

**RENEWABLE ENERGY (RENEWABLE ENERGY POWER PURCHASE AGREEMENT)
RULES 2011**

PU(A) 386/2011

IN exercise of the powers conferred by section 12 and paragraph 61(b) of the **Renewable Energy Act 2011**[Act 725], the Sustainable Energy Development Authority Malaysia makes the following rules:

1. Citation and commencement

(1) These rules may be cited as the **Renewable Energy (Renewable Energy Power Purchase Agreement) Rules 2011**.

(2) These Rules come into operation on 1 December 2011.

2. Interpretation

In these Rules, unless the context otherwise requires-

"net export capacity" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**[P.U. (A) 387/2011];

"kW" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

"kWp" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

"rated kWp" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

"revenue meter" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

"MW" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

"connection point" has the meaning assigned to it in rule 2 of the **Renewable Energy (Technical and Operational Requirements) Rules 2011**.

3. Distribution licensee is to enter into renewable energy power purchase agreement

Upon receipt of the written notice under subrule 12(1) of the **Renewable Energy (Feed-in Approval and Feed-in Tariff Rate) Rules 2011**[P.U. (A) 385/2011] that an application for a feed-in approval has been approved, the distribution licensee shall, subject to subsection 12(2) of the Act, enter into a renewable energy power purchase agreement with the feed-in approval holder-

(a) according to the types of the renewable energy power purchase agreement as specified in subrule 5(1);

- (b) which contains the substance as specified in subrule 5(2) and, if applicable, subrule 5(3); and
- (c) in the form as specified in subrule 5(4).

4. Period to enter into renewable energy power purchase agreement

The distribution licensee shall enter into a renewable energy power purchase agreement with the feed-in approval holder pursuant to rule 3-

(a) in respect of a renewable energy installation having a rated kWp of up to and including 1,000 kWp and utilizing solar photovoltaic as its renewable resource, within thirty days from the date of receipt of the written notice under subrule 12(1) of the Renewable Energy (Feed-in Approval and Feed-in Tariff Rate) Rules 2011; and

(b) in respect of a renewable energy installation other than a renewable energy installation referred to in paragraph (a), within sixty days from the date of receipt of the written notice under subrule 12(1) of the Renewable Energy (Feed-in Approval and Feed-in Tariff Rate) Rules 2011.

5. Types, substance and form of renewable energy power purchase agreement

(1) The types of the renewable energy power purchase agreement referred to in rule 3 shall be as specified in column (3) of the Schedule having regard to the renewable resource to be utilized as specified in column (1) of the Schedule and the capacity of the proposed renewable energy installation as specified in column (2) of the Schedule.

(2) The substance of each type of the renewable energy power purchase agreement as specified in subrule (1) shall contain the following minimum provisions:

(a) that the renewable energy power purchase agreement shall remain in effect throughout the effective period as specified in the feed-in approval, unless the agreement is terminated earlier in accordance with the provisions of such agreement;

(b) that the feed-in approval holder shall sell and deliver, and the distribution licensee shall purchase and accept, the renewable energy generated by the feed-in approval holder's renewable energy installation and metered by the distribution licensee at the connection point;

(c) that the price to be paid by the distribution licensee to the feed-in approval holder for the renewable energy generated and delivered by the feed-in approval holder's renewable energy installation shall be the feed-in tariff rate as determined by the Authority in accordance with the Act and the **Renewable Energy (Feed-in Approval and Feed-in Tariff Rate) Rules 2011**;

(d) that the feed-in approval holder shall operate his or its renewable energy installation utilizing the renewable resource as specified in his or its feed-in approval;

(e) that the reading of revenue meters, the preparation and issuance of payment advices and the payments made pursuant to such payment advices shall be made in accordance with the **Renewable Energy (Technical and Operational Requirements) Rules 2011**;

(f) that either party to the renewable energy power purchase agreement may terminate the agreement in accordance with the provisions of the agreement if the other party has breached the agreement where the breach is of a type which, as provided for in the agreement, entitles the first-mentioned party to terminate the agreement; and

(g) that the renewable energy power purchase agreement shall be governed by and construed in accordance with the laws of Malaysia.

