



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

2.30pm – 4.00pm

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1. METHODOLOGY

1. The e-bidding Bid submission window is from Tuesday, 8th June 2021 (10.00 am) until Tuesday, 29th June 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 17-18.
4. Bidders to bid for the **FiT rates** in the application. SEDA will set a **reference price*** for FiT rates for small hydro having an installed capacity of up to and including 30MW as below:

Small Hydro Categories ($\leq 30\text{MW}$)	Reference Price (RM/kWh)*
a) Net head of more than 10 meters (High Head)	0.2462
b) Net head of up to and including 10 meters (Low Head)	0.2845

* 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. 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.
6. The processing fee is non-refundable while the application fee and performance deposit are refundable in full if the bidders are unsuccessful.
7. The list of bidders will be extracted and announced on SEDA Malaysia's website immediately after bid closing.
8. 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.

1. METHODOLOGY



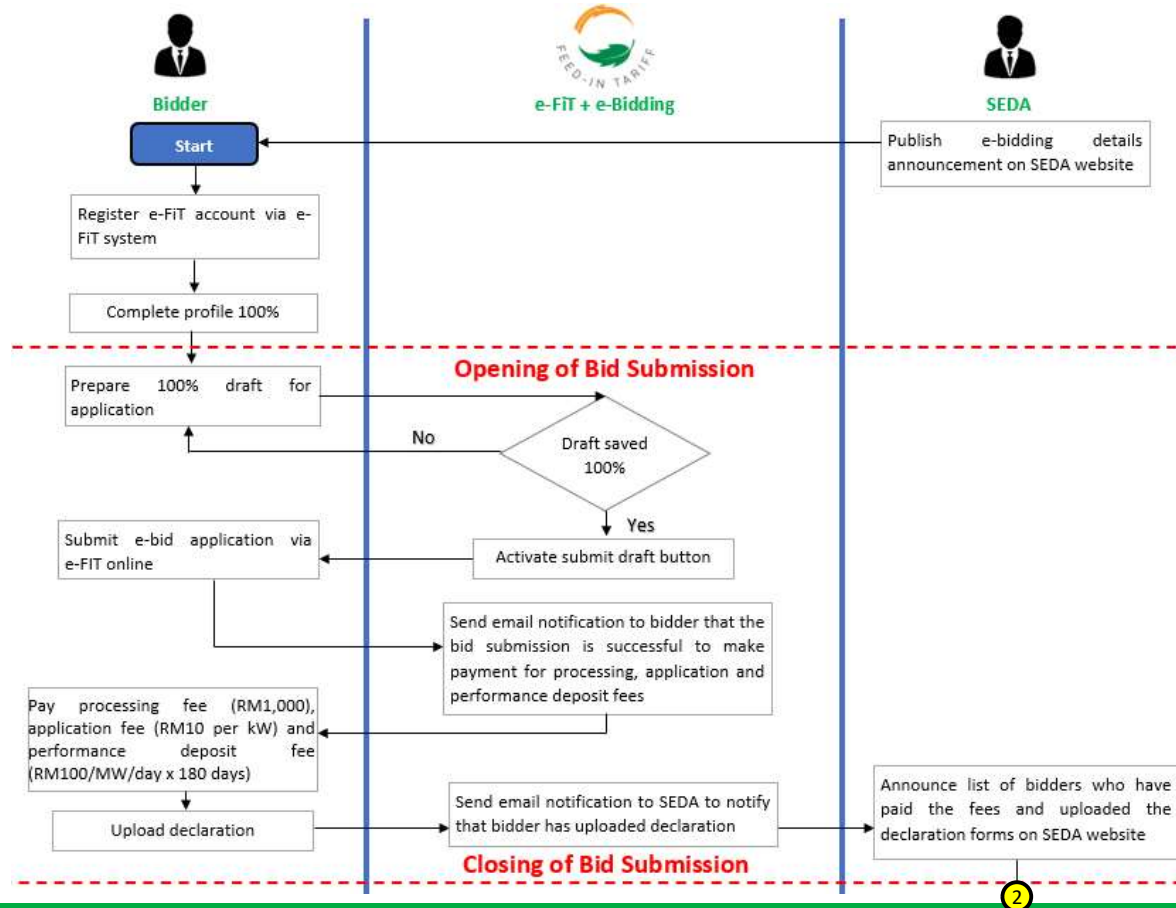
9. Since the Small Hydro quota for the e-bidding exercise is not segregated between low head and high head categories, the bid rates offered by bidders under the Low Head category will be reduced by RM0.03/kWh for evaluation purposes only. Successful bidders under the low head category will be allocated quota with the original bid rates.
10. All the bidders will be ranked according to the bid rates and the number of shortlisted bidders are determined by the amount of funds available for the quota release.
11. If most of the bidders have the same bid rates and SEDA Malaysia is unable to finalize the list of shortlisted bidders, then a balloting exercise will be conducted.
12. If there are multiple bidders that have submitted their e-bidding application for the same site location (river), the shortlisted bidder will be selected based on the lowest bid rates among all the applications.

