to finalize the transfer of rights and duty as well as other obligations related to the energy industry operation before the issuance of new energy industry operation license.

2.4 Give consent to Gulf JP NS Co., Ltd., Nong Sang Power Plant Project, to amend significant information of electricity generation operation, i.e. to amend the conditions annexed to the license on the part of sending contributions to the Power Development Fund and to improve other wordings.

3. Approve revenue compensation among the Power

Utilities (PUs) as follows: (1) the MEA, as an electricity retail licensee, is required to send contributions for revenue compensation to the Power Development Fund according to Section 97(1) on a monthly basis at a rate of 0.2165 baht per sold unit; (2) EGAT shall directly contribute to revenue compensation through discount of wholesale tariff at 0.0219 baht per wholesale unit; (3) EGAT, as an electricity retail licensee, is required to send contributions for revenue compensation on the remaining amount from (1) to the Power Development Fund under Section 97(1) on a monthly basis at a rate that is calculated from the units of electricity sold to EGAT's direct consumers; (4) the PEA shall disburse money for revenue compensation from the Power Development Fund under Section 97(1) on a monthly basis at a rate of 0.1255 baht per unit; and (5) the revenue compensation shall be revised when actual operational outcome of 2012 occurred.

4. Approve the appointment of CDC of Power Development Funds in designated areas as follows:

- 4.1 PDF: Chonburi Province 1
- 4.2 PDF: Ratchaburi Province 1
- 4.3 PDF: Chonburi Province 2
- 4.4 PDF: Chonburi 3
- 4.5 PDF: Rayong Province 1
- 4.6 PDF: Tri Energy Co., Ltd.

4.7 The appointment of a representative of the government sector in the CDCs will be based on the result of the selection by authorized persons. If the Provincial Governor or the Ministry of Energy notifies the result by indicating the position, the CDC member representing the government sector shall be appointed ex officio, and if the Provincial Governor or the Ministry of Energy notifies the result by indicating the name and position, the appointment of CDC member representing the government sector shall be appointed by indicating the name and position of that person accordingly.

5. Approve the layout showing details of the directions and right-of-way for laying the following electricity network systems:

5.1 EGAT's 230-kV Songkla 2 – Klong Ngae transmission line, from Songkla 2 high voltage station to Klong Ngae high voltage station, with a distance of 34 kilometers, passing through areas in Nawah, Kae and Namkhao sub-districts in Jana district, Tapong sub-district in Hatyai district, and Khao Meekiat, Pang-la and Prick sub-districts in Sadoa district in Songkla province. The width of the transmission network system area, measured from the center of the transmission towers each side, is 25 meters (totaling 50 meters on both sides).

5.2 EGAT's 230-kV transmission line, at the cross-section of 230-kV Wang Noi – Saraburi 2 to Saraburi 5 Substation (Line 2), with a distance of about 4.85 kilometers, passing through areas in Nong Kai Nam and Nong Jorakae in Nong Khae district, Saraburi province. The width of the transmission network system area, measured from the center of the transmission towers each side, is 20 meters (totaling 40 meters on both sides).

5.3 EGAT's 500-kV Gulf JP NS Power Plant – Pachi 2 transmission line (Line 1), with a distance of about 3.4 kilometers, passing through the following areas: (1) Saraburi province: Nong Saeng district, Nong Kob sub-district and Nong Khae district, Kok Toom sub-district; (2) Phra Nakhon Sri Ayutthaya province: Pachi district, Nong Nam Sai and Kok Muang sub-districts. The width of the transmission network system area, measured from the center of the transmission towers each

side, is 30 meters (totaling 60 meters on both sides). The OERC is assigned to announce the demarcation of this 500-kV transmission line area according to the principles set forth under Section 106 of the Act.

5.4 EGAT's 230-kV Surin 2 – Buriram (at detour section to avoid Surin 1 Substation) transmission line (Line 2), with a distance of approximately 3.87 kilometers, passing through areas in Salangpan, Nok Mueang and Kae Yai sub-districts in Mueang Surin district, Surin province. The width of the transmission network system area, measured from the center of the transmission towers each side, is 20 meters (totaling 40 meters on both sides).

6. Approve the results of deliberation on the appeals on the announcement on demarcation of transmission system areas and on the objection to pole locations of EGAT, in accordance with the opinions of the Sub-committee on Deliberation of Appeals on an Energy Network System Area at its meeting on 23 November 2011, as follows:

6.1 To dismiss consideration of appeal on the announcement on demarcation of an electricity network system area under the project on the construction of 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line, lodged by one appellant, because the appellant did not have land ownership on the date of announcement on the transmission network area demarcation. In this connection, EGAT is assigned to notify land owners, in writing, about the announcement on demarcation of a transmission system area on the date the announcement thereof is made, in accordance with the ERC regulation.

6.2 To affirm the right-of-way of the transmission network system, as announced under the project on the construction of 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line, involving 14 appellants, because the owners of the land that will be affected by the change in the right-of-way, as proposed by the appellants, do not agree with the change. This is in compliance with the criteria for considering changing the right-of-way. If such a change affects the land nearby, a written consent to the change must be obtained from individual owners of every plot of land that will be affected.

6.3 To adjust the right-of-way of the transmission network system under the project on the construction of 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line, as requested by one appellant, because, in terms of engineering, the right-of-way adjustment can be made and the owners of every plots of land that will be affected by the adjustment have given consent, in writing. This is in compliance with the criteria for considering adjustment or change of the right-of-way. In addition, EGAT is instructed to prepare a layout showing details of the direction and right-of-way, only for the revised section, and the OERC shall announce the demarcation of the transmission network system area accordingly.

6.4 To strike one objection to the project on renovation of the 115-kV Klaeng – Chanthaburi transmission line out of the case-list because the appellant has submitted to the ERC a written request to cancel the objection to pole construction, causing the objection deliberation to terminate.

6.5 To affirm the pole location as determined under the project on renovation of the 230-kV Surin 2 – Buriram transmission line, which was objected by one opponent, because the determined location for installing the pole No. 18 is deemed appropriate because it is at the edge of the land and does not block the access to the land or obstruct land utilization by the opponent.

7. Acknowledge the report on the audit conducted by the Office of the Auditor General of Thailand in the case of the account auditing of District Cooling System and Power Plant Co., Ltd., which operates power generation business and sells electricity to Suvarnabhumi Airport. It was found that the Company collected 12 satang per unit from the customer in order to subsidize the measure on 90-unit electricity consumption free of charge. In this regard, the Company has set up a suspense account for the collected money, accounting for a sum of 13 million baht, because the Company does not know the procedures to send in the contributions.

8. Acknowledge the presentation of information to the Senate Standing Committee on Energy about the power tariff structure, criteria, methodology, variables and procedures for determining power tariff based on fuel prices which have impact on the power generation cost and the presentation of information to the Senate Sub-committee on Energy -- Transportation, about the marketing system of Natural Gas Vehicles (NGV) and Liquefied Petroleum Gas (LPG).

9. Acknowledge the OERC's implementation to deal with complaints about the power supply disconnection and the power meter reconnection.

ERC Meeting No. 8/2012 (165th) 6 March 2012

1. Cancel the ERC Order No. 63/2011 on the Appointment of the Sub-Committee on Policy and Strategies dated 16 November 2011 and approve the appointment of the Sub-Committee on Policy and Strategies, consisting of 14 members, who shall have authority and in charge of the study and analysis of data in order to review the Strategic Plan for Energy Industry Regulation as well as the OERC's action plan, expenditure budget and revenue estimate for each fiscal year.

2. Instruct the OERC to speed up the revision of the draft regulation on power purchase and PPA model for power purchase from renewable energy SPPs and VSPPs, for expeditious submission to the ERC.

3. Approve the issuance of energy industry operation licenses and other matters related to licensing, as follows:

3.1 Approve the issuance of one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 14,988.51 HP; two electricity generation licenses, with a total installed capacity of 3.095 MW; and one license for regulated energy production (Por Kor 2), with a total generator rating of 2,000 kVA.

3.2 Give consent to Clean City Co., Ltd. to change the items of engine and power generation technology from the former method using gas from the gasification process to the use of oil from the pyrolysis process as fuel and to change the installed capacity from the formerly approved amount of 1.813 MW in the electricity generation license to 1.92 MW, including the amendment and expansion of the installed capacity from the formerly approved amount of 2,276 kVA in the regulated energy production (Por Kor 2) license to 2,401 kVA.

3.3 Instruct the OERC to notify the licensee that the issuance of Ror Ngor 4: Factory Category No. 88 license is not a condition that an electricity generation license will be granted. If the licensee would like to apply for an electricity generation license, a relevant and complete PPA must be provided.

4. The OERC shall regulate the PEA to strictly comply with the guidelines on considering postponing the SCOD, as stipulated

by the ERC and the Managing Committee and shall arrange a meeting among the ERC, Secretariat to the Managing Committee and the PEA in order to find a solution to the problem as soon as possible. Moreover, the OERC shall follow up with the PEA on the progress of the implementation and check whether the applicants for licenses have completely comply with the procedures or not, in the case where a request for SCOD postponement has been submitted and is still under PEA consideration.

5. Approve the determination of designated areas, the administrative category of the Power Development Funds and the number of CDC members for hydropower plants, as follows:

5.1 Approve the determination of designated areas the administrative category of the Power Development Funds (PDFs) and the number of CDC members for 11 hydropower plants, as follows: (1) PDF: Bhumibol Hydro Power Plant, Tak Province; (2) PDF: Sirikit Hydro Power Plant, Uttaradit Province; (3) PDF: Ubolratana Hydro Power Plant, Khon Kaen Province; (4) PDF: Sirindhorn Hydro Power Plant, Ubon Ratchathani Province; (5) PDF: Lam Takhong Hydro Power Plant, Nakhon Ratchasima Province; (6) PDF: Chulabhorn Hydro Power Plant, Chaiyaphum Province; (7) PDF: Srinagarind Hydro Power Plant and Tha Thung Na Hydro Power Plant, Kanchanaburi Province; (8) PDF: Rajjaprabha Hydro Power Plant, Surat Thani Province; (9) PDF: Bang Lang Hydro Power Plant and Ban Santi Hydro Power Plant, Yala Province; (10) PDF: Vajiralongkorn Hydro Power Plant, Kanchanaburi Province; and (11) PDF: Kaeng Krachan Hydro Power Plant, Phetchaburi Province.

5.2 Approve the methodology to select sub-district representatives of a designated area in the case where the required number of representatives at sub-district level in the designated area is less than the existing number of sub-districts in that designated area. That is, a civil society forum at sub-district level shall be arranged instead of one at village level, and the sub-district representatives shall select among themselves the sub-district representatives of the designated area at the required number as stipulated by the ERC.

5.3 Chairman of the ERC has made a decision regarding the compliance with Article 4 of the ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010), i.e. approving the exemption of compliance with Article 12 of the Regulation. In this regard, the OERC is assigned to draft a proclamation exclusively on the additional issue on the case where the required number of sub-district representatives in a designated area is less than the existing number of sub-districts in that designated area.

6. Approve the appointment of two competent officials to execute the duty according to the Act and authorize the competent officials to enter and inspect the business facilities of Nong Saeng Power Plant and Nakhon Nueang Ket Power Plant. In this regard, the duty execution must strictly comply with the ERC Proclamation on Criteria of Performance of Competent Officials in accordance with the Energy Industry Act, as amended dated 30 July 2009.

7. Assign the OERC to revise the ERC Order on Appointment of Competent Officials by making it as an overarching order. In this connection, the OERC shall consider the number of required officials, as necessary, for submission to the ERC for consideration and appointment. When any competent officials are to be assigned to carry out any mission, the Secretary General of the OERC shall present them to the ERC for approval on a case by case basis. In the order appointing competent

officials, additional principle of the order shall be added that the appointed staff members must have the duty according to the OERC organizational structure. Moreover, one more article shall be added to the order, i.e. the competent officials shall perform the duty pursuant to the ERC proclamation on criteria of performance of competent officials in accordance with the Act. Also, the draft code of practice on competent officials' identification cards (ID cards) shall be prepared, stipulating that the Human Resources Management Division, Administrative Department of the OERC shall be in charge of the keeping of competent officials' ID cards. Besides, the OERC shall arrange a training course for competent officials on relevant legislation and regulations, as well as performance practice in their capacity as competent officials, so that they would be able to exercise their legal authority correctly and appropriately.

8. Acknowledge EGAT's summary report on Power Generation in January 2012 and that on Power Generation Plan in March 2012. The OERC shall promptly publicize the information via the OERC website in order to create knowledge and understanding about the F.

ERC Meeting No. 9/2012 (166th) 14 March 2012

1. Approve the opinions to be presented to the Ministry of Energy on the relocation of power plants that are affected by flood, as follows:

1.1 The location for power plant construction should not be in a flood-prone area or a water catchment area (flood storage basin) or a drainage area because, if a power plant is flooded and has to halt the operation, the power system security will decrease, causing nationwide impact and affecting the investment plan of foreign investors who are interested to make investment in Thailand because power supply is a factor of their investment consideration.

1.2 According to the regulation on power purchase from Independent Power Producers (IPPs), the location for power plant construction is the information that is material to the power system and fuel system. Therefore, in the PPA, the change of location for power plant construction will be prohibited, except for the case where there is an incident that prevents the construction and the incident is considered as force majeure, and hence the power producer has the rights to request relocation of the construction site. As a result, the situation of flooded construction site can be considered as force majeure according to the PPA.

1.3 According to the PPA, even though the PPA is signed, it will not be effective until the conditions precedent (CPs) are fulfilled. This type of agreement will indicate that the construction site cannot be relocated and the rights of the power producer with regard to construction site relocation will be restricted. Such prohibition must be abided by under a normal situation; however, in the case where the location for power plant construction is risk-prone and flooded, as in the case of the recent flood crisis which is an abnormal situation and can be considered force majeure, such prohibition which restricts the rights should not be applied as it will be unfair to the power producers.

1.4 It is deemed fit to grant permission for power producers who have proposed power plant construction and then affected by the flood crisis to change the power plant construction sites. However, the process of power plant construction at new

locations will take a longer time, such as land acquisition, EIA preparation, connection to a transmission line and source of fuel, etc. Therefore, in granting the permission, the PDP plan and the public sector investment shall be taken into consideration as well.

2. Approve the issuance of energy industry operation licenses and other issues related to the licensing, as follows:

2.1 Approve the issuance of one electricity generation license, with a total installed capacity of 12 MW, and two licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 17,500 kVA.

2.2 Instruct the OERC to inform, in writing, the DIW about the ERC consideration that the issuance of Ror Ngor. 4: Factory Category No. 88 licenses by the DIW may contradict the objective under Section 48 of the Act. If the DIW has a dissenting opinion on this matter, the OERC shall consult, in writing, the Council of State for their views, and the OERC shall speed up the appointment of a sub-committee according to Section 48 of the Act, of which the components shall comprise representatives from the DIW, Ministry of Interior, and other relevant organizations.

3. Approve the appointment of CDC, as follows:

3.1 PDF: Wang Noi Power Plant, Phra Nakhon Sri Ayutthaya Province

3.2 PDF: Rojana Power Co., Ltd.

3.3 PDF: A. T. Biopower Co., Ltd.

3.4 PDF: Dan Chang Bio-Energy Co., Ltd.

4. Approve the appointment of Mr. Metha Yadee as Member of the RECC of Region 3 to fill the vacant position and approve the order on appointment of an RECC member, Region 3, to fill the vacant position, effective as from the date of ERC's approval.

5. Give consent to the OERC's undertaking of recruitment of RECC members of Region 13 (Bangkok) to fill two vacant positions, i.e. to replace (1) Thidarat Loykate and (2) Piyapan Udomsilp, by (1) referring to the reserve list prepared by the OERC on 7 June 2010; and (2) establishing criteria and methodology for drawing lots from the Bangkok reserve list so that the procedures for drawing lots could be further determined.

6. Approve that PTT announce the demarcation of exploration areas for the natural gas network systems, as follows:

6.1 On-shore natural gas transmission pipeline project, from Thailand – Union of Myanmar border to West Block Valve No. 1 in Pilok sub-district, Thong Pha Phum district in Kanchanaburi province, with a distance of about 1 kilometer. In this regard, PTT shall also comply with the law enforced by the Royal Forest Department, and PTT shall prepare an announcement on demarcation of the natural gas network system exploration area, which shall be effective for two years as from the announcement date. The operation shall comply with the provision under Section 105 of the Act and the criteria according to the ERC Proclamation on Criteria of Exploring or Locating a Site for Energy Network System B.E. 2553 (2010).

6.2 Natural gas transmission line project connecting Navanakorn – Rangsit natural gas transmission pipeline system with on-shore Nakhon Sawan natural gas transmission pipeline system in Bang Pa-in district, Phra Nakhon Sri Ayutthaya province, with a distance of 10 kilometers. PTT shall prepare an announcement on demarcation of the natural gas network system exploration area, which shall be effective for two years as from the announcement date. The operation shall comply with the provision under Section 105 of the Act and the criteria according to the ERC Proclamation on Criteria of Exploring or

Locating a Site for Energy Network System B.E. 2553 (2010).

7. Approve that EGAT's staff members be appointed as competent officials according to Section 122(5) of the Act, vested with the authority and duty to enter land or property of other persons and carry out the acts as stipulated under Sections 107, 109, 113, 114 and 116. The appointment shall be effective for 12 months as from the date the appointment order is signed. Details are as follows: (1) for the 115-kV Tha Wung - Lopburi 1 transmission line and the 115-kV Tha Tako - Chaibadan transmission line, to appoint three competent officials; (2) for the 230-kV Ratchaburi 3 - Samut Sakhon 4 transmission line and the 230-kV Samut Sakhon 4 - (Samut Sakhon 1) - Samut Sakhon 3 - Sampran 1 transmission line, to appoint three competent officials; and (3) for the 230-kV Mae Moh 4 - Lampoon 2 transmission line and the 115-kV Mae Moh 3 - Lampang 1 transmission line, to appoint three competent officials.

Furthermore, the ERC passes an additional resolution that the OERC shall consider revising the ERC Regulation on Code of Conduct of the Commission Members and Competent Officials, B.E. 2553 (2010) on the point that competent officials shall thoroughly provide information in accordance with the facts without any distortion or concealment, for submission to the ERC for further consideration.

8. Acknowledge EGAT's Power Generation and Fuel Consumption Plan for 2012 - 2013, and assign the OERC to prepare a report on the analysis of the Power Generation and Fuel Consumption Plan as follows: (1) analysis of the generation plan and estimated fuel consumption on the part of SPPs in order to provide a complete overview of fuel consumption for power generation; (2) analysis of the Ft trend which will increase according to the Power Generation and Fuel Consumption Plan for 2012 - 2013 of EGAT; and (3) analysis of information obtained from EGAT in all aspects, i.e. security, impact on price, administration and risks, including the ratio of each type of fuel consumption, and recommend the approach for preparedness and to resolve problems which may arise. The report on the analysis result shall be completed and presented to the ERC within one month.

9. Acknowledge the development of the demonstration objecting against Nakhon Nueang Ket Power Plant construction from Sunday, 11 March 2012, to Monday, 12 March 2012. About 350 protesters had blocked the inbound Suwinthawong Road to Bangkok and the Governor of Chachoengsao province introduced a legal measure by advising the transportation operators who were affected by the road blockade to file a petition with Chachoengsao Provincial Court. Subsequently, the Court gave a court decree to the protesters' leaders, who become defendants of the case according to proclamation of the executing officer of Chachoengsao, and others to temporarily unblock all traffic lanes throughout the Highway No. 304 in Chachoengsao area, so that public buses, all types of vehicles and people could travel by this road until the case is finalized or until the Court gives a decree otherwise. After the executing officer of Chachoengsao Legal Execution Office had posted the court decree, Chachoengsao provincial police notified the protesters to remove tents and other barricades from the traffic lanes within 15 minutes; otherwise, they would be fined or jailed. The protesters, therefore, removed tents and other barricades from the Highway No. 304, so the traffic was back to normal. However, the protesters still gathered along Suwinthawong road and declared that the protest would continue. In response to

this matter, the ERC orders the OERC to disseminate information about the procedures of license issuance for Nakhon Nueang Ket Power Plant, via the OERC website, in order to explain and create understanding that the plant operator has complied with relevant laws, proclamations and regulations. Moreover, the OERC shall develop the work process with regard to emergency reporting procedures and report the road blockade demonstration to the Prime Minister and the Minister of Energy for acknowledgement.

10. Acknowledge the report on financial statements for Quarter 1 of Fiscal Year 2012, as ended 31 December 2011, and instruct the OERC to prepare a report on the progress of budget disbursement, separated by project, and submit it to the Sub-committee on Policy and Strategies for consideration before submitting to the ERC.

ERC Meeting No. 10/2012 (167th) 21 March 2012

1. Approve the issuance of one license for regulated energy production (Por Kor 2), with a total generator rating of 9,682.4 kVA. The Sub-committee on the Screening of Energy Industry License Issuance under the Act is assigned to consider determining the order of consideration procedures for the issuance of each license type to be clear and suitable.

2. Approve the change of committee members from the government sector of the following Power Development Funds in designated areas in Samut Prakarn province:

- (1) PDF: Samut Prakarn Province 1
- (2) PDF: Samut Prakarn Province 2
- (3) PDF: South Bangkok Power Plant.

3. Approve the change of the name of PDF: Nakhon Ratchasima Province 1 to PDF: Khanom.

4. Acknowledge the provision of ERC opinions about the electricity industry investment plan and the energy network system expansion plan according to Section 11(5) of the Act, involving so far 10 projects, comprising: six projects for which the ERC has given support, i.e. (1) Project on Automatic Meter Reading (AMR) Development, Phase 2; (2) New Transmission System Interconnection Project between Su-ngai Kolok Substation of EGAT and Rantau Panjang Substation of Tenaga Nasional Berhad (TNB); (3) Hydropower Projects: Klong Tron Dam, Kiu Kho Ma Dam and Downstream of Chulabhorn Dam; (4) Main Transmission System Expansion Project for Power Purchase from SPP Cogeneration Power Plants, based on Request for Proposal 2010; (5) Transmission System Expansion and Renovation Project, Phase 1: Substation; and (6) Transmission System Expansion and Renovation Project, Phase 1: Transmission Line, and the other four projects which are to be presented to the ERC for consideration, i.e. (1) Project on Construction of Transmission System with Submarine Cables to Pha Ngan and Tao Islands in Surat Thani Province; (2) Project on North Bangkok Power Plant, Block 2; (3) Transmission System Development in the Area of Loei, Nong Bua Lamphu and Khon Kaen Provinces for the Power Purchase from Lao PDR Project; and (4) Transmission System Expansion and Renovation Project, Phase 2.

ERC Meeting No. 11/2012 (168th) 28 March 2012

1. Approve the development and revision of the following proclamation and work manual: (1) approve the revision made to the ERC Proclamation on Criteria for Money Allocation and

Consideration of Community Projects Supported by the Power Development Fund under Section 97(3) B.E. 2555 (2012) and the text in the remarks in the appendix to the ERC Proclamation on Administrative Cost for Power Development Fund Implementation in a Designated Area, B.E. 2555 (2012); and (2) acknowledge the amendment to the template in the Manual for Proposing Annual Work Plan and Implementation of Community Projects for the operation in 2012.

