

GUIDELINES

ON ELECTRICITY LICENSING UNDER SECTION 8 OF THE ENACTMENT

ELECTRICITY SUPPLY ENACTMENT 2024

GUIDELINES ON LICENSING UNDER SECTION 8 OF THE ENACTMENT

GP(E)/ECoS/001/2024

IN exercise of the power conferred by, Section 101 of Electricity Supply Enactment 2024, the Commission issues the following guideline:

Citation and Commencement

1. These Guidelines may be cited as the "Guidelines on Licensing Under Section 8 of the Enactment".
2. These Guidelines shall come into operation on the date of registration.

Interpretation

1. In these Guidelines, unless the context otherwise requires:

Enactment means the Electricity Supply Enactment 2024, and its subsequent amendment, if any.

Licensee means a person licensed under section 8.

Compliance with Legislation

1. Section 8 of the Enactment stipulates that:

Section 8. (1) *No person shall —*

- (a) *use, work or operate or permit to be used, worked or operated any installation; or*
- (b) *supply to or for the use of any other person electricity from any installation, unless he holds a licence.*

(2) *A licence may be granted by the Commission, with the approval of the Minister, upon payment of such fees and upon such terms and conditions as appear to be requisite or expedient.*

2. Notwithstanding of the above, generating capacity that have been **exempted from obtaining licences** are as follows:

- (a) for non-solar PV system: capacity of 5kW and below¹
- (b) for solar PV system²:
 - (i) *For a three-phase system, at a voltage not exceeding low voltage with a capacity of up to 72 kW; or*
 - (ii) *For a single-phase system, at a voltage not exceeding low voltage with a capacity of up to 24 kW,*

¹By the Exemption Order [P.U.(PB)156] gazetted on 1st April 1994 and it is still being enforced in Sabah by virtue of the Savings and Transitional provision under Section 111 (1), (2), and (3) of the Electricity Supply Enactment 2024.

²By the Exemption Order [P.U.(PB)342] gazetted on 15th August 2008 and it is still being enforced in Sabah by virtue of the Savings and Transitional provision under Section 111 (1), (2), and (3) of the Electricity Supply Enactment 2024.

3. Electricity Supply Enactment 2024 stated the form used for the issuance of licenses, are as follows:

Regulation 9 : *A licence for public installation shall be in the form which the Commission deems fit and appropriate for the public installation.*

Regulation 10: *A license for a private installation shall be in Form E as prescribed in the First Schedule.*

Purpose of these Guidelines

1. These Guidelines describe the procedures and requirements that shall be complied by the applicant in the submission of the application for licence under Section 8 of the Electricity Supply Enactment 2024. Submission of applications shall be made at the via ECoS Online Services (EOS).
2. The application procedures and requirements are as shown in **ANNEX 1**.



Application of these Guidelines

1. These guidelines shall apply to any person or company who uses, works, or operates any electrical installation or supply to or for the use of any other person from any electrical installation.

Framework for Licensing Application Process

- 1.0 The content of the licensing application requirements and processes involved shall include, but not limited to the information as listed in **ANNEX 1**.

Notice by the Commission

1. The Commission may issue written notices from time to time in relation to these Guidelines.

Amendment and Variation

2. The Commission may at any time amend, modify, vary, or revoke these Guidelines.

Dated: 3rd January 2024



DATUK Ir. ABDUL NASSER BIN ABDUL WAHID
Chief Executive Officer
Energy Commission of Sabah

ANNEX 1

TABLE OF CONTENTS

1.0	Licensed Activities	8
2.0	Criteria for Consideration of Licence Application	10
3.0	Licence Approval Process	13
4.0	Licence Fees	16
5.0	Offences	19
	List of Appendices	
	Appendix 1: Licensing Approval Process for Public Installation	20
	Appendix 2: Licensing Approval Process for Private Installation	22
	Appendix 3: User Guideline for EOS	24
	Appendix 4: Sample of Generating Licence (Utility/IPP) Issued by The Commission's Office	29
	Appendix 5: Sample of Generating Licence (RE) Issued by The Commission's Office	56
	Appendix 6: Sample of Generating Licence (Private Installation) Issued by The Commission's Office	79
	Appendix 7: Sample of Distribution Licence Issued by The Commission's Office	83
	Appendix 8: Licence Application Requirement	106
	Appendix 9: Client Charter	109

1.0 LICENSED ACTIVITIES

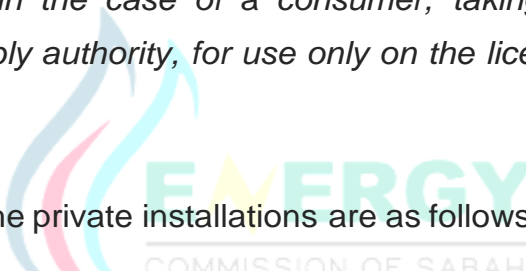
1.1 Under Electricity Supply Enactment 2024, there are two types of licenses granted by the Commission which includes a license for public installation and a license for private installation, where:

"Public installation" is an installation operated by a licensee for the supply of electricity to any person other than the licensee:

Provided that the licensee may use electricity for his own purposes where the use is consistent with the terms of the licence;

"Private installation" is an installation operated by a licensee or owner solely for the supply of electricity to and use thereof on the licensee's owner's own property or premises, or, in the case of a consumer, taking electricity from a public installation or supply authority, for use only on the licensee's or owner's property or premises."

1.2 Activities under the private installations are as follows:

- 
- i) operation of overhead lines or underground cables which crossed the road / bridge / river / telecommunication line / railway crossing owned by another person;
 - ii) operation of electricity generation for own consumption in places where there is no supply from grid / utility / licensee
 - iii) operation of temporary supply from generator set for own consumption at the construction site, expo / funfair and exhibition;
 - iv) operation of electricity generation for own consumption by using efficient technology such as co-generation; or
 - v) operation of electricity generation for own consumption by using renewable energy resources such as solar PV system.

1.3 Activities under the public installations are as follows:

- i) the supply of electricity to consumers by electricity utilities such as SESB;
- ii) generation of electricity for the purpose of supplying/selling to utilities such as Independent Power Producers (IPP);
- iii) generation of electricity for own consumption by using renewable energy resources such as solar PV system and selling the excess energy to the grid under the Net Metering (NEM) Scheme;
- iv) generation of electricity with an efficient method such as co-generation for own consumption and supply / sell the surplus energy to others in the complex or specific areas such as IOI Bioenergy Sandakan and Untung Ria Keningau; or
- v) the supply / sale of electricity and other services to users in complex or multi-storey buildings with electricity purchased from the utility such as operating of Suria Sabah Mall or 1Borneo Mall Kota Kinabalu, as well as Regas BMW Showroom.

1.4 For activities under the NEM Scheme, the applicants must comply with requirement as stated in the "Guidelines for Solar Photovoltaic Installation on Net Energy Metering Scheme" issued by the Commission.

2.0 CRITERIA FOR CONSIDERATION OF LICENCE APPLICATION

2.1 In assessing an application for a licence, some consideration under the provisions of the Enactment and Energy Commission of Sabah Enactment 2023 needs to be fulfilled such as follows:

- i) to promote competition in the generation and supply of electricity to, among other things, ensure optimum supply of electricity at reasonable prices;
- ii) to promote and encourage the generation of energy for the economic development of Malaysia;
- iii) to ensure that all reasonable demands for electricity are met;
- iv) to ensure the interests of consumers in terms of prices, the security and reliability of supply and quality of service;
- v) to ensure the viability of the project and the licensee can sustain their licence activity throughout the licence period; and
- vi) to promote the use and supply of energy more efficiently.

2.2 Besides, the Government had also outlined some important policies related to the electricity supply industry which includes:

- i) diversifying fuel consumption and reduce dependence on particular fuel for electricity generation with the additional use of hydro and solar;
- ii) use of renewable energy such as biomass (palm oil waste, rice husks, sawdust etc.), industrial waste (industrial waste gas) or solid waste (woodchips);
- iii) use advanced or efficient technology such as co-generation;
- iv) use of efficient technologies and methods in energy management and provision of other services that have value added to the users;

- v) provide a more efficient service, fast, economical and satisfying to consumers such as electrical distribution in complex multi - tenant;
- vi) use less electricity generation technologies that pollute the environment such as fuel cell technology; and
- vii) promote the development of technologies or new methods such as demonstration projects or projects of R & D.

2.3 In addition to meet the requirements of the Government's objective and relevant legislations, the Commission has outlined several important requirements that shall be complied by the applicant. The applicant may submit an application for a licence before commencement of an installation. Documents to be submitted by applicant shall include, but not limited to the information as listed below:

- i) a statutory document under the Companies Regulation 2017 such as Form 9, 13 (if any), 24, 32A (if any), 44, 49 and 55. The Commission requires a copy of the document that has been certified true copy to ensure that the company is a legal entity. Eligibility will be assessed based on the shareholders and paid-up capital of the company.
- ii) a location plan and site plan A4 or A3 size. This plan will be attached to the licence. In addition, the Commission also needs a high voltage and low voltage schematic drawing;
- iii) a project financial run is also one of the essential requirements to ensure that the applicant is able to carry out the activities until the end of the licence period. Applicants are required to complete a financial template that has been provided by the Commission;

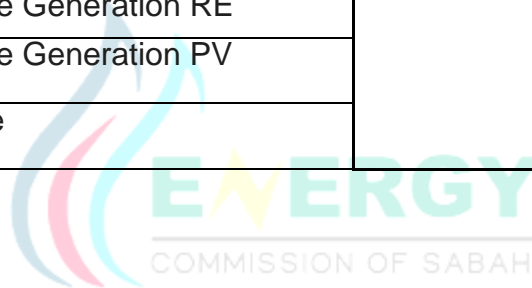
- iv) a letter of intent from a financial institution stating its intention to finance the project. For the self-funding project, applicant has to submit the three months of recent financial statements of the company;
- v) the relevant approval letter from the Government's agencies, local authorities, financial institutions, SESB, and others; and
- vi) a summary of the project proposal.
- vii) Upon commissioning of an installation, the applicant is required to submit the following additional documents to relevant Commission's offices; Form G (under the Regulation 15 of the Electricity Supply Regulation 2024) which is a certificate of supervision and completion provided by a competent person appointed;
- viii) Form H (under the Regulation 15 of the Electricity Supply Regulation 2024) which is a testing certificate
- ix) a copy of the registered competent person appointed by the licensee.



3.0 LICENCE APPROVAL PROCESS

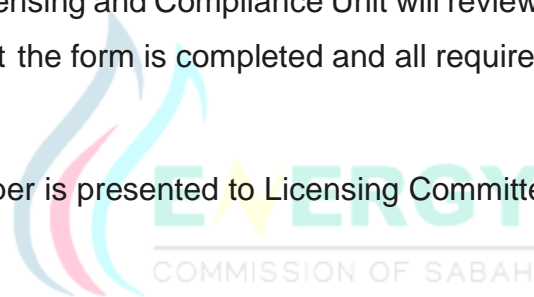
Application of licence can be made through www.ecos.gov.my under "**Online Services**". Users will be directed to the list of services available under these guidelines by clicking icon "**Licence**". In summary, the following medium will be used to process the relevant licence applications:

	Type of Licence Application	Online Application System
1.	Private installation	ECoS Online Services (EOS), https://auth.ecos.gov.my/
2.	Public Licence Distribution (including Electric Vehicle Charging Station)	
3.	Public Licence Transmission	
4.	Public Licence Generation IPP	
5.	Public Licence Generation Co Gen	
6.	Public Licence Generation RE	
7.	Public Licence Generation PV	
8.	Utility Licence	



3.1 The licence application for private installation as well as an application of licence for public installation will be processed by the Commission. It is advisable to submit the application at least 3 months before Initial Operation Date (IOD). The approval process involved:

- i) system registration of applicant's identification user name and password;
- ii) applicant fill up relevant information and submit supporting documents through ECoS Online Services (EOS) (note: the complete form must be printed out for endorsement and signed by Professional Engineer and applicant);
- iii) applicant made payment for licence processing fee (through online payment);
- iv) Electricity Licensing and Compliance Unit will review and evaluate the application to ensure that the form is completed and all required documents are submitted;
- v) a working paper is presented to Licensing Committee for review and preliminary approval.
- vi) Final approval for the application is to be made by the Commission;
- vii) licence is granted once applicant made licence fee payment according to the rate as specified in the Electricity Supply Regulation 2024.



