



**United States Energy Association
 Asia EDGE (Enhancing Development and Growth through Energy) Indo-Pacific Energy Market
 Investment and Modernization
 Request for Proposals: Desk Study of Thailand’s Natural Gas Market Design and Structure**

Request for Proposals – Desk Study of Thailand’s Natural Gas Market Design and Structure

Closing date: July 9th, 2021

Implementing Organization: United States Energy Association

Funding Agency: U.S. Department of State, Bureau of Energy Resources

Contract Structure: Fixed Price Agreement

The United States Energy Association (USEA) is inviting energy experts through this Request for Proposals to submit proposals to support the Energy Regulatory Commission (ERC) of Thailand by conducting a desk study on Thailand’s natural gas market design and structure. This is an activity implemented by the United States Energy Association (USEA), with funding from the U.S. Department of State, Bureau of Energy Resources (ENR).

Proposals are due by 17:00 hours EDT of the closing date. Please forward your proposal in soft copy (PDF form) to Mr. Brendon Thomas, Program Coordinator, at bthomas@usea.org.

As this is a U.S. Government-funded project, the procurement process follows all relevant federal procurement regulations and laws. All bidder details will be kept confidential.

I. INTRODUCTION

The U.S. Energy Association (USEA), headquartered in Washington, D.C., is an association of public and private energy related organizations, corporations and government agencies. USEA represents the broad interests of the U.S. energy sector by increasing the understanding of energy issues, both domestically and internationally.

Through a cooperative agreement with ENR, USEA implements the Asia EDGE Indo-Pacific Energy Market Investment and Modernization (EMIM) project to support the U.S. Government’s Asia EDGE initiative. EMIM aims to strengthen the energy security of allies and partners; create open, efficient, rule-based, and transparent energy markets; improve free, fair, and reciprocal trading agreements; and to expand access to affordable and reliable energy. This activity in Southeast Asia will support the Government of Thailand.

II. BACKGROUND

The Energy Regulatory Commission (ERC) of Thailand is responsible for regulating the generation, transmission, and distribution of electricity in Thailand. The Energy Industry Act established the ERC in 2007 as the primary regulator of the electricity industry. More specifically, the ERC regulates the types, fees, and tenure of licenses; the requirements to obtain

electricity generation, distribution and transmission licenses; consumer protection; and monitoring energy market conditions through tariff review, licensing, approval of power purchase, and dispute settlement.

Natural gas-fired generation accounts for over 60% of Thailand's total electricity supply. Though Thailand's offshore natural gas production has steadily increased, high demand growth and access to imports led the country to become a net importer of natural gas in 2000. Natural gas imports in the form of liquefied natural gas (LNG), primarily from Qatar, and pipeline gas, from neighboring offshore fields in Burma (Myanmar), were estimated at 460 billion cubic feet (Bcf) in 2016. Thailand's natural gas transmission infrastructure is extensive, and the national gas pipeline system connects onshore and offshore gas fields to several gas separation plants, power plants, and hundreds of industrial users. Historically, PTT Public Company Ltd. was the sole gas supplier and importer of LNG in Thailand. However, in an effort to liberalize Thailand's gas markets, the Government of Thailand recently established three new corporations to supply gas and import LNG. ERC is playing a leading role in Thailand's gas market reforms and has requested assistance in their efforts to successfully open the gas market to increased competition.

In order to promote an efficient, effective market design and structure, ERC has requested USEA provide support in analyzing gas market design and infrastructure. USEA will coordinate the provision of technical and regulatory experts to undertake a desk study analyzing the design of Thailand's competitive gas market and its structure. The study will provide an analysis of the current design as well as recommendations for potential improvements. The full scope of work for the desk study will be developed in coordination between USEA and ERC. During the course of the study, additional focus areas may be identified and the potential for ongoing research will be incorporated into report recommendations. Initial and priority focus areas for the desk study include the following:

- Analysis of Thailand's gas market design and structure;
- Best practices in competitive gas market design;
- Market design recommendations for Thailand; and
- Recommendation of topics for further reform, study, and analysis.

III. SCOPE OF WORK

The objective of this desk study is to assist in enhancing the ERC's capacity to develop and manage a competitive and transparent natural gas market. These competitive, transparent markets will facilitate the mobilization of investment in the natural gas sector. The desk study will provide recommendations to promote policy and regulatory reforms to spur market-based acquisition and integration of advanced energy technologies and increase the cost-competitiveness of energy supply. The continued transition to open, competitive markets will facilitate the provision of affordable, reliable power to end users.

PROJECT TASKS AND DELIVERABLES

At the onset of this project, the Consultant(s) will review available documentation on Thailand's natural gas market development history, relevant laws, regulations, key stakeholders, and plans for gas market design reforms. The Consultant(s) will also meet virtually with representatives from the Energy Regulatory Commission of Thailand for additional background information. The Consultant(s) will then develop a desk study on the evolution of gas market design reforms in Thailand, best practices in natural gas market design from other countries around the world, and providing recommendations for optimizing the natural gas market design and structure in Thailand.