2. Instruct the OERC to take the following actions: (1) to present the issue on the counting of Adder provision period to the NEPC for consideration; and (2) to revise the Regulations for the Purchase of Power from Non-Firm SPPs B.E. 2550 (2007), so that the counting of Adder provision period is standardized.

3. Dismiss the complaint of Thep Sathit Wind Farm Co., Ltd., regarding its problem arising from compliance with the Regulations for the Purchase of Power from Non-Firm SPPs B.E. 2550 (2007) (as amended in 2009) and its request for the ERC to decide that the failure to sign the PPA within the specified timeframe was not due to the Company's fault, or was force majeure, or was caused by a situation beyond the Company's control and to order EGAT to return the electricity sale proposal security worth 18 million baht to the Company. This is because the complaint of the Company does not have any issue to be considered by the ERC because EGAT has already complied with the requirements set forth in the Power Purchase Regulations. If EGAT completes considering the return of the Company's security and the Company is not satisfied with the consideration outcome, the Company can file a petition with the ERC to make a decision to settle the matter.

4. Dismiss the complaint of Chaiyaphum Wind Farm Co., Ltd. because the PPA was not signed within the stipulated timeframe. Therefore, it is considered that the application and the proposal to sell electricity are cancelled according to the terms of the Regulations for the Purchase of Power from Non-Firm SPPs B.E. 2550 (2007) (as amended in 2009), Item E.5.

5. Give consent to the opinions of the Sub-committee Regulating Power Purchase from SPPs and VSPPs at its meeting on 12 March 2012, whereby EGAT, being the contract party, shall consider extending the SCOD of Khao Kor Wind Power Co., Ltd., according to the guidelines on screening power purchase from renewable energy projects, pursuant to the Managing Committee's resolution of 24 November 2011, and the guidelines on screening those with practical capability to carry out projects from SPPs and VSPPs that have signed PPAs, according to the ERC resolution of 4 March 2010, and shall comply with the terms set forth in the PPA, which include the announcement of Adder determination.

6. Disapprove of the proposal to adjust the biomass electricity tariff of Biomass Electricity Co., Ltd., and assign the OERC to use the Company's proposal as a case study for considering determining the principles of amendment to the relevant regulations on power purchase, for submission to the ERC for further consideration. In this regard, the ERC views that the Company has complied with the terms specified in the 2007 Regulations for the Purchase of Power from SPPs exclusively for the generation from renewable energy (as amended in 2009) and with EGAT's Announcement on Determination of Adders for Renewable Energy SPPs dated 15 January 2010; this illustrates that the Company has acknowledged and agreed to the terms of electricity sale from the beginning.

7. Give consent to the opinions of the Sub-committee Regulating Power Purchase from SPPs and VSPPs at its meeting on 12 March 2012. That is, SPP 6 Co., Ltd., shall be informed that the ERC has considered the complaint of the Company at its meeting on 2 December 2011 whereby EGAT has been ordered to speed up the consideration of power purchase from SPPs and VSPPs and has passed a resolution that EGAT shall speed up the consideration of electricity sale proposals, based on the ERC's consideration criteria which take into account the readiness in four aspects, and also comply with the power purchase consideration method of the three Power Utilities, for submission to the Managing Committee for further consideration. Therefore, the Company can directly follow up the status of power purchase with EGAT.

8. Give consent to the opinions on the investment plan of the Power Utilities for the following projects, and order the OERC to proceed with the organization of a hearing process via the OERC website. If the opinions obtained do not have significant impact on the projects, the OERC shall present the opinions to the Minister of Energy according to Section 11(5):

8.1 EGAT's Transmission System Development in the Area of Loei, Nong Bua Lamphu, and Khon Kaen Provinces for the Power Purchase from Lao PDR Projects.

8.2 EGAT's Transmission System Expansion and Renovation Project, Phase 2. In this regard, when EGAT has obtained approval from the cabinet to implement the project and has already selected the routes or locations of the energy network systems, EGAT shall prepare a layout showing details of the direction and right-of-way for constructing the energy network systems, for submission to the ERC for consideration and approval according to Section 106 of the Act.

8.3 PEA's Project on Construction of Transmission System with Submarine Cables to Pha Ngan and Tao Islands in Surat Thani Province. In this regard, after approval is granted by the cabinet to implement the project, the PEA shall select the route or location of the energy network system and shall prepare a layout showing details of the direction and right-of-way for constructing the energy network system, for submission to the ERC for consideration and approval according to Section 106 of the Act. After the ERC approval is obtained and the PEA has a definite project investment capital, the PEA shall propose the tariff rates to be charged in areas on Pha Ngan and Tao islands in Surat Thani to the ERC, via the Sub-committee Regulating Energy Tariffs and Service Charges, for consideration and approval according to Section 67 of the Act. In addition, the OERC is ordered to contact the private electricity distributors on the islands to promptly apply for relevant licenses to energy industry operators according to the law.

9. Approve that the Sub-committee Regulating Energy Network System and Energy Network System Operator be authorized to consider and give opinions on the electricity industry investment plan, pursuant to Section 11(5) of the Act, in order to proceed with the hearing process and then report to the ERC for consideration.

10. Approve the issuance of energy industry operation licenses and other issues related to the licensing, as follows:

10.1 Approve the issuance of two Ror Ngor 4: Factory Category No. 88 licenses, with the engine power of 758.34 HP and 2,688.96 HP; two electricity generation licenses, with a total installed capacity of 701 MW; and one Por Kor 2 license, with a total generator rating of 825,100 kVA.

10.2 Instruct the OERC to revise the explanation for the decision to issue an electricity generation license and a license for regulated energy production for the thermal power plant project of GHECO-One Co., Ltd. and publicize the explanation according to the established procedures.

10.3 Give consent to the PEA to pay the annual fee for energy industry operation for the year 2012, including VAT, totaling 124,167,771.15 baht, in four installments.

10.4 Authorize EGCO to be a shareholder of G-Power Source Co., Ltd., holding 60 percent of shares.

10.5 Assign the OERC to revise ERC regulations or proclamations related to the merger of energy industry operation by revising the definition of “merger” under the ERC Regulation on Establishment of Criteria to Prevent Merger, Competition Lessening or Restriction in Energy Service B.E. 2522 (2009) to be in line with international standards. Moreover, there should be determination of definitions, criteria, procedures and conditions in the merger of energy industry operation that differ for each different case, for submission to the ERC for further consideration.

11. Acknowledge the change of representatives from the government sector in the CDC in Rayong province, as follows: (1) PDF: Rayong Province 1 -- to change from “Deputy Governor of Rayong Province (administration and security)” to “Deputy Governor of Rayong Province (economic and society)”; and (2) PDF: Rayong Province 2 -- to change from “Deputy Governor of Rayong Province (economic and society)” to “Deputy Governor of Rayong Province (administration and security).” Moreover, consent is given to the appointment of Deputy Governor of Rayong Province (economic and society) as Chairman of the CDC of PDF: Rayong Province 1, and the appointment of Deputy Governor of Rayong Province (administration and security) as Chairman of the CDC of PDF: Rayong Province 2.

12. Approve the CDC appointment, as follows:

12.1 PDF: Saraburi Province 2; and

12.2 PDF: Eastern Power and Electric Co., Ltd.

13. Acknowledge PTT’s planned production shutdown of its natural gas fields. In this regard, PTT and EGAT shall jointly manage the natural gas supply in order to minimize the impact and constantly report the operational result to the ERC for acknowledgement. In addition, PTT shall explore the approach to appropriately diversify fuel types and prepare a long-term plan to control the quality of gas to be presented to the ERC for further consideration.

14. Acknowledge the collection of annual fees for energy industry operation for the year 2012, comprising 154.89 million baht from EGAT, 51.28 million baht from the MEA, 116.04 million baht from the PEA, and 176.05 million baht from the PTT, totaling 498.26 million baht.

ERC Meeting No. 12/2012 (169th) 4 April 2012

1. Give consent to the provision of opinions on EGAT’s investment plan for the Project on North Bangkok Power Plant, Block 2, with a generation capacity of 900 MW to be presented to the consideration of the Minister of Energy according to Section 11(5) of the Act.

2. Approve the addition of the component to the Sub-committee on Policy and Strategies by appointing Mr. Supichai Tangjaitrong (Advisor to ERC Chairman) as member of the Sub-committee.

3. Agree that the MEA shall consider determining power purchase conditions, by requiring the installation of a power meter that can show the amount of actually generated electricity for the amount of proposed electricity sale with the Adder rate of 8 baht per unit and that with the Adder rate of 6.50 baht per unit. In addition, the total amount of proposed electricity sale, according to the PPA terms, shall also be illustrated.

4. Decline the proposal to expand of amount of power purchase from Cogeneration SPPs with firm contracts to be more than the maximum capacity indicated in the PPA and the proposal to adjust the natural gas price of Siam Power Generation Plc.

5. Approve the draft ERC Proclamation on Criteria, Procedures and Conditions for the Suspension and Cancellation of Energy Industry Operation License B.E.

6. Approve, in principle, the use of an ERC resolution to instruct licensees to prepare and send information about energy industry operation, as stipulated by the ERC. In this connection, the OERC shall always inform the licensees of the criteria and procedures for sending in the information.

7. Approve the issuance of six electricity generation licenses, with a total installed capacity of 41.64 MW; eight licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 52,450 kVA; one electricity distribution system license; and one electricity retail license.

8. Approve the determination of designated area, the management category of the Power Development Fund in the designated area, and the number of CDC of PDF: Gulf JP NNK Co., Ltd.

9. Approve the CDC appointment of the following:

9.1 PDF: Sakaew Province 1.

9.2 PDF: North Bangkok Combined Cycle Power Plant.

10. Dismiss the appeal of Second Lieutenant Sawek Sirilapananon and 121 others, claiming that they have been affected by the power plant operation and that the issuance of ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010) is illegal, because the appeal was submitted after the timeframe stipulated under Section 121 of the Act. The OERC is instructed to inform the appellants of the reason for the appeal dismissal.

11. Approve the deliberation on appeals on the announcement on demarcation of the natural gas network system area under the 4th natural gas transmission pipeline project of PTT, as follows:

11.1 To strike six appeals out of the case-list because the appellants no longer wish to request change to the right-of-way of the energy network system and have signed the fact-finding records, causing the appeal consideration to terminate.

11.2 To dismiss the appeal of one appellant on the announcement on demarcation of the natural gas network system because the appeal was lodged after the timeframe stipulated by law. However, in order to lessen the difficulties of the appellant, PTT agrees to minimize the impact by using engineering methods and will liaise with the appellant about the implementation procedures of the natural gas transmission pipeline construction.

11.3 To affirm the right-of-way of the natural gas network system as announced, involving two appellants, because in terms of engineering, it cannot be changed; moreover, owners

of the land that will be affected from the change to the right-of-way of the network system do not give consent to the change.

11.4 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because PTT cannot change the right-of-way of the network to be outside the land of the appellant to the east as it will go across the right-of-way of an electricity network system, which EGAT does not give permission because EGAT has a project to renovate the electricity network system. As for the change of the right-of-way of the network to the west, this cannot be done either because it will pass through community or residential areas.

11.5 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the appellant no longer wishes to request change of the right-of-way of the network and has signed the fact-finding records dated 23 November 2011. In addition, PTT is instructed to send a written notice to the appellant to guarantee the safety and liability for damage that may occur from the natural gas pipeline construction.

12. Approve the land price determination to be used for calculating compensation related to EGAT's 115-kV Tha Wung – Lopburi 1 transmission line area, as follows:

12.1 For land of local people, to use land prices in Tha Wung district and Mueang Lopburi district in Lopburi province as the benchmark for calculating land compensation for the owners or occupiers or other right holders, for land covered by the expansion section of the transmission line and for land used for pole location. Each price unit shall be doubled from the cost estimate for the purpose of fee collection for registration of right and legal act concerning immovable property, announced for use during 2008 – 2011.

12.2 For government land, to use the cost estimate for the purpose of fee collection for registration of right and legal act of the Treasury Department in the year that EGAT requested for permission to utilize the state property land as the benchmark for calculating the amount of compensation which shall be paid at a rate of 90%.

12.3 For land under ALRO, to use the price at 20% of the cost estimate for the purpose of fee collection for registration of right and legal act during 2008 – 2011 to calculate land compensation payment to ALRO at a rate of 90%.

13. Approve the determination of compensation prices for trees affected by EGAT's 115-kV Tha Wung – Lopburi 1 transmission line, as follows:

13.1 To use the prices of economic plants, general plants, seasonal plants and paddy according to EGAT's tree/plant compensation price list of 2011 as the basis for calculating compensation for trees/plants, except for cultivated banana, Pisang Mas banana, Gros Michel banana and rice.

13.2 To use the prices of cultivated banana, Pisang Mas banana, Gros Michel banana and rice as per the information of tree/plant prices according to the resolution of the Committee on Land and Property Price for Lopburi Province's meeting on 5 October 2011.

13.3 For trees/plants that are not on EGAT's tree/plant compensation price lists, coordination shall be made with local District Agricultural Extension Officers to compare types of trees/plants with those on EGAT's tree/plant compensation price lists of 2011 to determine the amount of compensation for tree owners.

14. Approve the determination of land and property prices to be used for calculating compensation related to

EGAT's 115-kV Tha Wung – Lopburi 1 transmission line area, i.e. to use the prices according to EGAT's standard price list for compensation for buildings, tenements or structures, announced in 2011, as to the benchmark for calculating the cost of building/structure demolition and removal. With regard to the matter of financial assistance payment for humanitarian reasons to people who occupy and utilize any type of state land, as the matter is beyond the ERC's jurisdiction because the compensation for such a case is not under the Act, EGAT shall consider taking further appropriate action based on the resolution of the Committee on Land and Property Price for Lopburi Province's meeting on 5 October 2011.

15. Approve the determination of land and property prices to be used for calculating compensation related to PTT's natural gas network system area under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) in Nakhon Nayok, according to the resolution of the Committee on Land and Property Price for Nakhon Nayok Province's meeting, as follows:

15.1 Approve land prices used for calculating compensation for the owners or occupiers or other right holders of land covered by the above-mentioned natural gas network system area.

15.2 Approve the cost of demolishment and removal of buildings, tenements or other structures on the land to be used for calculating compensation for the owners or occupiers or other right holders that are affected by the natural gas network system area.

15.3 Approve the compensation prices for trees and agricultural products for calculating compensation for the owners or occupiers or other right holders that are affected by the natural gas network system area.

15.4 Instruct PTT to coordinate with relevant government agencies and property owners in order to jointly conduct the inspection and determine the compensation for other property damage when starting the project construction, only for the damage actually occurred.

15.5 Instruct PTT to coordinate with property owners in order to negotiate and settle the financial assistance payment to compensate the demolishment and removal of property on the land, trees and agricultural products in the highway land areas, as deemed appropriate, at the ceiling not more than the amount specified in the criteria for submission to the ERC for determining each type of compensation.

16. Approve the outcome of consideration of appeals on compensation related to EGAT's 230-kV transmission network system at the cross-section of the 230-kV Phitsanulok 2 – Nakhon Sawan transmission line, 2nd circuit, to Phichit Substation, as follows:

16.1 To increase the land compensation price for nine appellants in order to be in line with the market price currently used and with the purchasing price of land in a land consolidation area.

16.2 To affirm the land compensation price for two appellants because no price of land in the nearby areas is found to be higher than the determined price; therefore, it is deemed a fair and reasonable price.

16.3 To increase the compensation prices for the following 14 items of trees: good-variety mango trees of bearing age, large neem trees, coconut trees of bearing age, Marian plum trees of bearing age, lemon trees of bearing age, large eucalyptus trees higher than 4 meters, large Siamese rough bush trees, large bamboo higher than 3 meters, good-variety of

pomelo trees of bearing age, large teak trees, small teak trees, good-variety jackfruit trees of bearing age, sweet Marian plum trees of bearing age and good-variety santol trees of bearing age, by adjusting the compensation prices to be equal to those on EGAT's tree/crop compensation price list of 2011.

16.4 To affirm the compensation prices for the following five items of trees: large climbing wattle trees, good-variety longan trees of bearing age, Indian trumpet trees not of bearing age, good-variety pomelo not of bearing age, and large spiny bamboo because none of the government price lists of tree compensation gives higher compensation prices than those determined for payment to the appellant; therefore, the prices are considered fair and reasonable.

16.5 To change the item of good-variety rose apple trees to good-variety rose apple trees of bearing age because good-variety rose apple trees that used to be without fruit can all bear fruits now. Therefore, the compensation shall be determined for good-variety rose apple trees of bearing age and the compensation price shall be adjusted to the same rate as that on EGAT's tree compensation price list of 2011.

16.6 To dismiss the appeal on tree compensation price because the appellant, as the subsequent transferee of the right to receive compensation, does not have the right to appeal on the tree compensation price; moreover, the appeal was lodged after the specified period of 30 days, according to the ERC regulation.

16.7 To assign EGAT to consider paying financial support for the remaining portion of land outside the transmission network system, according to EGAT's regulations.

16.8 To affirm the compensation prices for wells and water pipeline systems in the orchards because the prices are considered fair and reasonable.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of receipt of the OERC's written notice of the deliberation outcome on appeals on compensation; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

17. Acknowledge the report on the evaluation of the OERC's budget and property utilization for the years ended 30 September 2009 and 30 September 2010.

ERC Meeting No. 13/2012 (170th) 25 April 2012

1. Approve that a sub-committee under Section 24 of the Act be appointed, i.e. to appoint the Sub-committee on Power Procurement, comprising 11 members, with the following authority and duties: to study and formulate the regulation and criteria for power procurement; to prepare a request for proposals for power purchase, including regulating the procedures of new rounds of power purchase from IPPs during the period 2021 – 2030 to be in compliance with the government policy and the PDP as well as to be fair to every party; to evaluate and select IPP proposals and arrange PPA negotiation between EGAT and the applicants, and present the results of negotiation and selection to the ERC; and to regulate EGAT to carry out PPA signing and present the results of the consideration and implementation to the ERC for consideration.

2. Approve the addition to the components of the Sub-

committee Screening the Issuance of Energy Industry Licenses under the Act, i.e. to appoint ERC Commissioner (Mr. Pisit Soontararat) as Member of the Sub-committee.

3. Approve the issuance of energy industry operation licenses and other matters related to the licensing, as follows:

3.1 Approve the issuance of six electricity generation licenses, with a total installed capacity of 15.84 MW; ten licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 49,086 kVA; and one Por Kor 2 license (renewal), with a total generator rating of 1,931,000 kVA.

3.2 Approve, in principle, that Natural Palm Group Co., Ltd., can have its electricity generation license terminated. In this connection, the OERC shall inform the Company that the ERC deems it appropriate to terminate the Company's electricity generation license instead of suspension or halt of power service provision, as requested by the Company.

3.3 Give consent to Bio-mass Power Co., Ltd., to change the material information in operating in the electricity generation business, by allowing the Company to expand the installed capacity from 6 MW to 9.50 MW, and approve the issuance of Por Kor 2 license (generating capacity expansion), with a total generator rating of 4,375 kVA.

3.4 Approve the change of the name of an electricity generation licensee, from CPF Food Products Co., Ltd. (Food Processing Plant, Minburi 2) to CPF (Thailand) Plc.

4. Approve the report on the calculation of F_t adjustment factors for the round of October 2011 – January 2012 to be used for F_t calculation for the round of May – August 2012 in accordance with the opinions of the Sub-committee Regulating Energy Tariffs and Service Charges at its meeting on 23 April 2012. In this regard, EGAT shall temporarily absorb the burden of the AF value in the F_t for the round of May – August 2012 which is 19.05 satang per unit, accounting for a total sum of about 10,224.15 million baht, and to take the following into account in order to deduct the F_t to be charged in May – August 2012: the remaining money earmarked for the purchase of fuel oil and diesel during the shutdown of Yetagun natural gas field from 8 to 18 April 2012, accounting for 1,418.92 million baht, and the claw-back due to lower investment than planned of the three Power Utilities during 2008 – 2010, accounting for 3,087.85 million baht, divided into: 1,421.80 million baht from EGAT (about 355.45 million baht per month), 866.29 million baht from the MEA (about 216.57 million baht per month) and 799.76 million baht from the PEA (about 199.94 million baht per month).

5. Approve the calculation results of the F_t to be charged in the round of May – August 2012, as follows: (1) the Retail F_t for charging to power consumers in the billing of May – August 2012 at 30.00 satang per unit (excluding VAT); (2) the Wholesale F_t for charging to the MEA and the PEA in May – August 2012 at 33.15 satang per unit and 26.23 satang per unit respectively. The OERC is assigned to arrange a hearing according to Section 67 of the Act, via the OERC website, and present the hearing result to the ERC for further consideration. Moreover, the OERC is assigned to discuss with the three Power Utilities so that the explanation and details of F_t would be practically illustrated in the electricity bills.

6. Acknowledge the calculation result regarding the subsidy burden due to the free electricity measure for residential power consumers with installation of a 5(15)-ampere power

meter and electricity use not more than 50 units per month, as presented by the Distribution Utilities, i.e. on the MEA, the burden is 0.0028 baht per unit and on the PEA, it is 0.0409 baht per unit.

7. Approve the electricity tariff under the free electricity measure for residential power consumers with installation of a 5(15)-ampere power meter and electricity use not more than 50 units per month, as follows: (1) approve the result of calculation of total subsidy per unit, pursuant to the aforesaid measure, at 0.0265 baht per unit; (2) approve the new rate of energy charge calculated according to the criteria for calculating impact of the free electricity measure on the Medium General Services, Large General Services, Specific Business Services, Non-profit Organization and Temporary Power Customers. The OERC is instructed to proceed with a hearing according to Section 67 of the Act, via the OERC website.

8. Approve land and property price determination to be used for calculating compensation with regard to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT in areas in Saraburi province, as follows:

8.1 Approve the application of the ERC Proclamation on Criteria, Procedures and Conditions of Determination and Payment of Compensation (No. 2) B.E. 2553 (2010), Article 5, to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) in Saraburi province areas.

8.2 Approve the use of the tree/crop compensation price list and the standard compensation price list for buildings and structures announced in 2011 of EGAT as the benchmark for determining and not determining compensation for flowering trees and ornamental trees (transplanted trees for sale). In this regard, PTT shall directly discuss with the property owners regarding provision of assistance with the removal cost.

9. Acknowledge the report on the financial statements for Fiscal Year 2012, Quarter 1, ended 31 December 2011.

ERC Meeting No. 14/2012 (171st) 2 May 2012

1. Approve the issuance of energy industry operation licenses and other matters related to the licensing, as follows:

1.1 Approve the issuance of two licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 12,750.00 kVA, and two electricity generation licenses, with a total installed capacity of 18.90 MW.

1.2 Give consent to Dan Chang Bio-Energy Co., Ltd., to change material information of its electricity generation business, i.e. to expand the installed capacity from 52.94 MW to 96.87 MW.

1.3 Assign the OERC to study guidelines on regulating operators who have exemption from the requirement to apply for an energy industry license, together with guidelines on remitting profits from their business operation to localities in the same manner as energy industry licensees, and to produce guidelines on consideration of new license issuance versus existing license usage for a case where a request for change of the generating capacity is submitted, taking into account the comparison of license tenure and license issuance fee, for submission to the ERC for further consideration.