Once licence is issued, the licensee shall comply with the licence terms and conditions as prescribed by the licence conditions. The Licensing Unit will monitor the progress of project implementation and performance, ensure compliances and collect annual licence fee when due.

3.2 The licence application process flow chart is shown in the following appendices;

- a) Licencing approval process for public installation - **Appendix 1**
- b) Licencing approval process for private installation - **Appendix 2**

3.3 The licence application is made through online system. The following user guidelines are attached for reference;

- a) User guidelines for ECoS Online Services (EOS) - **Appendix 3**



4.0 LICENCE FEES

4.1 The relevant licence fees are stipulated under Regulation 11 of the Electricity Supply Regulation 2024 is as follows;

Regulation 11(1): *The fee payable for the issue of a licence for a public installation, other than the generation referred to in subregulation (2), shall be on an annual basis and shall be at the rate as prescribed in Part IV of the Second Schedule.*

Regulation 11(2): *The fee payable for the issue of a licence for a public installation for generating electricity using biomass, biogas, hydro power, solar power, geothermal power, wind power, waves and tides sources with aggregate power not exceeding 5 MW shall be paid on an annual basis and shall be at the rate as prescribed in Part IV of the Second Schedule.*

Regulation 11(3): *The fee payable for the issue of a licence for a private installation shall be paid in full in accordance with the period of the licence and shall be at the rate prescribed in Part II of the Second Schedule.*

Regulation 11(4): *All fees due under sub regulations (1), (2) and (3) above shall be made payable at the beginning of the commencement year of the licence.*

Regulation 11(5): *Any fees paid before the date of coming into operation of Parts III, IV and VII of the Second Schedule shall not be refundable.*

4.2 As mentioned in the above paragraph, the rates of licence fee for public installation are as set out in the following subregulation;

Part IV, subregulation 11(1):

1. *The rates to determine the fees payable on an annual basis for the issuance of a licence for a public installation, other than the generation referred to in subregulation 11(2), is as follows:*

- (a) *before commissioning of any part of the installation -*
 - 1.1 cent per kilowatt based on the installation capacity as specified in the licence; and*
- (b) *after the whole installation or any part of it has been completed, commissioned and is ready to deliver electricity to any person:*

Installation Capacity	Types of Activities		
	Generation	Transmission	Distribution
<i>Where the aggregate power is 5 kW and above</i>	<i>RM1.65/kW</i>	<i>RM0.33/kW</i>	<i>RM0.44/kW</i>

4.3 Whereas, for public installation that generates electricity using biomass, biogas, hydropower, solar power, geothermal power, wind power, waves, tides and other sources with aggregate power not exceeding 5 MW, the fees are stipulated below:

Part V, subregulation 11(2):

2. *The rates to determine the fees payable on an annual basis for the issuance of a licence for a public installation for generating electricity using biomass, biogas, hydropower, solar power, geothermal power, wind power, waves, tides and other sources, and etc with aggregate power not exceeding 5 MW shall be as follows:*

- (a) *before commissioning of any part of the installation -*
 - 1.1 cent per kilowatt based on the installation capacity as specified in the licence; and*
- (b) *after the whole installation or any part of it has been completed, commissioned and is ready to supply electricity to any person or utility -*
 - RM1.65 per kW where the aggregate power of the installation capacity is more than 5 kW.*

4.4 A processing fee of RM100 shall be charged for an application of a licence.

4.5 After the issuance of licence, any application to amend the licence conditions or to replace the licence, is also subject to a fee of RM100. Any amendment to the conditions of the licence shall be subjected to such terms and conditions as the Commission may impose.

4.6 The license fees for private installation are as follows;

Part II Regulation 11(3):

	Installation Capacity	Fees per year
(a)	<i>For each installation of 10 kilowatts or less</i>	<i>RM 30</i>
(b)	<i>For each installation above 10 kilowatts to 50 kilowatts</i>	<i>RM 165</i>
(c)	<i>For each installation above 50 kilowatts to 100 kilowatts</i>	<i>RM 550</i>
(d)	<i>For each installation above 100 kilowatts to 300 kilowatts</i>	<i>RM 1,100</i>
(e)	<i>For each installation above 300 kilowatts to 600 kilowatts</i>	<i>RM 1,650</i>
(f)	<i>For each installation above 600 kilowatts to 5,000 kilowatts</i>	<i>RM 2,200</i>
(g)	<i>For each installation above 5,000 kilowatts to 10,000 kilowatts</i>	<i>RM 3,000</i>
(h)	<i>For each installation above 10,000 kilowatts to 15,000 kilowatts</i>	<i>RM 10,000</i>
(i)	<i>For each installation above 15,000 kilowatts to 20,000 kilowatts</i>	<i>RM 50,000</i>
(j)	<i>For each installation above 20,000 kilowatts to 25,000 kilowatts</i>	<i>RM100,000</i>
(k)	<i>For each installation above 25,000 kilowatts to 30,000 kilowatts</i>	<i>RM 200,000</i>
(l)	<i>For each installation above 30,000 kilowatts to 35,000 kilowatts</i>	<i>RM 300,000</i>
(m)	<i>For each installation above 35,000 kilowatts to 40,000 kilowatts</i>	<i>RM 400,000</i>
(n)	<i>For each installation above 40,000 kilowatts to 45,000 kilowatts</i>	<i>RM 500,000</i>
(o)	<i>For each installation above 45,000 kilowatts to 50,000 kilowatts</i>	<i>RM 600,000</i>
(p)	<i>For each installation exceeding 50,000 kilowatts, the fee will be based on flat RM600,000 for the first 50,000 kilowatts and subsequent kilowatts will be based on RM5/kilowatts</i>	

5.0 OFFENCES

5.1 Any person who contravenes with Section 8 and Section 103 of the Electricity Supply Enactment 2024, are subjected to the following offences:

5.2 **Section 8 (7):** Any person who contravenes —

(a) paragraph (1)(a) commits an offence and shall, on conviction, be liable to a fine not exceeding five hundred thousand ringgit or to imprisonment for a term not exceeding five years or to both, and to a further fine not exceeding five thousand ringgits for every day or part of a day during which the offence continues after conviction;

(b) paragraph (1)(b) commits an offence and shall, on conviction, be liable to a fine not exceeding one million ringgit or to imprisonment for a term not exceeding ten years or to both, and to a further fine not exceeding ten thousand ringgits for every day or part of a day during which the offence continues after conviction

Section 103: Offence for non-compliance with codes, guidelines or directions of the Commission.



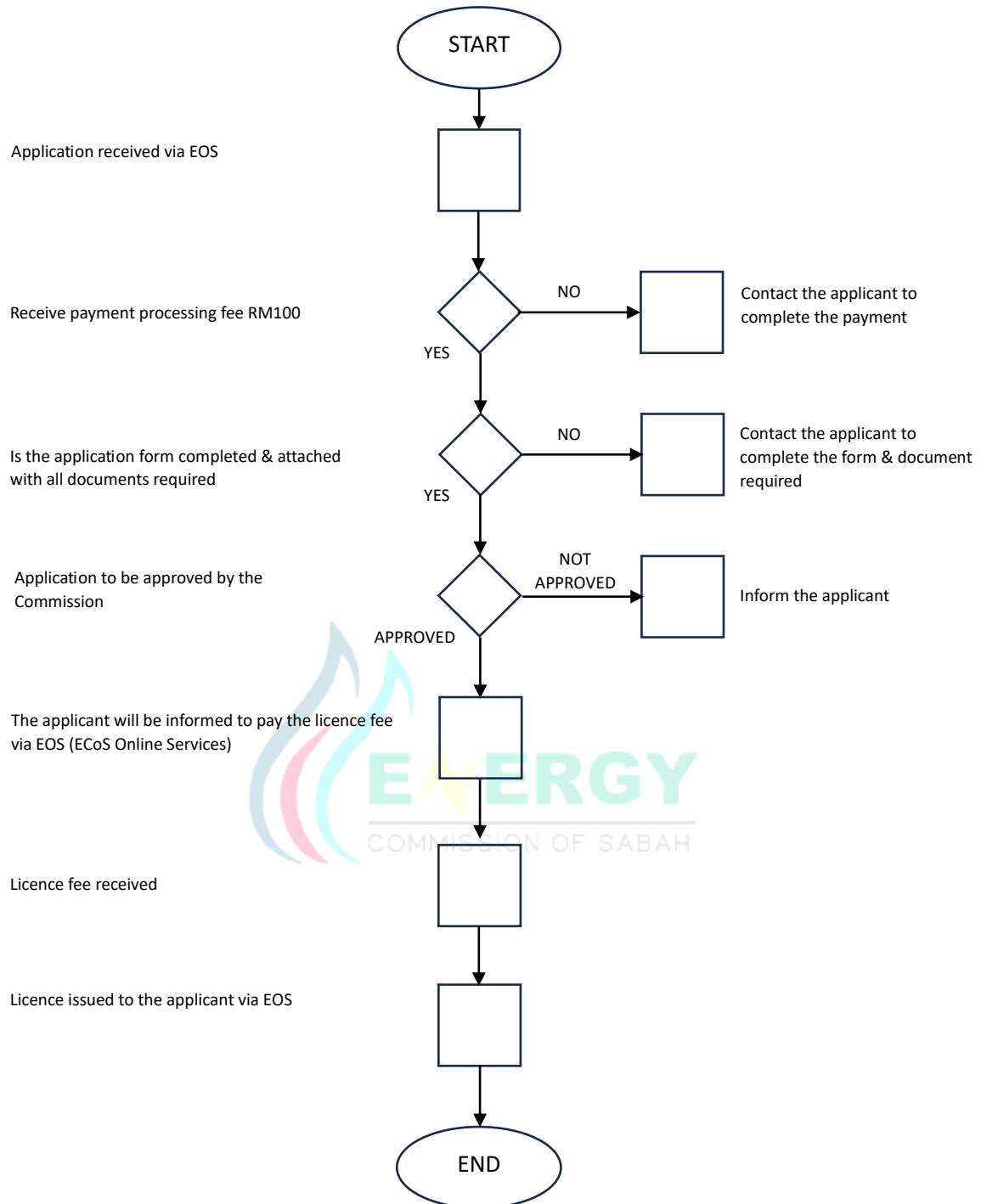
A person who fails to comply with any codes, guidelines or directions of the Commission issued under this Enactment commits an offence and shall, on conviction, be liable to a fine not exceeding two hundred thousand ringgit or to imprisonment for a term not exceeding two years or to both.

