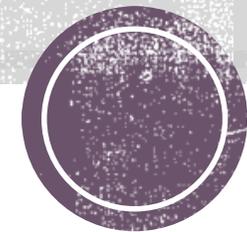


Re-thinking Energy Policy in the Post-Covid19 Era

Dr. Twarath Sutabutr

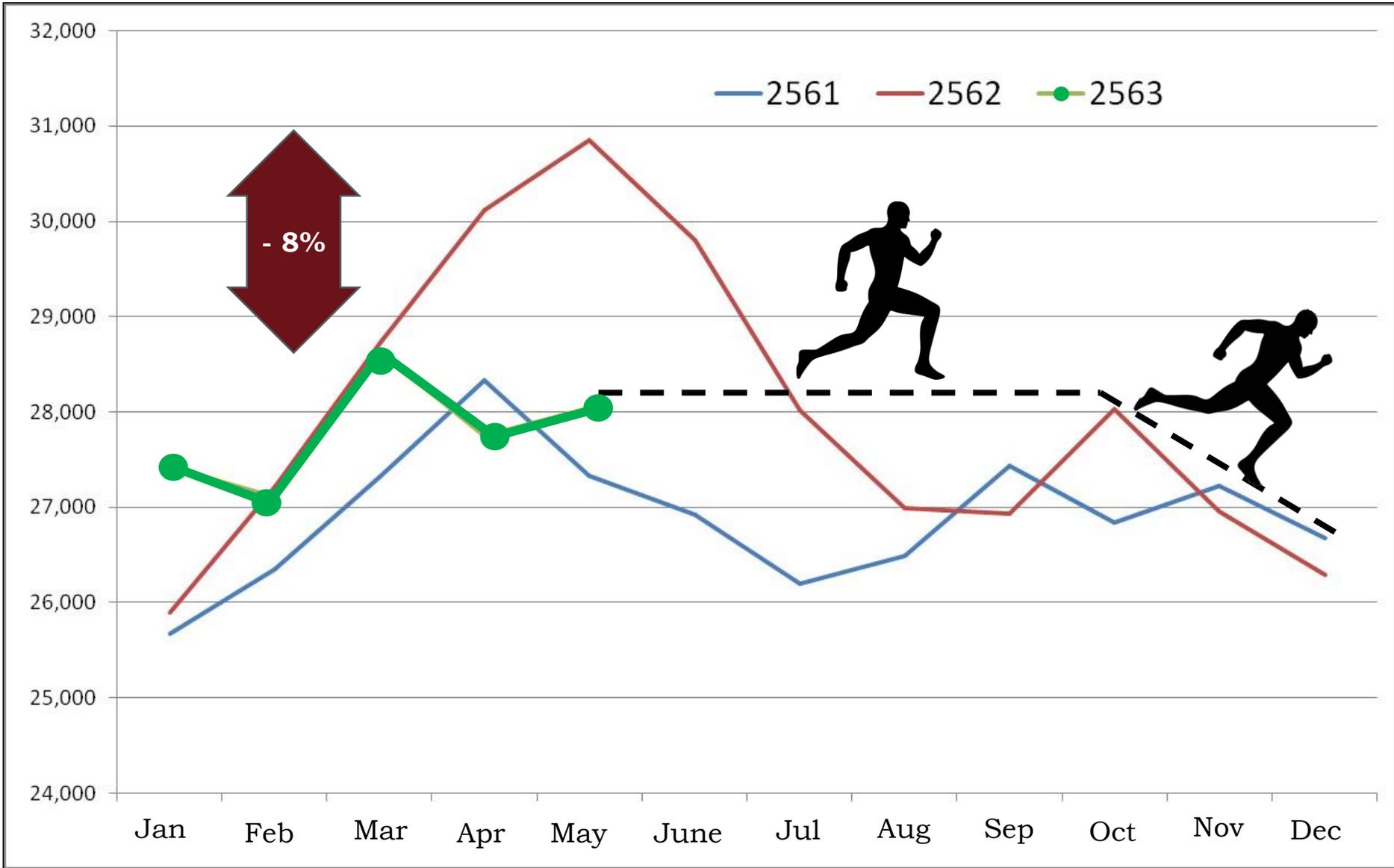
Inspector-General, Ministry of Energy



ASE2020 : WEBINAR Series#1

20 May 2020

Reduced Power Demand During CoVid Pandemic

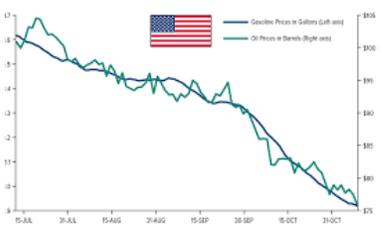


Oil Price Crash During CoVid Pandemic

The COVID-19 Oil Crash

Why Prices Went Negative, and Getting Out of the Glut





B
Inter-Political Tension between Superpowers

3 Oil price dropped sharply

Retail Prices dropped
Price

More "PRICE PRESSURE" on Biofuel & RE-Power

Slow-Uptake
- Solar Rooftops
- Distributed Energy System
- Private PPAs

A
Covid-19 pandemic

1 Reduced Demand (All Fuels type affected)

Delay in Infrastructure Investment & No New Round of PPAs-Solicitation

LNG Prices dropped

Potential T-O-P in Energy Contracts

Re-think of Energy Landscape

2 Out-cried For Special Government Helps

Temporary Cut-down on Power Tariff

Cold Standby of Power Plants

Poor Performances of Energy Utilities and Companies

Global Covid-19

4 China Shut Down

Stagnant in Cost Reduction of "Li-Battery" & EV

New Landscape

	Existing	(Possible) New Normal
Price	$P_{\text{Fossil}} > P_{\text{RE}}$	$P_{\text{Fossil}} = P_{\text{RE}}$
ESI Structure	Enhanced Single Buyer (ESB)	<u>Distributed Energy Supply (DES)</u> with Prosumers (2-way flow)
RE Generation	Utility PPA <ul style="list-style-type: none"> - Occasional Solicitation - Generous Adder/FIP/FIT - Guarantee Off-Taking 	<ul style="list-style-type: none"> • Private PPA Allowable • Open to Access the Grid • Net Metering Concept
Electricity Pricing	<ul style="list-style-type: none"> - Cross-Subsidy for Free-Electricity Scheme - Cost of Service Regulation (with fixed Rate of Returns for Utilities) - Progressive Retail Rates and No Choices for End-Consumers 	<ul style="list-style-type: none"> - <u>No More Cross-Subsidy, No More Free Electricity Scheme</u> in the Normal Situation - <u>More Competition with Market-Based Pricing Schemes</u> and with More Choices - <u>Innovative TOU Price Signal</u> with more features i.e. <u>Real Time Pricing, Critical Peak Pricing, Emergency Break</u>

Re-Cap : What Policy needs A RE-think

1. New Electricity Tariff Design

- No More Free Electricity Schemes ?
- TOU/Real Time Pricing Structure

2. RE-Subsidy Programs

3. New Design for Power Purchase Agreement (PPA)

- Private PPAs
- Micro-Grid-Friendly (Behind the Meter Concept&Back-up Rate&Ancillary Service)
- Curtailment Allowable

4. New ESI-Structure with Open Accessibility to the Grid



Energy Transition Shall Continue

Thank You

