

**ISSUES/SUGGESTIONS HIGHLIGHTED IN NATIONAL RE FORUM 21 SEPTEMBER  
2006**

No	Issues/Suggestions	Remark
<b>Policy</b>		
1	No mechanism to support the 350 MW target in 9 MP. Eg. Setting-up RE fund	
2	Support the formulation of Master Plan of RE implementation. Proposed more structured action plan, strategies and approaches in the Master Plan to facilitate RE implementation and to realize the 350 MW target	
3	Review foreign participation condition in SREP as certain high technology would require higher technology provider participation.	
<b>Incentive</b>		
1	Many industries are not aware of the incentive scheme to promote RE by the government	More promotion need to be undertaken to promote the schemes to the targeted sectors
2	Complicated procedure for tax incentive application (eg. Custom code)	Improvise tariff code to include EE equipment identification
<b>REPPA</b>		
1	Misunderstanding of REPPA by potential developers	Workshop need to be organized between TNB, bank and developers to educate on the contents
2	Fixed price and no escalation clause in the REPPA	
3	Increase tariff from 19 sen/kWh to 25 sen/kWh to make more feasible	Proposed two to three tier tariff rate for a period of 21 years
<b>Biomass</b>		
1	MSW for incineration is still face with technological and economic issues related to the development. Barrier removal programme has to	

	be established to facilitate the development	
2	It is proposed EIA/EIS study to be waived since they are environmental friendly project and which also eligible for CDM	
3	Landfill gas project need to be further encouraged to take advantage of rehabilitation of dump sites	
4	Promote RE cogeneration at large power user with lower standby charges	
5	Promote co-firing of biomass by utility as a way to increase RE generation	
<b>Mini hydro</b>		
1	Local developers does not have the competency to develop mini hydro project especially in undertaking hydrology study	
2	Local community are not aware the potential of mini hydro project and the environmental friendliness of the technology	
3	A thorough hydrology study has to be undertaken in Sarawak to establish micro/mini hydro potential in the state	Proposed budget to be allocated to undertake the hydrology study in the state
4	TNB monopolized the mini hydro projects in Peninsular. Need to be opened up for other private developers to venture	
5	Development of micro/mini hydro projects need close cooperation with state government on exploitation of water catchment areas	
<b>Solar</b>		
1	Suggest the electricity tariff to adopt differential tariff for day and night to promote solar PV	
<b>Financing</b>		
1	REBF is limited to the FSM project under BioGen. The industries need to be further supported by the expansion of REBF to fund the remaining 350 MW to a tune of RM 1.3 billion in the 9 MP. Assume each project will be incurred RM 40 million (capacity 10 MW/project, need RM 4 million/MW soft loan)	
2	Any possibility for financing rate (interest) to be more attractive i.e less than 6% with standard period of min 15 years?	
3	What about loan facility for individual to install PV at home?	

<b>CDM</b>		
1	CDM project is closely related to technology transfer from host countries. This may impede development of local technology.	
2	Give all RE project CDM host country approval irrespective of technology new or local.	
<b>Other</b>		
1	Biofuel act need to be passed by the parliament to protect investment in the biofuel industry in the event of collapsing oil price.	