APPENDIX 1

LICENSING APPROVAL PROCESS FOR PUBLIC INSTALLATION



Licensing for Public / Utility Installation:



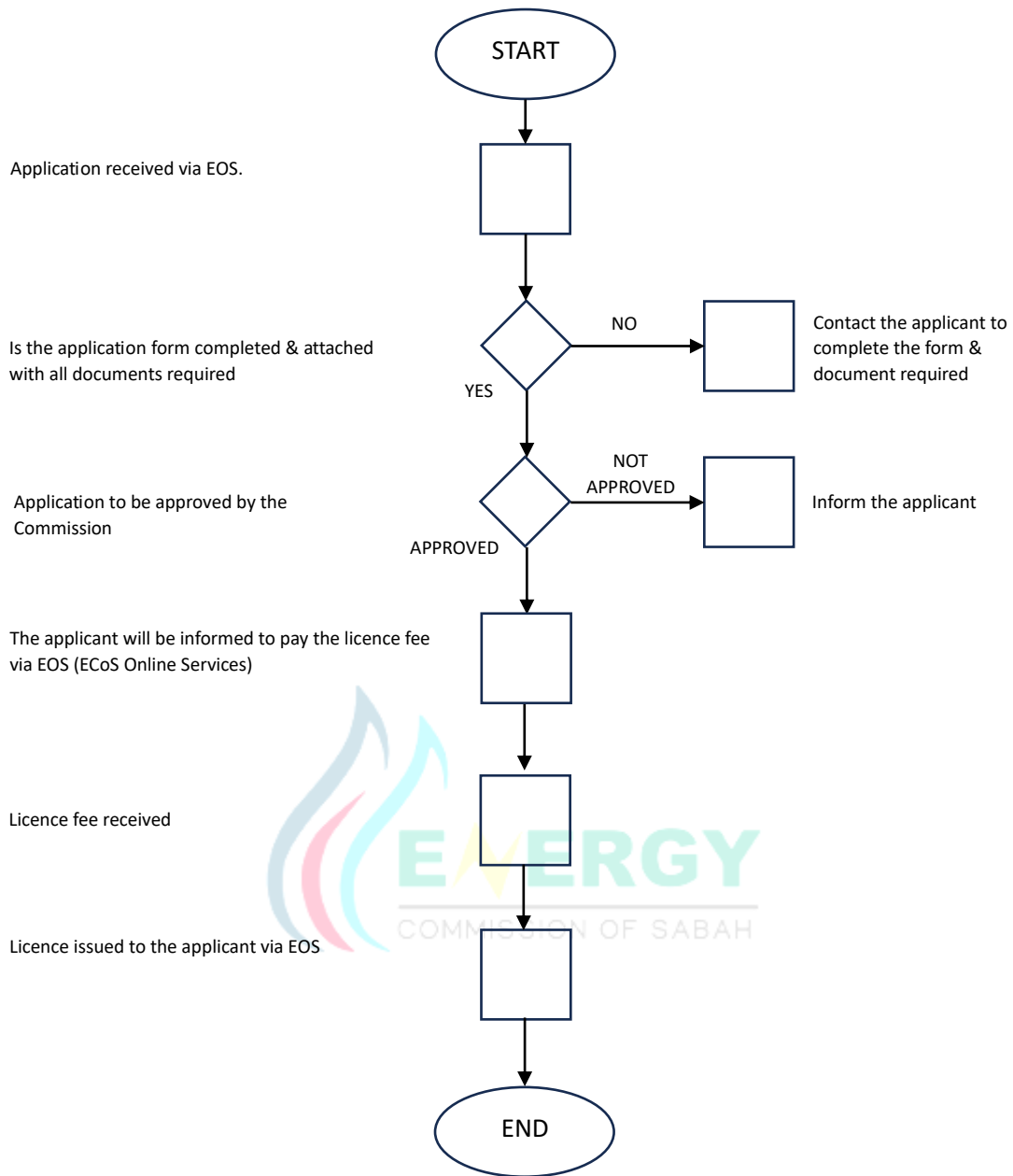
Note: Monitoring and enforcement of the licence terms and conditions, such as the collection of annual fees and submission of monthly generation performance

APPENDIX 2

LICENSING APPROVAL PROCESS FOR PRIVATE INSTALLATION



Licensing for Private Installation:





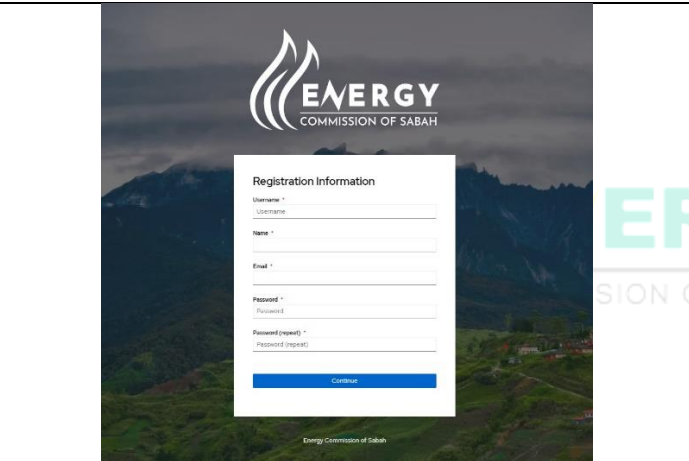
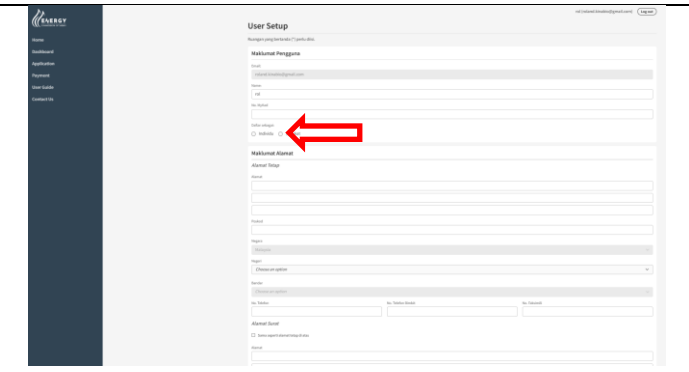
Note: Monitoring and enforcement of the licence terms and conditions, such as the collection of annual fees and submission of monthly generation performance

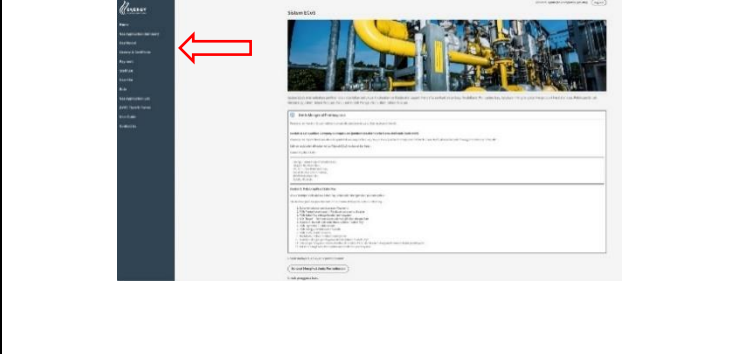
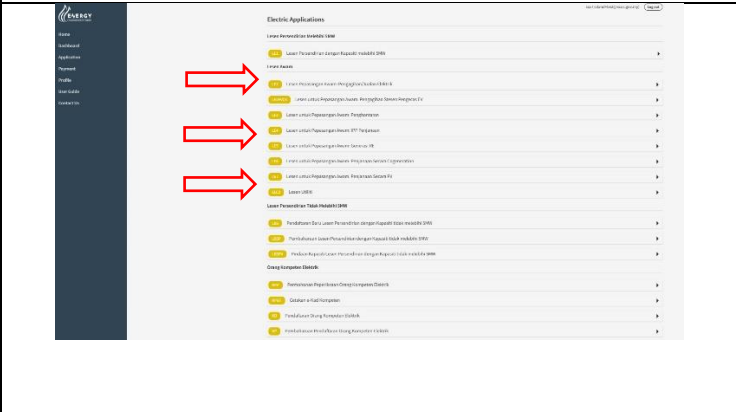
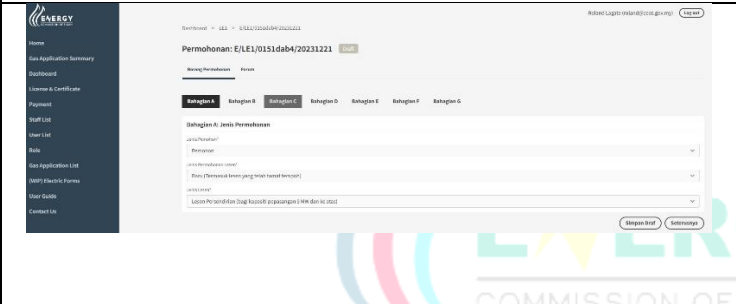
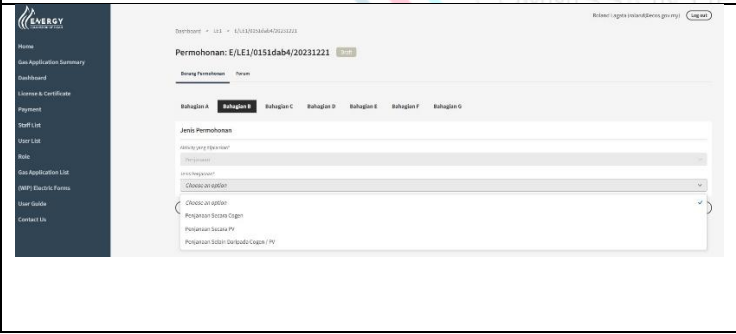
APPENDIX 3

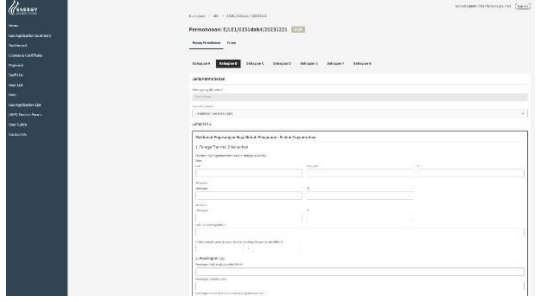
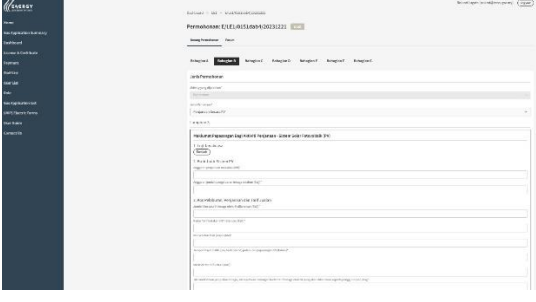
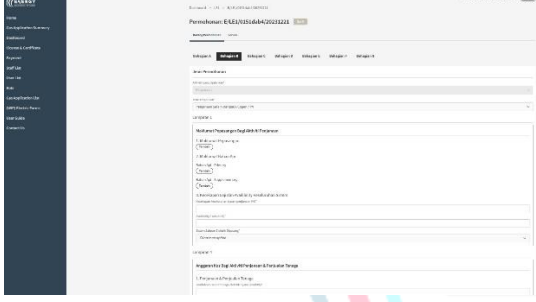
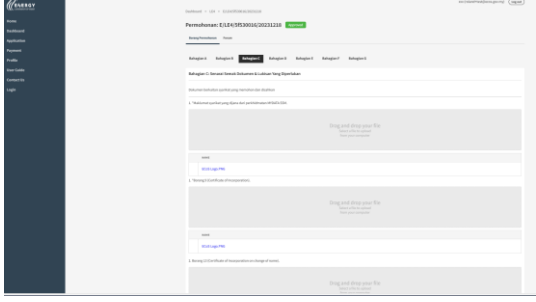
USER GUIDELINE FOR ECoS ONLINE SERVICES (EOS)