2. Approve the draft ERC Proclamation on Criteria of

Making Notification Sign and Notification of Right in the Energy Network System Area (No. 2) B.E.

3. Approve the outcome of consideration on appeals related to the announcement on demarcation of the transmission system area for construction of the 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line of EGAT, as follows:

3.1 To strike five appeal cases out of the case-list because the fact-finding result has revealed that the land and property of the appellants are not affected by the transmission line area.

3.2 To strike six appeal cases out of the case-list because the appellants have expressed their intention not to pursue any change of the right-of-way of the transmission network system and have signed the fact-finding records, causing the appeal consideration to terminate.

3.3 To affirm the right-of-way of the transmission network system as announced, involving four appellants, because the appellants cannot obtain written consent from the owners of the land that would be affected by the change of the transmission network system right-of-way.

4. Approve the outcome of consideration on the appeal of one appellant related to the announcement on demarcation of the transmission system area for construction of the 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line and the announcement on demarcation of the 230-kV transmission line area, at the cross-section of the 230-kV Lam Takhong – Nakhon Ratchasima 2 transmission system to Sikhiew 2 Substation, of EGAT, by affirming the right-of-way of the transmission network system as announced because the appellant cannot obtain written consent from the owners of the land that would be affected by the change of the transmission network system right-of-way.

5. Approve the outcome of consideration on appeals related to the announcement on demarcation of the 500-kV Border (in Nan Province) – Nan 2 transmission line of EGAT as follows:

5.1 To strike one appeal out of the case-list because the appellant has expressed his intention not to pursue any change to the right-of-way of the transmission network system and has signed the fact-finding records, causing the appeal consideration to terminate.

5.2 To have EGAT consider providing assistance to the appellant according to EGAT's regulation and criteria on the establishment of Environmental and Health Rehabilitation Fund in the area that may be affected and damaged after EGAT's project is completed.

6. Acknowledge the evaluation result of the quality of electricity service provision and the survey on power consumers' satisfaction towards the services provided by the Power Utilities in 2010, according to which the average satisfaction score of EGAT is 80 percent while that of the MEA and the PEA is 71.97 percent and 67.70 percent respectively.

7. Acknowledge the resignation of Miss Chutamas Jetiyawan from being CDC Member of PDF: Ratchaburi Province 1. It is agreed that the date of discharge from office shall be 2 May 2012 which is the date that the ERC acknowledges the resignation letter. In this regard, the OERC is assigned to set a principle for considering the date of discharge from office of a CDC member who requests resignation so that the practice in this regard would be standardized, for submission to the ERC for consideration.

1. Give consent to the following OERC's opinions on EGAT's proposal to raise fund through the Infrastructure Fund: (1) this fund raising method has higher financial cost than that by issuing bonds or debt instruments; (2) fund raising through the Infrastructure Fund will result in EGAT's high financial cost which, in some cases, is higher than the ROIC stipulated by the ERC; (3) the impact of this method of fund raising on EGAT's financial status shall not be borne by power consumers through the increase in tariffs; (4) the AP and EP of EGAT's power plants should be at a competitive level and comparable to the tariff of IPPs with similar generating capacity, technology and age of power plants, and the rate of return must be in line with the ROIC of EGAT too; and (5) as for the pattern and method of fund raising whereby EGAT will share its revenue with the Fund by calculating from the revenue specified in the PPA, deducted by the estimate of relevant expenses, there shall be a formula for calculating the share of revenue between EGAT and the Fund that is appropriate, cost reflective and fair to power consumers.

2. Approve the issuance of one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 8,042.44 HP.

3. Acknowledge the resolution of the Sub-committee on the Screening of Energy Industry License Issuance under the Act at its meeting on 3 May 2012, which states that the change to the project layout of Gulf JP NS Co., Ltd. (on the power plant area in Saraburi province) is not the change in material information that may affect the capacity, standard, safety and the environment. The OERC, with consent of the ERC, shall acknowledge and register the revision to the layout of Nong Saeng Power Project (on the power plant area in Saraburi province) of the Company and notify the Company of the consideration result.

4. Acknowledge the hearing result on the F_t adjustment for the billing round of May – August 2012 and approve the determination of Retail F_t for charging to power consumers in the billing of May – August 2012 as follows: (1) the F_t to be charged in May 2012 is 0.00 satang per unit (VAT not included); and (2) the F_t to be charged during June 2012 – August 2012 is 30 satang per unit (VAT not included). In this regard, EGAT shall temporarily bear the F_t burden in May 2012 at the amount of about 4,131 million baht on behalf of power consumers. In addition, approval is given to the determination of Wholesale F_t for charging to the MEA and the PEA in May – August 2012, as follows: (1) the Wholesale F_t for charging to the MEA and the PEA in May 2012 is 4.92 and -1.04 satang per unit respectively; and (2) the Wholesale F_t for charging to the MEA and the PEA in June – August 2012 is 32.96 and 25.95 satang per unit respectively.

5. Acknowledge the hearing result on the electricity tariff under the free electricity measure for residential power consumers with consumption not exceeding 50 units per month, according to the cabinet resolution of 27 December 2011, and approve the electricity tariff thereof, which shall be effective as from the billing for the month of June 2012 onwards. In this connection, the Distribution Utilities shall take action according to Section 70 of the Act, regarding the public announcement of the tariff, via the OERC website, electricity bills, attachment to electricity bills, or announcement in newspapers.

6. Approve the result of consideration of appeal on compensation, lodged by one appellant, related to EGAT's 115-kV Rayong 3 – Rayong 1 transmission line, i.e. to increase compensation for the land used for pole location in order to comply with the ERC Proclamation on Criteria, Procedures and Conditions of Determination and Payment of Compensation, B.E. 2552 (2009) and to decline compensation payment for the land covered by the transmission line area because EGAT has paid the compensation for that piece of land to the former land owner. In this regard, EGAT shall pay the additional compensation to the appellant within 45 days as from the date of EGAT's receipt of the OERC's written notice of the appeal deliberation result; otherwise, EGAT must pay interest to the appellant at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

In addition, the OERC is assigned to study legal conditions and other relevant issues with regard to the increase of compensation for the appellants who request compensation at a lower amount than that set as a precedent by the ERC and present to the ERC for consideration and establishment as guidelines for future appeal consideration.

7. Approve the result of consideration of appeals on compensation related to the 500-kV Nampong 2 – Udon Thani 3 transmission line as follows:

7.1 To increase land compensation for one appellant because the ERC used to increase compensation for land in Serpler sub-district, Kumpawapi district, which is the land in the same area with similar characteristics of location and utilization. Therefore, the precedent ERC's guidelines on increasing the compensation is applied to this case.

7.2 To increase compensation prices for 20 items of trees to be equal to those on EGAT's price list of tree/crop compensation of 2011.

7.3 To affirm compensation prices for 19 items of trees because none of the government lists of compensation for trees gives higher compensation prices than those determined for payment to the appellants, so the prices are considered fair and reasonable, and to determine the compensation for 126 clumps of lemongrass at 72 baht per clump.

7.4 To dismiss consideration of compensation for 70 small eucalyptus trees grown after the announcement on demarcation of the transmission line area.

7.5 To affirm the compensation prices for structures of five appellants because none of the government lists of compensation for buildings/structures gives higher compensation prices than those determined for payment to the appellants, so the prices are considered fair and reasonable.

7.6 To dismiss consideration of the appeal issue on compensation for houses, cow sheds and straw barns located outside the transmission network system area.

7.7 To dismiss the appeal on compensation, lodged by six appellants, for the damage that will occur from tree cutting in the future as well as the request for the establishment of a health fund for people living along the transmission line right-of-way and the interest payment of 7.5 percent per annum because as the matters are beyond the ERC jurisdiction.

7.8 Agree that the exceeding amount of compensation payment for land shall not be deducted from the amount of tree or structure compensation for two appellants.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of EGAT's receipt of the OERC's written notice of the appeal deliberation result; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

8. Approve the result of consideration on appeal on compensation related to EGAT's 500-kV Nan 2 – Mae Moh 3 transmission line as follows:

8.1 To affirm the land compensation prices for five appellants because the determined compensation for payment to the appellants is based on the cost estimate of property, announced for use during 2008 – 2011, plus increased adjustment to be in line with the currently used market price, and in the case where the transmission network system covers any plot of land with two price units or more, the highest price unit has been used as the basis for calculating compensation payment for the whole plot. Moreover, none of the registered purchasing prices of the appellants' land or the land nearby is found to be higher than the compensation prices determined for payment to the appellants. Therefore, the prices are considered fair and reasonable.

8.2 To dismiss the consideration of payment for the portion of land located outside the transmission network system area of three appellants because the matter is beyond the ERC jurisdiction. However, EGAT is assigned to consider this request according to EGAT's regulations.

8.3 To affirm the compensation prices for teak and good-variety rubber trees because none of the government price lists of tree compensation gives higher prices than those determined for payment to the appellants, so the prices are considered fair and reasonable.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of EGAT's receipt of the OERC's written notice of the appeal deliberation result; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

9. Acknowledge the inspection and monitoring result of Nong Saeng Power Project construction in Saraburi province of Gulf JP NS Co., Ltd. (Company), the licensee. The OERC, together with the DIW, has examined the complaints from the communities around the power plant about the Company's operation and compliance with the preventive and corrective measures on environmental impact as stipulated in the EIA report. The Meeting also acknowledges the OERC's approach to notify the Company to improve the measures in order to solve the problems.

*ERC Meeting No. 16/2012 (173rd)
16 May 2012*

1. Approve, in principle, that a Sub-committee Regulating Power Plant Operation be appointed to regulate the operation of power plants in such aspects as investment capital, energy production cost, environmental measures, safety, etc., and the appointment shall be submitted to the ERC for further consideration.

2. Approve the issuance of one natural gas transportation through transmission pipeline system license; one electricity generation license, with a total installed capacity of 9.09 MW; and one license for regulated energy production (Por Kor 2), with a total generator rating of 11,515 kVA. In addition, the OERC is assigned to take action about energy industry operation licensing as follows:

2.1 To develop guidelines for considering the issuance of a new license versus the use of an existing license in the event that a request for change in the generating capacity is submitted.

2.2 To develop the concept and operational framework of the study on revision to Royal Decree on Determination of Categories, Capacities and Characteristics of Energy Industry Exempt from License Requirement B.E. 2552 (2009), and also the study on guidelines for regulating the operators who have been exempted.

2.3 To develop an action plan for regulating energy industry operation licensees.

3. Determine the approach to solve the problem on the delay in transferring money from the Power Development Fund to local Power Development Funds in designated areas to support community projects. In this regard, Community Development Committees (CDCs) and Tambon (Sub-district) Development Committees (TDCs) are instructed to gradually send in their Annual Work Plans and Project Plans to the ERC for approval, according to the procedures set forth. When the plans of individual projects are clear, their respective Annual Work Plans shall be revised, added or amended accordingly.

4. Appoint Miss Sirikarn Rangklang and Mrs. Suthida Gonjanart as Members of the RECC of Region 13 to fill the vacancies, effective as from 16 May 2012 onwards.

5. Approve that the OERC undertake the recruitment of RECC Members of Region 6 and Region 7 to fill the vacancies, as follows: (1) to use the reserve lists that the ERC has acknowledged at its meeting on 7 June 2010 for the recruitment, i.e. to use the reserve list of applicants for CDC recruitment who did not pass the lot drawing of Buriram province for recruitment of RECC Members of Region 6 and that of Prachinburi province for recruitment of RECC Members of Region 7; (2) the OERC shall establish the criteria and procedures for drawing lots from the reserve list of Prachinburi province; and (3) the OERC Regional Office 6 and the OERC Regional Office 7 are assigned to carry out the respective recruitment.

6. Acknowledge the comments and advice on the Power Development Fund operation, provided by the Standing Committee on Energy, the House of Representatives, and instruct the OERC to notify the CDC of PDF: Mae Moh Power Plant, Lampang Province of the issues of advice provided by the Standing Committee.

*ERC Meeting No. 17/2012 (174th)
23 May 2012*

1. Approve the issuance of two licenses for regulated energy production (Por Kor 2) (generating capacity expansion), with a total generator rating of 74,163.00 kVA; two electricity generation licenses, with a total installed capacity of 111.42 MW; and approve the issuance of an electricity generation license to Nakorn Phet Sugar Co., Ltd., only for the part that the Company can control the amount of particulate emission from a stack not

to exceed 120 mg per cubic meters (Block 2 Generator), with a total installed capacity of 5.00 MW. The OERC shall issue the license to the Company after having obtained financial documents of the Company which illustrate its financial security to operate the electricity generation business.

2. Approve the determination of land and property prices for calculating compensation related to the natural gas network system area for the Alpha Tech – Suwinthawong natural gas transmission pipeline project in Chachoengsao province of PTT, as follows: (1) to determine the land compensation prices for the land owners at a rate of 3.5 times of the cost estimate for the purpose of fee collection for registration of right and legal act, announced for use during 2008 – 2011, and if the calculated compensation of any unit is less than 3,000 baht per square wah [$= 4 \text{ m}^2$], the compensation price shall be determined at 3,500 baht per square wah; (2) to determine the cost of building/structure demolition and removal and the prices of trees and agricultural products according to the resolution of the Committee on Land and Property Price for Chachoengsao Province; and (3) PTT shall coordinate with relevant government agencies and property owners to jointly inspect and determine the compensation for other property damages when the construction process takes place, only for the damage actually occurred, according to the resolution of the Committee on Land and Property Price for Chachoengsao Province.

3. Direct the OERC to take the following actions:

3.1 To prepare and study regulatory guidelines with regard to the ASEAN Power Grid, for presentation to the Sub-Committee Regulating Energy Network Systems and Energy Network System Operator prior to submission to the ERC for further consideration.

3.2 To urgently consult the Office of the Council of State on the issue of the authority and duties of the ERC and the Ministry of Industry with regard to the issuance of Ror Ngor 4: Factory Category No. 88 licenses under Section 48 of the Act if no conclusion can be reached at the discussion with the Department of Industrial Works about this issue.

3.3 To present community projects under Power Development Fund to the Sub-Committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3) for consideration and expeditious decision. In considering such projects, the criteria stipulated in the ERC Proclamation on the Criteria for Money Allocation and Consideration of Community Projects Financed by the Power Development Fund under Section 97(3), B.E. 2555 (2012), shall be referred.

3.4 To collect the information and problems encountered related to power purchase from renewable energy power producers, including exploring the ways to solve the problems, for submission to the ERC for consideration and formulation of policy recommendations to be presented to the NEPC for further establishing policy on renewable energy.

4. Acknowledge the result of the DIW's consideration on licensing for power generation facility operation for PJT Technology Co., Ltd. (Waste Incinerator Projects 1 and 2).

ERC Meeting No. 18/2012 (175th) 30 May 2012

1. Approve the issuance of three electricity generation license, with a total installed capacity of 18.836 MW; one license for regulated energy production (Por Kor 2) (new application),

with a total generator rating of 8,800.00 kVA; one Por Kor 2 license (generating capacity expansion), with a total generator rating of 1,445.00 kVA; one Por Kor 2 license (renewal), with a total generator rating of 7,550.00 kVA; and allow the Electricity Generating Public Company Limited (EGCO) to be the sole shareholder of SPP 2 Co., Ltd. (100 percent). The OERC is instructed to notify the result of ERC consideration to SPP 2 Co., Ltd., and to inform the operator to comply with relevant laws. In addition, the OERC is to prepare a code of practice on consideration of licensing terms of each license type, and the code must not contradict the criteria framework of the laws on respective matters, and to prepare a diagram showing all process of license issuance, for submission to the ERC for consideration before generally publicized.

2. Approve the working plans and projects for Fiscal Year 2012 of seven Power Development Funds (PDF) in designated area as follows: (1) PDF: Ratchaburi Province 1; (2) PDF: Jana Power Plant, Songkla Province; (3) PDF: A T Biopower Co., Ltd.; (4) PDF: Mitr Kalasin Sugar Co., Ltd.; (5) PDF: Dan Chang Bio-Energy Co., Ltd., Suphanburi Province; (6) PDF: Tri Energy Co., Ltd.; and (7) PDF: Gulf Yala Green Co., Ltd. With regard to 19 projects under PDF: Ratchaburi Province 1, accounting for the total funds of 44,482,111 baht and five projects under PDF: Tri Energy Co., Ltd., accounting for 5,030,000 baht, approval is given, in principle, that the OERC present project details to the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3) for consideration and approval again. But, if there is any issue or the Sub-committee passes a decision otherwise, the OERC shall present the matter to the ERC for further consideration. In this regard, the OERC shall notify the CDCs of the opinions and observations of the Sub-committee for acknowledgement and for use as guidelines for their development of Annual Work Plans of Power Development Funds in designated areas to ensure compliance with the guidelines and purposes of the establishment of Power Development Fund.

3. Approve the appointment of the CDC of PDF: Sirikit Hydro Power Plant, Uttaradit Province.

4. Acknowledge the discharge from office of CDC Members of the following seven PDFs: (1) PDF: Khon Kaen Sugar Power Plant Co., Ltd.; (2) PDF: Nam Phong Power Plant, Khon Kaen Province; (3) PDF: Roi-et Province 1; (4) PDF: Mae Moh Power Plant, Lampang Province; (5) PDF: Mitr Phol Bio-Power Co., Ltd.; (6) PDF: Nakhon Sawan 1; and (7) PDF: Ratchaburi Province 1.

5. Approve the operational guidelines on the recruitment and appointment of the CDC of Power Development Funds in designated areas, as follows:

5.1 If a government sector representative is transferred to work in another area, dies, resigns or lacks qualifications, the OERC shall notify, in writing, the original affiliation for acknowledgement and request support by appointing a representative ex-officio and then present the nominated person to the ERC for consideration and appointment.

5.2 If a popular sector representative resigns or lacks qualifications, the OERC shall initially take action according to relevant ERC regulations, and the OERC shall explore the approach, which should be flexible in practice, to solve problems in the event that a member of Community Development Committee or a member of Tambon (Sub-district) Development Committee is discharged from office prior to the completion of the term, for submission to the ERC for approval.

5.3 For the practice guidelines for resignation from office, any CDC member who wishes to resign from office must submit a written notification to Chairman of the CDC at least 30 days in advance, and the reason for resignation and the date of desired resignation must be clearly stated therein.

5.4 As for the principle of considering the date of discharge from office of a CDC member who has submitted a resignation letter before the OERC's notification on the practice guidelines for resignation from office, as per Item 5.3, it is deemed appropriate to set the principle thereof that, in the case where the date of resignation is clearly stated in the resignation letter, that CDC member shall be discharged from office as from the date stated in the resignation letter; in the case where no specific date is stated in the resignation letter, the OERC shall present the matter to the ERC for acknowledgement and the CDC member shall be discharged from office as from the date that the ERC passes a resolution acknowledging his resignation.

6. Approve the amendment to the name list of representatives from the government sector in the CDC of PDF: Mae Moh Power Plant, Lampang Province, and appoint Deputy Governor of Lampang Province -- Security Affairs as First Vice Chairman, replacing Mae Moh District Headman, and appoint Mae Moh District Headman as member of the PDF: Mae Moh Power Plant, Lampang Province.

7. Approve the results of consideration of appeals on compensation related to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong - Kaeng Khoi) of PTT, as follows:

7.1 To affirm the land compensation prices for 10 appellants because none of the registered purchasing prices is found to be higher than the determined prices, so the prices are considered fair and reasonable.

7.2 To affirm the compensation price for cassava plants because it is the same as that paid in Rayong province. In addition, none of the government price lists of tree compensation gives higher compensation than the determined price, so the determined compensation price is deemed fair and reasonable.

7.3 To increase the compensation price for rice crops because the present compensation for rice crops on EGAT's compensation price list announced in 2011 is higher than the determined compensation price for payment to the appellants. Therefore, the compensation for rich crops should be increased. In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date of PTT's receipt of the OERC's written notice of the appeal deliberation result; otherwise, PTT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

8. Approve the revision to the ERC Regulation on the OERC's Human Resource Management B.E. 2551 (2008).

9. Instruct the OERC to take the following actions: (1) to study the suitability of the criteria determining the operating cost of electrification expansion at 50,000 baht per household; and (2) to review the standards of equipment and the standard energy service contract to be more suitable, for submission to the ERC for further consideration.

10. Acknowledge the implementation guidelines for the study on the proposals to change plant location of Cogeneration SPPs that are affected by flood.

11. Acknowledge the summary of the performance of the Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry.

1. Approve that a sub-committee under Section 24 of the Act be appointed, i.e. consent to the appointment of the Sub-committee Regulating Electricity Generation Industry Operation, comprising 13 members, with the following authority and duties: to consider and give opinions on investment plans and projects in power generation industry by state agencies to facilitate the consideration and opinion provision of the ERC; to give opinions on the performance of power plants according to the technical, engineering and safety standards, environmental standards, service quality and community participation in order to propose to the ERC; to regulate power generation efficiency and check the information about the turnover of the business, including the cost of power generation; and to regulate power plant maintenance so that power generation could be operated continuously to ensure energy security as well as the power plant preparedness for an emergency.

2. Approve the issuance of four electricity generation licenses, with a total installed capacity of 256.40 MW; one electricity distribution system license; one electricity retail license; four licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 50,190.00 kVA. Moreover, the OERC is assigned to analyze the issue of competitiveness of the licensees, to facilitate the ERC consideration.

3. Give consent to the damage cost of 2,481.85 million baht, resulting from the necessity for EGAT to procure other types of fuel that are more expensive to replace natural gas that PTT cannot supply to EGAT due to the incident of natural gas transmission pipeline leakage (Platong gas field), and direct PTT to make full payment to EGAT by 30 June 2012 in order to lessen the fuel cost impact through the Ft charge and expeditiously report to the ERC for acknowledgement after all actions have been taken.

4. Approve that C O U Co., Ltd. be registered as a neutral agency to carry out the measurement of the heat energy ratio of the use of supplementary fuel and the measurement of Primary Energy Saving (PES) to be another option for EGAT and SPPs (contract parties) to jointly select a neutral agency to carry out activities pursuant to the PPA terms and the aforesaid measurements. In this regard, the OERC shall present the list of new applicants to be enlisted as neutral agencies to the ERC for approval.

5. Approve the appointment of CDC of PDF: Bhumibol Dam Power Plant, Tak Province.

6. Approve land price determination for calculating compensation for land covered by the following electricity network system areas of EGAT: the 230-kV Sikhiew 2 - Nakhon Ratchasima 3 transmission line; the 230-kV transmission line, at the cross-section of the 230-kV Lam Takhong - Nakhon Ratchasima 2 transmission system to Sikhiew 2 Substation; the 115-kV transmission line, linking Sikhiew 2 (Line 1) - 115-kV Nakhon Ratchasima 2 - Sikhiew grid connection point; and the 115-kV transmission line, linking Sikhiew 2 (Line 2) - 115-kV Nakhon Ratchasima 2 - Sikhiew grid connection point, as follows:

6.1 For private land, land prices in the areas of Soong-nern district and Pakthongchai district in Nakhon Ratchasima province shall be used as the benchmark for

calculating land compensation for the owners or occupiers or other right holders affected by the mentioned four transmission network system areas. The prices shall be increased from the cost estimate for the purpose of fee collection for registration of right and legal act on immovable property, announced for use during 2008 – 2011, in each area, to be in line with currently used market prices and conditions of land location.

