



**E-BIDDING EXERCISE FOR BIOMASS QUOTA
UNDER FEED-IN TARIFF (FIT) IN 2021**

11.30am – 1.00pm

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1. METHODOLOGY



1. The e-bidding bid submission window is from Tuesday, 22nd June 2021 (10.00 am) until Tuesday, 6th July 2021 (1.00 pm).
2. Bidders to create complete company profile with updated details and documents in the e-FiT system prior to the bid submission window. The required documents are listed in slides 14-16.
3. Bidders to submit e-bidding application with updated details and all necessary documents in the e-FiT e-bidding system. The required documents are listed in slides 17-19.
4. In each e-bidding application, bidder to bid only for the basic FiT rates (without bonus). SEDA will set reference price of **RM0.3085/kWh*** for basic FiT rate.

**This price will be used as a benchmark for Bid evaluation. SEDA Malaysia, at its sole discretion, may not accept any Bid with offer exceeding this price.*

1. METHODOLOGY



5. An applicant who intends to use gasification technology (M01), steam-based electricity generating systems with overall efficiency of above 20% (M02), locally manufactured or assembled boiler or gasifier (M03) and/or solid waste as fuel (M04)** may apply for the bonus tariff but the **bonus tariff will not be considered in the bid tariff evaluation** process.
6. Bidders to pay the **processing fee (RM1,000/application), application fee (RM10/kW) and Performance Deposit (RM100/MW/day x 180 days)** via online banking platform.
7. The processing fee is non-refundable while the application fee and performance deposit are refundable in full if the bidders are unsuccessful.
8. The list of bidders will be extracted and announced on SEDA Malaysia's website immediately after bid closing.

***Tariff rate for the bonus M04 is RM0.000/kWh in accordance with the Renewable Energy (Amendment of Schedule) (No.2) Order 2019.*

1. METHODOLOGY



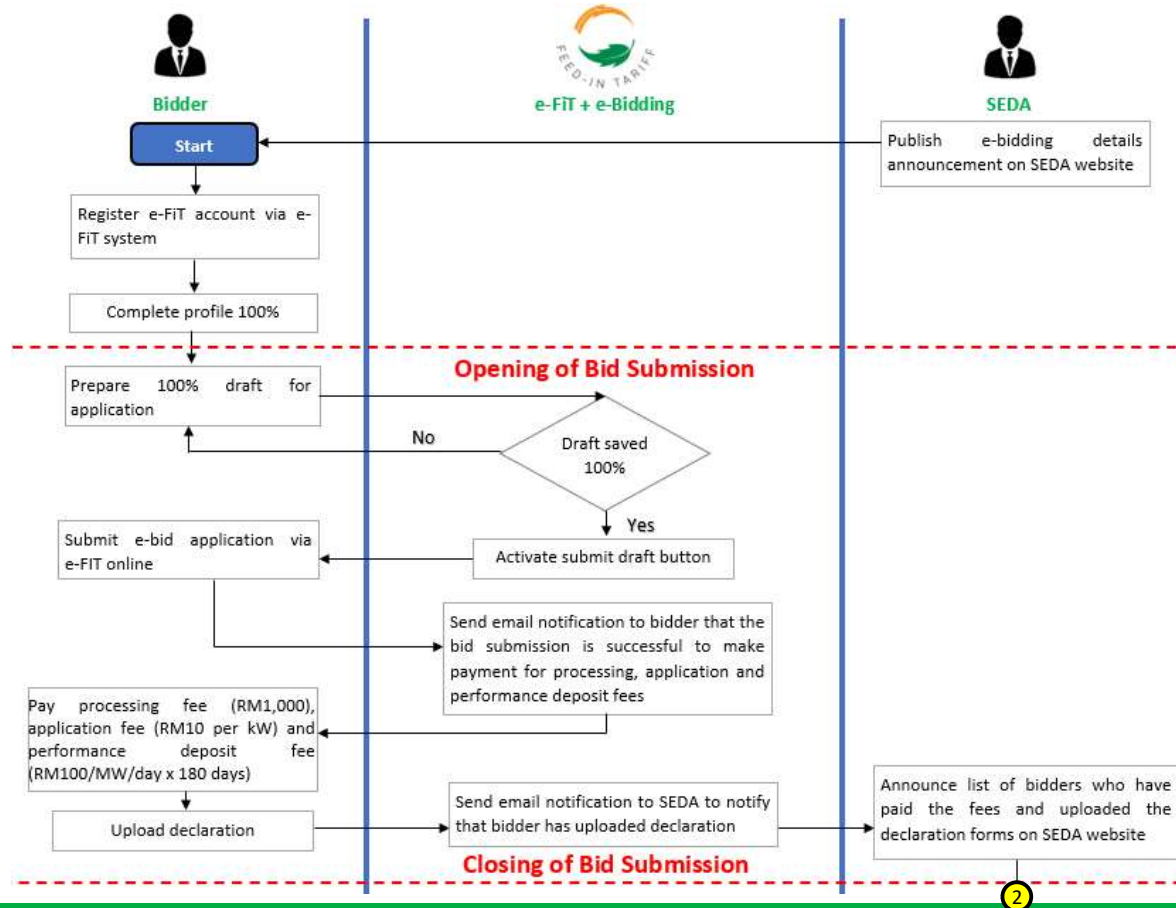
9. Post closing, all supporting documents and information submitted by the shortlisted bidders into the e-bidding system will be verified to determine compliance with the present rules and regulations.
10. The bidders will be ranked according to the bid tariff and the number of shortlisted bidders is determined by the amount of funds available for the quota release.
11. If most of the bidders have the same bid tariff and SEDA Malaysia is unable to finalize the list of shortlisted bidders, then a **balloting exercise** will be conducted.
12. Any application found to be non-compliant will be disqualified. The unallocated quota will be reoffered in the next e-bidding exercise.

