

4. PEA's Power Generation and Transmission

4.1 Background

The Provincial Electricity Authority (PEA) was established in 1960 to be responsible for generation, acquisition and distribution of electric energy to customers in the provincial areas of the country. Presently, 70 provinces comprising 54,500 villages, covering 514,000 square kilometers which is about 99 % of the country area, with the total number of customers amounts to 45 millions are served by PEA. Since the beginning of the establishment, PEA has adhered to three operational objectives :

1. To improve the service and acquisition of electricity with respect to efficiency, safety, reliability and promptness which should be in line with the ever-increasing demand and the changing situations.

2. To improve the performance of various business activities to increase the profit, reduce the cost so that PEA can rely financially on its own with substantial benefit and thus be able to afford the future investments.

3. To improve the organization structure, manpower management and resources management to the highest efficiency and effectiveness.

In order to achieve the objectives especially those related to the acquisition, transmission, distribution of electricity and provision of service to customers, business entities and industrial plants, PEA has formulated the following strategic goals :

1. Modernize the existing systems to the higher efficiency and reliability and also incorporate more facilities to the systems to serve the future demand.

2. Reduce the operating cost and losses to the lowest possible level.

3. Extend the electricity service to cover as much unelectrified areas as possible within a reasonable time period.

4. To develop and utilize the renewable energy which is locally available for electricity generation.

PEA has adopted the systematic planning which is not only in harmony with PEA's policy but also in conformity with the National Economic and Social Development Plan, Master Plans of the Ministry of Interior as well as operational plans of other agencies such as EGAT, NEA, BOI, etc.. PEA projects can be classified into 4 categories in accordance with the 4 strategic goals. They are