1. METHODOLOGY

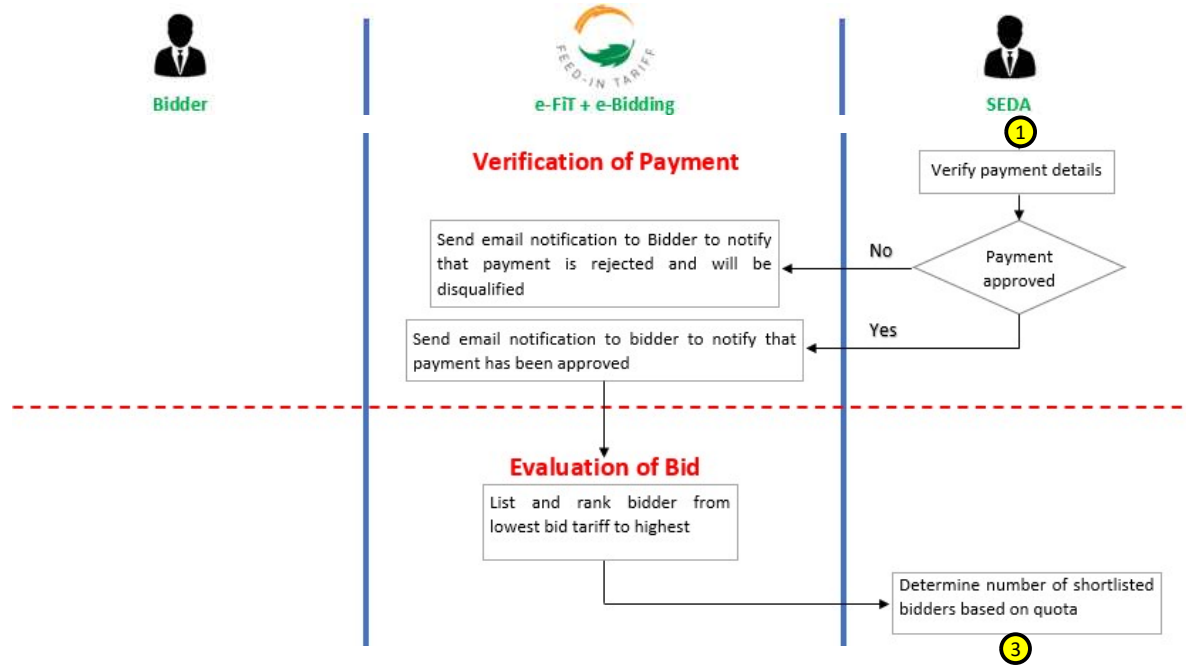


13. Any application found to be non-compliant will be disqualified. The unallocated quota will be reoffered in the next e-bidding exercise.
14. SEDA Malaysia to prepare the Renewable Energy (Amendment of Schedule) 2021 (if necessary) to Gazette the FiT rate range for Small Hydro based on the bid rates range of the shortlisted bidders.
15. The FiT rate range needs to be gazetted before the release of quota.
16. Once the Renewable Energy (Amendment of Schedule) 2021 has been gazetted (if necessary), SEDA Malaysia to notify selected bidders and to allocate quota.
14. SEDA Malaysia to publish and announce the list of selected bidders on SEDA Malaysia's webpage.
15. SEDA Malaysia to print and issue feed-in approval (FiA) certificates to the selected bidders.

