

Sustainable Energy Development Authority Malaysia (SEDA Malaysia)

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TO: THE NEWS EDITOR

ANNOUNCEMENT BY SEDA MALAYSIA RELEASE OF 20 MW SOLAR PHOTOVOLTAIC QUOTA AND THE **NEW PREVAILING DEGRESSION RATES**

Putrajaya, Wednesday (27 March 2013): Sustainable Energy Development Authority Malaysia (SEDA Malaysia) today announces the long anticipated wait by the solar photovoltaic (PV) industry and investors on the release of the 20 MW of solar PV quota for the non-individuals under the 500kW category.

SEDA Malaysia confirmed the solar PV quota will be released on Tuesday, 2nd April 2013 at 12 noon. According to Chairman of SEDA Malaysia, YB Tan Sri Dr Fong Chan Onn, these 20 MW solar PV quotas is subjected to the degression rates of 20%. for installed capacity exceeding 24 kW, as previously announced by the Ministry of Energy, Green Technology and Water (KeTTHA). The degression rates for bonus criteria of locally manufactured PV modules and inverters have been reduced from 8% to 0%. These degression rates are effective as of 28th March 2013.

Feed-in Approval (FiA) applicants who are applying for the 2013 solar PV quota are reminded to ensure their solar PV systems are commissioned before the 1st January 2014. If they are unable to commission within the FiA application's approval year, their FiT rates for the following year shall be subjected to the degression rates prevailing at the point of application. To illustrate this important point here is an example of the consequence of the inability of FiAHs to have their solar PV systems commissioned before the 1st January 2014. The degression rates as of 28th March 2013 for installed PV capacity of more than 24 kW is 20%. SEDA Malaysia is obliged



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to review the degression rates twice a year. If the degression rates (for installed PV capacity of more than 24 kW) are subsequently revised downward to say 9% on 1st January 2014, any feed-in approval holders (FiAHs) of 2013 who fail to commission their PV systems (installed capacity > 24 kW) by 31st December 2013 is still subjected to the degression rate at the point of application which will be 20%. The new 9% degression rate is only applicable to applicants who applied after 31st December 2013. This means any FiAHs who are unable to commission their solar PV system before 1 January 2014 will have their rates degress to another 20%.

SEDA Malaysia would like to remind all interested FiA applicants prior online registration via the e-FiT Online System; verification process and completed status are mandatory in order to be eligible to apply for the solar PV quota on 2nd April 2013. All online registrations must be completed by 10:00am 28th March 2013. The e-FiT online system (https://efit.seda.gov.my) is scheduled to be unavailable from 10am to 12 noon on 2nd April 2013 to allow final preparation of the opening of 20 MW solar PV quotas.

Applicants are advised to be familiar with the changes to the Feed-in Approval and Feed-in Tariff Rate (Amendment) Rules 2013, and comply with the amended Administrative Guidelines to ensure the smoothness and success of the submission of their FiA applications. SEDA Malaysia is obliged to remind all applicants not to fabricate any submitted information; such actions may subject to refusal or revocation of any feed-in approval if granted and/or shall constitute an offence committed by them under the Renewable Energy Act 2011 and/or its applicable subsidiary legislation.

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