

c) Promote research and development to introduce more use of lignite for industrial purpose and in household in the rural areas.

d) Encourage the Electricity Generating Authority of Thailand and other related authorities to take preventive and alleviative measures against environmental effect resulting from lignite development.

2.3.4 Exploration and development of water resource for electricity generation

a) Encourage the Electricity Generating Authority of Thailand to spend more effort on exploration and development of water resources for electricity generation purpose which are economically feasible and without adverse effect on environment.

b) Establish a reasonable basis for construction cost allocation of the multi-purpose hydroelectric project in order to effectively utilize the water resource.

c) Accelerate the master plan for mini-hydro development to be prepared by the National Energy Administration. Priority must be given to projects according to their economic return so that the right projects will be further implemented by the responsible agencies.

2.3.5 Energy pricing

a) Energy must be priced such that the energy is consumed effectively and that the production cost in various industries is reduced. Energy which is reasonably priced is expected to increase the export opportunity and strengthen the financial situation of the country as a whole.

b) To meet the objective stated in a) above, it is suggested that the fuels which can be used interchangeably such as natural gas, lignite and imported coal or benzene, diesel and LPG be taxed by similar rates. Additionally, the government will not encourage the use of any particular type of fuel and will

i) adjust the price structure of petroleum products by establishing similar rates of taxes on these products.

ii) abolish the control of retail prices and price at refinery of petroleum products during the beginning of the sixth NESDP and allow the prices to be under influences of the world market. A careful study will be conducted before the prices are permanently allowed to float with the market price.