

RENEWABLE ENERGY POWER PURCHASE AGREEMENT (“REPPA”)

Key Terms for Stakeholder Feedback

Note: The terms herein will be applicable to all solar PV installations of ≤ 1 MW

PARTIES

- The Distribution Licensee (“**DL**”); and
- The Feed-in Approval Holder (“**FIAH**”)

1. TERM

- (a) The REPPA shall take effect on the **Effective Date** (i.e. date of fulfilment of the conditions precedent (“**CPs**”) in 2.1) and continue in effect for a Term which expires on the day before the 21st anniversary of the **Commercial Operation Date** or **COD** (i.e. date of fulfilment of the CPs in 2.2), unless otherwise earlier terminated in accordance with the provisions of the REPPA.

2. CONDITIONS PRECEDENT

2.1 CPs to the effectiveness of REPPA

The REPPA shall be effective upon satisfaction of the following conditions:

- (a) the REPPA has been executed and delivered by each of the Parties; and
- (b) the REPPA has been registered by SEDA pursuant to subsection 12(6) of the Renewable Energy Act 2011 (the “**Act**”).

2.2 CPs to Commercial Operation Date (“COD**”)**

Without limiting the requirements set forth in 2.1, no COD shall be deemed to have occurred until the FIAH shall have complied with each of the following conditions:

- (a) the Facility, Interconnection Facilities and metering systems have been constructed, installed, tested and commissioned in accordance with the provisions of the REPPA and the Renewable Energy (Technical & Operational Requirements) Rules 2011; and
- (b) the metering systems installed by the FIAH have been sealed by the DL as witnessed by the FIAH within a timeframe determined by SEDA.

3. SALE & PURCHASE OBLIGATIONS

3.1 Sale and Purchase of Electrical Energy

- (a) Starting on the COD, subject to the Act and the terms and conditions herein and continuing throughout the Term of the REPPA, the FIAH shall sell and

deliver and the DL shall purchase and accept, all Electrical Energy generated from the Facility.

3.2 Price

- (a) Throughout the Term after the COD, the price for the Electrical Energy sold and delivered by the FIAH and purchased by the DL from the Facility shall be the Feed-In Tariff rate as confirmed by SEDA to have been calculated in accordance with the Act.
- (c) The price in 3.2(a) shall be fixed throughout the Term of the REPPA, provided that upon any determination by SEDA that the Facility has achieved grid parity pursuant to section 21 of the Act, the FIAH shall instead be paid by the DL a price that is based on the DL's prevailing displaced cost as determined by SEDA for the remaining duration of the Term.

3.3 Prior exemption by SEDA

Notwithstanding any other provision in the REPPA, the DL shall not be obligated to accept electrical energy from the Facility if the DL has been exempted from accepting electrical energy from the Facility by SEDA pursuant to subsection 14(2) of the Act (i.e. having regard to public or private safety).

4. FIAH'S OBLIGATION TO USE RENEWABLE TECHNOLOGY

4.1 Renewable Energy Technology to be used

The FIAH undertakes that during the Term of the Agreement the FIAH shall operate the Facility so as to be fuelled or driven only by the Renewable Energy Technology (*i.e. solar PV*) in the manner meeting the criteria set out in the Renewable Energy (Criteria of Renewable Resource) Regulations 2011 as applicable to the FIAH.

5. BILLING, INVOICES & PAYMENT

5.1 Where the Facility entails a low voltage connection (i.e. 230V or 400V), then, no later than 21 calendar days after the end of each month, the DL shall:

- (a) read the DL-owned metering equipment for the Facility;
- (b) prepare and render to the FIAH a statement of payment setting out the meter reading and the DL's calculation of the Feed-in Tariff Payment due to the FIAH for such month; and
- (c) pay the Feed-in Tariff Payment due to the FIAH for such month.

