

Power plant investments at the crossroads

POLICY FOCUS

Adis

Israngkura na Ayudhya



The Thepha coal-fired power plant conflict in Songkhla province of the South shows the public decision-making process in Thailand is in a serious coma.

Previous large-scale infrastructure initiatives, such as the Krabi power plant, the Mae Wong irrigation dam, or the more historic Kaeng Sue Ten irrigation dam were all put on hold owing largely to the failure of the public decision-making process.

Such failures are particularly evident in cases concerning large-scale investments that affect local communities and the environment.

The Thepha coal-fired plant, with a capacity of generating 2,200 megawatts of electricity, is intended to equip the southern region with power to support its growing economy, particularly during peak demand.

However, this public investment now looks in doubt owing to the opposing views concerning the environmental impacts from coal, resettlement of local communities and, more importantly, the accuracy of the plant's Environmental and Health Impact Assessment (EHIA) report.

To end this conflict, the government has ordered the Thepha EHIA report be revised. Last Wednesday, the Minister of Energy announced the current total production capacity of electricity is probably sufficient to support the economy and there will be no large-scale investments in plants in the South for the next three years.

This decision will surely buy some time for the people in Thepha. But as long as the public decision-making process regarding power plant investments does not change, conflicts over the plants will resurface sooner or later.

Even though the Thepha power plant conflict has subsided for the time being, the issue of local community opposition to large-scale infrastructure investment is left unresolved. The key issue here is that society has long grown tired of top-down decision-making and is demanding increasing involvement in such matters.

Take the electricity supply as an example. To achieve energy efficiency and energy security, Thailand needs to come up with a new decision-making process for large-scale public investments. One promising option is to let people choose and tailor their own electricity generation

preferences.

What are of choices that should be open to the public? Electricity can be produced in a number of ways. Firstly, people should be able to decide if they prefer the cleaner but more expensive electricity produced from biofuel or solar, to the cheaper but more polluting energy produced from coal. In many countries, home owners can actually choose if they want to buy electricity from renewable sources or from fossil fuel.

Second, people should be able to decide if they prefer large-scale state-owned plants or small- and medium-scale privately owned ones. The latter

have promising potential and they are now becoming more efficient and can help redistribute income to local operators. The expansion of small- and medium-scale power plants in Thailand has been limited owing largely to the lack of connection to existing grid lines to support the supply of electricity generated locally by privately owned operators.

If the grid line systems are expanded to allow greater connectivity, privately owned plants will take a bigger role and one day might replace the larger ones owned by the state.

Last but not least, society can decide on the location of power plants. The choice

of location is important in a number of ways. While some locations may be cost effective, they may pose environmental risks. Hence, society needs to be able to express its view on this trade-off.

More importantly, local communities may have different opinions about living near power plants. While some communities may be more sensitive to plants as they prefer to keep the environment intact, others may see the plants as opportunities for job creation and local economic growth. With a choice of locations on offer, the government will be able to avoid sensitive areas and locate plants in areas where there are mutual benefits

or fewer conflicts.

Electricity generation is just as much about social science as it is science. Today, electricity generation is not only about achieving the optimal technical energy solution, but is also a matter of rights, tastes and choices. Only when the government recognises this paradigm shift will it have some chance of achieving energy efficiency and security in Thailand.

Adis Israngkura na Ayudhya, PhD, is an adviser of the Thailand Development Research Institute. Policy analyses from the TDRI appear on alternate Wednesdays.



People from Songkhla's Thepha district stage a protest in Bangkok in January against the coal-fired power plant planned for their home town. WICHAN CHARDENKIATPAKUL