Early Warning System

ADB-49366-001

Distributed Commercial Solar Power Project

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Quick Facts

Countries	Thailand
Specific Location	Nationwide
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2016-08-10
Borrower	Stumpf Energy Solutions (Thailand)
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 47.00 million
Project Cost (USD)	$ 125.40 million

Project Description

The project involves the rollout and operation of multiple solar photovoltaic installations, each with a capacity ranging from 400 kilowatts-peak (kWp) to 5 megawatts-peak (MWp), on rooftops or elsewhere on the premises of commercial and/or industrial buildings owned or leased by host companies in Thailand up to an aggregate capacity of 100 MW and will be installed at no up-front cost to the host companies.

The project, which does not rely on Thai FIT regime, has strong potential to be scaled up, particularly in Thailand's growing manufacturing sector. Host companies will maintain connections to the national grid to augment their power supply, and they will benefit from the project in the following ways: (i) discounted electricity prices, (ii) more reliable electricity supply, (iii) avoidance of having to pay the up-front costs associated with developing their own solar power facilities, (iv) reduced emissions, and (v) an improved corporate image. The project offers attractive benefits for Thailand, including (i) helping it reach its renewable energy target by scaling up grid-parity solar power; and (ii) increasing its use of distributed generation (i.e., power that is generated where it is consumed), thereby reducing the need to upgrade and maintain grid infrastructure.

The project will demonstrate the viability of the business model of solar projects on rooftops or elsewhere on the premises of commercial and/or industrial buildings that do not require FIT subsidies in Thailand. This will lead to unlocking of vast potential to scale up solar photovoltaic installations on rooftops or elsewhere on the premises of commercial and/or industrial buildings, particularly in Thailand's growing manufacturing sector. The project will also contribute to the diversification of Thailand's energy mix by adding renewable energy capacity, thus helping the country progress toward its renewable energy target. Solar energy is a clean and sustainable source of electricity that diversifies the country's energy mix, strengthens energy security, and reduces reliance on fossil fuel. The project is also aligned with one of the sustainable development goals of the United Nations' 2030 Agenda for Sustainable Development: "Ensure access to affordable, reliable, sustainable and modern energy for all."

Investment Description

- Asian Development Bank (ADB)

Contact Information

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

Bank Documents

- Distributed Commercial Solar Power Project: Report and Recommendation of the President [Original Source]
- Initial Poverty and Social Analysis
- Project Disclosure PDF