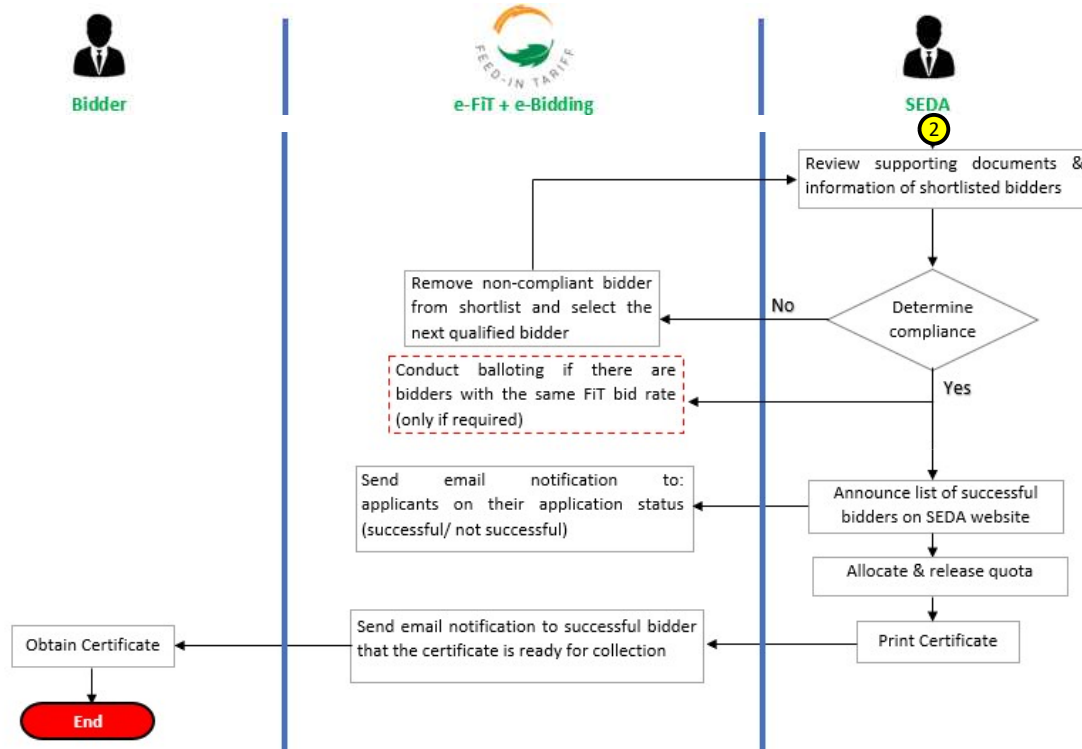
2. SMALL HYDRO E-BIDDING FLOW CHART (1/3)



2. SMALL HYDRO E-BIDDING FLOW CHART (2/3)



2. SMALL HYDRO 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**. This exercise is 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) together with [the Power System Study \(PSS\) report](#) stating the proposed export capacity for the project site.
4. Must provide [Water Rights Agreement**](#) or [approval letter from Unit Perancang Ekonomi Negeri \(UPEN\)](#) granting rights to the Applicant to abstract, extract and/or utilise raw water for the operation of the renewable energy installation.
5. No application can be made by an applicant at the same location at which another feed-in approval relating to a small hydro installation is already granted and under which an existing small hydro 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 10).

***for documents dated more than 1 year from the date of bid submission, the bidders must provide a confirmation letter from relevant authority stating that the approval is still valid.*

3. TERMS & CONDITIONS



6. All bidders shall have a **minimum paid-up capital of RM50,000**, and shall increase **to RM1,000,000 within 6 months** from the issuance of FiA certificate.
7. 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.
8. The timeframe for all successful bidders to commission the plant and to achieve the feed-in tariff commencement date (FiTCD) **is five (5) years from the approval date**.



