

TRANSPORT

SCN, TTD team up for CNG bus bid

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SET-listed Scan Inter Plc (SCN), a natural gas trader and operator of compressed natural gas (CNG) stations, has joined with a local vehicle importer, Thai Technology Development Co (TTD), in a bid to supply Bangkok with CNG buses.

The Bangkok Mass Transit Authority (BMTA) previously opened an auction to buy the first lot of 489 buses for its service in Bangkok, setting a median price of 4.02 billion baht.

The BMTA failed to name a winner and later held another auction in August with a median price of 3.39 billion baht for the 489 buses.

No party submitted bids for that auction either, forcing the BMTA to announce yet another.

SCN managing director Littee Kitpipit said joining with TTD will help increase business opportunities, as the two firms have different areas of expertise.

He said the two firms recently signed a memorandum of understanding (MoU) to work together and take part in the auction.

"Our business synergy may help us in winning the auction," Mr Littee said.

He said the auction will include a 10-year maintenance service contract and participants are expected to submit bidding documents by Dec 7.

The procurement of CNG buses has been delayed several times in the past eight years over allegations that the auctions were being held for political gain.

Mr Littee said the two firms have a 10-year deal with a Chinese auto parts maker to provide maintenance service.

Last month, SCN agreed to develop three CNG stations worth 216 million baht under the Bangchak brand.

The three new stations will be in Rayong, Khon Kaen and Prachin Buri provinces.

The move is part of SCN's goal to become a large CNG retailer, as it plans to develop six CNG stations worth 634 million baht.

SCN has seven CNG stations, with collective capacity to sell 290,000 kilogrammes a day.

SCN shares closed yesterday on the Stock Exchange of Thailand at 5.25 baht, unchanged, in trade worth 40.3 million baht.