

Infrastructure, Energy & Resources

Large Scale Solar Photovoltaic Plant – Fifth Competitive Bidding Round (LSS PETRA)

Introduction

Following the announcement by the Ministry of Energy Transition and Water Transformation (PETRA) in January 2024, the Energy Commission ("EC") had on 1 April 2024 issued the following documents (in Bahasa Malaysia) relating to the fifth competitive bidding round for the Large Scale Solar ("LSS") programme, also known as LSS-*Peralihan Tenaga SuRiA* ("LSS PETRA"), via its website to call for bids to develop up to 2,000MW_{ac} of solar power plants in Malaysia:

- [Notification Notice of the Implementation of the Competitive Bidding Program for the Development of Large Scale Photovoltaic \(PV\) Solar Power Plants \(Large Scale Solar - LSS\) in Peninsular Malaysia](#); and
- [Procedures for Purchasing Documents - Request For Proposal \(RFP\) Competitive Bidding Program for the Construction of Large Scale Solar Photovoltaic \(PV\) Plant Janakuasa \(LSS\) in Peninsular Malaysia](#).

The Request for Proposal ("RFP") may be purchased online from 9.00am on 1 April 2024 to 5.00pm on 16 April 2024 at a price of Ringgit Malaysia three thousand (RM3,000) per RFP.

Key Features of LSS PETRA

Key features of LSS PETRA are as follows:

- There are **four types of packages** offered in LSS PETRA, available for different types of company/consortium.

Package	Description	Criteria for bidder(s)
1	<ul style="list-style-type: none"> Rooftop / ground-mounted solar power plants with a total quota of 250MW_{ac} available. For this package, the capacity range allowed is between 1MW_{ac} and <10MW_{ac}. 	Companies or consortium incorporated in Malaysia (i) having 100% Bumiputera equity holding; (ii) which have received the status of Bumiputera company from the Ministry of Finance; and (iii) have been registered as Small and

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		Medium Enterprises ("SMEs") with SME Corporation Malaysia.
2	<ul style="list-style-type: none"> Rooftop / ground-mounted solar power plants with a total quota of 250MW_{ac} available. For this package, the capacity range allowed is between 10MW_{ac} and <30MW_{ac}. 	Companies or consortium incorporated in Malaysia (i) having at least 51% Bumiputera equity holding, (ii) which have received the status of Bumiputera company from the Ministry of Finance; and (iii) with 100% local equity holding.
3	<ul style="list-style-type: none"> Rooftop / ground-mounted solar power plants with a total quota of 1,000MW_{ac} available. For this package, the capacity range allowed is between 30MW_{ac} and 500MW_{ac}. 	Companies incorporated in Malaysia with at least 51% local equity holding or Consortium comprising at least one local company incorporated in Malaysia and foreign companies, with at least 51% local equity in the consortium.
4	<ul style="list-style-type: none"> Floating solar power plants with a total quota of 500MW_{ac} available. For this package, the capacity range allowed is between 10MW_{ac} and 500MW_{ac}. 	

- The solar power plants under LSS PETRA are scheduled to **achieve commercial operations in 2026**.
- Complete physical submission of the RFP documents must be sent and received by EC **no later than 25 July 2024 at 5.00 pm** and any changes to the method of submission of the documents will be notified through the EC's website.

Purchase of RFP Documents

Companies that are interested to purchase the RFP documents shall make payment to EC via online transfer to the EC's bank account. Payments made after 5.00pm on 16 April 2024 will not be accepted by the EC.

The proof of payment (receipt of online transfer) together with the completed RFP Document Buyer Information Form and RFP Document Purchase Payment Information Form shall be sent via email to lss5@st.gov.my.

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It shall be noted that only companies which have purchased the RFP documents and those with details listed in the forms mentioned above are eligible to participate in the bidding. Failure to comply with these requirements may result in the unsuccessful purchase of the RFP documents.

Upon review by EC, the payment receipt and a link to download the RFP documents will be provided via email to the purchaser of the RFP documents within one to three working days. For unsuccessful purchase of the RFP documents, a rejection email will be sent to the purchaser within one to three working days from the date of submission of the application to purchase.