6.2 For government land, the cost estimate for the purpose of fee collection for registration of right and legal act on immovable property, announced for use during 2008 – 2011, shall be used as the benchmark for calculating land compensation for concerned government agencies according to the ERC's criteria, procedures and conditions of determination and payment of compensation.

6.3 For land in the ALRO areas, land utilization charge shall be paid to the ALRO of Nakhon Ratchasima as land compensation at a rate of 20% of the cost estimate for the purpose of fee collection for registration of right and legal act on immovable property, announced for use during 2008 – 2011 according to the ERC's criteria, procedures and conditions of determination and payment of compensation.

7. Approve the determination of tree prices to be used for calculating compensation related to the following electricity network system areas of EGAT: the 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line; the 230-kV transmission line, at the cross-section of the 230-kV Lam Takhong – Nakhon Ratchasima 2 transmission system to Sikhiew 2 Substation; the 115-kV transmission line, linking Sikhiew 2 (Line 1) – 115-kV Nakhon Ratchasima 2 – Sikhiew grid connection point; and the 115-kV transmission line, linking Sikhiew 2 (Line 2) – 115-kV Nakhon Ratchasima 2 – Sikhiew grid connection point, as follows:

7.1 To use the prices of economic trees, general trees, seasonal plants and paddy according to EGAT's tree/plant compensation price list which was announced in 2011 as the basis for calculating compensation for trees/plants, except for cassava, maize (animal feed), sticky rice, sugar cane and sweet tamarind.

7.2 To determine the prices of cassava, maize (animal feed), sticky rice, sugar cane and sweet tamarind according to the information about tree/plant prices, pursuant to the resolution of the Committee on Land and Property Price for Nakhon Ratchasima Province.

7.3 To pay compensation for dragon fruit plants only for those damaged by the transmission line construction.

7.4 For trees/plants that are not on EGAT's tree/plant compensation price list, the Meeting approves that EGAT shall coordinate with the District Agricultural Extension Officer to consider comparing them with the types or species of those on EGAT's tree/plant compensation price list to determine the compensation prices for payment to the owners.

8. Approve land and property price determination for calculating compensation with regard to the 230-kV Sikhiew 2 – Nakhon Ratchasima 3 transmission line; the 230-kV transmission line, at the cross-section of the 230-kV – Nakhon Ratchasima 2 transmission system to Sikhiew 2 Substation; the 115-kV transmission line, linking Sikhiew 2 (Line 1) – 115-kV Nakhon Ratchasima 2 – Sikhiew grid connection point; and the 115-kV transmission line, linking Sikhiew 2 (Line 2) – 115-kV Nakhon Ratchasima 2 – Sikhiew grid connection point of EGAT, by using the compensation price for building and structure

demolishment and removal according to EGAT's standard price list announced in 2011, except for the earth work, for which the price pursuant to the price list of the Office of Commercial Affairs in Nakhon Ratchasima, as the benchmark for calculating compensation payment for buildings and structures. As for the payment of financial assistance for humanitarian reasons to people who occupy and utilize any type of state land, since the matter is beyond the ERC jurisdiction because such payment is not the compensation under the Act, it is deemed appropriate that EGAT take into consideration the resolution of the Committee on Land and Property Price for Nakhon Ratchasima on 27 January 2012 when undertaking further action as deemed appropriate.

9. Acknowledge the development of cooperation under the ASEAN Energy Regulators' Network and acknowledge the OERC's preparation of the annual report for Fiscal Year 2009. The OERC is instructed to revise and amend some parts of the report and to submit it to various entities according to the law. In addition, the OERC shall take the following actions:

9.1 To send a reminder to the MEA and PEA to strictly comply with the ERC resolution at its meeting on 19 August 2010 about the improvement of operational procedures regarding power supply disconnection and reconnection of a power meter as well as the fee collection for power meter reconnection, and to inform RECCs that the MEA and PEA are legally authorized to collect the fee for power meter reconnection.

9.2 To consider the tariffs on the part of various fees that the licensees collect from energy consumers to ensure compliance with legal procedures stipulated under Sections 64, 65, 66 and 67 of the Act.

ERC Meeting No. 20/2012 (177th) 13 June 2012

1. Give consent to the preparation and revision of the following proclamations and regulations: (1) instruct the OERC to revise the draft ERC Regulation on Criteria, Procedures and Condition on Supervision, Maintenance, Utilization and Management of Expropriated Immovable Property B.E.; (2) approve the draft ERC Proclamation on Criteria, Procedures and Conditions of Demarcation of a Protection Zone of the Energy Network System and Prohibitions against Certain Acts within the Said Zone B.E.; (3) approved the draft ERC Regulations on Criteria, Procedures and Condition for Dispute Submission and Deliberation on the Dispute between Licensees B.E.; and (4) approve the draft ERC Regulation on the Receipt of Money and Assets Donated to the Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E.

2. Approve, in principle, the process of electricity generation licensing and relevant guidelines, and the OERC shall carry out the implementation according to the established action plan.

3. Give consent to the opinions of the Sub-committee on Deliberation of Final Decisions, Orders, Regulations, Rules, Proclamations, or any other Provisions of the ERC at its meeting on 27 April 2012 and 24 May 2012, as follows: (1) to dismiss the appeal of the Network for the Conservation of Agricultural Practices concerning the issuance of Ror Ngor 4: Factory Category No. 88 license to Gulf JP NS Co., Ltd., because the appeal was lodged after the stipulated timeframe; and (2) to affirm the ERC's order concerning the issuance of electricity generation license

to Gulf JP NS Co., Ltd. Furthermore, the OERC shall take the following actions:

3.1 To disclose the name list of every type of Energy Industry Licensees to comply with Section 52 of the Act.

3.2 To promptly present the OERC regulation on calculation and deduction of depreciation of donated assets to the Audit Committee for consideration.

3.3 To analyze the information about the number of villages in a designated area and review the suitability of the use of the total number of population of a sub-district as one of the criteria for determining a designated area.

4. Give consent to the addition of new electricity generation licensees whose power plants are located in the already announced designated areas of existing Power Development Funds (PDFs) and to update the information in the proclamation of the following PDFs: (1) PDF: Saraburi Province 1; (2) PDF: Jana Power Plant, Songkla Province; and (3) PDF: Map Ta Phut Industrial Estate, Rayong Province. In this regard, there shall be the appointment of additional representatives from the power plants as members of the respective CDCs in the position of Assistant Secretary of the CDCs.

5. Give consent, in principle, to the determination of designated areas, the fund management category and the number of CDC of PDF: Gulf JP NS Co., Ltd.

6. Approve the outcome of consideration of the objection against pole locations and against the transmission system improvement under the 115-kV Angthong 1 – Ayutthaya 1 transmission line improvement project and the 115-kV Bang Pa-in 1 – Ayutthaya 1 transmission line improvement project of EGAT, as follows:

6.1 To strike five objections out of the case-list because the opponents no longer wish to request change of pole locations and have submitted their written requests for objection cancellation, causing the objection consideration to terminate.

6.2 To adjust pole locations following three opponents' requests because, in terms of transmission engineering, the adjustment is feasible.

6.3 To dismiss the objection of one opponent because EGAT has completely complied with all legal process. In addition, none of the pole locations is located on the opponent's land, so there is no reasonable ground for the objection against the transmission line improvement.

6.4 To dismiss the objection and to affirm the pole location, involving one opponent, because the pole location is at the angle or direction turning point, which, according to the engineering rule, is not feasible to be moved because the change in the pole location will affect the existing right-of-way.

6.5 To affirm the pole location, objected by one opponent, because, in terms of transmission engineering, the pole location adjustment is not feasible.

7. Approve the appeal consideration on the announcement on demarcation of the natural gas network system area under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT, as follows:

7.1 To strike out the appeal of one appellant because it was revoked by the appellant, causing the appeal consideration to terminate.

7.2 To affirm the right-of-way of the natural gas network system as announced, and the licensee shall coordinate with the appellant to determine the operational plan before entering his land to construct the natural gas transmission

pipeline because the criteria and working procedures as well as the criteria for considering adjustment of the right-of-way have been explained to the appellant, and the appellant no longer wishes to request change of the right-of-way and has signed a memo as evidence.

7.3 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the distance of 20 meters in width of the natural gas network system area is determined for the sake of safety and security of the system.

8. Approve the appeal consideration on the announcement on demarcation of the natural gas network system area under the Alpha Tech – Suwinthawong natural gas transmission pipeline project of PTT, as follows:

8.1 To affirm the right-of-way of the natural gas network system, involving one appellant, because EGAT does not give permission to have the natural gas network system constructed in the electricity network system area.

8.2 To affirm the right-of-way of the natural gas network system, involving four appellants, because, according to the criteria for determining the right-of-way, public roads and public paths should be avoided.

9. Acknowledge the hearing results of the following: (1) the draft ERC Regulation on Criteria, Procedures and Condition on Supervision, Maintenance, Utilization and Management of Expropriated Immovable Property B.E.; (2) the draft of ERC Proclamation on Criteria, Procedures and Conditions of Demarcation of a Protection Zone of the Energy Network System and Prohibitions against Certain Acts within the Said Zone B.E.; and (3) the draft ERC Regulation on Criteria, Procedures and Condition for Dispute Submission and Deliberation on the Dispute between Licensees B.E. In this regard, the OERC shall give explanation to those who have shared their opinions through e-mail.

10. Acknowledge the Auditor's Report and Financial Statements, including the report on evaluation of budget disbursement and property use for the OERC and Power Development Fund, for the period of 21 December 2010 to 30 September 2011. The OERC is instructed to present them to the Audit Committee for further action.

ERC Meeting No. 21/2012 (178th) 20 June 2012

1. Approve the issuance of four electricity generation licenses, with a total installed capacity of 29.50 MW; two licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 4,545 kVA; two Por Kor. 2 licenses (renewal), with a total generator rating of 31,419 kVA; two Ror Ngor 4: Factory Category No. 88 licenses, with a total engine power of 28,405.33 HP. In addition, the OERC also is instructed to give a warning to the operators about generating power without obtaining a license from the ERC according to Section 47 of the Act. With regard to the licensing for Clean Power Associates Co., Ltd., the OERC shall inform the PEA to consider the SCOD postponement of the Company first, and the ERC will then consider issuing an electricity generation license to the Company.

2. Approve the Work Plans and Projects in 2012 of the following seven Power Development Funds (PDFs) in designated areas: (1) PDF: Nakhon Sawan Province 1; (2) PDF: Mitr Phu

Viang Sugar Co., Ltd.; (3) PDF: Mitr Phol Bio-Power Co., Ltd.; (4) PDF: Rayong Province 1; (5) PDF: Krabi Power Plant; (6) PDF: Bangchak Refinery, Bangkok; and (7) PDF: Samut Prakarn Province 2, and approve the revision made to the Work Plans in 2012 of the above-mentioned seven PDFs.

3. Order an increase in compensation for land to be used for pole location under the 115-kV Rayong 3 – Rayong 1 transmission line project for the appellant by 500 baht per square wah, so the compensation will be 3,000 baht per square wah as requested by the appellant. In this regard, EGAT shall pay the additional compensation to the appellant within 45 days from the date of EGAT's receipt of the OERC's written notice; otherwise, EGAT must pay interest to the appellant at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

4. Approve the adjustment to the OERC's administrative plan for expenditure budget in Fiscal Year 2012, i.e. to transfer/change the budget items. The OERC is ordered to prepare the budget disbursement structure during Fiscal Years 2008 – 2011 according to the ratio of each expense category for comparison with the budget expense ratio of Fiscal Year 2012 after revision as approved by the ERC is made. Besides, there shall be a table showing the comparison of the budget for Fiscal Year 2012 before and after the revision too.

5. Acknowledge the renovation of the 500-kV Tha Tako – Nong Chok transmission line (Line 1) (from Pha Chi 2 grid connection point to Wang Noi grid connection point) of EGAT, together with the justification for such renovation.

6. Acknowledge the result of the consideration of the work plan and five projects of the PDF: Tri Energy Co., Ltd., with the total funds of 5,030,000 baht, in accordance with the opinion of the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund.

7. Acknowledge the summary of discussion issues between the ERC and RECCs under the Project on ERC Retreat. The OERC is instructed to improve relevant operations as follows: (1) a working group should be appointed to deal with complaints or to arrange meetings with the licensees when complaints are lodged, so that the points of complaints could be jointly considered, and a report and statistics of the complaints received shall also be prepared; and (2) public relations work should be carried out to create understanding of the RECCs of the operation according to relevant regulations and proclamations, and a work manual should be developed.

ERC Meeting No. 22/2012 (179th) 27 June 2012

1. National Power Supply Co., Ltd. (NPS), one of the selected power producers under the project on power purchase from IPPs, has requested the ERC to consider the proposal to adjust the method for calculating fuel cost of the company. It is viewed that the request for change in fuel cost calculation method is within the ERC jurisdiction. However, in order to regulate the selection of power purchase to ensure fairness for all parties, according to the provision under Section 11(4) of the Energy Industry Act B.E. 2550 (2007), and to be in line with the ERC resolution at its Meeting No. 3/2008 (3rd) on 20 February 2008, the OERC shall notify NPS, in writing, to provide details whether the proposed change will affect the project cost or not. If the cost is affected, evaluation of the changing

cost will be required, to be accompanying information for the ERC's consideration. Also, it is deemed appropriate to appoint a sub-committee to consider and screen the proposal prior to submission to the ERC for consideration.

2. Approve the issuance of five licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 30,975.00 kVA; two electricity generation licenses, with a total installed capacity of 11.314 MW; and one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 22,857.78 HP. As for the issuance of a Ror Ngor 4: Factory Category No. 88 license to Mitprasong Green Power Co., Ltd., with a total engine power of 2,612.26 HP, the OERC is assigned to send a notification letter to the PEA, to combine the PPAs of the two projects of the Company into a single PPA, and this shall be used by the PEA as guidelines for considering other similar projects, of which power plants are located in the same area and managed by the same juristic person, before signing a PPA. Furthermore, EGCO is allowed to hold 100 percent share of SPP5 Co., Ltd. In addition, the Meeting approves the guidelines on the empowerment to consider requests for amendment to licensed items, as follows:

2.1 To determine that the change in the following licensed items does not have significant effect, according to Article 14 of the Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008): (1) the name and legal status of a licensee, including the project name, address of the head office or energy industry operation facility (when the location remains unchanged); (2) the name list of the authorized persons who can make commitment of the juristic person and the change of persons with the authority to control policy, administration, supervision and management. In this regard, for the change of items that do not have significant effect, the OERC shall record the change on the licensee database and shall issue an acceptance letter acknowledging the request for such change within 15 days as from the date of OERC's receipt of the request together with the evidential documents from the licensee. For the case where the appendix to the license needs to be changed or the issuance of a new license is required, the OERC shall present the matter to the ERC Chairman for signature, as the case may be, within 7 days as from the day that the ERC passes a resolution acknowledging the request. The record of change that is the appendix to the license or the new license shall be sent to the licensee without delay. If the change causes necessary amendment to other relevant licenses, the licensee must send the amended licenses to the OERC afterwards so that the documents of the licensee kept by the OERC would be up-to-date.

2.2 To define the merger that is not prone to lead to a monopoly, or the lessening or restriction of competition for providing energy service, according to the ERC Regulation on Establishment of Criteria to Prevent Merger, Competition Lessening or Restriction in Energy Service B.E. 2552 (2009), to comprise: the merger between a VSPP electricity generation licensee and another licensee; the merger between an electricity generation licensee who produces electricity for on-site use and another licensee; and the merger between the licensees who are subsidiaries of the same parent company.

2.3 To empower the Sub-committee on the Screening of Energy Industry License Issuance under the Act with the following additional authority and duties: to consider and screen whether the merger is considered to be a monopoly

or lessen or restrict the competition for providing energy service or not. If it is not, the Sub-committee is empowered to grant permission for the merger and report to the ERC for acknowledgement. But if it is, the Sub-committee shall present the matter to the ERC for approval. In addition, the Sub-committee is empowered to consider and grant approval of changes in the network, private-sector distribution systems in the industrial estates as well as the change of customers and expansion of private-sector service provision to natural gas retail through distribution pipeline system licensees and report to the ERC for acknowledgement. The aforementioned empowerment does not include consideration of requests for change of items that have already been licensed, the merger and the business transfer related to EGAT, MEA, PEA, PTT and other state-owned energy industry.

2.4 Assign the OERC to prepare a draft ERC regulation to establish the code of practice for vesting someone with the power to request change of any licensed item, according to the guidelines already approved by the ERC, for submission pursuant to the procedures set forth.

3. Direct the OERC to discuss with the MEA and PEA in order to reach a conclusion about the review of the terms of customer guarantee deposit (CGD) of the Distribution Utilities (DUs), to be in compliance with the ERC resolution at its meeting on 2 December 2011 and to be of the same standard, for submission to the ERC for consideration again within two weeks. The following ERC comments shall be taken into consideration: (1) the OERC shall prepare a summary of the comparison between the CGD review of the MEA and that of the PEA. If the two DUs cannot apply the guidelines provided by the ERC, they shall provide details and reasons thereof; and (2) both MEA and PEA shall be explained that the financial items resulting from the CGD that they must disclose shall include details of both revenue and expense thereof.

4. Approve the amendment to the CDC components of three Power Development Funds in the designated areas in Khon Kaen province, i.e. (1) PDF: Nam Phong Power Plant, Khon Kaen Province; (2) PDF: Khon Kaen Sugar Power Plant Co., Ltd.; and (3) PDF: Mitr Phu Viang Sugar Co., Ltd., on the part of the representatives of the Ministry of Energy, that is, the names and positions shall be indicated in the appointment order too.

5. Approve the appeal consideration on compensation related to the 230-kV Krabi – Phang-nga 2 transmission line of EGAT, as follows:

5.1 To affirm the land compensation prices for five appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation prices determined for payment to the appellants, which are based on the cost estimate of land capital, announced for use during 2008 – 2011, plus an increase adjustment to be in line with the market price currently used. Therefore, the prices are considered fair and reasonable.

5.2 To increase the compensation price for land used for pole location for one appellant because, when determining the compensation, the market price currently used shall be taken into consideration. Therefore, the compensation price shall be increased to be the same as the registered selling price of that land parcel.

In this regard, EGAT shall pay the additional compensation to the appellant within 45 days as from the date of EGAT's receipt of the OERC's written notice of the result of appeal consideration; otherwise, EGAT must pay interest to the

appellant at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

6. Approve the outcome of consideration of appeals on compensation related to the 115-kV Roi-Et 1 – Maha Sarakham transmission line of EGAT, as follows:

6.1 To increase the compensation price for land used for pole locations for three appellants because the appellants' land locates in the village area, and hence is under the cost estimate price unit of frontage land adjacent to a public path in a distance of 40 meters. Therefore, according to the determination of compensation price, as stipulated by the ERC, the compensation price must be doubled from the cost estimate price.

6.2 To increase the compensation price for land used for pole locations for one appellant because, when the land is determined to be the location of electric poles, it cannot be used any longer. The determination of compensation price must comply with the precedent judgment of the Supreme Administrative Court, which states that, to be fair and reasonable, the compensation price for land in the same plot must be at the same price and the payment must be at the same rate.

6.3 To decline payment of compensation for land in the transmission line area for five appellants because the renovation of the 115-kV Roi-Et 1 – Maha Sarakham transmission line is carried out in the existing transmission network system area which was constructed before 1968 and the land compensation has already been paid.

6.4 To affirm the compensation for land used for pole locations for two appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation price determined for payment to the appellants.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days from the date of EGAT's receipt of the OERC's written notice of the result of appeal consideration; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

7. Approve the outcome of consideration of appeals on compensation, lodged by six appellants, related to EGAT's 500-kV transmission line, linking Pluak Daeng – 500-kV Nong Chok grid connection point – Wang Noi, Line 2, i.e. to increase the compensation price for rice from 4,400 baht per rai to 10,000 baht per rai as requested by the appellants. In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of EGAT's receipt of the OERC's written notice of the result of appeal consideration; otherwise, EGAT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

8. Approve the appeal consideration on compensation related to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT, as follows:

8.1 To dismiss consideration of the appeal of one appellant because the appeal was lodged after the 30 days' timeframe as stipulated by the ERC regulation.

8.2 To affirm the land compensation prices for 14 appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the

compensation prices determined for payment to the appellants.

8.3 To increase the land compensation price for one appellant because the land of the appellant is a eucalyptus farm and, when covered by the natural gas network system area, the land utilization will decrease and cannot be used for tree farming as before. Therefore, this is in line with the precedent judgment of the Supreme Administrative Court for a case where the land is covered by a transmission network system area, causing land utilization to decrease, the compensation must be determined at the same price so as to be fair and reasonable.

8.4 To affirm the compensation prices for the following five items of trees: (1) large Siamese rough bush (tooth brush) trees, (2) Siamese neem trees of bearing age, (3) hog plum trees of bearing age, (4) monastery bamboo higher than 1.5 meters; and (5) cassava plants, because none of the government price lists of compensation for trees/plants gives higher prices. Therefore, the compensation prices based on EGAT's list of standard prices for trees and agricultural products of 2011 are considered fair and reasonable.

8.5 To dismiss the consideration of the request for compensation for the land outside the natural gas network system area because the matter is beyond the ERC jurisdiction. However, the matter should be referred to PTT for further consideration as deemed appropriate.

8.6 To dismiss the appeal for compensation for damage or opportunity cost caused by the necessity to move out of the land covered by the natural gas network system area, because the matter is beyond the ERC jurisdiction.

8.7 To dismiss the consideration of appeal on compensation for land and trees on the land that the appellant occupies for utilization for which PTT has yet to send a notification letter about the amount of compensation because the survey in this regard is still underway. If the said letter is sent and the appellant does not agree with the compensation amount, the appellant has the right to appeal within the stipulated timeframe.

In this regard, PTT shall pay the additional compensation to the appellant within 45 days as from the date of PTT's receipt of the OERC's written notice of the result of appeal consideration; otherwise, PTT must pay interest to the appellant at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

9. Acknowledge the outcome of the implementation according to Section 112 of the Act within PTT's natural gas network system area of (1) PTT Exploration and Production Plc.; (2) CAT Telecom Plc.; and (3) IRPC Plc.

10. Acknowledge the report on performance of the Audit Committee for Fiscal Year 2012, for the 6-month period (7 October 2011 – 31 March 2012).

ERC Meeting No. 23/2012 (180th) 4 July 2012

1. Approve the draft ERC Regulation on Code of Conduct of the Commission Members and Competent Officials (No. 2) B.E.

2. Approve the issuance of one electricity generation license, with a total installed capacity of 36 MW; one electricity generation license (extension), with a total installed capacity of 1.233 MW; one electricity distribution system license; one electricity retail license; two licenses for regulated energy production (Por Kor 2) (new application), with a total generator

rating of 23,685.00 kVA. Moreover, the OERC is assigned to review the ERC Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008) or other relevant regulations to cover the penalty in the case where the licensees fail to comply with the established regulations and to expeditiously create understanding of the operators in this regard.