1. METHODOLOGY

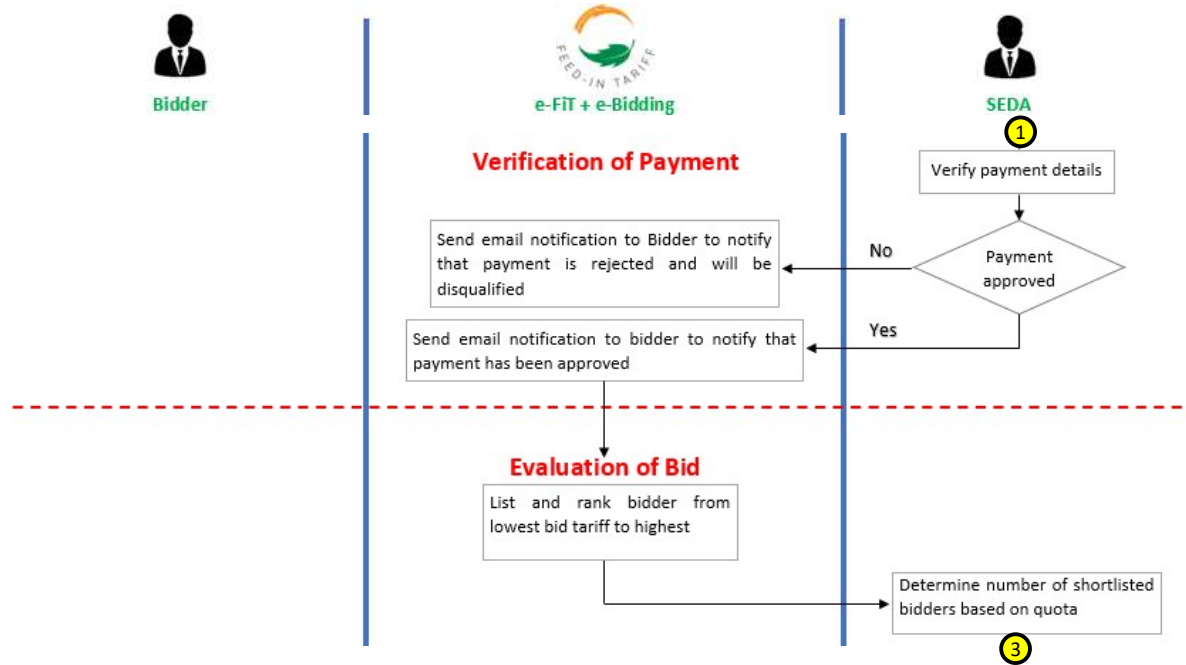


13. SEDA Malaysia to prepare the Renewable Energy (Amendment of Schedule) 2021 to Gazette the FiT rate range for Biomass based on the bid tariff range of the shortlisted bidders.
14. The FiT rate range needs to be gazetted before the release of quota.
15. Once the Renewable Energy (Amendment of Schedule) 2021 has been gazetted, SEDA to notify selected bidders and to allocate quota.
16. SEDA Malaysia to publish and announce the list of selected bidders on SEDA Malaysia's webpage.
17. SEDA Malaysia to print and issue feed-in approval (FiA) certificates to the selected bidders.