Concluding Words

Similar to the fourth bidding round of LSS (LSS@MEntARI), the LSS PETRA allows only slightly over three months for bidders to prepare their bids as opposed to the period of approximately six months under the earlier LSS programmes. The limited amount of time to prepare the bids may pose difficulties for bidders to prepare and submit their bids. This will likely give an advantage to the companies which have participated in the previous rounds of LSS bidding.

It is interesting to see that LSS PETRA is back to allow foreign participation in the bidding, albeit limited to Packages 3 and 4, i.e. the larger scale rooftop/ground-mounted and floating solar plants. At the same time, it has imposed stricter requirements of Bumiputera equity holding for participation in Packages 1 and 2, compared to the requirements for local equity holdings in previous rounds of LSS programmes. To recap, the LSS@MEntARI was only open to locally-incorporated companies which are 100% owned by Malaysians or companies listed on Bursa Malaysia which have at least 75% local shareholding, while the third LSS programme allowed participation of bidders with foreign shareholding of up to 49%.

The bid prices for LSS PETRA are expected to be competitive but bidders are cautioned of the issues faced by the successful bidders in LSS@MEntARI in fixing a realistic bid price.

Should you require further information or any advice on the above or any other matters pertaining to projects, energy and infrastructure, please feel free to reach out to any member of our team listed below.

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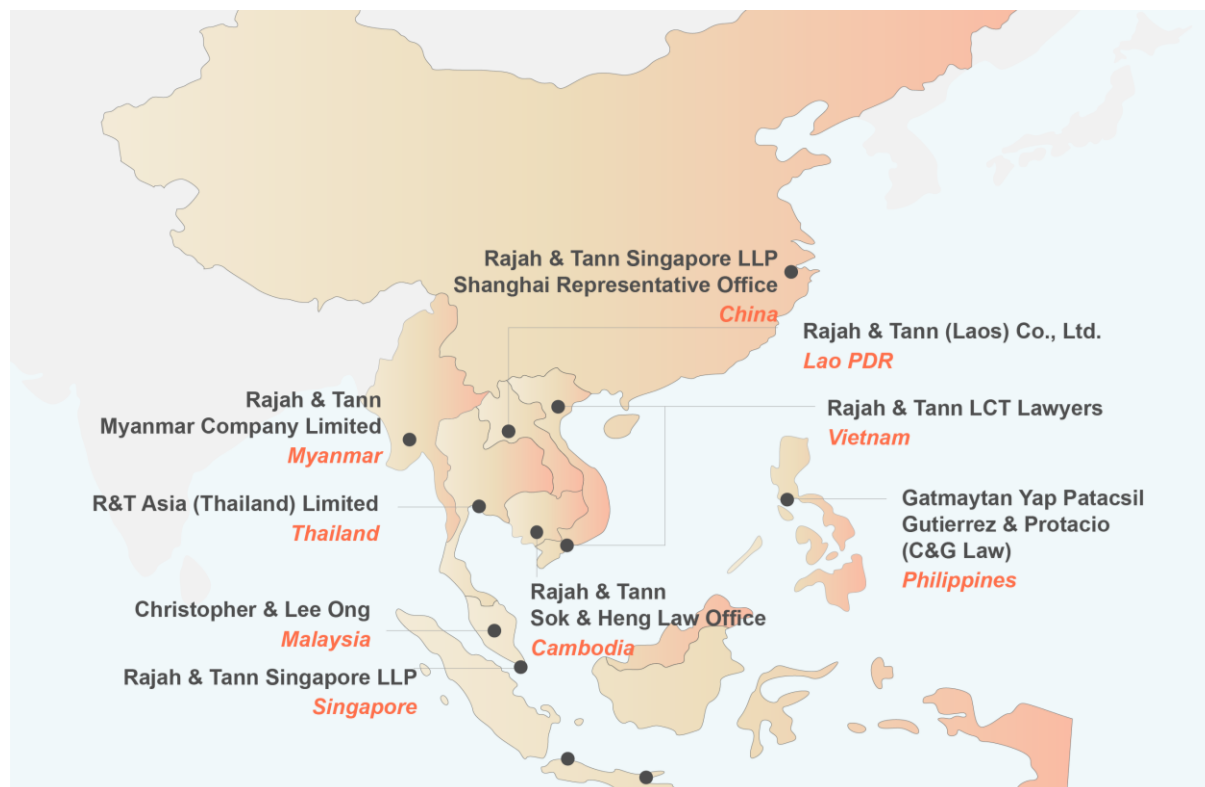
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