3. Grant approval for Khanom Electricity Generating Co., Ltd., an electricity generation licensee, to decrease the installed capacity to have a total remaining installed capacity of 827.33 MW as from the date the ERC passes the resolution. Accordingly, the annual fee for energy industry operation for the next round will be reduced in proportion to the decreased installed capacity as from the date of the ERC resolution. The OERC is ordered to notify the Company to inform other relevant agencies according to the law about the decrease in its generating capacity.

4. Approve the revision of the CDC number of PDF: Lam Takhong Hydro Power Plant, Nakhon Ratchasima Province.

5. Assign the OERC to send a letter to inform the Senate Standing Committee on Energy that the ERC has acknowledged the Standing Committee's report on the deliberation on the investigation into complaints from local residents in Mae Moh district, Lampang province, that they should be entitled to obtain benefits from the budget of the PDF: Mae Moh Power Plant, and instruct the OERC to set the methodology for determining designated areas of a local Power Development Fund and the principle to set the center of power plant as the reference point, for submission to the ERC for consideration. The mentioned setting shall be suitable in terms of engineering and practicality and should be based on the same principle.

6. Approve to have three EGAT staff members appointed as competent officials under Section 122(5) of the Act to carry out the construction and improvement of the 230-kV transmission line at the cross-section of the 230-kV Phitsanulok 2 – Nakhon Sawan transmission line to Phichit Substation and of the 230-kV transmission line at the cross-section of the 230-kV Phitsanulok 2 – Nakhon Sawan transmission line to Phichit Substation (revised section), to be effective for a period of 12 months as from the date the appointment order is signed.

7. Acknowledge the clarification to the observations of the Office of the Auditor General of Thailand (OAG) regarding the report on the evaluation of the OERC's money and property disbursement for the years ended 30 September 2009 and 30 September 2010. The OERC shall present to the Audit Committee the documents prepared for submission to the OAG to examine and submit to the ERC for consideration prior to submitting the documents to the OAG.

8. Acknowledge the report on financial statements for Fiscal Year 2012, Quarter 2, ended 31 March 2012, and instruct the OERC to prepare the detailed figures of account receivable and the method to present Cash Management Plan in order to present to the Audit Committee for consideration again.

ERC Meeting No. 24/2012 (181st) 11 July 2012

1. Approve the issuance of a Ror Ngor 4: Factory Category No. 88 license to EA Solar Co., Ltd., with a total engine power of 8,152.190 HP, and instruct the OERC to notify the Company to submit a request for deduction of equipment items and decrease in the generating capacity in the initial Ror Ngor

4: Factory Category No. 88 license from 9.330 MW to 5.969 MW to correspond with the actual plant information.

2. The ERC views that the extension of the measure on tariff reduction for entrepreneurs in the industrial estates is under the NEPC jurisdiction. Therefore, the OERC is instructed to refer the matter to EPPO, being Secretary to the NEPC, for further submission to the NEPC for consideration and to inform the PEA accordingly.

3. Give consent to the layout, direction and right-of-way for construction of the natural gas network system under the project on natural gas transmission pipeline to the Navanakorn Electric Power Plant of PTT as follows:

3.1 Give consent to the layout, direction and right-of-way for construction of the natural gas network system under the project on natural gas transmission pipeline to the Navanakorn Electric Power Plant of PTT, under Option 1, with a distance of 2.30 kilometers.

3.2 Order the OERC to notify the licensee of the suggestion of the Sub-committee on Deliberation of Layout, Direction and Right-of-way for Construction of an Energy Network System for the licensee to operate along the same line. That is, for future presentation of the natural gas network system options, at least three options shall be presented. For the first option of which the right-of-way is straight, problems and obstacles shall be indicated and it should be illustrated whether such problems and obstacles would prevent, or not, the construction of the whole network system and at least two more alternative options.

4. Approve the outcome of appeal consideration on compensation related to the 115-kV Roi-Et 1 - Maha Sarakham transmission line of EGAT as follows:

4.1 To increase the compensation price for land used for pole locations, involving two appellants, because after the land has been announced to be the location of electricity poles, it cannot be utilized any longer; hence the determination of compensation must comply with the precedent judgment of the Supreme Administrative Court for the land that is covered by a transmission network and hence can no longer be utilized as before, that the compensation price for land in the same plot must be determined at the same price and the payment must be paid at the same rate in order to be fair and reasonable.

4.2 To decline to pay compensation for land in the transmission line area for nine appellants because the renovation of 115-kV Roi-Et 1 - Maha Sarakham transmission line is carried out in the existing area of electricity network system which was constructed before 1968 and the compensation has already been paid.

4.3 To dismiss the consideration of compensation for land outside the transmission network area because the matter is beyond the ERC jurisdiction.

4.4 To affirm the compensation for land used for pole locations, involving 12 appellants, because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the price determined for payment to the appellants. Therefore, the prices are considered fair and reasonable.

In this regard, EGAT shall pay the additional compensation to the appellants within 45 days as from the date of EGAT's receipt of the OERC's written notice of the result of appeal consideration; otherwise, EGAT must pay interest to the appellant at the highest fixed deposit interest rate of the GSB as

from the day after the due date until the additional compensation is paid.

5. Acknowledge the OERC's operation in coordinating and regulating the compensation payment to EGAT due to the damage caused by the leakage of PTT's natural gas transmission pipeline (Platong gas field). In this connection, the OERC is assigned to issue a proclamation determining the criteria under Section 89 of the Act without delay. Moreover, the Sub-committee on Investigation of Natural Gas Leakage in the Gulf of Thailand shall present the result of its operation to the ERC as well.

ERC Meeting No. 25/2012 (182nd) 18 July 2012

1. Approve the issuance of one electricity generation license, with a total installed capacity of 32.5 MW, and order the OERC to revise the ERC Regulation on Application for License and Permission for Energy Industry Operation B.E. 2551 (2008) to be in line with the business rehabilitation method according to law on bankruptcy and to compile the name list of operators who started the industry operation before the effective date of the Act according to Section 154 that are facing financial problems and would like to undertake business rehabilitation and report to ERC for acknowledgement and discussion on guidance for further operation.

2. Approve the designated areas and the determination of CDC number of PDF: Gulf JP NS Co., Ltd.

3. Approve the work plans for Fiscal Year 2012 of the CDCs of the following Power Development Funds in designated areas which have been considered by the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund and instruct the CDCs to take into consideration the comments and observations of the Screening Sub-committee in undertaking their operation: (1) PDF: Ratchaburi Province 1 (additional budget), to be the operating cost for 16 community projects with the total funds of 22,495,600 baht and acknowledge the cancellation of 5 community projects of this PDF, worth 3,299,600 baht in total; (2) PDF: Khon Kaen Sugar Power Plant Co., Ltd., with the total funds of 1,643,902.00 baht; (3) PDF: Prachinburi Province 1, with the total funds of 1,467,172.00 baht; and (4) PDF: Map Ta Phut Industrial Estate, Rayong Province, with the total funds of 137,006,804.38 baht.

Additionally, the ERC passes a resolution that the OERC shall undertake the following: (1) to study details of the criteria for the use of money from the Power Development Fund for power tariff reduction, to be transparent, and present the study outcome to the ERC for consideration, and deliberation of projects of such nature shall be deferred; and (2) to prepare a summary of the principles used for considering annual work plans of Power Development Funds in designated areas in order to inform CDCs for acknowledgement and further relevant action.

4. Appoint Mr. Nit Soonkul as Member of the RECC, Region 7, to fill the vacancy, effective as from 18 July 2012 onwards, and order the OERC to recruit members of the RECC, Region 4, to fill the vacancy, by drawing lots from the reserve list of applicants who did not pass the previous lot drawing.

5. Acknowledge the cabinet resolution of 19 June 2012 concerning Thailand Power Development Plan 2010 - 2030, Revision 3.

6. Acknowledge the consideration result of the Sub-committee on the Screening of Energy Industry License Issuance under the Act at its meeting on 5 July 2012, approving the change to the electricity distribution system and electricity supply of National Power Supply Plc., and assign the OERC to examine the PPA between the Company and EGAT and to collect the information about the sale of electricity to direct customers of energy industry licensees for submission to the ERC.

ERC Meeting No. 26/2012 (183rd) 25 July 2012

1. Approve the issuance of three licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 7,030.00 kVA; one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 3,818.35 HP; three electricity generation licenses, with a total installed capacity of 622.86 MW; and two electricity generation licenses (renewal), with a total installed capacity of 6.868 MW. In addition, the OERC is assigned to inform Bangpoo Environmental Complex Co., Ltd., to send in a report on the management of residue from the process of power generation from waste so that the OERC could analyze the information in detail before presenting the outcome to the ERC for acknowledgement. Moreover, the OERC shall send a written notice to the PEA in Um Phang district and the PEA in Koh Sichang district to renew the Ror Ngor 4 license and to apply for a regulated energy production (Por Kor 2) license. Besides, the Meeting approves the cancellation of the electricity generation license of the PEA in Ban Koh Lan.

2. Approve the revision of the customer guarantee deposit (CGD) conditions and the provision of benefits derived from the CGD as follows:

2.1 The determination of the CGD ceiling for power consumers under Category 3 (Medium General Services), Category 4 (Large General Services) and Category 5 (Specific Business Services) shall be calculated from the average electricity bills of the past 12 months (one year round) and according to the nature of electricity payment, i.e. up to 1 time for power consumers who have made payment within the specified timeframe (in a year); up to 1.25 time for power consumers who have failed to make payment as scheduled for not more than 4 installments in a year; up to 1.50 time for power consumers who have failed to make payment more than 4 installments in a year; and up to double for power consumers whose power supply has been disconnected in any event or who have breached the power consumption agreement.

2.2 To return the benefit to power consumers under Category 3 (Medium General Services), Category 4 (Large General Services) and Category 5 (Specific Business Services) who have paid cash as their CGD, by paying back in the form of interest once a year at the average annual saving interest rate of Krung Thai Bank for state enterprise customers. In the case where a power consumer's power meter has been disconnected and where a power consumer has requested termination of electricity use in between the year, the power consumer will not be entitled to such benefit. For other power consumer categories, the regulations and procedures of the MEA and the PEA shall apply. In this connection, if there is tax obligation incurred from the returned benefit, the tax payment shall be made according to relevant laws.

2.3 Approve that the Distribution Utilities shall disclose the financial report related to the CGD and the returned benefit to power consumers, and that the Distribution Utilities shall revise the conditions of the CGD and the return of benefit, for announcement within 90 days as from the date of receipt of the notification.

3. Approve, in principle, the draft ERC's order on sending contribution to and disbursement of money from Power Development Fund imposed on electricity retail licensees in the public sector for subsidizing underprivileged power consumers and the draft ERC order on sending contribution to and disbursement of money from Power Development Fund imposed on electricity retail licensees in the private sector for subsidizing underprivileged power consumers. The OERC shall revise the draft orders for submission to the ERC Chairman for signature and enforcement.

4. Approve the appeal consideration regarding the project on the 500-kV Border (in Nan Province) - Nan 2 transmission line development of EGAT as follows: (1) to affirm the right-of-way of the transmission line as announced, involving two appellants, because, in terms of transmission system engineering, the right-of-way adjustment as requested by the appellants is not feasible; and (2) to affirm the right-of-way the transmission line as announced, involving 20 appellants, because the owners of the land that will be affected from the amendment to the right-of-way as proposed by the appellants do not give consent to the amendment.

5. Approve the appeal consideration regarding the project on the 500-kV Nan 2 - Mae Moh 3 transmission line development of EGAT as follows: (1) to dispose appeals of 10 appellants out of the case-list because the appellants no longer wish to request adjustment to the right-of-way of the transmission line and have signed a memo as evidence, causing the appeal consideration to terminate; and (2) to affirm the right-of-way of the transmission line as announced, involving 26 appellants, because the owners of the land that will be affected from the amendment to the right-of-way as proposed by the appellants do not give consent to the amendment.

6. Approve the appeal consideration regarding the project on the 115-kV Mae Moh 3 - Lampang 1 transmission line development (at the revised section of the transmission line right-of-way) of EGAT, i.e. to dispose appeals of 13 appellants out of the case-list because the appellants no longer wish to request adjustment to the right-of-way of the transmission line and have signed a memo as evidence, causing the appeal consideration to terminate.

7. Approve the appeal consideration regarding the project on the 230-kV Sikhiew 2 - Nakhon Ratchasima 3 transmission line development of EGAT, i.e. to dispose appeals of three appellants out of the case-list because the appellants no longer wish to request adjustment to the right-of-way of the transmission line and have signed a memo as evidence, causing the appeal consideration to terminate.

8. Give consent to the consideration outcome of the objection against the 115-kV Angthong 1 - Ayutthaya 1 transmission line improvement project of EGAT, i.e. to dispose the objection lodged by one opponent out of the case-list because, in terms of transmission system engineering, the adjustment of pole location can be done, so the opponent is satisfied with the adjustment and has cancelled the objection, causing the objection consideration to terminate.

9. Give consent to the consideration of the objection against the project on the Alpha Tech – Suwinthawong natural gas network system development of PTT, i.e. to dismiss the objection of one opponent because the opponent has already received the OERC's notification letter informing the result of appeal consideration on the announcement on demarcation of the natural gas network system area.

10. Acknowledge the progress of operation according to the NEPC resolution about solar power projects that failed to supply electricity to the grid according to the SCOD, and direct the OERC to coordinate with the PEA to update the information of the implementation pursuant to the NEPC resolution, about the regulation on solar power projects that cannot supply electricity to the grid as per the SCOD as well as to recommend the establishment of policy or specific measures to be imposed on the projects of which the SCOD is due and which have not yet supplied electricity to the grid but the construction of which is completed, for submission to the NEPC for consideration according to the procedures set forth.

11. Acknowledge the result of consultation on Value Added Tax (VAT) collection under the free electricity use subsidization measure among the OERC, the Revenue Department (RD), the State Enterprise Policy Office (SEPO) and the three Power Utilities on 8 June 2012. In this regard, the RD representative has requested SEPO to prepare additional detailed information about the calculation of subsidy burden as well as the detailed information of subsidy figures passed through via the Power Development Fund mechanism, so that the RD could use the information for considering exemption from duplicated tax collection imposed on the Distribution Utilities.

12. Acknowledge the decision made by the Ombudsman, i.e. to settle the complaint on the CDC recruitment in Khanom district, according to Section 28(3) of the Organic Law on Ombudsman B.E. 2552 (2009).

ERC Meeting No. 27/2012 (184th) 9 August 2012

1. Give consent to the provision of opinions on the Long-term Natural Gas Procurement Plan -- the Map Ta Phut LNG Terminal Project, Phase 2, and the Second Review of the Natural Gas Transmission Pipeline System Master Plan, No. 3, B.E. 2544 – 2554 (2001 – 2011), (Additional Revision) of PTT, and assign the OERC to draft a letter, for the ERC Chairman's signature, presenting the opinions to the Minister of Energy and EPPO.

2. Give consent to the points of discussion with the Office of the Council of State about legal issues under Section 48 of the Act and the Act Prescribing Plan and Procedures for Powers Decentralization to Local Administrative Organizations B.E. 2542 (1999).

3. Approve the issuance of one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 246,525 HP; two electricity generation licenses, with a total installed capacity of 53.095 MW; three electricity distribution system licenses; three electricity retail licenses; four licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 94,720 kVA; two Por Kor 2 licenses (renewal), with a total generator rating of 22,590 kVA; two Por Kor 2 licenses (new application), with a total generator rating of 209,587 kVA; and one Por Kor 2 license (amendment), with a total generator rating of 124,236 kVA.

4. Give consent to the request to change details of the measure on environmental impact monitoring in the EIA report (location for AAQMS installation) from Ban Nongtangboon to Ban Nonglua under the Nong Sang Power Plant Project of Gulf JP NS Co., Ltd., and assign the OERC to notify Gulf JP NS Co., Ltd. to report the aforesaid change to the Office of Natural Resources and Environmental Policy and Planning (ONEP) for acknowledgement.

5. Pass a resolution to use the boundary line of the premise of energy industry operation facility as presented when applying for a license to be the reference boundary area for determining the center of a solar power plant, by measuring the coordinate at the mapping control used for determining the premise of energy industry operation facility, and to use the location of the outermost windmill as the reference center of a wind power plant. For determining the designated area, the radius shall be measured from the center of the power plant, taking into consideration the power generation plan for each power plant. The designated area shall cover the sub-districts around the power plant that locate within the radius from the center of the power plant at a distance as stipulated in the ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010). The OERC shall set as a requirement for the applicants for a license for electricity generation from solar energy and wind energy to indicate the location of the coordinate used for determining the designated area, according to the aforesaid resolution, together with the documents/evidence submitted when applying for an energy industry license to facilitate the consideration of designated area determination of a local Power Development Fund. Furthermore, the OERC shall use the principle pursuant to the resolution as the principle of future determination of the reference center of solar and wind power plants. This is to apply to the designated area determination of a power plant that is granted a new electricity generation license.

6. Approve the appointment of the CDC of PDF: Rajajaprabha Hydro Power Plant, Surat Thani Province.

7. Approve the amendment to the CDC components of three funds, which are: (1) PDF: Ratchaburi Province 1; (2) PDF: Nakhon Sawan Province 1; and (3) PDF: Gulf Yala Green Co., Ltd.

8. Approve the guidelines on amendment to the appointment of CDC components on the part of Assistant Secretary, from the former appointment by name and position of a person proposed by the licensee in a given local Power Development Fund to the appointment of a representative of the licensee's power plant in that local Power Development Fund.

9. Approve the Work Plans for Fiscal Year 2012 of Power Development Funds in designated areas, which have been screened by the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund and instruct the CDCs to take into consideration the comments and observations of the Sub-committee when carrying out their operation, as follows: (1) PDF: Rayong Province 1 (additional budget), accounting for the total funds of 2,320,000 baht for use as operational expenses of two community projects; (2) PDF: Bangpakong Power Plant, Chachoengsao Province, 77,241,159 baht; (3) PDF: Sa Kao Province 1, 778,559 baht; (4) PDF: TPI Polene Power Co., Ltd., 1,590,792 baht; (5) PDF: Ratchaburi Province 1 (2nd additional budget), 22,116,976 baht for use as operational expenses of 36 community projects; (6) PDF: Nam Phong Power Plant, Khon Kaen Province, 35,938,092 baht; (7) PDF: Samut Prakarn Province 1, 6,695,514 baht; (8) PDF:

Mae Moh Power Plant, Lampang Province, 204,313,947 baht; and (9) 1st additional budget of PDF: Map Ta Phut Industrial Estate, Rayong Province, consisting of 231 community projects, with the total funds of 179,401,143.47 baht.

10. Approve the outcome of consideration of appeals on compensation related to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT, as follows:

10.1 To increase the compensation price for land for one appellant because his land is a mango orchard; when it is covered by the natural gas network system, the land utilization has decreased and tree planting cannot be done as before. Therefore, this is in line with the precedent judgment of the Supreme Administrative Court for a case where the land is covered by an energy network system area, causing land utilization to decrease, the compensation must be determined at the same price so as to be fair and reasonable.

10.2 To affirm the compensation prices for land outside the transmission line area for six appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation prices determined for payment to the appellants. The compensation determined for payment to the appellants is based on the cost estimate for 2012 – 2015, plus an increase to be in line with the market price currently used. For the land outside EGAT's transmission network system areas, the prices have been increased by 3.5 times of the cost estimate. Therefore, the prices are considered fair and reasonable.

10.3 To affirm the compensation prices for six items of trees because none of the government price lists of tree compensation gives higher compensation prices than those determined for payment to the appellants. Therefore, the compensation prices, which are calculated pursuant to EGAT's compensation price list of trees and agricultural products of 2011, are considered fair and reasonable.

10.4 To affirm the compensation prices for barbed wire and concrete fence posts because the criteria for compensation payment pursuant to EGAT's compensation price list announced in 2011 has been applied.

10.5 To increase the compensation price for building and structure demolition and removal for one appellant because, from the examination on the compensation calculation, it is found that PTT has calculated the compensation for damage to some material items at a rate of 70%, which is not fair and reasonable. Therefore, the percentage of compensation for such materials should be increased.

10.6 To dismiss the consideration of the appellant's issue, requesting that PTT buy all five plots of land of the appellant, because the matter is beyond the ERC jurisdiction.

10.7 To dismiss the consideration of the appellant's issue, requesting compensation for land depreciation and for 36 square wah of land outside the natural gas network system area as well as compensation for house rental during the construction of a new house or consideration of postponement of the house demolition and removal for 6 more months because the matter is beyond the ERC jurisdiction. However, the matter is referred to PTT to consider giving assistance to the appellant as deemed appropriate.

In this regard, PTT shall pay the additional compensation to the appellants within 45 days as from the date of receipt of the OERC's written notice of the outcome of

deliberation on appeals on compensation; otherwise, PTT must pay interest to the appellants at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

11. Acknowledge the performance of the Working Group Considering Guidelines and Procedures for Permitting Construction of Buildings for Energy Industry Operation and approve the draft Memorandum of Agreement (MOA) between the ERC and the Ministry of Interior on Guidelines and Procedures for Permitting Construction of Buildings for Energy Industry Operation pursuant to Section 48 of the Act, under the criteria, conditions and requirements of the law on building control, and assign the OERC to prepare an ERC order on this matter for further enforcement. Approval is also given to the guidelines on the enforcement and the PR plan for the draft MOA, and the approach for organizing the MOA signing ceremony. In this regard, the Minister of Energy and the Minister of Interior shall be invited as guests of honor to witness the signing ceremony.

12. Acknowledge the change of head office addresses of (1) Bangkok Green Power Co., Ltd., (2) Zenith Green Energy Co., Ltd., (3) SPP3 Co., Ltd., (4) SPP Four Co., Ltd., (5) Elite Kraft Paper Co., Ltd., and (6) N.T.S. Steel Group Plc., and acknowledge the change of address of the industry operation facility of EA Solar Co., Ltd.

ERC Meeting No. 28/2012 (185th) 16 August 2012

1. Approve the issuance of four electricity generation licenses, with a total installed capacity of 27.216 MW, and two licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 170,261,000 kVA.

2. Approve the revision to the draft Memorandum of Agreement (MOA) between the ERC and the Ministry of Interior on Guidelines and Procedures for Permitting Construction of Buildings and Others for Energy Industry Operation.

3. Instruct the OERC to prepare the Action Plans on Wheeling Charge, Power Tariff Structure and Third Party Access, for submission to the ERC for consideration.

4. When considering the power tariff restructuring, the OERC shall carefully consider the determination of power consumer categories, taking into consideration the appropriateness of load profile and fairness to power consumers. As for the categorization of power consumers by the MEA, instead of considering a power consumer without household registration as a temporary power customer, it would be more suitable if the consideration is based on the compliance with the requirements, behavior and duration of power consumption of the power consumer. In this regard, the MEA is directed to consider revising the relevant criteria to be fair to power consumers.

5. Instruct the OERC to take into account the information about electrification expansion for households that still have no electricity when considering determining revenue compensation among the Power Utilities for payment to the PEA. This calculation method will be fair for the Power Utilities with no need to compensate all revenue of the PEA in order to make the ROIC equal to that of the MEA. The OERC is assigned to set the points for discussion with the Distribution Utilities so as to achieve practical outcome, e.g. electrification expansion, application for temporary electricity use, duplication of service charge collection, etc.