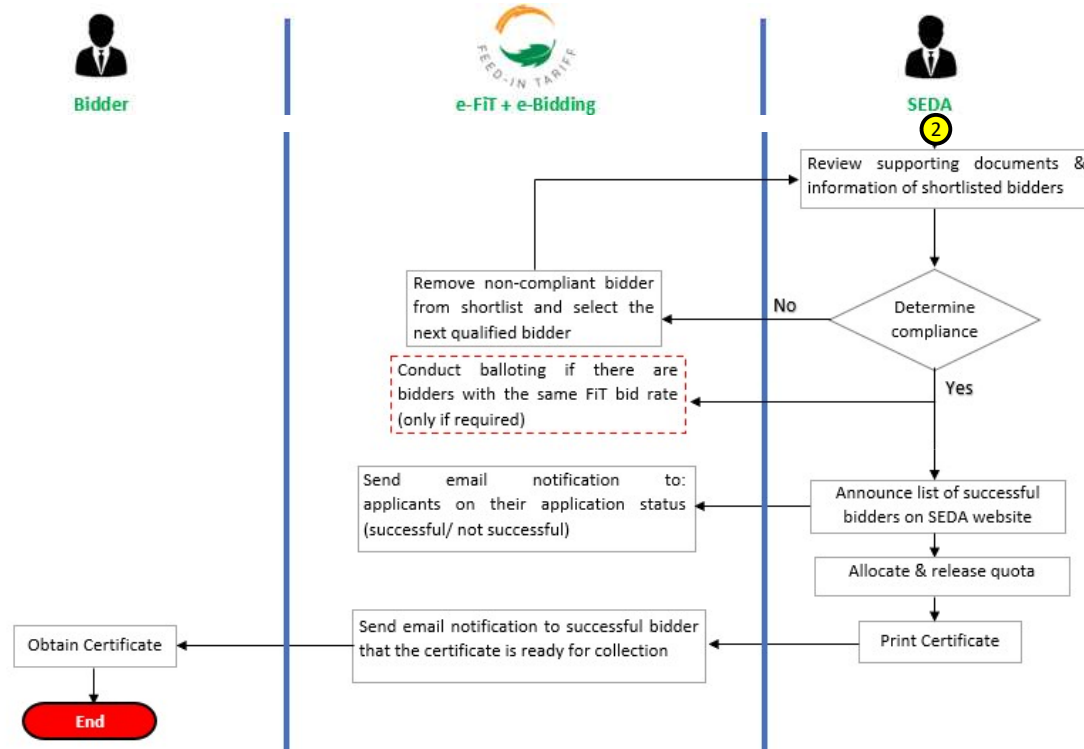
2. BIOMASS E-BIDDING FLOW CHART (1/3)



2. BIOMASS E-BIDDING FLOW CHART (2/3)



2. BIOMASS E-BIDDING FLOW CHART (3/3)



3. TERMS & CONDITIONS



1. Refer to [Rule 3 of the Renewable Energy \(Feed-in Approval and Feed-in Tariff Rate\) Rules 2011](#) for eligibility criteria of bidders.
2. Each application is limited to maximum installed capacity of 30MW. One (1) application per project site and [applicable to all states except Sabah and Sarawak](#). Bidders to bid based on [REPPA tenure of 21 years](#).
3. Must have a valid approval letter from the DL (Distribution licensee) and [Power System Study \(PSS\) report](#) stating the proposed export capacity.
4. All bidders shall have a [minimum paid up capital of RM50,000](#) but shall increase to [RM1,000,000 within 6 months](#) from the issuance of FiAH certificate.
5. No application can be made by an applicant at the same location at which another feed-in approval relating to a biomass installation is already granted and under which an existing biomass installation is in place [unless it is for an increase in capacity of their installation](#) according to [Rule 8 of the Renewable Energy \(Feed-In Approval and Feed-In Tariff Rate\) Rules 2011](#) (details in slide 9).



