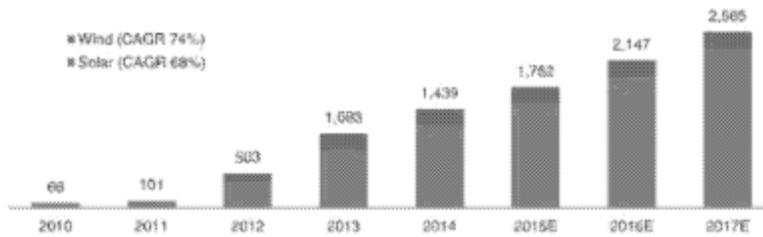

Table of Contents

Thailand's cumulative solar energy generation capacity grew from 61 MW in 2010 to 1,197 MW in 2014, representing a CAGR of 110%. During the same period, the cumulative wind energy generation capacity grew from 5 MW to 242 MW, representing a CAGR of 164%. The following chart reflects actual and projected growth in Thailand's cumulative solar and wind power generation capacity from 2010 to 2017:

Thailand cumulative solar and wind energy generation capacity (in MW), 2010–2017



Source: Bloomberg New Energy Finance

Key drivers of renewable energy growth in Thailand

Under the Alternative Energy Development Plan, Thailand's government is targeting renewable energy to account for 25% of total energy consumption by 2021. Under this development, installed capacity targets for solar and wind power are 3,000 MW and 1,800 MW, respectively. According to Thailand's Ministry of Energy, installed solar and wind capacity at year-end 2013 accounted for approximately 27% and 12% of the 2021 installed capacity targets for solar and wind, respectively.

Solar power has received governmental support through various feed-in tariff programs. Approved by the government in 2006 and implemented in 2007, the "adder" feed-in tariff program provided eligible renewable energy developers with a fixed "adder" tariff, which is an additional payment in addition to the tariffs that power producers would receive when selling electricity. For solar projects, the adder tariff amounted to THB 8.0/kWh in 2007 and was revised downward to THB 6.5/kWh in 2010 for new projects. In 2014, the adder program was replaced with a fixed feed-in tariff program that currently provides that new solar projects with up to 90 MW in installed capacity and commissioned before year-end 2015 will receive a flat tariff of THB 5.66/kWh for 25 years. New rooftop solar projects with up to 10 kW in installed capacity and commissioned before year-end 2015 will receive a flat tariff of THB 6.96/kWh for 25 years.

Wind power continues to be supported by the "adder" feed-in tariff program described above. For eligible wind projects, the adder tariff amounts to THB 4.5/kWh for projects up to 50 kW in installed capacity and THB 3.5/kWh for projects over 50 kW in installed capacity.