



**PRESS RELEASE: FOR IMMEDIATE RELEASE
TO: NEWS EDITOR**

**MINISTER YEO: THE FUTURE IS LOOKING BRIGHT WITH POSITIVE GROWTH
RECORDED FOR NEW ENHANCE NET ENERGY METERING (NEM)
PROGRAMME**

Putrajaya, Monday (18 March 2019) –Yesterday, the Minister of Energy, Science, Technology, Environment, and Climate Change (MESTECC) – YB Puan Yeo Bee Yin provided an update on the progress of the newly enhanced net energy metering (NEM) programme which she introduced in October last year. This update was carried out in a ½ day briefing organised by Sustainable Energy Development Authority (SEDA) Malaysia on the new NEM.

1. NET ENERGY METERING (NEM) UPDATES

1.1 Tremendous Growth on take up rate

- a. A total capacity of **500 MW has been allocated** for the NEM and will be exhausted by end of 2020;
- b. In the past months through constant communications by disseminating the right information in raising awareness on the new NEM to the public, SEDA has **witnessed 11 MW taken up in just 2 months** which shows a **tremendous growth compared to 18.24MW take up rate in the 12 month period last year**; and
- c. In total, SEDA has **approved 38 MW** of which **10 MW has achieved commercial operation.**

Minister Yeo also has stated in her speech that harnessing rooftops to generate solar power has a huge potential in the country. In Malaysia, there are 3.2 million landed properties, 450 thousand shop houses, 90 thousand terrace factories, 21 thousand stand-alone factories and 1,000 shopping complex. In addition to that, having 5,000 Government buildings all over Malaysia, the Government is looking on energy efficiency and renewable energy to reduce

electricity bills and decarbonising the Government's administration. By introducing new policies like the new NEM, the Government hopes it can catalyse and scale up the renewable energy growth in the country.

1.2 Positive reaction from Solar Investor via Solar Photovoltaic (PV)

Investor Directory

On a positive note aligning with the improvised NEM, YB Yeo is delighted to share that since SEDA Malaysia implemented the solar photovoltaic (PV) investor directory in January this year, to date; SEDA has already **approved 17 solar investor** applications. The new NEM has also succeeded in spawning new solar PV business opportunities behind-the-meter (BTM) that includes solar leasing, purchase of solar electricity via power purchase agreement (PPA) or hybrid of both. With the positive growth in the take rate and increasing numbers of Registered PV Investor, Net Energy Metering is poised to have a bright future in Malaysia

Besides sharing update, Minister Yeo also shared that a new roadmap is currently being developed called the Renewable Energy Transition Roadmap (RETR) 2035 to explore the possible strategies and action plans to reach the government's aspiration renewable energy (RE) target of 20% in the national power mix by 2025. The RETR 2035 is still in the early planning stage and is targeted to be delivered by end of this year. Among the potential strategies that will be explored under the roadmap:

- a) Peer-to-peer Energy Trading: solar prosumers can sell their excess electricity to consumers enabling those who have rooftop constraint to enjoy the NEM programme. In effect, the P2P will enable virtual net metering (VNM) further supporting growth of solar industry in this new market;
- b) Providing option for 100% RE electricity: electricity consumers have the option to buy 100% RE electricity from power utility. This will meet the growing trend of corporate sourcing of RE electricity for their purpose of meeting their environmental obligation; and

- c) Mobilising REC market: Currently Malaysia has a voluntary renewable energy certificate (REC) market, the roadmap will explore the cost benefits and effectiveness of establishing a mandatory REC market.

Minister Yeo also acknowledged that financing is still challenging for some RE developers. On this note, she has secured the cooperation by the Securities Commission which has established a Green Financing Taskforce whose objectives are to mobilise affordable financing for RE developers and to spawn an RE ecosystem which will support the RE agenda. According to Minister Yeo, the taskforce will submit the findings by July 2019 to her Ministry for possible implementation consideration.

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About SEDA Malaysia

Sustainable Energy Development Authority (SEDA) Malaysia is a statutory body reporting to the Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC). SEDA was established in September 2011 under the SEDA Act 2011 [Act 726] with the key purpose of driving the renewable energy and energy efficiency agenda in the country.

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