3. TERMS & CONDITIONS

6. Existing FiAHs intending to increase the capacity of their installation utilizing the same RE resource may apply for quota via the e-bidding exercise according to Rule 8 of the Renewable Energy (Feed-In Approval and Feed-In Tariff Rate) Rules 2011:

Application for feed-in approval for increase in capacity of renewable energy installation utilizing same renewable resource

8. (1) Where a feed-in approval has been granted and the feed-in approval holder proposes to increase the installed capacity of his or its renewable energy installation which—

- (a) utilizes the same type of renewable resource; and
- (b) does not have separate and dedicated interconnection cables and a separate and dedicated revenue meter in respect of the increase in the installed capacity,

the feed-in approval holder shall apply for a new feed-in approval in respect of the total combined installed capacity of his or its installation/after taking into account such increase in the installed capacity.

(2) Where a feed-in approval has been granted and the feed-in approval holder proposes to increase the installed capacity of his or its renewable energy installation which—

- (a) utilizes the same type of renewable resource; and
- (b) has separate and dedicated interconnection cables and a separate and dedicated revenue meter in respect of the increase in the installed capacity,

the feed-in approval holder shall retain his or its earlier feed-in approval and apply for a separate feed-in approval in respect of such increase in the installed capacity of the installation.

(3) Where a new feed-in approval is granted by the Authority under sub rule (1), the feed-in approval holder shall surrender his or its earlier granted feed-in approval to the Authority on or before the feed-in tariff commencement date of the total combined installed capacity of the installation.

(4) Upon the surrender of the earlier granted feed-in approval under sub rule (3), the earlier granted feed-in approval shall be deemed to have been superseded by the new feed-in approval.

3. TERMS & CONDITIONS



7. The timeframe for all successful bidders to commission the plant and to achieve the feed-in tariff commencement date (FiTCD) is **three (3) years from the approval date**.
8. All bidders must submit satisfactory evidence of the financial means to make available the requisite capital to fund **at least 20% of the estimated total project development costs** (including financing costs during construction) by Financial Close (FC), **within sixty (60) days from FiA certificate issuance**. Evidence may include, but not limited to: (i) bank statement(s) (duly certified by the bank) or bank referral letters evidencing cash deposits, (ii) working capital credit facilities such as overdraft and/or revolving credit facilities or bank letter of offers for credit facilities with sufficient available limit equivalent to the requisite amount, (iii) bank guarantees and/or standby letter of credit from a Malaysian bank, OR (iv) unencumbered fixed assets and/or land accompanied by valuation reports which may be collateralised to Banks.

3. TERMS & CONDITIONS



9. The payment procedure for processing fee, application fee and performance deposit:
 - a. Payment of processing fee, application fee and performance deposit **must be made to “Sustainable Energy Development Authority Malaysia” (CIMB Bank Berhad – 8600308067) before bid closing date** or the bidder will be disqualified.
 - b. For unsuccessful bidders, the processing fee is non-refundable, but the **application fee and the performance deposit will be refunded in full.**
 - c. For successful bidders, the **processing fee and the application fee are non-refundable**, but the **performance deposit will be refunded in full upon successful completion** of the project within the agreed timeframe.
 - d. **Revocation or surrender** of the Feed-in Approval will result in the forfeiture of the performance deposit.