6. Instruct the OERC to review the objective of the Power Development Fund and that of the Revolving Fund to be clear, and to study the impact of the criteria and other provisions of the Revolving Fund that may affect the operation of the Power Development Fund under Section 97 of the Act, apart from the legal issues, for presentation to the ERC for consideration and approval of further implementation.

7. Approve that the OERC remit the remaining money of 103,676,921.23 baht to the Ministry of Finance as state revenue by August 2012.

8. Acknowledge the operation according to the cabinet resolution of 19 June 2012 on Thailand Power Development Plan 2010 – 2030, Revision 3, and instruct the OERC to take action as follows: (1) with regard to power procurement from IPPs, the purchase schedules in some intervals are too close to each other, so relevant issues must be carefully considered; and (2) as for the effort to have a new power plant constructed in the premises of Khanom power plant and power procurement from IPPs, the implementation in some periods must be harmonized; negotiations on tariffs of power procurement from IPPs should be finalized before starting negotiation on tariff of power procurement from the new power plant construction in Khanom power plant premises because the tariff in the latter case should not be higher than the tariff from power procurement from IPPs. According to the Action Plan, the tariffs of both sources would be known around the same time, i.e. around May 2013, and the said tariffs can be used as the reference for each other.

9. Acknowledge PTT's explanation on the estimation of natural gas prices during September – December 2012 and instruct PTT to prepare the estimation of natural gas prices by using the estimated exchange rate at 31.61 baht per US dollar. Additionally, the OERC shall coordinate with PTT to obtain the said information for use in the consideration on Ft calculation for September – December 2012.

10. Acknowledge the performance outcome of the Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry, and allow the OERC to report the Sub-committee's resolutions at its meeting on 13 July 2012 as follows:

10.1 For the case where temporary power customers of the MEA, who had paid for electricity charge under Type 2.1.2, have subsequently been classified as power consumers under Category 8 (Temporary Power Customer) after the introduction of power tariff restructuring in July 2011, and hence have to pay higher power tariffs than before, the Sub-committee passed a resolution that the MEA should consider determining the criteria for classifying power users in such a community to correspond with the actual power consumption behavior and that the MEA could set the tariff for this specific type of consumers and could set the criteria and conditions to be applied exclusively to existing communities, with no retroactive effect on the electricity bills already collected. The Secretary to the Sub-committee should present the matter to the ERC for acknowledgement and inform the MEA to take further action.

10.2 For the case where the PEA had sent a letter to the OERC, reporting the progress of the approach to solve problems and obstacles to electrification expansion for households that still have no electricity, the Sub-committee has already considered the solution approach as proposed by the PEA and passed resolutions as follows: (1) acknowledge the solution approach to problems and obstacles to electrification expansion as proposed by the PEA; (2) agree that a Working Group on Standard Form of Energy Service Provision Contracts

shall be appointed to be responsible for the drafting of the standard form of contracts on energy service provision and other tasks as assigned by the Sub-committee; and (3) agree that a Working Group on Equipment Standards and Electrification Expansion shall be appointed to be responsible for the drafting of standards of equipment and monitoring the expansion of electrification, including performing other tasks as assigned by the Sub-committee.

10.3 As for the progress of the MEA's implementation pursuant to the ERC resolution on power supply disconnection and power meter reconnection, on 31 July 2012 the MEA sent a letter to the OERC, notifying that the MEA had already updated the status of power consumers in the SAP program to have only one status left, i.e. power supply disconnection, to show the operation cost of 40 baht for power supply disconnection only after it was recorded that the power supply disconnection was actually undertaken. This practice has been effective since 1 August 2012.

11. Acknowledge the result of the audit on the financial report for the year ended 30 September 2011.

ERC Meeting No. 29/2012 (186th) 23 August 2012

1. Approve that a sub-committee under Section 24 of the Act shall be appointed, i.e. to appoint the Sub-committee on New Power Plant Procurement in Khanom Power Plant Premises, consisting of 13 members. In this regard, the OERC has been assigned to revise the Sub-committee's components by adding one more member so that the number of Sub-committee members would be 13, according to the ERC's approval. The name and position of the OERC representative who shall act as Member and Secretary of the Sub-committee must be stated. The authority and duties of the Sub-committee shall be revised to be in line with the NEPC resolution of 8 June 2012.

2. Approve the issuance of one electricity generation license, with a total installed capacity of 3.372 MW, and one natural gas transportation through transmission pipeline system license. In addition, the OERC is assigned to study the process, procedures, criteria, penalty and other relevant laws, and to coordinate with other organizations that are involved with the implementation of natural gas transmission pipeline construction in order to expeditiously set guidelines for future natural gas transportation operators to comply with, when applying for natural gas transportation through transmission pipeline system licenses, for submission to the ERC for further consideration. In this regard, it may be required to state in the regulation for the new round of power purchase that, if any applicant proposing to sell power needs to use a natural gas transmission pipeline to supply fuel for power production, a natural gas transmission license must be obtained before starting the construction, and a penalty clause should also be established for any operator who constructs a natural gas transmission pipeline before the required license is granted.

3. Approve the result of natural gas transmission tariff calculation, on the part of the Commodity Charge (Tc) of the offshore natural gas transmission pipeline system in Rayong (Zone 1), the offshore natural gas transmission pipeline system at Khanom (Zone 2), and the onshore natural gas transmission pipeline system (Zone 3) for the year 2012 at a rate of 1.3380 baht per million BTU, to be charged to service users as from September 2012 onwards, and instruct the OERC to take action

according to Section 67 of the Act, i.e. the arrangement for a hearing on this matter via the OERC website from 23 August – 6 September 2012.

4. Approve the result of natural gas transmission tariff calculation on the part of the Commodity Charge (Tc) of the onshore natural gas transmission pipeline system at Jana (Zone 4) for the year 2012 at a rate of 0.0145 baht per million BTU, and order that the difference of the natural gas transmission tariff on the part of the Tc of Zone 4 for the year 2011, which is 0.0279 baht per million BTU, shall be returned in the form of a discount on the natural gas price for EGAT as from June 2011 until the natural gas transmission tariff on the part of the Tc of Zone 4 for the year 2012 is announced for use. In this regard, EGAT shall bring the mentioned discount on the natural gas price to reduce the power tariff via the Ft mechanism. The OERC shall arrange a hearing on the natural gas transmission tariff on the part of the Tc of Zone 4 for the year 2012 to be charged to service users as from September 2012 onwards, via the OERC website from 23 August – 6 September 2012.

5. Approve the PEA's Manual for Accounting Separation (3rd Revision). In this regard, the PEA shall submit the Financial Statements which are prepared in line with the manual, as approved by the ERC, to the Office of the Auditor General of Thailand for certification before presenting the Financial Statements for the year 2011 to the ERC for acknowledgement.

6. Approve the MEA's Revised Manual for Accounting Separation of 2011. In this regard, the MEA shall submit the Financial Statements which are prepared in line with the manual, as approved by the ERC, to the Office of the Auditor General of Thailand for certification before presenting the Financial Statement for the year 2011 to the ERC for acknowledgement.

7. Approve the preparation of Financial Statements, using the Account Unbundling method, for the year 2011 according to the criteria stated in the Manual for Accounting Separation (5th Revision) of EGAT, and instruct the OERC to notify EGAT to complete the accounting separation by license type within two years.

8. Assign the OERC to study guidelines and criteria for provision of compensation and subsidy for electricity industry licensees who provide services to underprivileged power consumers, provision of extensive electricity services and provision of services to support the policy on the development decentralization to provincial areas, to be supplemental information for the power tariff review in 2013.

9. Give consent to the amendment to the CDC components of the following five Power Development Funds: (1) PDF: Gulf Yala Green Co., Ltd., (2) PDF: Roi-Et Province 1, (3) PDF: Sa Kaeo Province 1, (4) PDF: Prachinburi Province 1, and (5) PDF: Prachinburi Province 2.

10. Agree that Chairman of a Community Development Committee (CDC) cannot authorize any other person to act as CDC Chairman because it is clearly stated in the ERC Regulation on Power Development Fund for Development or Rehabilitation of Localities Affected by Power Plant Operation B.E. 2553 (2010) that, if the Chairman cannot perform the duty, the Deputy Chairman shall preside over the meeting, and that if the Chairman and the Deputy Chairman cannot perform the duty, the meeting shall select one of the CDC members to preside over the meeting. The OERC is ordered to send a written notice to the CDCs of local Power Development Funds informing this resolution for acknowledgement and future practice.

11. Approve the determination of land compensation prices to be used for calculating compensation related to the 230-kV Mae Moh 4 – Lamphun 2 transmission line and the 115-kV Mae Moh 3 – Lampang 1 transmission line of EGAT as follows:

11.1 For private land, to increase the prices of land from the cost estimate for the purpose of fee collection for registration of right and legal act concerning immovable property by parcel, announced for use during 2008 – 2011, for every parcel in order to be in line with the actual market price currently used.

11.2 For government land, to use compensation prices or utilization charge as stipulated in the regulations and rules of each agency. If no price determination is established, the cost estimate for the purpose of fee collection for registration of right and legal act of the Treasury Department in the year that EGAT requested permission to use the government land shall be used as the benchmark for calculating the compensation. The compensation shall be paid according to the criteria, procedures and conditions of determination and payment of compensation prescribed by the ERC.

12. Approve the determination of tree compensation prices to be used for calculating compensation related to the 230-kV Mae Moh 4 – Lamphun 2 transmission line and the 115-kV Mae Moh 3 – Lampang 1 transmission line of EGAT, by using the prices of economic plants, general plants, seasonal plants and paddy according to the standard price list which was announced in 2011 as the basis for calculating compensation, except for rice crops for which the compensation price shall not be more than 15,000 baht per rai and sticky rice crops for which the compensation price shall not be more than 12,000 baht per rai.

13. Approve the determination of compensation prices for building and structure demolishment and removal to be used for calculating compensation related to the 230-kV Mae Moh 4 – Lamphun 2 transmission line and the 115-kV Mae Moh 3 – Lampang 1 transmission line of EGAT, by using the compensation price for building and structure demolishment and removal of EGAT which was announced in 2011, except for the earth work, for which the price pursuant to the price lists of the Local Administrative Organization, the Office of Commercial Affairs Lampang and the Lampang Office of Public Works and Town & Country Planning as the benchmark for calculating compensation payment. As for the payment of financial assistance for humanitarian reasons to people who occupy and utilize any type of state land, since the matter is beyond the ERC jurisdiction because such payment is not the compensation under the Act, it is deemed appropriate that EGAT take into consideration the resolution of the Committee on Land and Property Price for Lampang at its meeting on 7 June 2012 when undertaking further action, as deemed appropriate. Moreover, in the event that the ERC has any observations on the criteria for price determination, the OERC shall notify the Committee on Land and Property Price for the concerned provinces of the said observations, for acknowledgement, too.

14. Give consent to the consideration of appeal on the announcement on demarcation of the transmission line area for the 500-kV Border (in Nan Province) – Nan transmission line development project of EGAT, i.e. to affirm the right-of-way of the transmission network system as announced earlier, involving one appellant, because the owners of the land that will be

affected from the amendment to the right-of-way do not agree to the amendment.

15. Give consent to the consideration of objections to pole locations under the 115-kV Angthong 1 – Ayutthaya 1 transmission line improvement project of EGAT, lodged by two opponents, requesting adjustment of pole locations because, in terms of transmission system engineering, the adjustment is feasible.

16. Approve the appeal consideration on the announcement on demarcation of the natural gas network system area under the project on natural gas transmission pipeline to U-Thai Power Plant of Gulf JP UT Co., Ltd., as follows:

16.1 To dispose of the appeals of two appellants out of the case-list because the appellants no longer wish to request change of the right-of-way route of the said natural gas network system.

16.2 To affirm the right-of-way of the natural gas network system as announced, involving seven appellants, because the right-of-way adjustment as requested by the appellants is not feasible. This is because the PTT has planned to construct a natural gas transmission pipeline, so the requested adjustment may cause damage to and obstruct the project operation of the PTT.

16.3 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the appellant cannot obtain written consent from the owners of the land that will be affected.

16.4 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the announced right-of-way is located within the right-of-way of the existing electricity network system of EGAT, so the land has already been evicted or has already been under the restrictions for safety in the right-of-way of EGAT.

16.5 To affirm the right-of-way of the natural gas network system as announced, involving two appellants, because the appellants no longer wish to request the right-of-way adjustment.

16.6 To dismiss the appeal requesting Gulf JP UT Co., Ltd. to buy all three plots of land covered by the right-of-way boundary because the announcement on demarcation of the natural gas network system area is the implementation with regard to the use of immovable property so as to evict the use of land only in part along the right-of-way of the natural gas network system, which is not considered land expropriation according to the law on immovable property expropriation.

17. Approve the appeal consideration on the announcement on demarcation of the 4th natural gas network system area (Rayong – Kaeng Khoi) and the objection against the construction of the natural gas network system of PTT, as follows:

17.1 To strike seven appeals out of the case-list because the appellants no longer wish to request adjustment to the right-of-way of the natural gas network system, causing the appeal deliberation to terminate.

17.2 To dismiss the appeals lodged by two appellants because the appeals were lodged after the timeframe stipulated by law.

17.3 To affirm the width of the natural gas network system at 20 meters as announced, involving one appellant, because the width as such has been determined for safety and security of the natural gas network system.

17.4 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the appellant no longer wishes to request adjustment to the network system right-of-way, causing the appeal deliberation to terminate.

17.5 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the adjustment to the right-of-way in the west will make the natural gas network system cross with the right-of-way of the electricity network system of EGAT. This will not be allowed because EGAT has a project on the transmission system improvement which may affect the security of both systems, and, in terms of engineering, the right-of-way cannot be adjusted to the east either.

17.6 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the adjustment to the right-of-way will make the natural gas network system cross with the right-of-way of the electricity network system of EGAT, and this will not be allowed because EGAT has a project on the transmission system improvement, which may affect the security of both systems.

17.7 To affirm the right-of-way of the natural gas network system as announced, involving one appellant, because the appellant cannot obtain written consent from the owners of the land that will be affected.

17.8 To dismiss the appeal for adjustment to the right-of-way in the state highway area because the appellant is not the lawful owner or occupier or other right holder of the land covered by the natural gas network system area, so the appellant does not have any right to file the appeal thereof.

18. Approve the plan for permanent OERC premises procurement, viewing that Option 2: to buy a private land and construct the office building is the most appropriate option for further securing of budget.

19. Approve the guidelines for securing budget for the procurement of permanent OERC premises as follows: (1) to reserve the remaining budget in each fiscal year as appropriate costs (for non-obligated liabilities), by switching the budget item to capital budget for the undertaking of the project on procuring new permanent OERC premises; and (2) to set an annual budget as from Fiscal Year 2013 onwards, until the accumulated budget is enough for the procurement. For the budget setting in each year, the remaining money after the expenses (if any) shall be reserved and combined with the annually allocated budget to achieve the targeted amount of approximately 110 million baht per year. In addition, the permanent OERC premises procurement plan, which was revised in accordance with the ERC comments, shall be incorporated into the budgetary plan for Fiscal Year 2013 and a request shall be made to reserve the remaining budget of Fiscal Year 2012, for submission to the cabinet for approval.

20. Approve the principle of the draft Strategic Plan for Energy Industry Regulation No. 2 (2013 – 2017) and instruct the OERC to revise the draft action plan, expenditure budget and revenue estimate for Fiscal Year 2013.

21. Acknowledge the comments of the Office of the Attorney-General and the remarks of the Sub-committee Regulating Power Purchase from SPPs and VSPPs with regard to the request to use supplementary fuel in solar energy power generation.

22. Acknowledge the development of the lawsuit where the ERC and the OERC have been sued and which has been brought to the Administrative Court. In this regard, it is deemed appropriate that the OERC further report the development of the lawsuit brought to the Central Administrative Court by SPP 6 Co., Ltd., for acknowledgement.

23. Acknowledge the change of head office address of SPP 2 Co., Ltd., and SPP 5 Co., Ltd.

24. Acknowledge the briefing of the meeting outcome on 22 August 2012 with the Standing Committee on Energy to clarify the issue of complaint against Mae Moh Power Development Fund Committee in Lampang province, that does not act in compliance with the regulation on Power Development Fund, and view that the undertaking and clarification of this issue should principally adhere to relevant regulations and the OERC shall prepare a written clarification to the Standing Committee on Energy about the rules and covenants pursuant to the regulations and shall prepare information to be presented to the Standing Committee on Energy during the field trip to Lampang on 7 September 2012, in case the group of Mrs Maliwan Nakviroj does not attend the meeting.

ERC Meeting No. 30/2012 (187th) 6 September 2012

1. Approve the issuance of three electricity generation licenses, with a total installed capacity of 3.11 MW; one electricity generation license (extension), with a total installed capacity of 1.095 MW; one license for regulated energy production (Por Kor 2) (renewal), with a total generator rating of 1,387 kVA; one Por Kor 2 license (generating capacity expansion), with a total generator rating of 3,940 kVA; and one natural gas transportation through transmission pipeline system license. In addition, the OERC is assigned to consider the implementation for granting a Por Kor 2 license or Ror Ngor 4: Factory Category No. 88 license in the event that an applicant's PPA has been cancelled by the PEA, for submission to the ERC for considering licensing according to the procedures set forth. The said implementation shall be based on the following guidelines: (1) the applicant whose PPA has been cancelled by the PEA shall be notified, in writing, to consider whether he still wants the ERC to consider license granting or not because, although the said licenses are obtained, the applicant will not be able to get an electricity generation license to sell electricity to the grid because the PPA has been cancelled; and (2) if the applicant confirms his application for the said licenses, the OERC will then proceed with the inspection of the applicant's energy industry operation facility, for presentation to the ERC for consideration and approval according to the established procedures.

2. Approve the issuance of a Por Kor 2 license to Khonburi Power Plant Co., Ltd., with a total generator rating of 18,750 kVA. The license shall be issued only after Khonburi Power Plant Co., Ltd., has received a Ror Ngor 4: Factory Category No. 88 license.

3. Give consent to Bangpoo Environmental Complex Co., Ltd., to change significant information of the project from "power generation for self-consumption" to "power generation for self-consumption and for sale to the MEA."

4. Approve the report on the calculation of Ft for February – April 2012 to be used for calculating the Ft for the round of September – December 2012 in accordance with the

opinion of the Sub-committee Regulating Energy Tariffs and Service Charges at its meeting on 3 September 2012. The accumulated difference between the actual Ft and the Ft charged in the month of April 2012, which is 45.20 satang per unit or a sum of 5,854.73 million baht, will be carried forward as the Accumulated Factor (AF) in May 2012, at about 41.31 satang per unit.

5. Approve the calculation result of the power tariff adjustment according to the Ft formula for the billing round of September – December 2012 as follows: (1) instruct EGAT to temporarily bear the burden of Ft in the round of September – December 2012 at a rate of 20.24 satang per unit, equivalent to a sum of about 10,504.00 million baht; (2) approve the determination of Retail Ft for collecting from power consumers in the billing round of September – December 2012 at 48.00 satang per unit (VAT not included); (3) approve the determination of Wholesale Ft for charging to the MEA and PEA in the billing of September – December 2012 at 45.97 and 39.19 satang per unit respectively; and the OERC shall arrange a hearing, according to Section 67 of the Act, via the OERC website from 6 – 12 September 2012 and present the hearing outcome to the ERC for further consideration.

6. Approve the revision to the designated area and the number of CDC of PDF: Roi-Et Province 1 and assign the OERC to explain, in writing, the issues of the complainants as well as notify the CDC of PDF: Roi-Et Province 1 to review the appropriateness of the Work Plan for Fiscal Year 2012 for submission to the ERC for consideration again.

7. Approve the revision to the CDC components of four local Power Development Funds as follows: (1) PDF: Sa Kaeo Province 1, (2) PDF: Khon Kaen Sugar Power Plant Co., Ltd., (3) PDF: Mitr Phol Bio-Power Co., Ltd., and (4) PDF: Saraburi Province 1.

8. Instruct the OERC to notify the CDCs that if there is any change in the names and surnames of the existing CDC members, the ERC shall be informed accordingly.

9. Authorize the OERC to revise the proposal for Fiscal Year 2013 budget that will be submitted to the cabinet, by increasing the budget for Strategy No. 3, Goal No. 1: Development of Power Consumer Protection Work, while decreasing the budget for permanent OERC premises procurement. The objectives of the undertaking of power consumer protection work development shall cover the ERC's mission on power consumer protection according to the Act, and the OERC is ordered to revise the draft letters to the Minister of Energy and the Office of the Secretariat of the Cabinet as well as the summary of action plan, expenditure budget and revenue estimate for Fiscal Year 2013 and the plan for fee scale determination, in accordance with the ERC comments, for circulation among the ERC for consideration and approval before presenting to the Chairman of ERC for signature. The aforesaid ERC comments are as follows: (1) to revise the determination of revenue for use as operational expenses for power procurement from IPPs according to the policy, by determining as other revenue or profits from the execution according to the authority and duties under the Act, apart from the licensing fees and energy industry operation fees, which can be collected as deemed necessary and appropriate; and (2) to proceed with strategic work on the development of load forecast models, with a budget of 10 million baht. The above-mentioned operation shall be monitored so that the study outcome could be practically utilized.

10. Acknowledge the regulation on power purchase from SPPs, which has been revised according to the ERC resolution of 20 July 2011.

11. Acknowledge the result of the consideration by the Expert Review Committee on Environmental Impact Assessment Report for thermal power plants regarding the request to change project details in the EIA report of Nong Sang Power Plant Project, and instruct the OERC to notify Gulf JP NS Co., Ltd., of the said consideration result for further action and then report the result of the operation to the OERC for acknowledgement.

12. Acknowledge the suggestion of RECC, Region 10, and the OERC's explanation on the measure to resolve and improve energy service provision, and order the OERC to consider preparing the explanation of the facts about this subject. Moreover, the RECC shall be explained about the issues that are beyond the ERC jurisdiction under the Act.

ERC Meeting No. 31/2012 (188th) 13 September 2012

1. Give consent to the discussion with the Office of the Council of State on the interpretation and overlapping of legal provisions between the Petroleum Control Act B.E. 2542 (1999) and of its amendments and the Act, and order the OERC to draft a letter requesting the said discussion, for circulation among the ERC for consideration as soon as possible.

2. Approve the issuance of two electricity generation licenses, with a total installed capacity of 136.45 MW, and one electricity generation license (renewal), with a total installed capacity of 0.92 MW. In addition, the OERC is assigned to determine the template of application form for license renewal and the required documents according to the ERC Proclamation on Determination of Criteria, Procedures and Conditions for Requesting License Renewal B.E. 2551 (2008) for further enforcement.

3. Approve the natural gas transmission tariff on the part of the Commodity Charge (Tc) of the offshore natural gas transmission pipeline system in Rayong (Zone 1), the offshore natural gas transmission pipeline system at Khanom (Zone 2) and the onshore natural gas transmission pipeline system (Zone 3) for the year 2012 at a rate of 1.3380 baht per million BTU. In this connection, the PTT shall collect the service charge at this rate as from September 2012 onwards, and the PTT shall take action according to Section 70 of the Act, i.e. to publicize the natural gas transmission tariff on the part of the Tc of the natural gas transmission pipeline systems in the said Zone 1, Zone 2 and Zone 3 for the year 2012.

