

**POWERING AHEAD**Ratchaburi Electricity Generating will soon start construction of a huge project in Laos. **B4****ENERGY**

# Ratch set to start Laos power project

## Construction to take 5 years after deal signed

SET-listed Ratchaburi Electricity Generating Holding Plc (RATCH) aims to start construction of the Xe-Pian Xe-Namnoy hydroelectric power project in Laos this quarter.

Xe-Pian Xe-Namnoy Power Co (PNPC) signed a 27-year power purchase agreement (PPA) with the Electricity Generating Authority of Thailand (Egat) in Vientiane on Wednesday. Located in Champasak province, the 32-billion-baht hydroelectric project will have a capacity of 410 megawatts, of which 90% will be supplied to Egat and the rest to the Lao power system.

Ratch, Thailand's largest private power producer, holds 25% of the project, while other partners are SK Engineering and Construction, Korea Western Power and Lao Holding State.

Ratch chief executive Noppol Milinthangoon said the PPA signing is a turning point for the project to move forward into the construction phase.

Construction will take 60 months before commercial operations start in 2018.

"The project is expected to serve the increasing power demand of the two countries," said Mr Noppol.

"The company is confident that the

project will be completed on schedule to further enhance our financial stability and strengthen the company's cash flow."

Electricity will be distributed to Egat through a 500-kilovolt transmission line to a substation in Ubon Ratchathani.

PNPC was officially granted a 27-year concession by the Laos government to develop, construct and operate the project last October.

Ratch has a total installed capacity of 6,303 MW, according to its equity holdings in projects in operation and under development.

Of the total, 4,586.5 MW account for projects in Thailand, while 1,716.5 MW are for investments in Laos and Australia.

Shares of RATCH closed yesterday on the Stock Exchange of Thailand at 60.50 baht, up 50 satang, in trade worth 49.3 million baht.

**WHERE ELECTRICITY FROM XE-PIAN XE-NAMNOY WILL GO****90% to Egat ➡ 10% to Laos power system**