3. TERMS & CONDITIONS

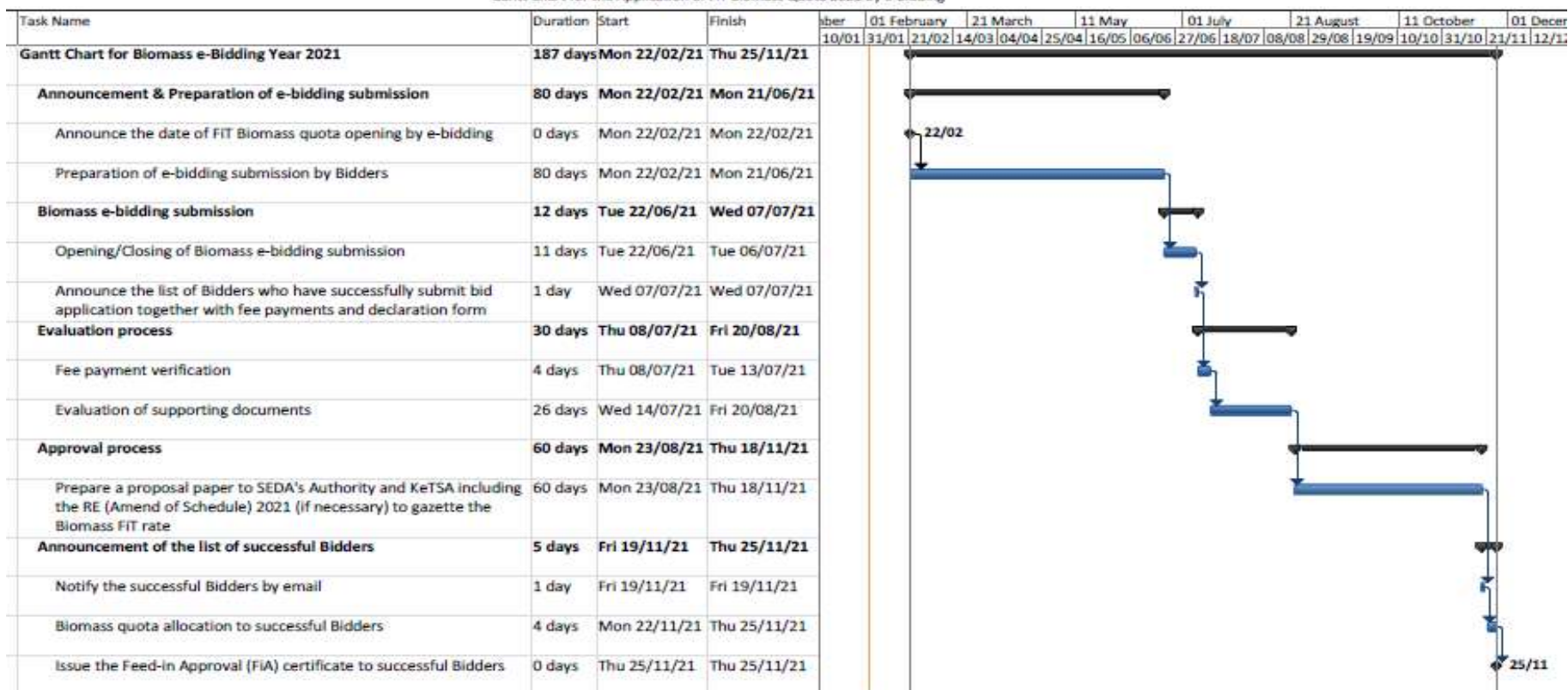


10. To be eligible to participate in this e-bidding exercise, the bidder(s) **must not be** in any of the following situations:
- a. they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for by any laws or regulations of any governmental or official authority or body;
 - b. they have been convicted of an offence concerning their professional conduct by a judgement of a competent authority;
 - c. they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
 - d. they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the requisite legal provisions;
 - e. they have been the subject of a judgement for fraud, corruption, involvement in a criminal organisation, or any other illegal activity, where such illegal activity is detrimental to Malaysia. **12**

4. E-BIDDING PROCESS TIMELINE



Gantt Chart for the Application of FIT Biomass Quota 2021 by e-Bidding



5. DOCUMENTS FOR PROFILE REGISTRATION



1. The latest SSM report;
2. The Memorandum and Articles of association of the Applicant or Form Section 14 (Companies Act 2016);
3. Form 8 (Certificate of Incorporation of Public Company) or Form 9 (Certificate of Incorporation of Private Company) in connection with the Applicant under the Companies Act 1965 or Certificate - Section 17 (Companies Act 2016);
4. All Forms 24 (Return of Allotment of Shares) lodged by the Applicant with the Registrar of Companies under the Companies Act 1965; or all Forms Section 78 (Companies Act 2016);
5. The latest Form 49 (Companies Act 1965) or latest Form Section 58 (Companies Act 2016) lodged by the Applicant with the Registrar of Companies to notify on the change in the Register of Directors, Managers and Secretaries.