4. Approve the natural gas transmission tariff on the part of the Tc of the onshore natural gas transmission pipeline system at Jana (Zone 4) for the year 2012 of PTT at a rate of 0.0145 baht per million BTU. The PTT shall collect the service charge at this rate as from September 2012 onwards. Approval is also given for the PTT to use the difference of the natural gas transmission tariff on the part of the Tc of Zone 4 for the year 2011, from June 2011 – August 2012, equivalent to 0.0279 baht per million BTU to return as a discount on the natural gas price for EGAT so that the latter could further give a discount on the power tariff for consumers, and give consent to the PTT to take action according to Section 70 of the Act, i.e. to publicize the natural gas transmission tariff on the part of the Tc of the onshore natural gas transmission pipeline system at Jana (Zone 4) for the year 2012.

5. Approve the result of Retail F_t calculation of EGAT for September – December 2012, at a rate of 68.24 satang per unit, and approve the determination of Retail F_t to be charged to power consumers in the billing round of September – December 2012 at 48.00 satang per unit (VAT not included), and EGAT shall temporarily bear the burden of F_t in the round of September – December 2012 at 20.24 satang per unit, equivalent to a sum of about 10,504 million baht. Approval is also given to the Wholesale F_t rate for charging to the MEA and PEA in the billing of September – December 2012 at 45.97 and 39.19 satang per unit (VAT not included) respectively.

6. Approve the Work Plans for Fiscal Year 2012 of Power Development Funds in designated areas, which have been screened by the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3) and instruct the CDCs to take into consideration the comments and remarks of the Sub-committee when carrying out their operation, as follows: (1) PDF: Map Ta Phut Industrial Estate, Rayong Province (2nd additional budget), accounting for the total funds of 7,440,000 baht; (2) PDF: Khanom, 39,080,376 baht; (3) PDF: Saraburi Province 1, 80,134,328 baht; (4) PDF: Saraburi Province 2, 8,131,457.69 baht; (5) PDF: Rayong Province 2, 15,659,048.60 baht; (6) PDF: Chonburi Province 2, 70,312,477.40 baht; (7) PDF: Samut Prakarn Province 2 (additional budget), 602,550 baht for use as operational expenses of 28 community projects; (8) PDF: Eastern Power and Electric Co., Ltd., 15,700,790 baht; and (9) PDF: Chonburi Province 1, 62,299,793 baht.

7. Instruct the OERC to compile remarks and suggestions provided when considering granting approval of the Work Plans for Fiscal Year 2012 of Power Development Funds in designated areas and inform all Chairpersons of Local Community Development Committees or the Provincial Governors accordingly. Moreover, seminars shall be arranged to inform the OERC Regional Offices of the said information to facilitate the development of Work Plans for Fiscal Year 2013 of Power Development Funds in designated areas.

8. Approve the appeal consideration on compensation regarding the 115-kV Nong Bua Lam Phu – Loei transmission line of EGAT as follows:

8.1 To affirm the compensation price for land used for pole locations, involving six appellants, because the price is considered fair and reasonable and none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation price determined for payment to the appellants. Moreover, the appellants did not appeal against the compensation that EGAT paid at a rate of 90% of the price determined in 2010.

8.2 To dismiss the appeals for financial assistance for humanitarian reasons for the land used for pole locations, lodged by 11 appellants, because the appellants occupy and utilize land in the land reform area, so they do not have any right to receive compensation under the Act and hence do not have any right to appeal for compensation. In this regard, EGAT is requested to provide financial assistance for humanitarian reasons to those who occupy and utilize such land to alleviate their difficulties only. Therefore, this appeal issue of the 11 appellants shall be referred to EGAT for further consideration.

9. Approve the outcome of consideration of appeals on compensation regarding the 230-kV Border (in Nakhon Phanom province) – Nakhon Phanom 2 transmission line and the 230-

kV Nakhon Phanom 2 – Nakhon Phanom Grid Connection Point transmission line of EGAT as follows:

9.1 To affirm the land compensation price for three appellants because it is consider fair and reasonable and none of the registered selling prices of the appellants' land or of the land nearby is found to be higher than the price determined for payment to the appellants.

9.2 To dismiss the appeals for financial assistance for humanitarian reasons, lodged by 11 appellants, because all of the appellants occupy and utilize land in the land reform area, so they do not have any right to receive compensation under the Act and hence do not have any right to appeal for compensation. In this regard, EGAT is requested to provide financial assistance for humanitarian reasons to those who occupy and utilize such land to alleviate their difficulties only.

10. Instruct the OERC to revise the draft Strategic Plan for Energy Industry Regulation, No. 2 (2013 – 2017) (the "Strategic Plan No. 2") and the draft action plan, expenditure budget and revenue estimate for Fiscal Year 2013 in accordance with the ERC comments, as follows: (1) to add the issue of procurement of permanent OERC premises in the Strategy No.4: Organizational Development to Regulatory Excellence, of the Strategic Plan No. 2 and present to the cabinet for approval of reservation of money for outstanding disbursement in following years for Fiscal Year 2012 and the annual budget allocation as from Fiscal Year 2013 to Fiscal Year 2017 for use as the expenses for procuring new permanent OERC premises; and (2) in the presentation of the draft Action Plan to the cabinet, the licensing fees and the energy industry operation fees should not be presented for approval because the current fee scale has been used since 2008, and if it is desired to provide additional details about the revenue that ERC will obtain from the undertaking of Request for Proposals for power purchase from IPPs, this can be added for approval, in principle, for the ERC to collect the said revenue.

11. Acknowledge result of the consideration on the draft Private Investment in State Undertakings Act, B.E., which affirms the inclusion of Section 7, stating that this act shall apply to private investments in state undertakings except for concessions under the law on petroleum and mining concessions under the law on minerals in accordance with the opinion of the Ad Hoc Committee [on the aforesaid draft Act] of the government, and when the law is effective, a royal decree will be issued to grant exemption from the enforcement of this law for natural gas industry, electricity industry and telecommunications industry.

12. Acknowledge the clarification of information to the Sub-committee Deliberating the Natural Gas Price Structure under the Standing Committee on Energy, House of Representatives, and assign the OERC to promptly follow up with PTT regarding the development of Third Party Access Code according to Section 81 of the Act.

13. Acknowledge the result of hearings on three subjects as follows: (1) the natural gas transmission tariff adjustment on the part of Commodity Charge (Tc) of natural gas transmission pipeline systems of PTT for charging to service users as from September 2012 onwards; the OERC shall provide explanation, via e-mail, to the participants who have voiced their opinions; (2) the natural gas transmission tariff adjustment on the part of the Tc of the onshore natural gas transmission pipeline system at Jana (Zone 4) for the year 2012 of PTT; and (3) the adjustment of electricity tariff -- on the hearing on F_1 charge for in the billing round of September – December 2012.

ERC Meeting No. 32/2012 (189th) 20 September 2012

1. Give consent to the development of and revision to the following proclamation and regulation: (1) the draft ERC Regulation on Measures to Prevent, Resolve and Monitor Environmental Impact for Persons Exempt from EIA Report Preparation under the Law on Enhancement of Environmental Quality and Preservation B.E.; (2) the draft ERC Proclamation on Measures to Prevent, Resolve and Monitor Environmental Impact for Persons Exempt from EIA Report Preparation under the Law on Enhancement of Environmental Quality and Preservation for Power Generation from Biomass (Solid Fuel), and instruct the OERC to arrange a hearing on the said draft Regulation via the OERC website according to Section 26 of the Act for a period of 15 days.

2. Approve the issuance of two electricity generation licenses, with a total installed capacity of 30.40 MW. In addition, the OERC is assigned to consider revising regulations and criteria related to the licensing of energy industry operation under Section 48 of the Act and the licensing of electricity industry operation, including determination of the commencement date for electricity industry licensees to send contributions to the Power Development Fund, for further submission to the ERC. Approval is also given to the principle of energy industry licensing in case of a biomass power plant that uses commercial energy as supplementary fuel in the power production process, by stating as a condition in the appendix to the license that the licensee must report the result of sulfur oxide (SO_x) measurement too.

3. Approve the form for reporting the progress of community project implementation and the Form 18 for reporting the progress of community project implementation, separated by work plan, of Power Development Funds in designated areas, and in the next stage the OERC shall consider revising the forms in order to minimize the burden on Sub-district CDCs and CDCs to fill in the information while being able to maximize the utilization of the data obtained, for submission to the ERC for consideration.

4. Approve the Work Plans for Fiscal Year 2012 of Power Development Funds in designated areas, which have been screened by the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund and instruct the CDCs to take into consideration the comments and remarks of the Sub-committee when carrying out their operation, as follows: (1) PDF: Nakhon Sawan Province 1 (amendment), for four projects, with the total funds of 614,304.60 baht; (2) PDF: Mitr Phol Bio-Power Co., Ltd. (additional budget), 910,000 baht for the operation of six community projects, and approve the change of project name and acknowledge the opinions of the CDC of PDF: Mitr Phol Bio-Power Co., Ltd., about the combination of community projects; (3) PDF: Prachinburi Province 2, 31,817,287.07 baht; (4) PDF: Chonburi Province 3, 25,911,352 baht; (5) PDF: Ratchaburi Province 1 (additional budget), 4,706,900 baht, for use as the operational expense for five community projects and also acknowledge the cancellation of two community projects under this PDF; (6) PDF: Sirikit Hydro Power Plant, Uttaradit Province, 24,425,812.25 baht; (7) PDF: Nam Phong Power Plant, Khon Kaen Province (additional budget), 970,000 baht, for use as the operational expense for two community projects and approve the request to amend, add or change the Work Plan for Fiscal Year 2012, i.e. to cancel one project and add three projects instead; (8) approve the change of community projects and increase in the budget ceiling for

four community projects under PDF: Jana Power Plant, Songkla Province, with the total funds of 381,666 baht; (9) approve the change of community projects and the project operators under PDF: Gulf Yala Green Co., Ltd.; (10) approve additional details of community projects that the ERC has approved in principle and assign the CDC of PDF: Bangpakong Power Plant, Chachoengsao Province, to prepare additional details of 97 projects, involving the total funds of 60,287,430 baht; and approve the operational expense for community projects according to the Work Plan for Fiscal Year 2012 (additional budget) for 78 community projects, with the total funds of 65,724,660 baht.

5. Instruct the OERC to present the method for changing of Power Development Fund beneficiaries that are not within the designated areas, for submission to the ERC for further consideration.

6. Approve that EGAT announce the demarcation of electricity network system exploring zones for the Main Transmission System Expansion Project for Power Purchase from SPP Cogeneration Power Plant, based on Request for Proposal 2010, involving five transmission lines as follows: (1) the 230-kV Ayutthaya 4 – Sikhiew 2 transmission line, effective for two years as from the announcement date; (2) the 500-kV transmission line, at the cross-section of the 500-kV Tha Tako – Nong Chok transmission line, Line 1, to Ayutthaya 4 Substation, effective for one year as from the announcement date; (3) the 500-kV Ayutthaya 4 – 500-kV Tha Tako – Nong Chok grid connection point transmission line, Line 1, effective for one year as from the announcement date; (4) the 500-kV transmission line, at the cross-section of the 500-kV Tha Tako – Wang Noi to Ayutthaya 4 Substation, effective for six months as from the announcement date; and (5) the 500-kV Ayutthaya 4 – 500-kV Tha Tako – Wang Noi grid connection point transmission line, effective for six months as from the announcement date. In this connection, EGAT shall act in compliance with the provision of Section 105 of the Act and the criteria prescribed in the ERC Proclamation on Criteria of Exploring or Locating a Site for Energy Network System B.E. 2553 (2010).

7. Approve the outcome of consideration of appeals on compensation related to the natural gas network system under the 4th natural gas transmission pipeline project (Rayong – Kaeng Khoi) of PTT as follows:

7.1 To terminate the consideration of appeal on compensation of two appellants because the latter have submitted written requests to cancel their appeals.

7.2 To dismiss the consideration of appeal of one appellant because the appeal was lodged after the 30 days' timeframe, according to the ERC regulation.

7.3 To increase land compensation for one appellant because his land is a mango orchard; when it is covered by the natural gas network system, the land utilization has decreased and tree planting cannot be done as before. Therefore, this is in line with the precedent judgment of the Supreme Administrative Court for a case where the land is covered by a network system area, causing land utilization to decrease, the compensation must be determined at the same price so as to be fair and reasonable.

7.4 To affirm the compensation price for land outside the transmission line area for 15 appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation price determined for payment to the appellants.

7.5 To affirm the compensation prices for seven items of trees because none of the government lists of tree

compensation gives higher compensation. Therefore, the compensation prices that are based on EGAT's compensation price list of trees and agricultural products of 2011 are considered fair and reasonable.

7.6 To decline payment for the cost of pig farm and house construction because there is no pig farm and house on the appellant's land covered by the natural gas network system. The said construction is only the plan in the future, so no compensation for this part will be paid to the appellant.

In this regard, PTT shall pay the additional compensation to the appellant within 45 days as from the date of PTT's receipt of the OERC's written notice of the appeal deliberation result; otherwise, PTT must pay interest to the appellant at the highest fixed deposit interest rate of the GSB as from the day after the due date until the additional compensation is paid.

8. Approve the outcome of consideration of appeal on compensation related to the natural gas network system under the Alpha Tech – Suwinthawong natural gas transmission pipeline project of PTT as follows: (1) to affirm the land compensation prices for two appellants because none of the registered selling prices of the appellants' land or the land nearby is found to be higher than the compensation prices determined for payment to the appellants; and (2) to dismiss the consideration of appeal of one appellant because the appeal was lodged after the 30-day timeframe, according to the ERC regulation.

9. Approve that the OERC reserve money for outstanding disbursement in Fiscal Years 2011 and 2012 for non-obligated liabilities, at a total amount of 150,383,272.92 baht (one hundred and fifty million, three hundred and eighty-three thousand, two hundred and seventy-two baht, ninety-two satang), and approve the item switching of the remaining budget for Fiscal Year 2012 after obligated liabilities and disbursement, and reserves for non-obligated liabilities as at 30 September 2012 as capital budget expense for the item of procurement of permanent OERC premises; approval is also granted to reserve money for non-obligated liabilities under the said item and amount of money.

10. Assign the Sub-committee on Policy and Strategies to speed up follow-ups and consideration of details of the projects, including forging ahead with project operation according to their priorities.

11. Acknowledge the adjustment to the investment capital ceiling of the power system development plan during the 10th National Economic and Social Development Plan, No. 10 (2007 – 2011) (investment plan adjustment) and assign the OERC to take the following actions: (1) to provide opinions on the PEA's power system development plan during the 10th NESDP to the Minister of Energy and the Minister of Interior in order to facilitate the cabinet's consideration; and (2) to establish a sub-committee to prepare and regulate Smart Grid development and to determine the criteria for the use of Smart Technology to optimize the benefit to relevant organizations in terms of cost reduction and harmonized operation.

12. Acknowledge the report on the draft Action Plan, Expenditure Budget and Revenue Estimate for Fiscal Year 2013 and the draft Private Investment in State Undertakings Act B.E.

13. Acknowledge the internal audit plan for Fiscal Year 2013, as approved by the Audit Committee at the latter's meeting on 17 September 2012.

1. Give consent to the provision of opinions on the investment plan for the project on renovation of Srinagarind Hydro Power Plant, Units 1 – 3, according to the consideration of the Sub-committee Regulating Electricity Generation Industry Operation at its meeting on 11 September 2012 to facilitate the consideration of the Minister of Energy pursuant to Section 11(5).

2. Assign the OERC to study and set practice guidelines and to revise relevant regulations, including exploring the approach to regulate the PEA, being a power buyer into the system, to ensure that its operation complies with the PPAs, and present the matter to the ERC for consideration.

3. Approve that Able Consultant Co., Ltd., be registered as a neutral agency to carry out the measurement of the heat energy ratio from the use of supplementary fuel and the measurement of PES, to be another option for EGAT and SPPs (contract parties) to jointly select to carry out activities pursuant to the PPA terms and to measure the heat energy ratio from the use of supplementary fuel and/or the PES measurement in the cogeneration process, and instruct the OERC to take the following actions: (1) to check and evaluate the performance of the six registered neutral agencies to see whether they have completely acted in compliance with the provisions stipulated by law or not -- the obtained information will be used to facilitate the consideration of future requests for PES neutral agency registration, and (2) to review the determination of qualifications of registered PES neutral agencies to be more appropriate.

4. Approve the issuance of three licenses for regulated energy production (Por Kor 2) (new application), with a total generator rating of 380,175 kVA; one Por Kor 2 license (renewal and generating capacity expansion), with a total generator rating of 110,575.85 kVA; three electricity generation licenses, with a total installed capacity of 84.70 MW; and one Ror Ngor 4: Factory Category No. 88 license, with a total engine power of 7,433.20 HP.

5. Approve the use of an attestation letter or a license for profession practice of the engineer who is the one undertaking the inspection of security and strength of the building structure instead of using the list of calculation accompanying the layout of the power plant facility certified by an engineer pursuant to the law on engineers, *mutatis mutandis*, in the event that a license applicant who has been operating energy business before the enforcement of the Act cannot provide the aforesaid list of calculation.

6. Approve the draft Manual on Engineering, Safety and Environmental Standards of Energy Industry Operation Facilities (for exclusive cases), and the list of 22 energy industry operation facilities that shall be inspected as per the complaints and the inspection and monitoring plan of energy industry operators after having obtained energy industry operation licenses (for exclusive cases) during June – October 2012, and approve the appointment of 11 competent officials according to the Act to carry out the inspection of aforesaid energy industry operation facilities.

7. Approve the Working Plans for Fiscal Year 2012 of Power Development Funds in designated areas, which have been screened by the Sub-committee on the Screening of Work Plans and Projects under Power Development Fund and instruct the CDCs to take into consideration the comments and remarks of the Sub-committee when carrying out their operation, as follows: (1) PDF: Rojana Power Co., Ltd., with the total funds of 12,231,997.72 baht; (2) PDF: Wang Noi Power Plant, Phra Nakhon Sri Ayutthaya, 70,477,168.81 baht; (3) PDF: South Bangkok Power Plant, 84,166,476.00 baht; (4) PDF: North Bangkok Combined Cycle Power Plant, 40,266,130.72 baht; (5) PDF: Mae Moh Power Plant, Lampang Province, additional budget of 45,003,744.00 baht to be used as operational expense of 30 community projects in the designated area, and consent is also given to the change to administrative expenses of PDF: Mae Moh Power Plant, Lampang Province. In this regard, the OERC is instructed to send a written notice to the CDC of PDF: Mae Moh Power Plant, Lampang Province, to provide details of the rationale and necessity of the request to determine the areas of beneficiaries to cover all 12 districts in Lampang province, to be additional information for the ERC consideration.

8. Authorize the OERC and Power Development Funds in designated areas to carry forward the whole amount of money obtained from the Power Development Fund that has been approved under Section 97(3) and Section 97(6) according to Annual Work Plans but cannot be disbursed in time within a given fiscal year for disbursement in the following fiscal year. Nevertheless, the outstanding disbursement shall be made within the approved work plan framework.

9. Approve the budget framework for administrative costs of Power Development Funds in designated areas in Fiscal Year 2012 for the expenses in Fiscal Year 2013, for the time being. The OERC shall transfer, for the time being, the Fiscal Year 2012 budget for expenses in Fiscal Year 2013 for administrative costs of Power Development Funds in designated areas in the first quarter at a rate of 25 percent of the Fiscal Year 2012 budget framework.

10. Approve the amendment to the ERC Regulation on Audit Committee and OERC's Internal Audit B.E. and the draft Audit Committee Charter (revised version).

11. Approve the amendment to the Audit Committee's components as follows: Mrs. Pallapa Ruangrong as Chairman of the Committee, Mr. Sun Vithespongse as Deputy Chairman of the Committee and the Committee Members comprising Mr. Chongchet Boonkerd, Mr. Chalit Ruengvisesh and Mr. Samart Buranawattanachoke, with the Director of the Internal Audit Department serving as Secretary.

12. Acknowledge the guidelines on reporting the electricity generation turnover of EGAT so that the Sub-committee Regulating Electricity Generation Industry Operation could carry out its undertakings according to its authority and duty framework with regard to provision of opinions on the performance of power plant operation according to the technical and engineering standards, the examination of information about electricity generation turnover, including the cost of electricity generation and the regulation of power plant maintenance.

Appendix 2

Summary of the Minutes of Meetings of the Sub-committees under Section 24 of the Energy Industry Act B.E. 2550 (2007)

1. Sub-committee Regulating Power Purchase from Small Power Producers and Very Small Power Producers
2. Sub-committee Regulating Energy Tariffs and Service Charges
3. Sub-committee Monitoring the Project on Thailand Power Tariff
4. Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry
5. Sub-committee on Deliberation of Appeals on Final Decisions, Orders, Regulations, Rules, Proclamations or any other Provisions of the ERC
6. Sub-committee on Deliberation of Appeals on Compensation
7. Sub-committee on Deliberation of Layout, Direction and Boundary of an Energy Network System
8. Sub-committee on Deliberation of Appeals on an Energy Network System Area
9. Sub-committee on Investigation of Natural Gas Leakage in the Gulf of Thailand
10. Sub-committee on Human Resources Management
11. Sub-committee Monitoring and Evaluating Projects under Power Development Fund for any Operation under Section 97(3)
12. Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3)
13. Sub-committee on Power Procurement
14. Sub-committee on Policy and Strategies
15. Sub-committee Regulating Energy Network Systems and Energy Network System Operator

1. Sub-committee Regulating Power Purchase from Small Power Producers and Very Small Power Producers

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Sun Vithespongse	Chairman	4/4
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	4/4
3	Mrs. Pallapa Ruangrong	2 nd Vice Chairman	4/4
4	Lt. Thaksin Limsuvan	3 rd Vice Chairman	4/4
5	Mr. Chongchet Boonkerd	Sub-committee Member	4/4
6	OERC Secretary General or Deputy Secretary General	Sub-committee Member	2/4
7	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	4/4
8	Representative of the Energy Policy and Planning Office	Sub-committee Member	4/4
9	Representative of the Department of Alternative Energy Development and Efficiency	Sub-committee Member	4/4
10	Representative of the Public Debt Management Office	Sub-committee Member	3/4
11	Mr. Bundhit Eua-Arporn	Sub-committee Member	2/4
12	OERC Representative	Secretary	4/4
13	OERC Representative	Assistant Secretary	4/4

The Sub-committee Regulating Power Purchase from Small Power Producers and Very Small Power Producers was appointed on 4 October 2011 (ERC Order No. 56/2554) to regulate power purchase from Small Power Producers (SPP) and Very Small Power Producers (VSPP) to be efficient and fair for all parties, in order to achieve the goal of procuring power, in accordance with the state policy under Sections 11(1) and 11(4) of the Act, as well as to deliberate problems arising from compliance with the Regulation for the Purchase of Power from SPPs, with Non-firm Contracts, B.E. 2550 (2007) (as amended in 2009) of EGAT. In Fiscal Year 2012, four meetings were held to deliberate the regulations for power purchase from cogeneration SPPs under firm contracts, totaling 39 projects, for supplying to the grid during 2015 - 2021, with a total proposed capacity sale of 3,510 MW.

