



Clarification

F_t surcharge for May – August 2019

The Energy Regulatory Commission (ERC), on its 579th meeting (17th meeting of 2019) on March 6, 2019, and its 584st meeting (22th meeting of 2018) on March 27, 2019, considered the results from the calculations of the F_t surcharge of May to August 2019 and approved the F_t surcharge to collect from the customers in the electricity invoice during May to August 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 May to August 2019 is -4.20 Satang/unit, increasing from the last F_t surcharge of the last period (January to April 2019), which is -11.60 Satang/unit, by 7.40 Satang/unit, while:

$$\begin{aligned} F_t &= FAC + AF \\ -4.20 &= -4.13 + -0.07 \text{ Satang/unit} \end{aligned}$$

(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 -4.13 Satang/unit, decreasing from the last period (January to April 2019) by 9.77 Satang/unit.

The main factor affecting the changing F_t is the cost of the main fuel for power generation, i.e. natural gas are in downward trends. The fuel mix in power generation during May to August 2019 still mostly possessed by natural gas. Moreover, the above average renewable energy support from the last period is likely to decrease.

(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 (January to April 2019). The adjustment charge is considered to revise the current F_t (May to August 2019), which is -0.07 Satang/unit.

2. According to the result of F_t calculation for retail electricity price of May to August 2019, which is -4.20 Satang/unit, increasing from the current F_t (-11.60 Satang/unit), contributing to the impact on the F_t surcharge for May to August 2019 increased by 7.40 Satang/unit. Since ERC aims at mitigating impact of F_t surcharge change, to electricity users, during economic circumstance with volatility of exchange rate and oil price. The ERC,

therefore, has the resolution to fix the F_t surcharge for May to August 2019 at -11.6 0 Satang/unit, equal to the current F_t .

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

29 March 2019