5. DOCUMENTS FOR PROFILE REGISTRATION



6. The **extract of the company's board resolution** authorizing the authorised personnel to make this application on behalf of the Applicant and to execute and submit all documentation in relation thereto.
7. **A Shareholding/Ownership Structure Diagram** detailing the shareholding percentages of each ultimate shareholder in the company.
8.
 - a. If a **private limited company** is a shareholder: A **certified copy of the latest SSM report** of (company name) by the company secretary in accordance with the Companies Act 2016;
 - b. If a **public limited company** is a shareholder: A **certified copy of Form 29A** (Substantial Shareholder) of (company name with company registration no.) by the company secretary and a confirmation letter by the company secretary confirming the list of shareholders or Form Section 141 in accordance with the Companies Act 2016.

5. DOCUMENTS FOR PROFILE REGISTRATION



c. If an **individual** is a shareholder: A **certified copy of the latest SSM report** of the company(s) where the individual (MyKad/Passport) is a shareholder; direct or indirect in accordance with the Companies Act 2016

Note :

1. The SSM report cannot be dated more than 1 month from the date of upload into the e-FiT.
2. The applicant must update any outdated information/document in their existing profile in e-FiT.

6. DOCUMENTS FOR SUBMISSION APPLICATION



1. **Written documentation** from a **qualified person** setting out the **detailed engineering design** (Including all relevant calculations to justify the installed capacity and claimed efficiencies) of the renewable energy installation utilizing the relevant fuel source including the relevant equipment for the combustion process of the fuel source, the calculation of the indicative quantity of fuel source required and the calculation of the indicative quantity of renewable energy to be generated from the installation.
2. Documents proving the **Applicant's ownership of the site**, or other conditional or unconditional rights (e.g. Lease or leasing agreement) that the applicant has to utilize/lease the site for a minimum period equivalent to the effective period.
3. Land title showing proof of ownership by the applicant or lessor.
4. A scanned soft copy of the **letter(s) of intent/offer letter(s)/term sheet(s)** from the entity(ies) that will be providing renewable resources.

6. DOCUMENTS FOR SUBMISSION APPLICATION



5. Detailed financial model showing how the bid tariff is derived. The information and data provided in the financial model shall be clearly explained and consistent with the Bid Offer and Financial Model Assumptions ([mandatory in excel](#)) in e-FiT.
6. The approval letter from the distribution licensees (DL) together with the [report](#) on the [power system study \(PSS\)](#) conducted in accordance with the Renewable Energy (Technical and Operational Requirements) Rules 2011 and amendments Rules 2014.
7. A [certificate of registration \(with Practicing Certificate\)](#) of each [Qualified Person](#) with the Board of Engineers Malaysia as a Professional Engineer (Electrical)

6. DOCUMENTS FOR SUBMISSION APPLICATION



8. **Use of gasification technology:** Relevant manufacturer's specifications and data sheet tested according to international standards by certified testing bodies as may be recognised by the Authority from time to time pursuant to guidelines, providing for the conversion of biomass to gasification through gasification or plasma technology.
9. **Use of steam-based electricity systems with overall efficiency of above 20%:** A written confirmation by a qualified person verifying that the criteria will be met based on the design efficiency of the renewable energy installation, accompanied by the relevant calculations.
10. **Use of locally manufactured or assembled boiler or gasifier,** either: (a) A certified copy of the manufacturer's license issued under the Industrial Co-ordination Act 1975 [Act 156]; (b) A certificate of factory acceptance test or its equivalent; or (c) A certificate from the manufacturer.