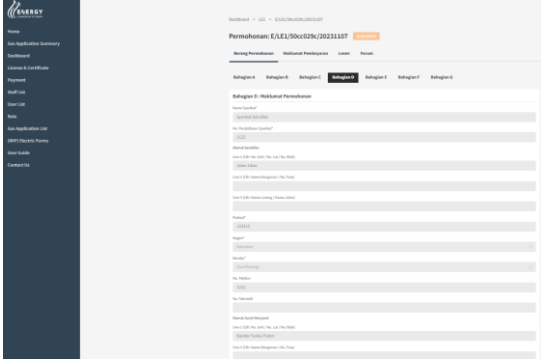
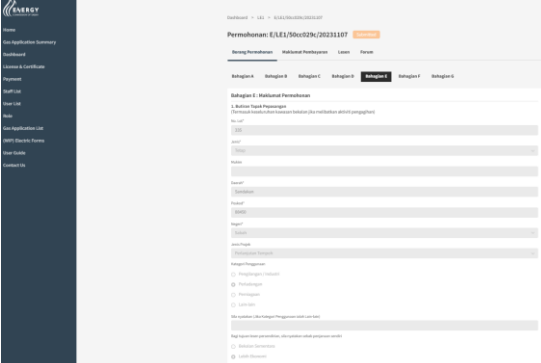
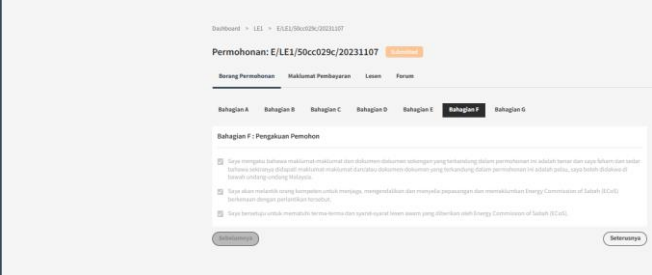
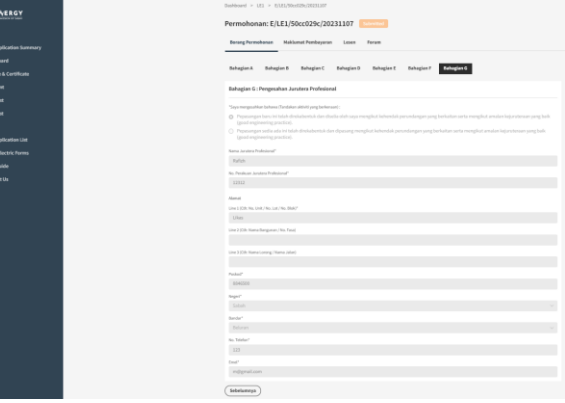


User Registration and Application

	<p>Step 1: Go to ECoS interface website. Click 'Online Services' on the bottom of the website.</p>
	<p>Step 2: For the 1st time user or if still don't have an account please click on the 'Sign Up' button. If already have an account please fill in the Username ,password and click Log in.</p>
	<p>Step 3: For the 1st time user or those who need an account, please provide all information required and click on the 'Continue' button. An email for verification will be sent out to the provided email by user during registration.</p>
	<p>Step 4: After verifying the email, user can log in using the Username or email and password (as per step 2), and user interface will be displaying 'User Setup' as per picture. User need to fill up all information required. In this section user need to choose if the registration is under 'Individu' or 'Syarikat'.</p>

	<p>Step 5: After done, user may now see the 'Sistem ECoS' page. On the left side, user can click on the 'Gas Application or Electric Application' and proceed to the required application.</p>
	<p>Step 6: Continue to select the required type of application. There is various type of selection for License Application: a. LEP1 b. LEP2 c. LEA EV d. LEA1 e. LEA2 f. LEA3 g. LEA4 h. LEA5 i. LEA6 j. LEU k. LB5P l. LB5PV</p>
	<p>Step 7: In Bahagian A fill in the type of license required.</p>
	<p>Step 8: Fill in the type of generation.</p>

	<p>Step 9: In Bahagian B fill in the detail of plant/installation/generation required (either Cogeneration Plant, PV Plant, Non-Cogeneration Plant).</p>
	<p>Step 10: (Continued) In Bahagian B fill in the detail of plant/installation/generation required (either Cogeneration Plant, PV Plant, Non-Cogeneration Plant).</p>
	<p>Step 11: (Continued) In Bahagian B fill in the detail of plant/installation/generation required (either Cogeneration Plant, PV Plant, Non-Cogeneration Plant).</p>
	<p>Step 12: In Bahagian C fill in the detail of Company/Business information and upload all required credentials such as;</p> <ol style="list-style-type: none"> SSM information Borang 9 (Certificate of Incorporation) Borang 13 (Certificate of Incorporation on change of name) Borang 44 (Notice of Situation of Registered Office) Borang 24 (Return of Allotment of Shares) Borang 32A (Return for the Transfer of Shares Transaction) Borang 49 (Return giving particulars of Directors, Managers and Secretaries and Change of Particulars) Borang 55 (Form of Annual Return) Memorandum and Articles of Association Single Line Diagram with endorsement of Professional Engineer and related agreement/document (as required in EOS)

	<p>Step 13: In Bahagian D fill in the detail of applicant and upload the document required (if any).</p>
	<p>Step 14: In Bahagian E fill in the detail of installation info and upload the document required (if any).</p>
	<p>Step 15: In Bahagian F fill in the applicant acknowledgment.</p>
	<p>Step 16: In Bahagian G fill in the acknowledgment of Professional Engineer. The application will be processed after submission.</p>

APPENDIX 4

SAMPLE OF GENERATING LICENCE ISSUED BY THE COMMISSION'S OFFICE

(i) Utility / IPP Generating Licence

*The Commission may impose:

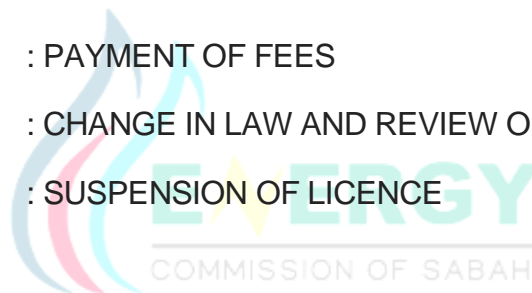
- (1) Any additional terms or conditions of licence
- (2) Amend any terms or conditions of licence



TABLE OF CONTENTS

	PAGE
PART I – GRANT OF LICENCE	
PART II – INTERPRETATION AND CONSTRUCTION	
PART III – CONDITIONS OF LICENCE	
CONDITION 1	: OBLIGATIONS OF THE LICENCEE
CONDITION 2	: NOTIFICATION OF THE ROUTE OF THE TRANSMISSION AND/OR INTERCONNECTION FACILITIES
CONDITION 3	: QUALITY ASSURANCE, INSPECTION AND PERFORMANCE TESTS FOR INSTALLATION
CONDITION 4	: CONSTRUCTION REQUIREMENTS AND GENERAL SUPERVISION FOR NEW INSTALLATIONS
CONDITION 5	: INSTALLATION CAPACITY, BUILD UP PERIOD, COMMISSIONING AND DATE OF COMPLETION
CONDITION 6	: VOLTAGE, FREQUENCY AND QUALITY OF SUPPLY
CONDITION 7	: ASSET MANAGEMENT
CONDITION 8	: COMPLIANCE WITH SINGLE BUYER RULES MALAYSIA GRID CODE AND INSTRUCTIONS OF GRID SYSTEM OPERATOR
CONDITION 9	: COMPLIANCE WITH ENVIRONMENTAL PROTECTION MEASURES
CONDITION 10	: OBLIGATION ON GOVERNMENT POLICIES AND CONTRIBUTION TO FUND
CONDITION 11	: STEP IN RIGHT
CONDITION 12	: RIGHT OF ENTRY
CONDITION 13	: REGULATORY COMPLIANCE AUDIT
CONDITION 14	: PERFORMANCE MONITORING

- CONDITION 15 : REQUIREMENT TO FURNISH INFORMATION
- CONDITION 16 : BUSSINESS UNDERTAKINGS
- CONDITION 17 : REFINANCING ACTIVITIES
- CONDITION 18 : SEPARATE ACCOUNT FOR BUSSINESS
UNDER THE LICENCE
- CONDITION 19 : RESTRICTION OF CHANGES IN
SHAREHOLDINGS
- CONDITION 20 : LICENCE IS NON-TRANSFERABLE; NON-
ASSIGNABLE, ETC
- CONDITION 21 : ACQUISITION AND DISPOSAL OF RELEVANT
ASSETS
- CONDITION 22 : SAFETY AND HEALTH MANAGEMENT
- CONDITION 23 : NO RIGHT TO EXTENSION
- CONDITION 24 : INSURANCE
- CONDITION 25 : PAYMENT OF FEES
- CONDITION 26 : CHANGE IN LAW AND REVIEW OF LICENCE
- CONDITION 27 : SUSPENSION OF LICENCE



PART IV - REVOCATION

ANNEX A: LICENCEE'S AREA OF SUPPLY

ELECTRICITY SUPPLY ENACTMENT 2024

LICENCE FOR GENERATION AND SUPPLY OF ELECTRICITY

PART I - GRANT OF LICENCE

1. The Commission with the approval of the Minister in exercise of the powers conferred on him Section 8 of the Electricity Supply Enactment 2024 (hereinafter referred to as "the Enactment") and of all other powers exercisable by him for that purpose, hereby grants to _____, a company incorporated under the Companies Act 2016, having its registered office at _____ (hereinafter referred to as "the Licencee"), a licence for the period specified in paragraph 4, subject to the terms in this Part and Conditions set out in Part III of this licence (hereinafter referred to as "the Conditions"), the Enactment and to any Regulations made or which may be made under the Enactment and to revocation as provided for in Part IV, to use, work or operate or permit to be used, worked or operated any generation installation and its associated facilities, any transmission and / or interconnection facilities, to be constructed by or for the Licencee at _____ (hereinafter referred to as the "Power Station"), and to supply energy to (**e.g. Sabah Electricity Sdn. Bhd.**), a public listed company incorporated under the Companies Act 2016, having its registered office at _____ (hereinafter referred to as "**SESB**") and/or to any other person approved by the Commission.
2. The licence may extend to authorizing the Licencee to do all or any of the acts specified hereinafter, particularly, to lay, place, carry on or maintain transmission lines, cables or wires related to power station, in accordance with the provisions of the Enactment.
3. The granting of this licence does not remove any obligation of the Licencee to comply with any provision of any other written law or to obtain any other licence that is required under any other written law for the time being in force.
4. This licence shall come into force from the date of issuance of the licence, and shall expire _____ years after the completion date referred to in paragraph 2 of Condition 5 but, without prejudice to Part IV of this licence, shall be subject to revocation.

