

Thailand types of energy storage

Thailand's emerging energy storage sector

BANGKOK, THAILAND, (28 November 2024) -- The Asian Development Bank (ADB) and Gulf Renewable Energy Company Limited, a subsidiary of Gulf Energy Development Public Company Limited (Gulf), have signed an \$820 million loan to provide construction financing for a portfolio of 12 renewable energy projects across Thailand. The portfolio comprises 8 ground-mounted solar photovoltaic (PV) plants with contracted capacity of 393 megawatts (MW) and 4 ground-mounted solar PV plants with battery energy storage with contracted capacity of 256 MW and 396 MW-hours of energy storage.

The financing package, led by ADB as the mandated lead arranger and bookrunner, comprises \$260 million from ADB's ordinary capital resources, and \$529 million in parallel loans from the Asian Infrastructure Investment Bank, DEG - Deutsche Investitions- und Entwicklungsgesellschaft (German Development Finance Institution), the Export-Import Bank of China and KEXIM Global (Singapore), among others.

ADB will also provide blended concessional finance of \$31.35 million from the Clean Technology Fund to allow for the higher execution and operating risks of solar-battery energy storage system projects.

"This portfolio of projects significantly enhances solar energy and solar energy with battery storage in Thailand, marking a major step forward in the country's goal of achieving carbon neutrality. It also offers a compelling model that can be replicated throughout the region," said ADB Director General for Private Sector Operations Suzanne Gaboury. "By integrating battery storage with solar power, these projects will help to provide clean energy during non-daylight hours, grid stability, and facilitate further integration of solar power which will enhance Thailand's energy mix. This initiative highlights ADB's convening power in mobilizing capital for impactful projects in Asia."

Thailand is targeting to increase its renewable energy generation to 50% by 2037. The projects supported by this financing are part of Thailand's 5 GW renewable energy feed-in-tariff program that will double Thailand's installed wind and solar capacity by 2030.

"Support from institutions like ADB, and the catalytic role they have in mobilizing the necessary capital to develop large-scale projects, is pivotal to Thailand's renewable energy sector," said Gulf CFO Yupapin Wangviwat. "Together, ADB and Gulf Energy are contributing to Thailand's clean energy goals and its sustainable development."

Established in 2011, Gulf is a leading power generation company in Thailand with a total installed generation capacity of 14,544 MW as of October 2024. The company's core businesses are in the energy, infrastructure and utilities, and digital sectors.