7a RANKING SCENARIO 1: VARYING BASIC BID RATES



Bidder	Basic Bid Rate (RM/kWh)	Bonus FIT Rates (RM/kWh)				Total Rate = Basic + Bonus (RM/kWh)
		M01: Use of gasification technology (RM0.0199/kWh)	M02: Use of steam-based electricity generating systems with overall efficiency of above 20% (0.0100/kWh)	M03: Use of locally manufactured / assembled Boiler or Gasifier (0.0500/kWh)	M04: Use of solid waste as fuel resource (RM0.000kWh)	
A	0.2690		√	√		0.3290
B	0.2700	√		√		0.3399
C	0.2750	√			√	0.2949
D	0.2760		√	√	√	0.3360
E	0.2800	√				0.2999
F	0.2850		√	√		0.3450
G	0.3000	√		√		0.3699
H	0.3080		√	√		0.3680
I	0.3085		√	√		0.3685 20

7a RANKING SCENARIO 1: VARYING BASIC BID RATES



Low



High

Bidder	Basic Bid Rates (RM/kWh)	Total Rate = Basic + Bonus (RM/kWh)
A	0.2690	0.3290
B	0.2700	0.3399
C	0.2750	0.2949
D	0.2760	0.3360
E	0.2800	0.2999
F	0.2850	0.3450
G	0.3000	0.3699
H	0.3080	0.3680
I	0.3085	0.3685

The 7 lowest bidders will be automatically shortlisted based on the Basic Bid Rates and **NOT** the total FiT rate.

Quota example

7b RANKING SCENARIO 2: SAME BASIC BID RATES (BALLOT)



Bidder	Basic Bid Rate (RM/kWh)	Bonus FiT Rates (RM/kWh)				Total Rate = Basic + Bonus (RM/kWh)
		M01: Use of gasification technology (RM0.0199/kWh)	M02: Use of steam-based electricity generating systems with overall efficiency of above 20% (0.0100/kWh)	M03: Use of locally manufactured / assembled Boiler or Gasifier (0.0500/kWh)	M04: Use of solid waste as fuel resource (RM0.000kWh)	
A	0.2690		√	√		0.3290
B	0.2700	√		√		0.3399
C	0.2750	√			√	0.2949
D	0.2760		√	√	√	0.3360
E	0.2800	√				0.2999
F	0.2850		√	√		0.3450
G	0.3000	√		√		0.3699
H	0.3000		√	√		0.3600
I	0.3000			√		0.3600

7b RANKING SCENARIO 2: SAME BASIC BID RATES (BALLOT)



Low



High

Bidder	Basic Bid Rates (RM/kWh)	Total Rate = Basic + Bonus (RM/kWh)
A	0.2690	0.3290
B	0.2700	0.3399
C	0.2750	0.2949
D	0.2760	0.3360
E	0.2800	0.2999
F	0.2850	0.3450
G	0.3000	0.3699
H	0.3000	0.3600
I	0.3000	0.3600

1 The 6 lowest bidders will be automatically shortlisted based on the Basic Bid Rates and **NOT** the Total Rate.

2 These 3 bidders who offer the same Basic Bid Rates will be entered into a manual balloting process

3 Only 1 out of 3 bidders will be shortlisted from the manual balloting process

Quota example

7c RANKING SCENARIO 3: SAME BASIC BID RATES (NO BALLOT)



Bidder	Basic Bid Rate (RM/kWh)	Bonus FIT Rates (RM/kWh)				Total Rate = Basic + Bonus (RM/kWh)
		M01: Use of gasification technology (RM0.0199/kWh)	M02: Use of steam-based electricity generating systems with overall efficiency of above 20% (0.0100/kWh)	M03: Use of locally manufactured / assembled Boiler or Gasifier (0.0500/kWh)	M04: Use of solid waste as fuel resource (RM0.000kWh)	
A	0.2690		√	√		0.3290
B	0.2700	√		√		0.3399
C	0.2750	√			√	0.2949
D	0.2760		√	√	√	0.3360
E	0.2800	√				0.2999
F	0.3000		√	√	√	0.3600
G	0.3000	√		√		0.3699
H	0.3000		√	√		0.3600
I	0.3080			√		0.3580

7c RANKING SCENARIO 3: SAME BASIC BID RATES (NO BALLOT)



Low

↓

Bidder	Basic Bid Rates (RM/kWh)	Total Rate = Basic + Bonus (RM/kWh)
A	0.2690	0.3485
B	0.2700	0.3085
C	0.2750	0.3185
D	0.2760	0.3086
E	0.2800	0.3686
F	0.3000	0.3286
G	0.3000	0.3286
H	0.3000	0.3786
I	0.3080	0.3580

High

The 8 lowest bidders will be automatically **shortlisted based on the Basic Bid Rates** and **NOT** the Total Rate. Balloting process is not required.

— Quota example

THANK YOU



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