DATUK Ir. ABDUL NASSER BIN ABDUL WAHID
Chief Executive Officer

Commencement Date:

PART II – INTERPRETATION AND CONSTRUCTION

1. Unless the contrary intention appears, words and expressions used in the Conditions shall be construed as if they were an Act of Parliament and the Interpretation Acts 1948 and 1967 applied to them, and references to an enactment shall include any statutory modification or re-enactment thereof after the date when this licence comes into force.
2. Nothing in this licence shall in any way affect the powers of the Commission under the Enactment and any purported detraction or derogation of such powers shall have no force or effect.
3. Any word or expression defined for the purpose of Part I of the Enactment shall, unless the contrary intention appears, have the same meaning when used in the Conditions.
4. Where a time limit is stipulated, the Licencee shall comply with the obligation within the time limit and that obligation shall be deemed to continue after that time limit if the Licencee fails to comply with that obligation within that time limit. However, the Commission may, after an application by the Licencee, extend the time limit as he deems fit.
5. Any reference to a numbered Condition is a reference to the Condition bearing that number in this licence and any reference to a numbered paragraph is a reference to the paragraph bearing that number in the Condition in which the reference occurs.
6. In construing the Conditions, the heading or title of any Condition shall be disregarded.
7. Any reference to “person” in this licence, shall be deemed to include natural and legal person.
8. Words and expressions importing the masculine gender include females.
9. Words and expressions in the singular include the plural, and words and expressions in the plural include the singular.
10. In this licence, unless the context otherwise requires:

<p>“Affiliate”</p>	<p>In relation to the Licencee means any holding company or subsidiary of the Licencee or any subsidiary of a holding company of the Licencee, related to the Licencee’s core business of generation and supply of electricity within the meaning of the Companies Act 2016;</p>
<p>“Authorised business”</p>	<p>means distribution;</p>
<p>“Commission”</p>	<p>Means the Commission established under the Energy Commission of Sabah Enactment 2023;</p>
<p>“Director General of Environmental Quality”</p>	<p>Means the Director General of Environmental Quality appointed under Section 3 of the Environmental Quality Act 1974, and includes his Deputy or officer authorized by him;</p>
<p>“Disposal”</p>	<p>Includes any sale, gift, lease, licence, loan, mortgage, charge or the grant of any encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party, including the affiliate;</p>
<p>“Enactment”</p>	<p>means the Electricity Supply Enactment 2023 as it may from time to time be amended, extended, modified, or re-enacted;</p>
<p>“Financial Year”</p>	<p>Bears the meaning given as stated in licence condition;</p>
<p>“Grid System”</p>	<p>means the transmission grid system in Sabah operated by the Grid System Operator referred to in the Sabah Grid Code 2024</p>

<p>“Grid System Operator”</p>	<p>means any person or a unit, department or division forming part of SESB who is authorized by the Commission or as provided under the Enactment responsible for operational planning, dispatch and control of the Grid System and any other function as may be prescribed;</p>
<p>“Minister”</p>	<p>means the Minister for the time being charged with the responsibility for matters relating to the generation, transmission, distribution and supply of electricity;</p>
<p>“Power Purchase Agreement”</p>	<p>means an agreement made or to be made between the Licencee and SESB for the purpose of supplying and selling electricity to SESB, as the same may be amended, modified or novated from time to time;</p>
<p>“Power Station”</p>	<p>means combined cycle power generating station, including its associated facilities;</p>
<p>“Subsidiary Legislation”</p>	<p>means the Electricity Supply Regulation 2024 and any Regulations, rule, order, notification, by law or other instrument made or which may be made under the Enactment, as it may from time to time be amended, extended, modified or re-enacted;</p>
<p>“Related Undertaking”</p>	<p>means any undertaking in which the Licencee has participating interest;</p>
<p>“Relevant Assets”</p>	<p>means any asset for the time being forming part of the Licencee’s generation business, and any beneficial interest in land upon which the foregoing is situated;</p>
<p>“Single Buyer”</p>	<p>means any person or a unit, department or division forming part of SESB who is authorized by the Commission or as provided for under the Enactment responsible for the management of procurement of electricity and related services which includes planning, scheduling, procuring and settlement, and any function as may be prescribed;</p>
<p>“SESB”</p>	<p>means Sabah Electricity Sdn. Bhd., a limited company incorporated under the Companies Act 2016, having its registered office at Wisma SESB, Jalan Tunku Abdul Rahman, 88673 Kota Kinabalu, Sabah including its successors in-title or permitted assigns;</p>

PART III – CONDITIONS OF THE LICENCE

<p>CONDITION 1</p>	<p>OBLIGATIONS OF THE LICENCEE</p> <p>1. The Licencee is to finance, construct, complete, own, operate and maintain the gas fired combined cycle Power Station with a maximum licenced capacity of _____ MW at _____ and any transmission and / or interconnection facilities as shown in the Location / Site Plan attached as Annex A, in order to supply electricity to or for the use of SESB, provided that the Commission may, with the approval of the Minister in writing, permit the Licencee to supply electricity to any other person.</p> <p>2. The Licencee shall take all necessary measures to ensure the safety, reliability, availability and efficiency of the Power Station are maintained throughout the period of this licence in accordance with prudent utility practices and in conformity with the Conditions of the licence, the Enactment and the Regulations made thereunder or such other standards or requirements determined by the Commission.</p>
<p>CONDITION 2</p>	<p>NOTIFICATION OF THE ROUTE OF THE TRANSMISSION AND/ OR INTERCONNECTION FACILITIES</p> <p>1. The Licencee shall notify the Commission the route of the interconnection facilities if any subsequent modification or extension is required to be constructed by the Licencee in order to supply electricity.</p> <p>2. The Licencee shall, within three (3) months after this licence enters into force, submit to the Commission a map and schematic diagram showing the route and the main components of the subsequent modification or extension to transmission and/or interconnection facilities.</p>

<p>CONDITION 3</p>	<p>QUALITY ASSURANCE, INSPECTION AND PERFORMANCE TESTS FOR INSTALLATION</p> <p>With reasonable notice, the Commission may conduct or cause to be conducted by any competent independent engineer authorized by the Commission any quality assurance inspections and performance tests on any installation if it deemed just, fit and necessary. All costs, expenses and incidental incurred by the Commission or any other person appointed or authorized by the Commission for the said inspections and tests shall be borne by the Licencee.</p>
<p>CONDITION 4</p>	<p>CONSTRUCTION REQUIREMENTS AND GENERAL SUPERVISION FOR NEW INSTALLATIONS</p> <ol style="list-style-type: none"> 1. All designs, plans, specifications and details for modification of the installation shall be prepared, approved or certified by suitably qualified engineer(s) registered as professional engineer(s) with Board of Engineers, Malaysia (hereinafter referred to as “the Plans and Specifications”). 2. The Licencee, its contractors, subcontractors, servants, agents or workmen shall at all times comply with such written direction given by the Commission or any person duly authorized by the Commission pertaining to any matters concerning the construction, installation, testing, commissioning, operation and maintenance, safety and efficiency of the installations. 3. The Licencee shall set up its own quality control and quality assurance team consisting of suitably qualified personnel to ensure that any modification works which may include installation, construction, testing and commissioning of the installation, the material used and

	<p>the equipment are in accordance with prudent engineering practices and of quality and standard as stipulated in the approved Plans and Specifications and in compliance with the relevant laws.</p>
<p>CONDITION 5</p>	<p>INSTALLATION CAPACITY, BUILD UP PERIOD, COMMISSIONING AND DATE OF COMPLETION</p> <ol style="list-style-type: none"> 1. The Licencee shall ensure that the Power Station shall have a nominal capacity of ___ MW, which shall be the maximum licenced capacity of the installation. 2. The Power Station and the associated facilities shall be completed, successfully commissioned and ready to supply electricity not later than _____ or within such extended period as the Commission may allow in writing in order to supply electricity. 3. A generating unit shall be regarded as completed and ready to supply electricity upon the Licencee certifies that the same has been duly constructed, installed, set, calibrated and tested in accordance with the Plans and Specifications referred to in Condition 4 above and with the provisions of the other conditions of this licence, and in compliance with all statutory requirements. 4. The Licencee shall ensure that the dependable capacity and availability of energy under the Power Purchase Agreement is met at all times and that the operations of the Power Station are to continue uninterrupted notwithstanding arbitration, contractual or industrial dispute which the Licencee may be engaged in, unless it is prevented from doing so by complying with regulatory requirements or the malfunction or failure of any equipment or installation beyond his control, or as result of fire, flood,

	<p>drought, landslide, earthquake, explosion, accident, industrial disturbance on national level, emergency, riot, civil disturbance, war, or any other similar event not within the control of the Licencee.</p> <p>5. If the Power Station is unable to fulfil its obligations under paragraph 1 above permanently, the Licencee shall take all necessary measures to restore performance of the Power Station to the required level. Any modification, refurbishment or renewal of the Power Station and the associated facilities shall be notified to the Commission within a reasonable time of not less than 3 months in advance, who upon consultation with the Grid System Operator, may allow in writing for such modification, refurbishment or renewal works.</p>
<p>CONDITION 6</p>	<p>VOLTAGE, FREQUENCY AND QUALITY OF SUPPLY</p> <p>The voltage, frequency and quality of electricity supplied shall be kept within a range specified in the Regulations and Grid Code or as determined by the Commission.</p>
<p>CONDITION 7</p>	<p>ASSET MANAGEMENT</p> <p>3. For its licenced business activities, the Licencee shall establish a five years implementation plan after the Commercial Operation Date, or such timeline to be agreed with the Commission, to develop an asset management system which organizes around true lifecycle asset management processes in order to ensure effective asset performance management and continual improvement throughout the asset life.</p>

	<p>4. For the purpose of paragraph 1 above, reference may be made to appropriate asset management standard, which outline systematic and coordinated activities and practices through which an organization optimally and sustainably manages its assets and asset systems, their associated performance, risks and expenditures over their life cycles for the purpose of achieving its organizational strategic plan.</p> <p>5. The Licencee shall submit to the Commission:</p> <p>(i) its implementation plan within 6 months after Commercial Operation Date; and</p> <p>(ii) subsequently, submit an annual asset management performance report based on the implementation plan outlining the activities in the previous year.</p> <p>6. Once the asset management system is already in place and in compliance to asset management standard or practices as agreed with the Commission, the Licencee shall submit to the Commission an annual asset performance report throughout the asset life</p>
<p>CONDITION 8</p>	<p>COMPLIANCE WITH SINGLE BUYER RULES, MALAYSIA GRID CODE AND INSTRUCTIONS OF GRID SYSTEM OPERATOR</p> <p>1. The Licencee shall comply with the provisions of the Single Buyer Rules and Grid Code as it may be amended, extended or modified by the Commission and in accordance with such directive and ruling made from time to time by the Commission.</p>

	<p>2. The Licencee shall at all times comply with the instructions, directives and guidelines of the Grid System Operator referred to in the Grid Code to ensure the safety, stability and reliability of the grid system.</p>
<p>CONDITION 9</p>	<p>COMPLIANCE WITH ENVIRONMENTAL PROTECTION MEASURES</p> <p>1. The Licencee shall throughout the period of this licence, observe and comply with the provisions of any written law for the time being in force in relation to environmental protection and to mitigating any adverse impact which the Power Station may have on the environment.</p> <p>2. The Licencee shall comply with and implement all measures, conditions and requirements imposed by the Director General of Environmental Quality and/or other relevant authorities, in accordance to the approved environmental impact assessment report (EIA Report), for the construction and operation of the Power Station, and for the protection of the environment throughout the period of this licence.</p> <p>3. The Licencee shall submit to the Director General of Environmental Quality and/or other relevant authorities from time to time or on such periodical intervals as may be directed by him and/or other relevant authorities, a report on all the environmental requirement protection measures and requirements undertaken by the Licencee.</p>

<p>CONDITION 10</p>	<p>OBLIGATION ON GOVERNMENT POLICIES AND CONTRIBUTION TO FUND</p> <ol style="list-style-type: none"> 1. The Licencee shall, in the general conduct of its business and the operation of the Power Station, comply with the policies of the Government on electricity production or usage and distribution thereto. 2. The Licencee shall at all times take 42authorized of the Government’s policies in particular Bumiputera equity participation, the transfer of technology and expertise to Malaysian, the employment of local personnel, contractors and services and the use of local materials and products. 3. The Licencee shall comply with the Government requirement for any player in the electricity supply industry to contribute to any fund established for the electricity supply industry. 4. The Licencee shall inform the Commission at regular intervals on the status of paragraph 2 and 3 above.
<p>CONDITION 11</p>	<p>STEP IN RIGHT</p> <p>Notwithstanding any contractual obligations of the Licencee, in the event this licence is suspended or revoked upon breach of any of the Conditions of this licence, the Commission may step in, solely for the purpose of exercising its duties and functions as prescribed under the Enactment and the Regulations made thereunder.</p>