2. Sub-committee Regulating Energy Tariffs and Service Charges

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	6/6
2	Mr. Sun Vithespongse	Vice Chairman	6/6
3	Mrs. Pallapa Ruangrong	Sub-committee Member	6/6
4	Mr. Chalit Ruengvisesh	Sub-committee Member	5/6
5	OERC Secretary General	Sub-committee Member	4/6
6	Representative of the Energy Policy and Planning Office	Sub-committee Member	6/6
7	Representative of the Department of Mineral Fuels	Sub-committee Member	5/6
8	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	5/6
9	Representative of the Public Debt Management Office	Sub-committee Member	5/6
10	Representative of the State Enterprise Policy Office	Sub-committee Member	5/6
11	Representative of the Office of the Consumer Protection Board	Sub-committee Member	4/6
12	Representative of the Federation of Thai Industries	Sub-committee Member	6/6
13	Representative of the Thai Chamber of Commerce	Sub-committee Member	5/6
14	Representative of the Thai Bankers' Association	Sub-committee Member	4/6
15	Ms. Puree Sirasoonporn	Sub-committee Member	4/6
16	OERC Representative	Sub-committee Member and Secretary	5/6

The Sub-committee Regulating Energy Tariffs and Service Charges was appointed on 22 August 2011 (ERC Order No. 40/2554 – amendment thereto). In Fiscal Year 2012, a total of six meetings were held to examine the proposals on F_t adjustment for three billing rounds, i.e. January – April 2012, May – August 2012 and September – December 2012, including consideration of decrease adjustment for the amount of subsidized electricity consumption under the measure on electricity usage free of charge for residential consumers, from not exceeding 90 units to not exceeding 50 units per month, and to screen the adjustment of natural gas transmission tariffs on the parts of Demand Charge (T_d) and Commodity Charge (T_c) of the offshore natural gas transmission pipeline system in Rayong (Zone 1), the offshore natural gas transmission pipeline system at Khanom (Zone 2), the onshore natural gas transmission pipeline system (Zone 3) and the onshore natural gas transmission pipeline system at Jana (Zone 4), including reviewing the natural gas transmission tariff on both T_d and T_c of the onshore natural gas transmission pipeline system at Nam Phong (Zone 5).

3. Sub-committee Monitoring the Project on Thailand Power Tariff

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Chalit Ruengvisesh	Chairman	1 / 1
2	Mrs. Pallapa Ruangrong	Sub-committee Member	1 / 1
3	Mr. Chongchet Boonkerd	Sub-committee Member	1 / 1
4	Representative of the Energy Policy and Planning Office	Sub-committee Member	1 / 1
5	Representative of the State Enterprise Policy Office	Sub-committee Member	1 / 1
6	Mr. Kittipong Pinyotrakool (Director, Administrative Department)	Sub-committee Member	0 / 1
7	Miss Narumon Intharak (Director, Electricity and Natural Gas Regulatory Department)	Sub-committee Member and Secretary	1 / 1
8	Mr. Attanan Jantanawijan (Senior Professional, Electricity and Natural Gas Industry Regulatory Department)	1 st Assistant Secretary	1 / 1
9	Miss Omjit Chansakran (Analyst, Administrative Department)	2 nd Assistant Secretary	0 / 1
10	Mr. Wisoot Pongsatorn	Advisor	1 / 1

The Sub-committee Monitoring the Project on Thailand Power Tariff was appointed on 30 April 2010 (ERC Order No. 20/2553 – amendment and addition thereto), held one meeting in Fiscal Year 2012, to monitor the implementation of the Project Consultant to be in accordance with the regulations and requirements of the Project on Thailand Power Tariff in order to obtain Thailand power tariff structure for the period 2011 – 2015, which came into effect in July 2011.

4. Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Pisit Soontararat	Chairman	3/3
2	Mrs. Pallapa Ruangrong	Vice Chairman	3/3
3	Mr. Supichai Tangjaitrong	Vice Chairman	3/3
4	Mr. Atiluck Attapich	Sub-committee Member	2/3
5	Mr. Jaroon Kampanna	Sub-committee Member	2/3
6	Representative of the Office of the Attorney General	Sub-committee Member	3/3
7	Representative of the Department of Industrial Works	Sub-committee Member	3/3
8	Representative of the Federation of Thai Industries	Sub-committee Member	2/3
9	Director, Rights Protection Department	Sub-committee Member and Secretary	3/3
10	Mr. Jakchai Chandarasupsang*	Advisor	0/3
11	Mr. Nopasit Chakpitak	Advisor	3/3
12	Mr. Sugant Intarakanchit	Advisor	3/3

The Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry was appointed on 7 October 2011 (ERC Order No. 056.1/2554), in order to be responsible for considering complaints of those who have suffered damage, and providing suggestions on the decision on disputes between those who have suffered damage and the licensees, due to energy industry operation of the latter, as well as providing consultation on energy consumer protection and recommending corrective and improvement measures with regard to energy service provision of the licensees. In Fiscal Year 2012, three meetings were held to consider approaches to solve problems with expanding energy network system areas to cover households which still have no electricity, and to consider complaints concerning request for PEA to arrange for its staff to collect service charges (electricity charge) in remote areas, for further submission to the ERC.

* Mr. Jakchai Chandarasupsang has resigned from the Sub-committee Deliberating Complaints of Stakeholders in the Energy Industry.

5. Sub-committee on Deliberation of Appeals on Final Decisions, Orders, Regulations, Rules, Proclamations or any other Provisions of the ERC

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	4/4
2	Mrs. Pallapa Ruangrong	Vice Chairman	4/4
3	Lt. Thaksin Limsuvan	Vice Chairman	4/4
4	Mr. Niphon Hakimi	Sub-committee Member	1/4
5	Mr. Kiat Loorungroj	Sub-committee Member	4/4
6	Pol.Maj.Gen. Jutti Thammanowanit	Sub-committee Member	2/4
7	OERC Secretary General	Sub-committee Member	4/4
8	Mr. Uthai Saeng-ampai	Sub-committee Member	3/4
9	Director, Legal Department [OERC]	Sub-committee Member and Secretary	4/4

The Sub-committee on Deliberation of Appeals on Final Decisions, Orders, Regulations, Rules, Proclamations or any other Provisions of the ERC was appointed on 10 September 2010 (ERC Order No. 45/2553) to deliberate appeals on final decisions, orders, regulations, rules, proclamations or any other provisions of the ERC, including deliberation on final decisions made by Regional Energy Consumer Committees (RECCs) to ensure efficiency, clarity, fairness and compliance with the intention and objectives of the Act. In Fiscal Year 2012, the Sub-Committee held four meetings altogether.

6. Sub-committee on Deliberation of Appeals on Compensation

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Lt. Thaksin Limsuvan	Chairman	11/11
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	11/11
3	Mr. Pisit Soontararat	2 nd Vice Chairman	11/11
4	Gen. Surin Pikulthong	Sub-committee Member	11/11
5	Mr. Supichai Tangjaitrong	Sub-committee Member	10/11
6	Mr. Suchit Chongprasert	Sub-committee Member	10/11
7	Mr. Wiwek Jinasiri	Sub-committee Member	11/11
8	Director, Land and Property Management Department [OERC]	Sub-committee Member and Secretary	11/11
9	Representative of the Land and Property Management Department	Sub-committee Member and Assistant Secretary	11/11
10	Mr. Chen Wipatbawonwong	Advisor	10/11
11	Mr. Prasit Suebchana	Advisor	11/11
12	Mr. Yongyut Jantararotai*	Advisor	4/5
13	Mr. Kraisri Phuvapajchim**	Advisor	2/2

The Sub-committee on Deliberation of Appeals on Compensation was appointed on 9 September 2011 (ERC Order No. 35/2554), to be responsible for deliberating appeals on compensation or utilization charge for the use of immovable property for energy industry operation, to be efficient, transparent and fair, in compliance with the intention and objectives of the Act. In Fiscal Year 2012, 11 meetings were held and consideration was undertaken on a total of 189 appeals on compensation in relation to energy network systems, divided into 118 cases on electricity network systems and 71 cases on natural gas network systems.

* Mr. Yongyut Jantararotai was appointed Advisor to this Sub-committee on 22 March 2012.

** Mr. Kraisri Phuvapajchim was appointed Advisor to this Sub-committee on 9 August 2012.

7. Sub-committee on Deliberation of Layout, Direction and Boundary of an Energy Network System

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Lt. Thaksin Limsuvan	Chairman	7/7
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	7/7
3	Mr. Sun Vithespongse	2 nd Vice Chairman	7/7
4	Mr. Chalit Ruengvisesh	Sub-committee Member	5/7
5	Representative of the Energy Policy and Planning Office	Sub-committee Member	1/7
6	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	3/7
7	OERC Secretary General or Representative	Sub-committee Member	6/7
8	Mr. Wiwek Jinasiri	Sub-committee Member	7/7
9	Director, Land and Property Management Department [OERC]	Sub-committee Member and Secretary	7/7
10	Representative of the Land and Property Management Department	Sub-committee Member and Assistant Secretary	7/7
11	Mr. Prasit Suebchana*	Advisor	5/5
12	Mr. Kraisri Phuvapajchim**	Advisor	2/2

The Sub-committee on Deliberation of Layout, Direction and Boundary of an Energy Network System was appointed on 7 October 2011 (ERC Order No. 58/2554), to be responsible for consideration and approval of layouts, directions and boundaries of energy network system construction, under the provisions of Section 106 of the Act. In Fiscal Year 2012, the Sub-Committee held a total of seven meetings.

* Mr. Prasit Suebchana was appointed Advisor to this Sub-committee on 25 January 2012.

** Mr. Kraisri Phuvapajchim was appointed Advisor to this Sub-committee on 9 August 2012.

8. Sub-committee on Deliberation of Appeals on an Energy Network System Area

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Boonsong Kerdklang	Chairman	10/10
2	Lt. Thaksin Limsuvan	1 st Vice Chairman	10/10
3	Mr. Pisit Soontararat	2 nd Vice Chairman	10/10
4	Mr. Yongyut Jantararotai	Sub-committee Member	10/10
5	Mr. Sitthiphong Theppitak	Sub-committee Member	10/10
6	Mr. Samerjai Suksumek	Sub-committee Member	8/10
7	Mr. Prapon Kitichantaropas	Sub-committee Member	9/10
8	Director, Land and Property Management Department [OERC]	Sub-committee Member	10/10
9	Representative of the Land and Property Management Department	Sub-committee Member and Secretary	10/10
10	Mr. Kraisri Phuvapajchim*	Advisor	2/10

The Sub-committee on Deliberation of Appeals on an Energy Network System Area was appointed on 11 August 2011 (ERC Order No. 36/2554) to deliberate appeals on an energy network system area lodged by owners or occupying persons of immovable property or right holders, who disagree with the energy network system area. In Fiscal Year 2012, the Sub-committee held 10 meetings. The appeal deliberation outcome for presentation to the ERC can be summarized as follows:

- To dispose of appeals against energy network system areas, totaling 35 cases;
- To grant withdrawal of appeals against energy network system areas, totaling 12 cases;
- To dismiss appeals against energy network system areas, totaling 7 cases;
- To decline consideration of appeals against energy network system areas, totaling 8 cases;
- To affirm the energy network system boundary, totaling 1 case;
- To affirm pole locations in energy network system boundaries, totaling 6 cases;
- To adjust energy network system boundaries, totaling 5 cases; and
- To dispose of issues of appeals against energy network system areas, totaling 39 cases.

* Mr. Kraisri Phuvapajchim was appointed to be the Advisor on 9 August 2012.

9. Sub-committee on Investigation of Natural Gas Leakage in the Gulf of Thailand

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	4/4
2	Mrs. Pallapa Ruangrong	1 st Vice Chairman	4/4
3	Mr. Boonsong Kerdklang	2 nd Vice Chairman	4/4
4	Mr. Amnat Chotechai	Sub-committee Member	4/4
5	Mr. Atiluck Attapich	Sub-committee Member	4/4
6	Mr. Pornchai Patiparnprechavut	Sub-committee Member	4/4
7	Director, Legal Department	Sub-committee Member	4/4
8	Director, Electricity and Natural Gas Regulatory Department	Sub-committee Member	4/4
9	Director, Licensing Department	Sub-committee Member	2/4
10	Director, Energy and Environmental Engineering Department	Sub-committee Member and Secretary	4/4

The Sub-committee on Investigation of Natural Gas Leakage in the Gulf of Thailand was appointed on 22 September 2011 (ERC Order No. 50/2554) to examine facts related to the incident of natural gas leakage from the offshore natural gas transmission pipeline, Line 1, due to the construction of the offshore natural gas transmission pipeline connecting Plathong Natural Gas Field (Chevron extension) to the offshore natural gas transmission pipeline, Line 3, of the PTT, which occurred on 25 June 2011. In Fiscal Year 2012, the Sub-committee held altogether four meetings, to acknowledge the PTT's clarification of the facts concerning the incident together with the action plan to rectify the aforementioned incident.

10. Sub-committee on Human Resources Management

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	4/4
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	4/4
3	Mr. Pisit Soontararat	2 nd Vice Chairman	4/4
4	OERC Secretary General	Sub-committee Member	4/4
5	OERC Deputy Secretary General (Miss Narupat Amornkosit)	Sub-committee Member	4/4
6	OERC Deputy Secretary General (Mr. Atiluck Attapich)	Sub-committee Member	4/4
7	OERC Deputy Secretary General (Mr. Pornchai Patiparnprechavut)	Sub-committee Member	3/4
8	Director, Administrative Department	Sub-committee Member and Secretary	4/4
9	Director, Human Resources Management Division	Sub-committee Member and Assistant Secretary	4/4

The Sub-committee on Human Resources Management was appointed on 15 November 2011 (ERC Order No. 62/2554) to be responsible for OERC human resources management and development in order to smooth office operation over, with optimum efficiency and good corporate image. In Fiscal Year 2012, the Sub-committee held altogether four meetings to deliberate the criteria and methods for performance appraisal of staff members and employees, the criteria for making OERC announcements on selection of the general public to be recruited and appointed as staff members, the consideration criteria for increasing salary of staff members and employees, and the development of standards for setting job descriptions of staff members and employees, including deliberation on the ethical principles of the OERC personnel.

11. Sub-committee Monitoring and Evaluating Projects under Power Development Fund for any Operation under Section 97(3)

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	3/3
2	Mrs. Pallapa Ruangrong	1 st Vice Chairman	3/3
3	Lt. Thaksin Limsuvan	2 nd Vice Chairman	3/3
4	Gen. Surin Pikulthong	Sub-committee Member	3/3
5	Representative of the Ministry of Interior	Sub-committee Member	3/3
6	Representative of the Ministry of Finance	Sub-committee Member	3/3
7	Representative of the Bureau of the Budget	Sub-committee Member	3/3
8	Representative of the Ministry of Energy	Sub-committee Member	3/3
9	Mr. Kraisi Karnasuta	Sub-committee Member	3/3
10	Mr. Chareon Prajuntan	Sub-committee Member	3/3
11	Mr. Woraphat Tothanakasem	Sub-committee Member	2/3
12	Mr. Nakom Theerasuwannajak	Sub-committee Member	2/3
13	OERC Deputy Secretary General (Mr. Atiluck Attapich)	Sub-committee Member and Secretary	3/3
14	Director, Regional Office Department	Sub-committee Member and 1 st Assistant Secretary	3/3
15	Director, Power Development Fund Management Department	Sub-committee Member and 2 nd Assistant Secretary	3/3

The Sub-committee Monitoring and Evaluating Projects under Power Development Fund for any Operation under Section 97(3) was appointed on 27 December 2011 (ERC Order No. 74/2554) to be responsible for monitoring and evaluating the implementation of projects under the Power Development Fund for any operation under Section 97(3) and reporting the outcome to the ERC, as well as deliberating and providing comments on complaints about the Power Development Fund implementation for any operation under Section 97(3) and preparing the summary of facts and comments together with reasons for presentation to the ERC for further deliberation and decision. In Fiscal Year 2012, the Sub-committee held altogether three meetings to consider approaches to monitor and evaluate the implementation outcome of funded projects.

12. Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3)

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Pisit Soontararat	Chairman	7 / 7
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	7 / 7
3	Mr. Sun Vithespongse	2 nd Vice Chairman	7 / 7
4	Representative of the Ministry of Interior	Sub-committee Member	7 / 7
5	Representative of the Ministry of Finance	Sub-committee Member	7 / 7
6	Representative of the Bureau of the Budget	Sub-committee Member	6 / 7
7	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	6 / 7
8	Representative of the Ministry of Energy	Sub-committee Member	7 / 7
9	Representative of the Energy Policy and Planning Office	Sub-committee Member	7 / 7
10	Mr. Supichai Tangjaitrong	Sub-committee Member	6 / 7
11	Mr. Nopasit Chakpitak	Sub-committee Member	7 / 7
12	Mr. Pramoul Chanpong	Sub-committee Member	4 / 7
13	Mr. Theeraj Athanavanich	Sub-committee Member	6 / 7
14	OERC Deputy Secretary General (Miss Narupat Amornkosit)	Sub-committee Member and Secretary	7 / 7
15	Director, Power Development Fund Management Department	Sub-committee Member and Assistant Secretary	7 / 7

The Sub-committee on the Screening of Work Plans and Projects under Power Development Fund for any Operation under Section 97(3) was appointed on 27 December 2011 (ERC Order No. 75/2554) to be responsible for management and regulation of the Power Development Fund utilization to be efficient and to genuinely create optimum benefits for the communities, as well as to provide opinions on work plans and projects, and to allocate the funding in an efficient, transparent and accountable manner, in compliance with the intention and objectives of the Act. In Fiscal Year 2012, the Sub-committee held altogether seven meetings to consider projects in accordance with the guidelines on screening work plans and projects under Power Development Funds in designated areas, and the annual work plans of 37 local Power Development Funds were submitted to the ERC for approval.

13. Sub-committee on Power Procurement

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	2/2
2	Mr. Boonsong Kerdklang	1 st Vice Chairman	2/2
3	Lt. Thaksin Limsuvan	2 nd Vice Chairman	2/2
4	Mr. Sun Vithespongse	Sub-committee Member	2/2
5	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	2/2
6	Representative of the Ministry of Finance	Sub-committee Member	2/2
7	Representative of the Office of the Attorney General	Sub-committee Member	1/2
8	Representative of the Energy Policy and Planning Office	Sub-committee Member	2/2
9	OERC Secretary General	Sub-committee Member and Secretary	2/2
10	OERC Deputy Secretary General (Mr. Pornchai Patiparnprechavut)	Sub-committee Member and Assistant Secretary	1/2
11	OERC Deputy Secretary General (Mr. Atiluck Attapich)	Sub-committee Member and Assistant Secretary	2/2

The Sub-committee on Power Procurement was appointed on 10 May 2012 (ERC Order No. 85/2555) to undertake the study on and development of regulations and criteria for power procurement as well as preparing Requests for Proposals for power purchase, including overseeing the process of power purchase from Independent Power Producers (IPP) in new rounds, during the years 2021 – 2030, to correspond with the government's policy and Thailand Power Development Plan in order to be fair for all parties. In Fiscal Year 2012, the Sub-committee's meetings were held twice to consider the competitive bidding preparedness plan for power purchase from private producers and the approach to engage a consultant to support the implementation of power purchase from private producers.

14. Sub-committee on Policy and Strategies

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mrs. Pallapa Ruangrong	Chairman	6/6
2	Mr. Sun Vithespongse	1 st Vice Chairman	5/6
3	Lt. Thaksin Limsuvan	2 nd Vice Chairman	5/6
4	Mr. Pisit Soontararat	3 rd Vice Chairman	5/6
5	OERC Secretary General	Sub-committee Member	3/6
6	Mr. Supichai Tangjaitrong	Sub-committee Member	5/6
7	OERC Deputy Secretary General (Miss Narupat Amornkosit)	Sub-committee Member	6/6
8	OERC Deputy Secretary General (Mr. Pornchai Patiparnprechavut)	Sub-committee Member	5/6
9	OERC Deputy Secretary General (Mr. Atiluck Attapich)	Sub-committee Member	5/6
10	Director, Electricity and Natural Gas Regulatory Department	Sub-committee Member	5/6
11	Director, Licensing Department	Sub-committee Member	6/6
12	Director, Rights Protection Department	Sub-committee Member	5/6
13	Director, Power Development Fund Management Department	Sub-committee Member	6/6
14	Director, Administrative Department	Sub-committee Member	5/6
15	Director, Strategy and Corporate Communications Department	Sub-committee Member and Secretary	6/6

The Sub-committee on Policy and Strategies was appointed on 16 November 2011 (ERC Order No. 63/2554) to undertake the study and analysis of relevant information in order to determine and review the Strategic Plan for Energy Industry Regulation; to study, analyze, develop and monitor the implementation pursuant to the expenditure budget plan; and to prepare revenue estimate in a fiscal year of the OERC, as well as setting the plan to determine fee rates, to be up-to-date and in line with the vision and mission of the ERC and the authority and duties under the Act. In Fiscal Year 2012, the Sub-committee held altogether six meetings, and a key achievement was the development of the Strategic Plan for Energy Industry Regulation, No. 2 (2013 - 2017).

15. Sub-committee Regulating Energy Network Systems and Energy Network System Operator

Meeting Attendance Report

No.	Sub-committee's Components	Position	No. of Attendance/ No. of Meetings
1	Mr. Nopadon Mantajit	Chairman	4/4
2	Mr. Sun Vithespongse	Vice Chairman	4/4
3	Mr. Chalit Ruengvisesh	Sub-committee Member	4/4
4	OERC Deputy Secretary General (Mr. Pornchai Patiparnprechavut)	Sub-committee Member	4/4
5	Representative of the Energy Policy and Planning Office	Sub-committee Member	3/4
6	Representative of the Office of the National Economic and Social Development Board	Sub-committee Member	4/4
7	Mr. Suchart Chanlawong	Sub-committee Member	4/4
8	Mr. Naebboon Hoonchareon	Sub-committee Member	3/4
9	Miss Sutharat Angchanpen	Sub-committee Member	4/4
10	Mr. Pitsanu Pum-im	Sub-committee Member	4/4
11	Mr. Yongyuth Prapasawad	Sub-committee Member	4/4
12	Miss Jittima Mantajit	Sub-committee Member	3/4
13	Director, Electricity and Natural Gas Regulatory Department	Sub-committee Member and Secretary	3/3
14	Director, Licensing Department*	Sub-committee Member and Secretary	1/1
15	Director, Energy and Environmental Engineering Department	Sub-committee Member and Assistant Secretary	4/4

The Sub-committee Regulating Energy Network Systems and Energy Network System Operator was appointed on 7 October 2011 (ERC Order No. 57/2554) with a view to regulating energy network systems and energy network system operator to ensure smooth and efficient operation. In Fiscal Year 2012, the Sub-committee held altogether four meetings.

* Memorandum No. OERC 5502/3558 (20 August 2012), on the change of a Representative to the Sub-committee, assigns the Director of the Licensing Department to be Sub-committee Member and Secretary, in place of the Director of the Electricity and Natural Gas Regulatory Department.



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