



Opening Speech By
Y.B. Tan Sri Fong Chan Onn
Chairman of Sustainable Energy Development Authority
At The
Road show on Enhancement of e-FiT Online System
Tuesday, 18 September 2012 – Palm Garden Hotel Putrajaya

Puan Badriyah Abdul Malek, CEO of SEDA Malaysia,

Y. Bhg. Dato'-Dato',

Distinguished Guests,

Ladies and Gentlemen,

Warm greetings dan Salam 1 Malaysia

1. First off all, I would like to thank you for your interest and participation in this Road show specially organized by SEDA Malaysia as part of our communications programme to educate the public regarding the Feed-in Tariff or FiT Mechanism. SEDA Malaysia is currently conducting road shows in several states starting with Putrajaya which will soon include Penang and Terengganu. This road show is to inform the stakeholders and the public on the enhancements that we

have made to the e-FiT online System and the process and procedures of feed in tariff or FiT application.

Ladies and Gentlemen,

2. The importance of Renewable Energy in Malaysia has been recognized by the Government since the Eighth Malaysia Plan when the Five Fuel Policy was introduced in 2001. The move was made to include renewable sources of energy in addition to our conventional energy sources. The RE sources identified are mini hydro, biomass, biogas, municipal solid waste and solar as opposed to the conventional sources which are oil, gas, coal and large hydro power plants. The Small Renewable Energy Power Project (SREP) programme was introduced to promote the development of RE in Malaysia. The success of the SREP Programme has been very limited because by end of 2011, Malaysia has very small amount of RE (68.45MW) connected to the grid compared to our installed capacity of 21,000MW. In view of this the Government in April 2010 had approved the National RE Policy and Action Plan which identifies the Feed in Tariff mechanism as the key instrument to accelerate the development of RE in the country.

3. The FiT Mechanism was implemented on 1st December 2011 in line with the enforcement of the Renewable Energy Act 2011. Until 31st August 2012, we have received 943 Feed-in Approval applications and from these, 442 applications with a total of 348.57MW installed capacity have been approved. Up to this moment, 74 FiT installations with a total capacity of 42MW have reached the FiT Commissioning Date and we foresee more installations will reach commissioning date from next year onwards.

Ladies and Gentlemen,

4. The FiT implementation in Malaysia has been made possible through the establishment of the Renewable Energy Fund which was mandated under the Renewable Energy Act 2011 where the funds are contributed by electricity consumers. Thus, the transparent implementation of the FiT mechanism for applicants to secure the renewable energy quotas has at all times been our top priority. SEDA Malaysia has introduced the e-FiT Online System to facilitate FiT applications. The e-FiT Online system is an intelligent system which ensures good governance, transparency and openness of the FiT mechanism implementation where the allocations of quotas to the feed-in approval applications are based on a first-come-first-serve basis

without any human intervention. The system has been designed by ensuring all the rules established by the subsidiary legislations, REPPAs, and guidelines have been embedded in the system.

5. In SEDA Malaysia, we are always looking at ways to improve the management of the FiT mechanism for the benefit of all the RE players including home owners. We strive to ensure the whole process to apply for feed in approval is transparent, fair and as friendly as possible. Feed in tariff and the renewable energy industry is new in Malaysia, and we are still in our infancy with a big learning curve and expectations to meet. During the last nine months of implementation we had realised the e-FiT Online System needs to be improved. We have learnt and realised there is a need for further enhancements to be done, which will ensure the e-FiT Online System to be more robust, user-friendly and always relevant to support the development of our local RE industry. I had been informed several new features in the e-Fit Online System had been incorporated which include:

- a. Requirement of detailed engineering design submission in a CD and the hardcopy
- b. New supporting document requirements for Applicants
- c. Limit of 1 application per day per Applicant

- d. Use of Unique Parcel Identifier (UPI) for identification of Project site
- e. Proof of Project Site Ownership Information
- f. Capacity Applicant to raise equity up to 5% of Project Cost
- g. Delayed Online Declaration ; and
- h. Controlled Work plan for all proposed Project Milestones

In today's session, SEDA Malaysia will provide all the details pertaining to the e-fit Online System enhancement and amendments which has been made to the Rules of the RE Act 2011 and the Fees payable as approved by the Authority. We will also conduct a demonstration to provide you with hands on experience to better understand the system and its new features. Our officers will be here to guide you throughout the session.

Ladies and Gentlemen

6. We wish to thank you for participation today and I hope the session we have today will provide an excellent platform for RE players to gain new idea and more information on the FiT mechanism. I sincerely hope all of you here today will make use of the opportunities afforded by the Road show and gain as much knowledge as you can

which will eventually benefit you. We also welcome any question and discussions, views or explanation regarding the FiT mechanism. I believe your commitment and support will bring benefits to the development of renewable energy in the country.

7. In closing, SEDA Malaysia will announce the much talked about degression rates and new renewable energy quota especially on solar PV, and other new developments related to the feed in tariff mechanism implementation in Malaysia at our inaugural International Sustainable Energy Summit 2012 (ISES 2012). I would like to take this opportunity to invite all of you to ISES 2012 which will commence from 7- 8th November 2012 at Putrajaya Marriott Hotel. The two days event themed 'Empowering Nations via Sustainable Energy' is the initial step forward by SEDA Malaysia to engage local and foreign stakeholders for a continuous awareness and capacity development on renewable energy and energy efficiency. I look forward to see you again at the ISES 2012.

Finally I wish you will have a fruitful session today. Thank you.

SEDA Malaysia
Putrajaya
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