CONDITION 12	RIGHT OF ENTRY The Commission, or any other person duly authorized by the Commission shall be entitled to enter any premises or land in or upon which the Power Station is installed or in the course of being installed and may examine, test, survey or take measurement of the Power Station and inspect any record and document kept by the Licencee pertaining thereto, to ensure compliance with the Conditions of this licence.
CONDITION 13	REGULATORY COMPLIANCE AUDIT 1. As and when directed by the Commission, the Licencee shall carry out; (a) at intervals of not more than four years or otherwise as determined by the Commission, a management and engineering audit to ensure that engineering and management practices of the Licencee will enable them to fulfil all of their licence obligations; and (b) a regulatory audit to ascertain the extent of compliance with: i. specific performance standard established by the Commission; ii. regulatory implementation guidelines; and iii. safety and health management, pursuant to Condition 22. 2. The Licencee shall submit to the Commission: (a) the terms of reference of the audit and any subsequent revision, for Commission concurrence; and

	<p>(b) the list of names of the consultants who will carry out the audit for Commission concurrence and shall consider any representation made by the Commission regarding the selection of the consultants.</p> <p>3. Notwithstanding paragraph 1 above, the Commission may appoint a consultant of its choice to conduct the audit, whereby,</p> <p>(a) the cost of such audit and consultant shall be borne by the Licencee;</p> <p>(b) the appointed consultant shall report to the Commission during the audit; and</p> <p>(c) the Licencee shall provide the necessary cooperation and assistance required for such audit.</p> <p>4. The Licencee shall ensure that the information provided is accurate and credible with respect to the Licencee compliance with their licence conditions and the information is of a quality which is suitable for regulatory purposes including public reporting, comparative analysis and reporting and setting of future performance standard.</p>
<p>CONDITION 14</p>	<p>PERFORMANCE MONITORING</p> <p>1. The Licencee shall submit to the Commission on monthly interval, information on the maximum daily load, electricity sold per month, overall plant efficiency and performance, quantity and type of fuel used per month, accidents, breakdown of major plants or equipment, forced and mandatory outages and schedule of maintenance and overhaul programme.</p>

2. Notwithstanding paragraph 1 above, the Licencee shall furnish to the Commission in such manner and at such times as the Commission may reasonably require, such documents, accounts, estimates, returns, reports and other information as the Commission may consider necessary in the light of the Conditions or as the Commission may require for the purpose of performing the duties and functions assigned to the Commission under the Enactment or any Regulations made thereunder.

3. Without prejudice to paragraph 1 and 2 above, the Licencee shall submit to the Commission the following information:

(a) within three (3) months after this licence enters into force, a copy of the Power Purchase Agreement, Gas Supply Agreement and Land Lease Agreement (if any) and any subsequent amendment, modification, rectification or novation of the said agreement; and

(b) within six (6) months after this licence enters into force, details of financial arrangements and construction programmes of the Power Station and subsequently submission of reports at regular intervals on the status and progress of the said Power Station during its stages of construction.

<p>CONDITION 15</p>	<p>REQUIREMENT TO FURNISH INFORMATION</p> <ol style="list-style-type: none"> 1. The Licencee shall procure and furnish to the Commission, in such form and at such time as the Commission may require, such information as the Commission may consider relevant in the light of the Conditions or as it may require for the purpose of performing the functions assigned to it under the Enactment or the Regulations made thereunder. 2. The power of the Commission to call for information under paragraph 1 is without prejudice to the power of the Commission to call for the information under or pursuant to any other condition of this licence or under or pursuant to the Enactment or the Regulations. 3. In this Condition, “information” means oral or written shall include, without limitation, any books, documents, records, accounts (statutory or otherwise), estimates, returns or reports of any description (whether or not in electronic or any other format, or prepared specifically at the request of the Commission) requested by the Commission and any explanations (oral or written) in relation to such information as may be requested by the Commission. 4. The Commission may publish any information provided to the Commission under this licence. In exercising its discretion under this Condition, the Commission shall have regard to the need to protect confidential information.
<p>CONDTION 16</p>	<p>BUSINESS UNDERTAKINGS</p> <ol style="list-style-type: none"> 1. The Licencee shall ensure that all the times during the period of this licence, its sole business shall be the generation and supply of electricity.

	<p>2. The Licencee shall not undertake any other business without the prior written approval of the Minister, provided such approval shall not be unreasonably refused.</p> <p>3. The authorized and paid-up capital of the Licencee shall be determined by its shareholders and approved by the Commission and no alteration thereto shall be made without prior notification in writing to the Commission.</p>
<p>CONDITION 17</p>	<p>REFINANCING ACTIVITIES</p> <p>1. The Licencee shall notify the Commission as soon as practicable of its intention to raise any new debt or refinance its existing debt, for the purpose of continuing the operation of the power plant.</p> <p>2. The Licencee shall not carry out such financing or refinancing activities without the prior written approval of the Commission, provided such approval shall not be unreasonably refused, if the Commission is satisfied that:</p> <p>(a) the financing or refinancing is provided for under the Power Purchase Agreement or for the purpose of reducing the cost of financing as agreed in the Power Purchase Agreement;</p> <p>(b) the financing or refinancing activities will not in any way jeopardise the ability of the Licencee financially to continue fulfilling its obligations under this licence.</p>

CONDITION 18

SEPARATE ACCOUNT FOR BUSINESS UNDER THE LICENCE

1. The Financial Year of the Licencee shall run from such date as declare by the Licencee to be in line with its audited annual account.
2. The Licencee shall keep or cause to be kept such accounting records in respect of its business under the licence required under the Companies Act 2016, so that the revenues, costs, assets, liabilities and reserves and provisions of, or reasonably attributable to the business under the licence are separately identifiable in the books of the Licencee from those of other business in which the Licencee may be engaged.
3. The Licencee shall prepare in respect of each Financial Year, accounting statements comprising of a profit and loss account, a balance sheet and a statement of source and application of funds in respect of the business under the licence. Such account shall be audited by an approved Auditor appointed by the Licencee, who shall prepare a report stating their opinion on those account and accounting statements.
4. The Licencee shall deliver to the Commission a copy of the account referred to in paragraphs 3 above as soon as reasonably practicable, and in any event not later than three months after the end of each Financial Year.

	<p>5. Notwithstanding its audited annual account as mentioned in paragraph 3 above, the Licencee shall, whenever notified by the Commission, in its internal accounting, keep or cause to be kept details of its Business which when requested from time to time by Commission, shall be delivered to the Commission in the form and within reasonable time specified by the Commission. Such accounting details may be in accordance with:</p> <p>(a) regulatory accounting guideline as may be issued by the Commission from time to time; and</p> <p>(b) any directions as are reasonable and appropriate for the purposes of this Condition as the Commission may, from time to time, notify to the Licencee.</p>
<p>CONDITION 19</p>	<p>RESTRICTION OF CHANGES IN SHAREHOLDINGS</p> <p>1. As at the date of issuance of this licence, the shareholders and the shareholding structure of the Licencee shall be in accordance to declaration by the Licencee as per the submission for the issuance of licence.</p> <p>2. The Licencee hereby undertakes to the Government that the present shareholders and shareholding structure as set out in paragraph 1 remain the same throughout the period of the licence. Any changes to the shareholders and the shareholding structure shall be subject to the prior written approval of the Minister.</p> <p>3. Notwithstanding paragraph 2 and subject to the prior written approval of the Minister, and the approval of all relevant authorities, the Licencee may apply for its shares to be listed and quoted on the official list of the Kuala Lumpur Stock Exchange (KLSE).</p>

<p>CONDITION 20</p>	<p>LICENCE IS NON-TRANSFERABLE, NON-ASSIGNABLE, ETC</p> <ol style="list-style-type: none"> 1. The Licencee shall not assign, transfer, sublet or otherwise dispose of its rights, duties, liabilities, obligations and privileges or part thereof under the terms and Conditions of this licence except with the prior written approval of the Minister. 2. The licence shall not be charged, pledged or otherwise encumbered without the prior written approval of the Minister. 3. The creation of any charge, mortgage, pledge, lien or other securities over the land used for the Licencee’s installations is prohibited without express written consent of the Minister. 4. Any such approval or consent shall be subject to such terms and conditions as the Minister in his absolute discretion may impose.
<p>CONDITION 21</p>	<p>ACQUISITION AND DISPOSAL OF RELEVANT ASSETS</p> <ol style="list-style-type: none"> 1. The Licencee shall notify the Commission not less than three (3) months prior written notice of its intention to acquire any relevant asset, dispose of or relinquish control over any relevant asset, with a value in excess of RM 50 million, together with such further information as the Commission may request, relating to such asset or the circumstances of such intended acquisition, disposal or relinquishment of control, including the acquisition and disposal procedures of the Licencee. 2. For purposes of paragraph 1 above, “relinquishment of control” includes the transfer of any operational control of the asset with or without a transfer of any legal or beneficial interests in the relevant asset.

	<p>3. The Licencee shall prepare and maintain a register of all relevant assets, and when requested shall provide to the Commission with such register.</p>
<p>CONDITION 22</p>	<p>SAFETY AND HEALTH MANAGEMENT</p> <p>1. In carrying out its business activities, the Licencee shall establish a safety and health management system to ensure effective safety and health management and continual improvement of all reasonable measures to be taken by the Licencee to protect person and property from injury and damage that may be caused by the Licencee's installations, and practices or operation of the Licencee.</p> <p>2. The Licencee shall submit annually to the Commission, a safety assessment and performance report focusing on, but not limited to the following:</p> <ul style="list-style-type: none">(a) Safety incidents during the previous financial year;(b) Remedial step or measures taken to avoid similar incidents;(c) Safety and health management plan in place;(d) Competency of personnel;(e) Safety of installations and mitigation or remedial plan; and(f) Safety related issues that need to be addressed.

