



Utility Green Tariff

The Notification of the Energy Regulatory Commission of Thailand (ERC) re: Criteria for Determining Utility Green Tariff (“UGT”) B.E. 2566 (A.D. 2023) was published in the Royal Gazette on January 8, 2024 with an effective date of 9 January 2024 however, the Notification only specifies the general structure of the UGT system. The public hearing regarding the rate of UGT was in the process of public hearing from 16 to 31 January 2024.

The new tariff is divided into GUT 1 and GUT 2. For GUT 1, it is the rate for six hydropower plants operated by the Electricity Generating Authority of Thailand. For GUT 2, it is the rate for new clean power developers. GUT 1 rates are slightly higher than the current power tariff of 4.18 Baht per Kilowatt-hour and the rate of GUT 2 are estimated to be in the range of 4.55–4.56 Baht per unit. However, the final rate is expected to be announced as soon as practicable. The full adaptation of the UGT may take two years.

The UGT will be consistent with international laws and regulations, for example, the enforcement of the Carbon Border Adjustment Mechanism (CBAM) of the European Union (EU) on 1 October 2023. It is a requirement for manufacturers in Thailand who export certain products to the EU to comply with CBAM.