



**MEMORANDUM OF UNDERSTANDING BETWEEN THE ENERGY
REGULATORY COMMISSION OF THAILAND AND THE FEDERAL ENERGY
REGULATORY COMMISSION REGARDING THE EXCHANGE OF
INFORMATION, CONSULTATION, TRAINING AND TECHNICAL
ASSISTANCE**

The Energy Regulatory Commission of Thailand (“ERC”) and the Federal Energy Regulatory Commission (“FERC”) (collectively, “the Authorities”), sharing the goal of building and maintaining open, fair, efficient and sound power and natural gas sectors, recognizing that the development of effective domestic legal and regulatory structures is essential to sector integrity, consumer protection and investment promotion, believing that international cooperation can facilitate the growth of best regulatory practices in the power and natural gas sectors across different countries in the world, and desiring to establish a mutually acceptable basis for the exchange of information, consultation, training and technical assistance HAVE REACHED the following understanding:

I. GENERAL PRINCIPLES

1. ERC was established on the 1st of February 2008 under the Energy Industry Act of 2007. The ERC regulates the electricity and natural gas pipeline transportation. It has the responsibility for ensuring the reliability and security of supply; regulating the engineering, quality of service and safety standards; setting tariffs; the promotion of competition, renewable energy and energy efficiency. In detail, ERC regulates the electricity industry and natural gas pipeline transportation to ensure the reliability and security of supply, engineering, quality of services and safety standards; tariff setting; and, the promotion of competition, renewable energy and energy efficiency.
2. FERC’s jurisdictional activities with regard to oil and natural gas include regulating the transmission and sale of natural gas for resale in interstate commerce; regulating the transmission of oil by pipeline in interstate commerce; approving the siting and abandonment of interstate natural gas pipelines and storage facilities, and ensuring the safe operation and reliability of proposed and operating Liquefied Natural Gas terminals; monitoring and investigating energy markets; using civil penalties and other means against energy organizations and individuals who violate FERC rules in the energy markets; overseeing environmental matters related to natural gas; and administering accounting and financial reporting regulations and the conduct of regulated companies. FERC’s

jurisdiction over the wholesale electric market includes approval of transmission tariffs and conditions, regulation of electric reliability of the wholesale grid, and regulation of sale-for-resale of electricity in the wholesale market.

3. This Memorandum of Understanding regarding exchange of information, consultation, training and technical assistance with respect to the power and natural gas sectors within the Authorities' regulatory jurisdiction describes the intent of the Authorities and does not create legally binding obligations under international law or domestic law.
4. The Authorities recognize the need and desirability of providing assistance, as set forth in Clauses II, III, and IV to each other pursuant to this Memorandum of Understanding. The provision of any such assistance should be consistent with the domestic law of the Authorities and the availability of resources. Where the provision of the assistance would be contrary to the public interest of an Authority, such assistance would be expected to be denied.

II. EXCHANGE OF INFORMATION AND CONSULTATION

5. The Authorities intend to share information on each other's laws, rules, and regulations relating to the power and natural gas sectors and their experiences in regulating this sector with a view to learning about the best practices and promoting development of competitive markets in their countries of operation. Where appropriate, the Authorities expect to make a reasonable effort to identify and facilitate contact with other governmental agencies in their respective countries of operation to provide required information to each other pursuant to this Memorandum of Understanding.
6. The Authorities believe that it would be of help to consult each other on a regular basis especially on matters relating to the development of competitive markets in the oil and natural gas sector, promotion of investment in the sector and protection of consumer interests. Such consultations could be on formal or informal basis and could be through different modes including e-mail, tele-conferencing, meetings, etc. The forms of cooperation may also include assignment of personnel for agreed periods of time from one Authority to the other for participating in workshops, meetings, research activities, projects, etc.

III. TRAINING

7. The Authorities intend to impart training to the personnel from the other Authority, as per request and feasibility, in their offices or in training facilities available to them.
8. Any expenditure related to the activities above is to be borne by the respective Authority unless mutually determined otherwise.

IV. TECHNICAL ASSISTANCE

9. Either side may seek technical assistance from the other Authority with a view to improving one's technical capabilities on regulatory issues. Such issues may *inter alia* include:
- (i) Development of a regulatory framework for the promotion of fair trade and competitive markets in the interests of the entities and consumers;
 - (ii) Guidelines for regulating open access to common carrier or contract carrier gas pipelines as applicable; and
 - (iii) Development of tariffs for power networks and transportation for natural gas pipelines.
 - (iv) Development of governance arrangements for network systems in the power and gas sectors.

V. OFFICIAL CONTACTS

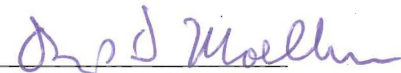
10. To further ensure the effective operation of this Memorandum of Understanding and to facilitate communication between the Authorities, the Authorities hereby designate the contact officials as set forth in Attachment A.

VI. EFFECTIVE DATE AND TERMINATION

11. This Memorandum of Understanding is effective from the date of its signing by the Authorities and is intended to be observed until January 30, 2015. The Authorities may mutually determine in writing to extend their cooperation under this Memorandum of Understanding, preferably at least ninety days before the expiry of this period.
12. Either Authority may discontinue cooperation under this Memorandum of Understanding at any time, but should endeavor to give ninety days' written notice to the other Authority. If such notice is given, the Authorities intend that this Memorandum of Understanding should continue to have effect with respect to all requests for assistance that were made before the effective date of the notification until the requesting Authority terminates the matter for which assistance was requested.

Signed this 2nd day of August, 2012 at Washington, DC, U.S.A.

FOR U.S. Federal Energy
Regulatory Commission


PHILIP D. MOELLER
COMMISSIONER

FOR Energy
Regulatory Commission
Thailand


DIREK LAVANSIRI
CHAIRMAN

ATTACHMENT A

The Energy Regulatory Commission, Thailand appoints as its contact person:

Mr. Trevor Bull
Advisor to Commissioner Pallapa Ruangrong
Energy Regulatory Commission of Thailand
19/F Chamchuri Square Building
319 Phayathai Road
Bangkok 10330
Thailand

Tel: 66 81 825 3850
Fax: 66 2 207 3508
E: trev@erc.or.th

The Federal Energy Regulatory Commission appoints as its contact person:

Mr. Jason Stanek
Advisor to Commissioner Philip D. Moeller
U.S. Federal Energy Regulatory Commission
Suite 11-A-3
888 First St., N.E.
Washington D.C. 20426
U.S.A.

Tel : 1-202-502-8403
Telefax: 1-202-502-6400
Email: Jason.Stanek@ferc.gov