

# UAC firm on biomass power-plant projects

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THE NATION

DESPITE THE POLITICAL UNREST, Universal Adsorbents & Chemicals Plc will proceed with its Bt2.7 billion biomass power plant projects at 21 locations in the North and Northeast.

The 21 projects require an investment of Bt130 million-Bt150 million each. They will be driven by Napier grass mixed with animal waste to produce highly compressed biomethane gas in support of the government's policy to develop alternative sources of energy for vehicles. Three projects are under construction for completion this year.

Kitti Jivacate, president and CEO, said yesterday that UAC's investment in the power plants is protected from the political conflicts by the contracts to supply electricity to the state at the revised feed-in rate of Bt4.90 per unit, up from Bt4.50, pending approval from the next elected government.

UAC has already secured the needed raw materials, so the only hiccup would be some inconvenience in contacting the Board of Investment and the Energy Ministry, which have relocated some operations to avoid the protesters' blockade of state agencies.

Most of the 21 projects will run on Napier grass. They will require 100 tonnes of Napier grass each to generate 1.5 megawatts. Ten Napier grass power plants are located in the North, in Chiang Mai, Lamphun and Lampang, 10 projects in Khon Kaen and the 21st one in Si Sa Ket.

The projects will be funded by about Bt1 billion from UAC's own money and the rest from loans. There will not be any new capital increase as UAC had already mobilised funds earlier.

To ensure an abundant supply of fuel and to minimise the risk of a shortage-induced price rise, the company is growing Napier grass on about 200-300 rai of land and has signed joint-venture contracts with many Napier grass farmers.