3. TERMS & CONDITIONS

9. 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



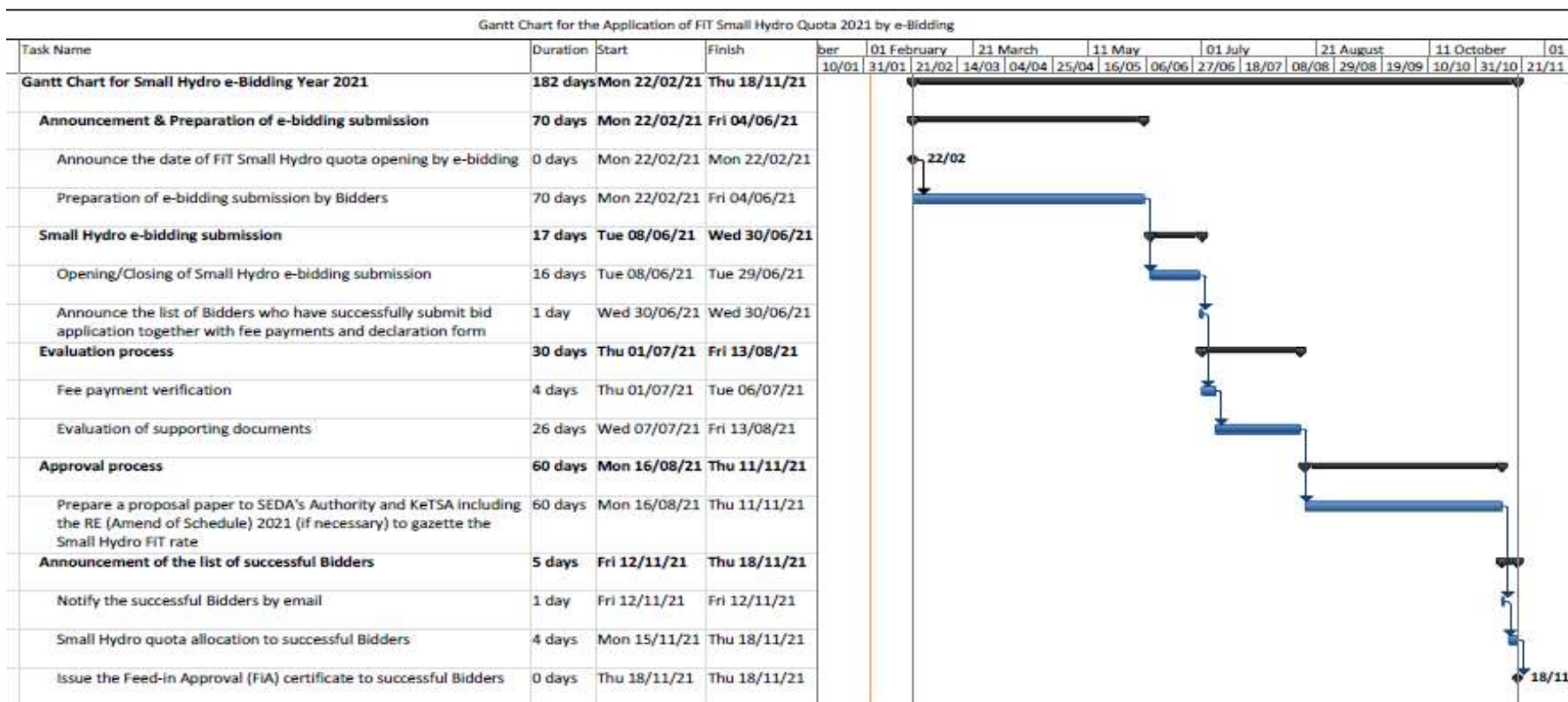
10. The payment procedure for processing fee, application fee and performance deposit:
 - a. Payment of processing fee, application fee and performance deposit **must be made to “Sustainable Energy Development Authority Malaysia” (CIMB Bank Berhad – 8600308067) before bid closing date** or the bidder 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 is 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



11. 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 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.

4. E-BIDDING PROCESS TIMELINE



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. Pre-feasibility/feasibility study report of the small hydro project from a qualified person setting out the detailed engineering design (Including all relevant calculations to justify the installed capacity) of the renewable energy installation. The design drawings and calculations must clearly state the Net Head of the hydro project.
2. Scanned soft copy of the Water Rights Agreement or approval letter from the Government entity that will grant rights to the Applicant to abstract, extract and/or utilise raw water for the operation of the renewable energy installation.
3. Documents proving the Applicant's ownership of the site, or other conditional or unconditional rights (e.g. Lease/leasing agreement/state approval letter) that the applicant has to utilize/lease the site for a minimum period equivalent to the effective period.

6. DOCUMENTS FOR SUBMISSION APPLICATION



4. 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.
5. 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.
6. A [certificate of registration \(with Practicing Certificate\)](#) of each [Qualified Person](#) with the Board of Engineers Malaysia as a Professional Engineer (Electrical).