<p>CONDITION 23</p>	<p>NO RIGHT TO EXTENSION</p> <p>Nothing in this licence shall be deemed to entitle the Licencee, as of right to an extension of the period of this licence or to renewal thereof, provided that the Commission in consultation with the Minister may extend the period of this licence upon such terms and conditions as the Commission may deem fit to impose.</p>
<p>CONDITION 24</p>	<p>INSURANCE</p> <p>The Licencee shall, throughout the period of this licence, reasonably insure or keep insured the Power Station against any possible risks and to pay the premiums necessary for that purpose and whenever required by Commission, to produce on demand a true copy of the policy of insurance and requisite evidence of payment of the premiums and other fees and duties for the said policy.</p>
<p>CONDITION 25</p>	<p>PAYMENT OF FEES</p> <p>The Licencee shall, at the times stated hereunder, pay to the Commission the amount of fees as provided for in the Regulations currently in force:</p> <ul style="list-style-type: none"> (a) on the issuance of the licence; and (b) thereafter, an annual fee when due.
<p>CONDITION 26</p>	<p>CHANGE IN LAW AND REVIEW OF LICENCE</p> <p>1. The Commission, with the approval of the Minister may add to, vary or revoke any of terms and conditions in this licence whenever it appears necessary or expedient for the purpose of extending Part I of the licence or meeting the technical, safety and efficiency requirements applied generally to the electricity supply industry in Malaysia.</p>

	<p>2. If a new Enactment or amendment to the Enactment is enacted, to the extent that necessitate redefining, 53eorganization or changes to the business activities of the Licencee specified in the licence, or changes to the structure of the electricity supply industry, the licence may be reviewed, amended, modified or reissued to reflect such redefining, 53eorganization or changes.</p>
<p>CONDITION 27</p>	<p>SUSPENSION OF LICENCE</p> <p>1. The Commission may, upon service of written notice to the Licencee, suspend this licence upon the occurrence of the following events:</p> <ul style="list-style-type: none"> (a) if the Licencee has failed to comply with or is in breach of any condition of this licence, and has failed or neglected to remedy the same after the Licencee has been requested to do so by the Commission; or (b) if the Licencee has failed to comply with any directive or order or notice given in writing pursuant to conditions of this licence by the Commission. <p>2. The period of any suspension imposed shall be determined by the Commission, provided always that where the suspension is as a result of the breach of any conditions of this licence, the suspension shall cease as soon as the breach has been remedied by the Licencee and the Commission shall certify the same.</p> <p>3. If the breach has not been remedied within the stipulated period, the Commission may, with the approval of the Minister, suspend the licence and exercise its duties and functions pursuant to Condition 11.</p>

PART IV – REVOCATION

1. Notwithstanding paragraph 4 of Part I of this licence, if the Licencee constitute any of the following circumstances:
 - (a) upon breach of any of the Conditions imposed in this licence;
 - (b) if the Licencee ceases to work or operate and maintain the installation;
 - (c) if the Power Purchase Agreement is revoked and terminated by SESB;
 - (d) if any amount payable under Condition 25 is unpaid after it has become due whether notice in writing has been given to the Licencee or not;
 - (e) if a receiver or liquidator has been appointed for the Licencee; and
 - (f) if any action was taken for voluntary winding up or dissolution of the Licencee's company or any order pursuant to the Companies Act 2016 is made for the compulsory winding up the Licencee company.
2. The Commission may allow the Licencee to remedy the non-compliance within 90 days from the date the Licencee received the notice of non-compliance from the Commission. If the non-compliance still persists or cannot be remedied within the time stipulated above, the Commission shall have the full right to revoke the licence by giving 30 days notice of revocation in writing to the Licencee at its registered office.
3. Where this licence is revoked pursuant to paragraph 1 above, the Licencee shall not be entitled to any payment of compensation whatsoever from the Government or the Commission for any loss or damage that may have occurred incurred or suffered by him.
4. The determination of this licence under this Part shall not prejudice or affect the right of the Government or the Commission to recover any sum due there under of any breach, non-performance of any of the Conditions on the part of the Licencee therein contained.
5. Any notice which is required to be given to the Licencee under paragraph 1 above, shall be deemed to have been given if sent by hand or pre-paid post or by facsimile to the Licencee's registered address as lodged in the Registry of Companies.

ANNEX A

LICENCEE'S AREA OF SUPPLY

The Licencee's area of supply shall comprise the area within the boundary of as shown in 'Attachment 1':



APPENDIX 5

SAMPLE OF GENERATING LICENCE ISSUED BY THE COMMISSION'S OFFICE

(ii) RE Generating Licence

*The Commission may impose:

- (1) Any additional terms or conditions of licence
- (2) Amend any terms or conditions of licence



TABLE OF CONTENTS

	PAGE
PART I –TERMS OF LICENCE	
PART II – THE CONDITIONS	
CONDITION 1	: INTERPRETATION AND CONSTRUCTION
CONDITION 2	: OBLIGATIONS OF THE LICENSEE
CONDITION 3	: NOTIFICATION OF THE ROUTE OF THE DISTRIBUTION AND/OR INTERCONNECTION SYSTEM
CONDITION 4	: CONSTRUCTION SUPERVISION QUALITY ASSURANCE INSPECTION AND PERFORMANCE TESTS
CONDITION 5	: INSTALLATION CAPACITY, BUILD-UP PERIOD AND DATE OF COMPLETION
CONDITION 6	: STANDARD OF PERFORMANCE AND SYSTEM SECURITY
CONDITION 7	: VOLTAGE, FREQUENCY AND QUALITY OF SUPPLY
CONDITION 8	: OPERATION AND MAINTENANCE OF THE GENERATING FACILITY
CONDITION 9	: COMPLIANCE WITH DISTRIBUTION CODE AND INSTRUCTIONS OF THE DISTRIBUTION SYSTEM OPERATOR
CONDITION 10	: COMPLIANCE WITH ENVIRONMENTAL PROTECTION MEASURES
CONDITION 11	: OBLIGATION ON ECONOMIC PURCHASE
CONDITION 12	: OBLIGATION ON GOVERNMENT POLICIES
CONDITION 13	: RIGHT OF ENTRY
CONDITION 14	: PROVISION OF INFORMATION TO THE COMMISSION
CONDITION 15	: SEPARATE ACCOUNT FOR BUSINESS UNDER THE LICENCE

- CONDITION 16 : RESTRICTION OF CHANGES IN SHAREHOLDINGS
- CONDITION 17 : ACQUISITION AND DISPOSAL OF RELEVANT ASSETS
- CONDITION 18 : LICENCE IS NON-TRANSFERABLE, NON-ASSIGNABLE ETC
- CONDITION 19 : NO RIGHT OF EXTENSION
- CONDITION 20 : INSURANCE
- CONDITION 21 : PAYMENT OF FEES
- CONDITION 22 : COMPLIANCE WITH LAWS
- CONDITION 23 : REVIEW
- CONDITION 24 : SUSPENSION OF LICENCE

PART III - REVOCATION

ANNEX A: THE GENERATING FACILITY



ELECTRICITY SUPPLY ENACTMENT 2024

LICENCE FOR GENERATION AND SUPPLY OF ELECTRICITY

PART I – TERMS OF LICENCE

1. The Commission, with the approval of the Minister in exercise of the powers conferred by Section 8 of the Electricity Supply Enactment 2024 (hereinafter referred to as “the Enactment”) and of all other powers exercisable by it for that purpose, hereby grants to _____, a company incorporated under the Companies Act 2016, having its registered office at _____ (hereinafter referred to as “the Licencee”), a licence for the period specified in paragraph 2, subject to the terms in this Part and Conditions set out in Part II of this licence (hereinafter referred to as “the Conditions”), the Enactment and to any Regulations made or which may be made under the Enactment and to revocation as provided for in paragraph 2 and in Part III, to use, work or operate any electrical installation to be constructed by or for the Licencee at _____ “_____”, more particularly shown in the Location / Site Plan attached as Annex A (hereinafter referred to as the “generating facility”), and to supply electricity to and for the use of (e.g., Sabah Electricity Sdn. Bhd.), a company incorporated under the Companies Act 2016, having its registered office at _____ (hereinafter referred to as “SESB”) and/or to any other person permitted by the Commission with the approval of the Minister in writing (hereinafter referred to as “Buyer”).
2. This licence shall come into force from the date of issue and shall expire years thereafter, but without prejudice to Part 11 shall be subject to revocation as provided for in Part III.

(DATUK Ir. ABDUL NASSER ABDUL WAHID)
Chief Executive Officer
Energy Commission of Sabah

Commencement Date:

PART II – THE CONDITIONS

CONDITION 1: INTERPRETATION AND CONSTRUCTION

1. Unless the contrary intention appears, words and expressions used in the Conditions shall be construed as if they were an Act of Parliament, and references to an enactment shall include any statutory modification or re-enactment thereof after the date when this licence comes into force.
2. Nothing in this licence shall in any way affect the powers of the Commission under the Enactment and any purported detraction or derogation of such powers shall have no force or effect.
3. Any word or expression defined for the purpose of Part I of the Enactment shall, unless the contrary intention appears, have the same meaning when used in the Conditions and Part III.
4. Where a time limit is stipulated, the Licencee shall comply with the obligation within the time limit and that obligation shall be deemed to continue after that time limit if the Licencee fails to comply with that obligation within that time limit. However, the Commission may, after an application by the Licencee, extend the time limit as he deems fit.
5. Any reference to a numbered Condition is a reference to the Condition bearing that number in this licence and any reference to a numbered paragraph is a reference to the paragraph bearing that number in the Condition in which the reference occurs.
6. In construing the Conditions, the heading or title of any Condition shall be disregarded.
7. Any reference to “person” in this licence, shall be deemed to include natural and legal person.

8. In the Conditions and Part III of this licence unless the context otherwise requires:

“Affiliate”	in relation to the Licencee means any holding company or subsidiary of the Licencee or any subsidiary of a holding company of the Licencee, related to the Licencee’s core business of generation and supply of electricity within the meaning of the Companies Act 2016;
“Auditors”	Means the Licencee’s auditors, for the time being holding office in accordance with the requirements of the Companies Act 2016;
“Buyer”	means SESB or any other person permitted by the Commission with the approval of the Minister in writing for the Licencee to sell or supply energy.
“Commission”	means the Commission established under the Energy Commission of Sabah Enactment 2023;
“Director General of Environmental Quality”	Means the Director General of Environmental Quality appointed under Section 3 of the Environmental Quality Act 1974 and includes his Deputy or Officer authorized by him;
“Disposal”	Includes any sale, gift, lease, licence, loan, mortgage, charge or the grant of any encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party, including the affiliate;
“Distribution code”	means any code or similar Regulations made under the Enactment relating to the planning, design operation and maintenance of an electricity distribution system in Malaysia, as the same may be amended from time to time;
“Enactment”	means the Electric Supply Enactment 2024, as it may from time to time be amended, extended, modified, or re-enacted;
“Financial Year”	bears the meaning given as stated in licence condition;
“Generating facility”	means an installation producing electricity;
“Renewable Energy	means a renewable energy power purchase agreement

<p>Power Purchase Agreement”</p>	<p>made or to be made between the Licencee and Distribution Licencee as the same may be amended, modified or notated from time to time;</p>
<p>“Regulations”</p>	<p>means the Electricity Supply Regulations 2024 and any Regulations made or which may be made under the Enactment, as it may from time to time be amended, extended, modified or re-enacted;</p>
<p>“Relevant assets”</p>	<p>means any asset for the time being forming part of the Licencee’s generation business and any beneficial interest in land upon which the foregoing is situated;</p>
<p>“Renewable energy sources”</p>	<p>means energy sources which is not depleted when used and includes energy obtained from energy sources such as biomass, hydro power, solar power, biogas or wind power;</p>
<p>“Renewable Energy Sources Supply Agreement”</p>	<p>means the renewable energy sources supply agreement made or to be made between the Licencee and the relevant supplier for the supply of renewable energy sources to the Licencee for the operation of the generating facility as the same may be amended, modified or novated from time to time;</p>

CONDITION 2: OBLIGATIONS OF THE LICENCEE

1. The Licencee is to finance, construct, complete, own, operate and maintain a generating facility using renewable energy sources as fuel with nominal installation capacity of MW at
..... and any distribution and/or interconnection facilities as shown in the Location / Site Plan as Annex A, in order to supply electricity to or for the use of the Buyer.
2. The Licencee shall not, at any time supply electricity to any person other than SESB provided that the Commission may with the approval of the Minister in writing, permit the Licencee to distribute and supply electricity to such person.

**CONDITION 3: NOTIFICATION OF THE ROUTE OF THE DISTRIBUTION
AND/OR INTERCONNECTION SYSTEM**

1. The Licencee shall notify the Commission the route of the distribution and/or interconnection system, including any subsequent modification or extension, required to be constructed by the Licencee in order to supply electricity to the Buyer.
2. The Licencee shall, within three (3) months after this licence enters into force, submit to the Commission and the relevant authorities, a map and schematic diagram showing the route and the main components of the distribution and/or interconnection system.

