



## Clarification

### $F_t$ surcharge for January – April 2019

The Energy Regulatory Commission (ERC), on its 548<sup>th</sup> meeting (47<sup>th</sup> meeting of 2018) on November 7, 2018, and its 553<sup>rd</sup> meeting (52<sup>nd</sup> meeting of 2018) on November 28, 2018, considered the results from the calculations of the  $F_t$  surcharge of January to April 2019 and approved the  $F_t$  surcharge to collect from the customers in the electricity invoice during January to April 2019, which is -11.60 Satang/unit (excluding VAT). The details of the ERC's consideration are as follows:

1. The calculation result of the  $F_t$  surcharge for retail electricity price of January to April 2019 is 8.10 Satang/unit, increasing from the last  $F_t$  surcharge of the last period (September to December 2018), which is -15.90 Satang/unit, by 24.00 Satang/unit, while:

$$\begin{aligned} F_t &= FAC + AF \\ 8.10 &= 14.06 + -5.96 \text{ Satang/unit} \end{aligned}$$

(1) FAC is the costs that differ from the base tariff (fuel cost from EGAT, power purchasing from independent power producers (IPPs), small power producers (SPPs), neighbor countries, as well as the expenses occurred by the Government Policies which is 14.06 Satang/unit, increasing from the last period (September to December 2018) by 16.52 Satang/unit.

The main factor affecting the changing  $F_t$  is the cost of the main fuel for power generation, i.e. natural gas, fuel oil as well as coals are in upward trends. The fuel mix in power generation during January to April 2019 still mostly possessed by natural gas. Moreover, the above average renewable energy support accumulated from the last period is likely to increase.

(2) AF is the Accumulated Energy Adjustment Charge, which is the accumulated of the differences between the actual  $F_t$  and the  $F_t$  surcharge collected from the customers in the last period (September to December 2018). The adjustment charge is considered to revise the current  $F_t$  (January to April 2019), which is -5.96 Satang/unit.

2. According to the result of  $F_t$  calculation for retail electricity price of January to April 2019, which is 8.10 Satang/unit, increasing from the current  $F_t$  (-15.90 Satang/unit), contributing to the impact on the  $F_t$  surcharge for January to April 2019 increased by 24.00

Satang/unit. Consequently, the ERC had reviewed the efficiency cost of fuel for generation mix and Management of Financial for  $F_t$ . The ERC, therefore, has the resolution  $F_t$  surcharge for January to April 2019 at -11.60 Satang/unit. Increasing from the current  $F_t$  (-15.90 Satang/unit), which is 4.30 Satang/unit.

In conclusion, the retail  $F_t$  surcharge to collect from the customer in the electricity invoice during January to April 2019, which is -11.60 Satang/unit.

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30 November 2018