7. BID RANKING – LOW HEAD ADJUSTMENT (1/2)

	Bidder	Bid Rate (RM/kWh)	Small Hydro	
			Low head	High Head
Low ↓ High	A	0.2200		✓
	B	0.2250		✓
	C	0.2280		✓
	D	0.2290		✓
	E	0.2300		✓
	F	0.2350		✓
	G	0.2400		✓
	H	0.2450		✓
	I	0.2462		✓
	J	0.2462		✓
	K	0.2720	✓	
	L	0.2750	✓	
	M	0.2755	✓	
	N	0.2800	✓	
O	0.2845	✓		
P	0.2845	✓		


→

	Bidder	Bid Rate (RM/kWh)	Small Hydro	
			Low head	High Head
	A	0.2200		✓
	B	0.2250		✓
	C	0.2280		✓
	D	0.2290		✓
	E	0.2300		✓
	F	0.2350		✓
	G	0.2400		✓
	H	0.2450		✓
	I	0.2462		✓
	J	0.2462		✓
	K	0.2420	✓	
	L	0.2450	✓	
	M	0.2455	✓	
	N	0.2500	✓	
	O	0.2545	✓	
	P	0.2545	✓	

RM0.0300/kWh is deducted from the low head bid rates



7. BID RANKING – LOW HEAD ADJUSTMENT (2/2)

	Bidder	Bid Rate (RM/kWh)	Small Hydro (category)	
			Low head	High Head
Low  High	A	0.2200		√
	B	0.2250		√
	C	0.2280		√
	D	0.2290		√
	E	0.2300		√
	F	0.2350		√
	G	0.2400		√
	K	0.2420	√	
	H	0.2450		√
	L	0.2450	√	
	M	0.2455	√	
	I	0.2462		√
	J	0.2462		√
----- Quota example -----				
	N	0.2500	√	
	O	0.2545	√	
	P	0.2545	√	

The 13 lowest bidders will be automatically **shortlisted based on the Bid Rates**



7a. RANKING SCENARIO 1: EXCEEDED REFERENCE PRICE

Bidder	Bid Rate (RM/kWh)	Small Hydro (category)	
		Low head	High Head
A	0.2180		√
B	0.2180		√
C	0.2190		√
D	0.2200		√
E	0.2250		√
F	0.2300		√
G	0.2400		√
K	0.2720 → 0.2420	√	
L	0.2750 → 0.2450	√	
M	0.2760 → 0.2460	√	
H	0.2462		√
N	0.2785 → 0.2485	√	
O	0.2800 → 0.2500	√	
P	0.2845 → 0.2545	√	
I	0.2500		√
J	0.2550		√

Low
↓
High


The 13 lowest bidders with bid rates not exceeding the reference price **will be automatically shortlisted**

Quota sample

These bids have exceeded the reference price and may not be shortlisted



7b. RANKING SCENARIO 2: SAME BID RATES (NO BALLOT)

	Bidder	Bid Rate (RM/kWh)	Small Hydro (category)	
			Low head	High Head
Low  High	A	0.2200		√
	B	0.2250		√
	C	0.2280		√
	D	0.2290		√
	E	0.2300		√
	F	0.2350		√
	H	0.2750 → 0.2440	√	
	I	0.2750 → 0.2440	√	
	J	0.2755 → 0.2445	√	
	G	0.2462		√
	K	0.2799 → 0.2499	√	
	L	0.2800 → 0.2500	√	
	M	0.2820 → 0.2520	√	
	N	0.2845 → 0.2545	√	

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

Quota example



7c. RANKING SCENARIO 3: SAME BID RATES (BALLOT)

	Bidder	Bid Rate (RM/kWh)	Small Hydro (category)	
			Low head	High Head
<p>Low</p> <p>High</p>	A	0.2200		✓
	B	0.2250		✓
	C	0.2280		✓
	D	0.2290		✓
	E	0.2300		✓
	H	0.2600 → 0.2300	✓	
	I	0.2600 → 0.2300	✓	
	J	0.2600 → 0.2300	✓	
	K	0.2600 → 0.2300	✓	
	L	0.2600 → 0.2300	✓	
	F	0.2350		✓
	G	0.2462		✓
	M	0.2800 → 0.2500	✓	
	N	0.2820 → 0.2520	✓	
O	0.2845 → 0.2545	✓		

1 The 4 lowest bidders will be automatically **shortlisted based on the Bid Rates**

2 These 6 bidders who offer the **same Bid Rates** will be entered into a manual balloting process

Quota example

3 Only 5 out of 6 bidders will be shortlisted from the **manual balloting process**

THANK YOU



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