

PR Article

## Exploring the Expansion of BPP's Power Business Overseas: The Key to Accelerate Robust Growth

Energy security plays a crucial role in a country's economic growth, and **Banpu Power Public Company Limited (BPP)**, an international power-generating company committed to ensuring energy security by expanding its portfolio of quality megawatts with a balance of thermal and renewable energy, as well as expanding its business in strategic countries across the Asia-Pacific region. Therefore, the expansion of the Company's operations abroad is a key factor in its strong growth aligned with its Greener & Smarter strategy and readiness to achieve a power generation capacity of 5,300 megawatts by 2025.

"Our ability to operate efficient power plants and maintain a robust BPP ecosystem is a significant advantage that supports our strong expansion in foreign markets. However, we also recognize the importance of assessing a country's energy trends, market readiness, policies, and regulations before making investment decisions in different areas," said **Kirana Limpaphayom, BPP's Chief Executive Officer**, who shared his vision of expanding the Company's power business overseas, which currently accounts for most of BPP's generating capacity.

Over the past 30 years, BPP has strategically invested in countries in the Asia-Pacific with strong economies and high demand for electricity, such as Vietnam and Japan, in addition to the United States. The success of BPP's expansion can be attributed to the Company's key business developers, who specialize in the electricity and power industry, leveraging their knowledge and experiences to support BPP's goal of achieving quality megawatts with the specific demand for electricity in each country. This approach has resulted in driving BPP's steady growth.

The United States of America...a land of potential for efficient and environmentally friendly electricity production businesses.

BPP's thermal power business is a key driver of the Company's robust growth, offers a steady cash flow, and plays a crucial role in ensuring reliable delivery of electricity to users in all circumstances. According to **Pattanasak Nuksawn, an expert in identifying business development opportunities in the Asia-Pacific region and the United States**, the US market and geography present significant potential for the thermal power generation business, particularly in the use of High-Efficiency, Low-Emissions (HELE) technologies. This is due to the country's size, favorable geography, and abundance of natural resources, such as natural gas.

Most importantly, America's focus on developing HELE technology is aligned with BPP's Greener & Smarter strategy. Advancements in horizontal drilling technology have made it possible to produce more natural gas through surface drilling, thus making it a key player in the country's electricity generation. Moreover, it is an essential component in the transition to sustainable energy production, as electricity generation from natural gas has become more efficient and environmentally friendly. BPP's Temple I natural gas power plant in Texas, a flagship thermal power project, utilizes Combined Cycle Gas Turbine (CCGT) technology, which combines a gas turbine with a steam turbine work process using natural gas as fuel to generate electricity more efficiently and with a minimal environmental impact.

"The strength of our investments lies in our focus on a long-term horizon that leverages the existing ecosystem of Banpu's energy presence in the US. It starts with expanding our energy sources in the United States, specifically through the Temple I gas-fired power plant in Texas. Currently, we have expanded our presence in the US merchant market to include energy trading and retail electricity. This has strengthened our expertise and maximized the added value of our investments along the value chain of business operations," said Pattanasak.

### **Vietnam and the United States... Rising Stars in Renewable Energy**

The renewable power business is a future trend that will help BPP develop a Greener & Smarter portfolio. **Theerakul Dugkhuntod, who oversees the development of the renewable energy business in Thailand, Vietnam, and the United States**, has valuable experience in developing renewable energy businesses in both the Vietnamese and US markets.

“BPP has made significant progress in investing in renewable energy power plants, with the commercial operation of a wind and solar plant since 2019. One of the interesting advantages of investing in Vietnam is the country's growing economy and increasing demand for electricity. In addition, almost every region in the country offers high potential in both wind and solar energy,” said Theerakul.

Vietnam has also announced its commitment to achieving net zero carbon emissions by 2050, which has led to the restructuring of its electricity sources in line with the Green Growth Strategy. This energy approach allows BPP, with a team of business developers like Theerakul, to seek suitable investments in Vietnam to expand the production capacity of quality megawatts from renewable energy. This will enable the Company to meet its goals by 2025.