5.2 Where the Facility entails a high voltage connection (i.e. 6.6kV, 11kV or 33kV), then within 7 calendar days after the end of each month, the FIAH shall read the DL-owned metering equipment for the Facility and prepare and render to the DL an invoice stating the Feed-in Tariff Payment accompanied by a statement setting out the meter reading and the FIAH's calculation of the Feed-in Tariff Payment due to the FIAH for such month. The DL shall pay the Feed-in Tariff Payment for each

month by the 21st day of the following month; provided that the DL receives the invoice from the FIAH by the 7th day of that following month. If the FIAH fails to send the invoice to the DL by the 7th day of that following month, then the DL will only be obligated to pay the invoice by the 21st day of the next following month. [Note: This procedure is required in order for the DL to receive reimbursement from the Renewable Energy Fund by the 28th day of each month.].

- 5.3 If either Party disputes the accuracy of any part or whole of the invoice, the Parties shall use their best efforts to resolve the disputed amount in accordance with the REPPA, but the undisputed portion of the invoice shall be paid in full within the period as stipulated in accordance with 5.1 or 5.2 (as the case may be).
- 5.4 If the DL fails to effect payments for any undisputed amount within the period stipulated in 5.1 or 5.2 (as the case may be), the FIAH shall have the right to impose interest thereon, calculated at the **Default Rate** (i.e. 2% above the base lending rate then in effect at the principal office of Maybank Berhad) from the date on which such amount would otherwise have become due (including such date) until the full settlement is made (excluding such date).
- 5.5 Upon resolution of a disputed amount, the amount shall be due and payable to the appropriate Party, with interest thereon, calculated at the Default Rate, from the date on which such amount would otherwise have become due hereunder if no dispute had arisen (including such date), until the date such amount is paid in full (excluding such date). The existence of a dispute as to any invoice shall not relieve either Party from complying with any other provision of the REPPA.
- 5.6 Notwithstanding anything in the REPPA to the contrary, (i) all payments to be made by either Party under the REPPA shall be made in Ringgit Malaysia, and (ii) any payment that becomes due and payable on a day that is other than a Business Day shall be paid on the next succeeding Business Day.

6. TECHNICAL & OPERATIONAL REQUIREMENTS

The Parties shall comply with the applicable provisions of the Renewable Energy (Technical and Operational Requirements) Rules 2011 including provisions dealing with pre-operational preparations, control, operation and maintenance of the Facility, interconnection and communications facilities and metering.

7. SUSPENSION OF OBLIGATIONS FOLLOWING FORCE MAJEURE EVENT

A Force Majeure Event shall suspend the obligations of the Parties so long as and to the extent the Force Majeure Event renders performance of the REPPA impossible.

8. DEFAULT AND TERMINATION DUE TO DEFAULT

Event of Default

The occurrence of any one of the following shall constitute an Event of Default, unless excused under another provision of the REPPA:

- (a) Any Party shall fail to make payments for undisputed amounts due under the REPPA to another Party within 60 days after receipt of written notice of such non-payment;
- (b) the FIAH's Generation Licence or Feed-In Approval shall have been revoked or terminated, and (i) all applicable appeal periods shall have expired, or (ii) a final decision on the appeal confirming such suspension, revocation or termination shall have been issued;
- (c) Any Party shall fail to comply with any of its other material obligations under the REPPA, and such failure shall continue uncured for 90 days after notice thereof by another Party, provided that if such failure cannot be cured within such period of 90 days with the exercise of reasonable diligence, then such cure period shall be extended for an additional period of 90 days so long as such failure is susceptible to cure, and such Party is exercising reasonable diligence to cure such failure;
- (d) If any Party becomes insolvent, or if an order is made or a resolution is passed for the winding-up of such Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if a special administrator, receiver and manager or receiver is appointed in respect of such Party or in respect of the whole or any part of such Party's assets or business, or if such Party makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt.

The occurrence of an Event of Default shall entitle the Party not in default to terminate the REPPA by giving 14 days' written notice to the defaulting Party.

12. TRANSFERS AND ASSIGNMENT

- (a) The FIAH may sell, convey or transfer of the Project or any material part or any interest in it to any other person with the prior written consent of SEDA.
- (b) In the event SEDA consents to the transfer referred to in 12(a) and the transfer and assignment of the Feed-In Approval to the new owner of the installation, the REPPA shall be novated to the new owner and the form of novation agreement shall be in a form approved by SEDA.