Task I: Background Review of Thailand's Natural Gas Sector Regulations and Energy Laws

The Consultant(s) will review Thailand's natural gas sector regulations and relevant energy laws governing natural gas markets. Relevant policy frameworks for review should include, but will not be limited to:

- Energy Industry Act (2007)
- Notification of the Energy Regulatory Commission on Transmission System Operator Regulatory Framework (2020)

The Consultant(s), with the support of USEA, will then organize a virtual meeting with representatives from the Energy Regulatory Commission to discuss the gas market reform objectives of ERC and the Government of Thailand. Following the meeting, the Consultant(s) will submit summary notes to USEA.

Task 1 Deliverables:

- Progress report detailing background review
- Summary notes of introductory meeting with ERC

Task 2: Draft Desk Study on Thailand's Natural Gas Market Design and Structure

The Consultant(s) will prepare a draft desk study on Thailand's natural gas market design and structure and submit it to USEA for review and comment. The desk study will include:

- A detailed analysis of Thailand's current natural gas market structure, including a discussion of the progress made through previous reforms to a transparent, competitive market;
- A detailed review of best practices in competitive natural gas market design using actual examples of natural gas market structures from around the world. The review should identify how various aspects of natural gas market design can facilitate competitive, transparent markets that encourage investment and efficient development of infrastructure;
- Comprehensive recommendations for next steps in Thailand's gas market liberalization. The recommendations should focus on concrete actions that can be taken by ERC and other stakeholders to promote a competitive, transparent natural gas market in Thailand. Recommendations could include policy and regulatory reforms, operational standards, licensing, and strategies to attract new participants in a natural gas market.

Task 2 Deliverables:

- Progress reports detailing status of drafting desk study
- Draft version of Desk Study on Thailand's Natural Gas Market Design and Structure

Task 3: Submit Final Desk Study on Thailand's Natural Gas Market Design and Structure

Following a review of the draft Desk Study by USEA and ENR, the Consultant(s) will make revisions as required to the draft Desk Study and submit a final version of the Desk Study. Based on the final Desk Study, the Consultant(s) will also prepare a PowerPoint presentation summarizing key findings to be delivered during a virtual meeting with representatives from ERC.

Task 3 Deliverables:

- Final Desk Study on Thailand's Natural Gas Market Design and Structure
- Draft presentation materials for virtual meeting with ERC on the Desk Study

Task 4: Virtual Presentation of Key Findings and Recommendations of the Desk Study on Thailand's Natural Gas Market Design and Structure

Following approval of the final Desk Study and presentation materials from Task 3, the Consultant(s), with support from USEA, will schedule a virtual meeting with representatives of ERC to deliver a presentation summarizing the key findings and recommendations from the Desk Study. The Consultant(s) will be prepared to answer questions from ERC representatives on the key findings and recommendations. After the presentation, the Consultant(s) will submit to USEA summary notes of the presentation and the questions posed by ERC.

Task 4 Deliverables:

- Final presentation materials summarizing key findings and recommendations of the Desk Study
- Summary notes of the virtual presentation and feedback/questions from ERC

IV. TENTATIVE SCHEDULE

Activity	Month 1	Month 2	Month 3	Month 4	Month 5
Consultant document review process	X				
Virtual meeting with ERC	X				
Preparation of draft Desk Study		X	X	X	
USEA review & approval of Desk Study				X	
Submission of final Desk Study and presentation materials					X
Presentation of key findings and recommendations					X

V. SUBMISSION CONTENT

The proposal must contain the following:

- a) A cover letter; explaining the proposed approach to completing the tasks in the scope of work. The cover letter should also highlight the submitters' areas of expertise and work experience, as well as knowledge of Thailand's natural gas sector, if applicable
- b) A proposed outline for the Desk Study
- c) CVs for all personnel, including:
 - Summary of past relevant experience
 - Description of past work as it relates to the natural gas sector
 - Summary of work conducted in international markets
- d) Company/organization Data Universal Numbering System (DUNS) number and confirmation of current status in the System of Award Management (SAM); **if the submitter is an individual consultant, SAM/DUNS information is not required.**
- e) Financial proposal including submitter's proposed hourly rates for this project and any other proposed expenses. Expenses should be broken down by task and broken out by the following cost categories:
 - a. Personnel (labor)
 - b. Fringe Benefits
 - c. Travel
 - d. Equipment
 - e. Supplies
 - f. Contractual
 - g. Construction
 - h. Other Direct Costs
 - i. Total Indirect Costs (overhead)

VI. EVALUATION CRITERIA AND CONTRACT MANAGEMENT/OVERSIGHT

Selection of an offer for a subcontract will be based on an evaluation of the submitter's understanding of the project, proposed approach, technical qualifications (including prior relevant experience), and the competitiveness of the financial proposal. Subcontract agreement management, oversight and payment will be carried out by USEA. The subcontract will be fixed price, with payment remitted by USEA upon receipt of a valid invoice including appropriate backup documentation for each task.

VII. QUESTIONS AND CLARIFICATIONS

For all questions and clarification requests please contact Mr. Brendon Thomas, Program Coordinator, at bthomas@usea.org. Please submit questions prior to 17:00 EST June 25th, 2021. All questions and answers will be made public on the USEA website on June 28th so that all interested parties are fully informed.

END OF CALL FOR CVs