The US market is still in the early stages of investing in BPP's renewable energy business. A favorable geography, climate, and user readiness are key factors which demonstrate the country's potential. Theerakul further noted that BPP's investment strategy considers not only assets in power generation but also the potential for synergies within the BPP ecosystem. For example, the Company is exploring the possibility of incorporating batteries as part of its power plant infrastructure to manage generated electricity more efficiently. Additionally, BPP extends its value chain into electricity trading and retail businesses, looking beyond to the opportunities in energy technology businesses.

## Japan... A Land of Opportunities for Clean Energy

“Japan is one of the countries with a clear policy on promoting clean energy. The country set a goal of achieving net zero and being carbon neutral by 2050, and the government aims to increase the proportion of renewable energy from around 20% today to 36-38% by 2030. This represents a significant growth opportunity for BPP’s renewable energy business in Japan, which is considered a market with high potential,” said **Niti Pitakteeratham**, a key person involved in the Japanese market since the beginning **making him well-positioned to lead BPP’s expansion efforts in renewable energy**. He is confident in the promising trajectory of the Company's renewable energy business in Japan.

BPP currently has 20 power plants and solar power projects in Japan, with a combined capacity of 244 megawatts. These assets represent almost 80% of BPP's capacity in Japan and operate under feed-in tariff (FiT) measures, ensuring that BPP generates good returns for a prolonged period until the contract expires.

Renewable energy has been expanding in Japan due to the government's initiatives to promote the purchase of electricity generated from renewable sources. These measures include incentivizing investments in renewable energy businesses through corporate tax discounts, establishing fixed power purchase rates for the duration of the contract, and allowing the purchase and sale of agricultural land to be converted into solar farms. Additionally, the demand for cleaner energy from households and businesses has contributed to this trend.

As for BPP's strengths in Japan, Niti views the Company as one of the few fully integrated businesses that covers the entire spectrum of project development, construction, and energy trading, with a vast portfolio of renewable energy assets. This comprehensive approach allows BPP to capitalize on a multitude of business opportunities while ensuring that project success factors (Time, Cost, and Quality) are continuously monitored in order to minimize or eliminate obstacles. This approach inspires confidence among business partners and stakeholders. Furthermore, BPP has promising projects in the carbon credit market as a green-certificated and internationally recognized clean energy producer.

“BPP remains committed to expanding its growth in strategic areas, particularly in Thailand, Vietnam, Lao PDR, Japan, China, Indonesia, Australia, and the United States where we currently operate. I am, therefore, confident that our highly experienced team’s global mindset and ability to overcome any

challenges can maximize business potential and bolster BPP's portfolio which will lead to our success. Ultimately, this approach allows us to create value and significant returns for all groups of stakeholders while maintaining our objective of achieving quality megawatts, as planned," concluded Kirana, CEO of BPP.

Learn more about BPP business at [www.banpupower.com](http://www.banpupower.com).

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#### About BPP

Banpu Power Public Company Limited (BPP), an international quality power generating company is committed to delivering sustainable energy through its concept "Powering Energy Sustainability with Quality Megawatts". The Company generates and distributes power in the Asia-Pacific region, including Thailand, Lao PDR, China, Japan, Vietnam, Indonesia, Australia and the U.S. For more than two decades, BPP has been committed to operational excellence to achieve efficient power generation while deploying high-efficiency, low-emissions (HELE) technologies that are safe and environmentally sound in accordance with its Greener & Smarter strategy. The Company is continuously moving forward to reach a total equity-based power generation capacity of 5,300 MW within 2025.

For more information, please contact: Banpu Power Corporate Communications Team

Duangkamol Saleerat    061-446-6698    [duangkamol\\_s@banpu.co.th](mailto:duangkamol_s@banpu.co.th)

Titawan Vongsakulpaisal    062-525-6554    [titawan\\_v@banpu.co.th](mailto:titawan_v@banpu.co.th)

#### ABM Connect

Chanadda Tongtaow    086 316 3555    [chanadda.t@abm.co.th](mailto:chanadda.t@abm.co.th)

Satida Sritunyatorn    085 166 2442    [satida.s@abm.co.th](mailto:satida.s@abm.co.th)