(3) The substance of each type of the renewable energy power purchase agreement as specified in subrule (1) in respect of a renewable energy installation referred to in paragraph 4(b) shall contain the following additional provisions:

(a) that if the distribution licensee terminates the renewable energy power purchase agreement as a result of a breach of the agreement by the feed-in approval holder where the breach is of a type which, as provided for in the agreement, entitles the distribution licensee to terminate the agreement, the distribution licensee shall have the option to purchase the renewable energy installation in the manner and for the purchase price as determined in accordance with the provisions of the agreement; and

(b) that if the feed-in approval holder terminates the renewable energy power purchase agreement as a result of a breach of the agreement by the distribution licensee where the breach is of a type which, as provided for in the agreement, entitles the feed-in approval holder to terminate the agreement, the feed-in approval holder shall have the option to sell the renewable energy installation to the distribution licensee in the manner and for the purchase price as determined in accordance with the provisions of the agreement.

(4) Each type of the renewable energy power purchase agreement as specified in subrule (1) shall be in the form of agreement dated 1 December 2011.

(5) The form of agreement referred to in subrule (4) shall be made available by the Authority at any of its offices and on the official website of the Authority.

6. Deviation from the form of agreement

Any deviation from the form of agreement referred to in subrule 5(4) by a distribution licensee or a feed-in approval holder shall require the prior written approval of the Authority.

7. Amendment to the form of agreement by Authority

Where the Authority makes any amendment to the form of agreement referred to in subrule 5(4), the Authority shall-

(a) keep proper records in respect of the amendment made and the date on which the amendment was made; and

(b) make available the updated form of agreement at any of its offices and on the official website of the Authority.

8. Submission of certified copy

The feed-in approval holder shall, within seven days from the date of the execution of the renewable energy power purchase agreement by both the distribution licensee and the feed-in approval holder, submit a certified copy of the executed renewable energy power purchase agreement to the Authority for registration.

SCHEDULE

[Subrule 5(1)]

TYPES OF RENEWABLE ENERGY POWER PURCHASE AGREEMENT

Renewable resource (1)	Capacity of renewable energy installation (2)	Types of renewable energy power purchase agreement (3)	
1. Biogas	(a) Renewable energy installation having a net export capacity of up to and including 10 MW	BG1:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of up to and including 10 MW and utilizing biogas as its renewable resource
	(b) Renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW	BG2:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW and utilizing biogas as its renewable resource
2. Biomass	(a) Renewable energy installation having a net export capacity of up to and including 10 MW	BM1:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of up to and including 10 MW and utilizing biomass as its renewable resource
	(b) Renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW	BM2:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW and utilizing biomass as its renewable resource
3. Small hydropower	(a) Renewable energy installation having a net export capacity of up to and including 10 MW	HP1:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of up to and including 10 MW and utilizing small hydropower as its renewable resource
	(b) Renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW	HP2:	Renewable energy power purchase agreement for a renewable energy installation having a net export capacity of above 10 MW and up to and including 30 MW and utilizing small hydropower as its renewable resource
4. Solar photovoltaic	(a) Renewable energy installation having a rated kWp of up to and including 1,000 kWp	PV1:	Renewable energy power purchase agreement for a renewable energy installation having a rated kWp of up to and including 1,000 kWp and

			utilizing solar photovoltaic as its renewable resource
	(b) Renewable energy installation having a rated kWp of above 1,000 kWp and up to and including 12,000 kWp	PV2:	Renewable energy power purchase agreement for a renewable energy installation having a rated kWp of above 1,000 kWp and up to and including 12,000 kWp and utilizing solar photovoltaic as its renewable resource
	(c) Renewable energy installation having a rated kWp of above 12,000 kWp and up to and including 30,000 kWp	PV3:	Renewable energy power purchase agreement for a renewable energy installation having a rated kWp of above 12,000 kWp and up to and including 30,000 kWp and utilizing solar photovoltaic as its renewable resource