**CONDITION 4: CONSTRUCTION, SUPERVISION, QUALITY ASSURANCE
INSPECTION AND PERFORMANCE TESTS**

1. All designs, plans, drawings and specifications shall be approved by suitably qualified and experienced engineer(s) registered as Professional Engineer(s) with the Board of Engineers, Malaysia (hereinafter referred to as “the plan and specification”).
2. No substantial amendment and modification shall be made to the plan and specification unless such amendment and modification shall have been approved by the said engineer(s) in paragraph 1.

3. A certified copy of the designs, plans and specifications including any subsequent approved amendments and modifications, shall be submitted to the Commission within one (1) month upon request.
4. The construction, installation, testing and commissioning works shall be supervised and approved by suitably qualified and experienced engineer(s) registered as Professional Engineer(s) with the Board of Engineers, Malaysia and shall comply with:
 - (a) the plan and specification as mentioned in paragraph 1 and including any subsequent approved amendments and modifications;
 - (b) Malaysian Standards or any acceptable international standard and prudent utility practices;
 - (c) the requirements and measures for environmental protection and mitigation of adverse environmental impact (if any) imposed by the Director General of Environmental Quality; and
 - (d) such other requirements imposed by any other written laws relating to the construction and installation of the generating facility.
5. The Licencee, its contractors, subcontractors, servants, agent or workmen shall at all times comply with such direction given by the Commission or any person duly authorised by him pertaining to any matters concerning the construction, installation, testing, commissioning, operation and maintenance, safety and efficiency of the installations.

6. The Licencee shall set up its own quality control and quality assurance team consisting of suitably qualified personnel to ensure that the design, the materials used, the equipment and the plants installed, the technology, methods and procedures adopted for fabrication, installation, construction, testing and commissioning of the installation are in accordance to good engineering practices and of quality and standard as stipulated in the plan and specification.
7. The Licencee shall notify the Commission not later than thirty (30) days or such other period as may be required by the Commission before any major equipment, plant, system or structure such as generating unit, power transformer and switchgear, including materials used for the fabrication and construction, is ready for quality assurance inspection and performance tests.
8. The Commission may conduct or cause to be conducted any quality assurance inspection and performance tests as mentioned in paragraph 6 above if he deems necessary. All costs, expenses and incidental incurred by the Commission or any other person appointed or authorised by him for the said inspections and tests shall be borne by the Licencee.

CONDITION 5: INSTALLATION CAPACITY, BUILD-UP PERIOD AND DATE OF COMPLETION

1. The Licencee shall ensure that the generating facility shall have a nominal installation capacity as mentioned in Condition 2.
2. The generating facility shall be completed and successfully commissioned not later than (FIT Commence Date), or within such extended period as in the Feed-in Approval pursuant to Renewable Energy Enactment 2024.

3. Without prejudice to paragraph 2 above, the generating facility shall be regarded as completed and ready to supply electricity upon the Licencee certifies that the same has been duly constructed, installed, set, calibrated and tested in accordance with the plan and specification referred to in Condition 4 *above* and with the provisions of the other conditions of this licence and in compliance with all statutory requirements and, if so required, that the same shall have passed all the inspections, tests and certification on compliance carried out or caused to be carried out by the Commission. All costs, expenses, fees and incidental incurred by the Commission for the said inspections, tests and certification shall be borne by the Licencee.
4. The Licencee shall notify the Commission in writing at least thirty (30) days prior to the date the inspections and tests as mentioned in paragraph 3 above can be carried out.
5. After successful commissioning of the generating facility, the Licencee shall submit to the Commission, within one (1) month upon request, a full report of the commissioning tests, detail of the settings of the major equipment and relays and a complete set of the built-up designs, plans and specifications of the installation, showing precisely the extent of the variation and divergence if any, from the plan and specification referred to in Condition 4 above.

CONDITION 6: STANDARD OF PERFORMANCE AND SYSTEM SECURITY

1. Without prejudice to the Renewable Energy Power Purchase Agreement, the Licencee shall maintain the capacity referred to in Condition 2 above to meet the capacity and energy demand of the Buyer approved under the licence unless he is prevented from doing so by complying with regulatory requirements or the malfunction or failure of any plant, equipment or installation beyond his control, or as result of fire, flood, drought, landslide, earthquake, explosion, accident, industrial disturbance on national level, emergency, riot, civil disturbance, war, or any other similar event not within the control of the Licencee.

2. The Licencee shall ensure that the operations of the generating facility are to continue uninterrupted notwithstanding arbitration, contractual or industrial dispute which the Licencee may be engaged in except where it is prevented from doing so in the circumstances mentioned in paragraph 1 above.

CONDITION 7: VOLTAGE, FREQUENCY AND QUALITY OF SUPPLY

The voltage, frequency and quality of electricity supplied shall be kept within a range specified in the Regulations and distribution code or as determined by the Commission.

CONDITION 8: OPERATION AND MAINTENANCE OF THE GENERATING FACILITY

1. The generating facility shall be operated and maintained by the Licencee throughout the period of this licence, solely for the purpose of supplying electricity to SESB and/or any other person permitted by the Commission and approved by the Minister in writing.
2. The Licencee shall, throughout the period of this licence, operate and maintain the generating facility to ensure that the safety, security, reliability, availability and efficiency of the installation are in accordance with prudent utility practices and in conformity with the Enactment and the Regulations made thereunder or such other standards or requirements determined by the Commission.

CONDITION 9: COMPLIANCE WITH DISTRIBUTION CODE AND INSTRUCTIONS OF THE DISTRIBUTION SYSTEM OPERATOR

1. In so far as it may affect the operation and performance of the distribution system, the Licencee shall :-
 - (a) comply with the provisions of the distribution code as it may be amended, extended or modified by the Commission and in accordance with such directive and ruling made from time to time by the Commission; and
 - (b) comply, at all time, with the instructions, directives and guidelines of the person who operates the distribution system to ensure the safety, security and reliability of the distribution system.

2. Under emergency conditions of the distribution system, the Licencee shall provide every facility to assist in maintaining and/or restoring the safety, security and reliability of the distribution system.

**CONDITION 10: COMPLIANCE WITH ENVIRONMENTAL PROTECTION
MEASURES**

1. The Licencee shall throughout the period of this licence, observe and comply with the provisions of any written law for the time being in force in relation to environmental protection and to mitigate any adverse impact which the Power Station may have on the environment.
2. The Licencee shall comply with and implement all measures, conditions and requirements imposed by the Director General of Environmental Quality and/or other relevant authorities when approving the Licencee's environmental impact assessment report (EIA Report) for the construction and operation of the generating facility for protection of the environment throughout the period of this licence.
3. The Licencee shall submit to the Director General of Environmental Quality and/or other relevant authorities from time to time or on such periodical intervals as may be directed by him, a report on all the environmental protection measures and requirements undertaken by the Licencee.

CONDITION 11: OBLIGATION ON ECONOMIC PURCHASE

1. The Licencee shall ensure that the purchase of renewable energy sources, supplies, equipment and services to be from the most economical sources available.
2. The Licencee shall at any time upon request by the Commission furnish a report containing details of:
 - (a) prices for the purchase of renewable energy sources, supplies, equipment and services referred to in paragraph 1; and
 - (b) factors justifying the prices offered by the Licencee in making available of such renewable energy sources, supplies, equipment and services to the Buyer or any other person.

CONDITION 12: OBLIGATION ON GOVERNMENT POLICIES

1. The Licencee shall, in the general conduct of its business and the operation of the generating facility, comply with the policies of the Government in the production, supply and use of electricity and in the promotion of competition in the electricity supply industry.
2. The Licencee shall at all times take cognisance of the Government's policies, the transfer of technology and expertise to Malaysian, the employment of local personnel, contractors and services and the use of local materials and products.

CONDITION 13: RIGHT OF ENTRY

The Commission, or any other person duly authorised by the Commission, shall be entitled to enter any premises or land in or upon which the generating facility is installed or in the course of being installed and may examine, test, survey or take measurement of the generating facility and inspect any record and document kept by the Licencee pertaining thereto, to ensure compliance with the Conditions of this licence.

CONDITION 14: PROVISION OF INFORMATION TO THE COMMISSION

1. The Licencee shall submit to the Commission at monthly interval, information on the maximum daily load, energy sold per month, overall plant efficiency and performance, quantity of renewable energy sources used per month, accidents, breakdown of major plants or equipment, forced and mandatory outages and schedule of maintenance and overhaul programme.
2. Notwithstanding paragraph 1 above, the Licencee shall furnish to the Commission in such manner and at such times as the Commission may reasonably require, such documents, accounts, estimates, returns, reports and other information as the Commission may consider necessary in the light of the Conditions or as he may require for the purpose of performing the duties and functions assigned or transferred to him under the Enactment or any Regulations made thereunder.
3. The Licencee shall submit to the Commission the following informations:
 - (a) within three (3) months after this licence enters into force, a copy of the Renewable Energy Power Purchase Agreement and Renewable Energy Sources Supply Agreement and any subsequent amendment, modification, rectification or novation of the said agreement;
 - (b) within three (3) months after this licence enters into force, details of financial arrangements and construction programmes of the generating facility and any subsequent amendment, modification or rectification of the said agreement and programmes; and
 - (c) reports at regular intervals on the status and progress of the said generating facility during its stages of construction.

CONDITION 15: SEPARATE ACCOUNT FOR BUSINESS UNDER THE LICENCE

1. Within three (3) months after issuance of the licence, the Licencee shall inform the Commission the commencement date of each Financial Year.
2. The Licencee shall keep or cause to be kept such accounting records in respect of its business under the licence required under the Companies Act 2016 so that the revenues, costs, assets, liabilities and reserves are identifiable in the books of the Licencee.
3. The Licencee shall prepare in respect of its business under the licence commencing on the 1st Financial Year and each subsequent Financial Year, an accounting statements comprising a profit and loss account, a balance sheet and statements of source and application of funds in respect of the business under the licence.
4. The Licencee shall appoint approved auditors to audit its accounts and the auditors shall prepare a report stating whether in their opinion those statements have been properly prepared in accordance with this Condition and give a true and fair view of the revenues, costs, assets, liabilities, reserves and financial transactions reasonably attributable to the business under the licence to which the statements relate.
5. The Licencee shall deliver to the Commission a copy of the account referred to in paragraphs 3 and 4 above as soon as reasonably practicable, upon request.

CONDITION 16: **RESTRICTION OF CHANGES IN SHAREHOLDINGS**

1. The shareholders and shareholding structure of the Licencee shall be in accordance to the particulars stated in FORM 24 – Return of Allotment of Shares, Companies Act 2016.
2. The Licencee shall undertake to the Government that the present shareholders and shareholding structure as set out in paragraph 1 remain the same within a period of two (2) years from the date of successful commissioning of the generating facility. Any changes to the shareholders and the shareholding structure shall be subject to the prior written approval of the Minister.
3. Notwithstanding paragraph 2 and subject to the prior written approval of the Minister, and the approval of all relevant authorities, the Licencee may apply for its shares to be listed and quoted on the official list of the Kuala Lumpur Stock Exchange (KLSE).

CONDITION 17: **ACQUISITION AND DISPOSAL OF RELEVANT ASSETS**

1. The Licencee shall give the Commission not less than two (2) months prior written notice of its intention to acquire or relinquish control over any asset with a value in excess of RM 10.0 million, relevant to the generating facility together with such further information as the Commission may request, relating to such asset or the circumstances of such intended acquisition, disposal or relinquishment of control.
2. For purposes of paragraph 1 above, “relinquishment of control” includes the transfer of any operational control of the asset with or without a transfer of any legal or beneficial interests in the relevant asset.
3. The Commission shall be furnished with details of the relevant assets, acquisition and disposal procedures of the Licencee.

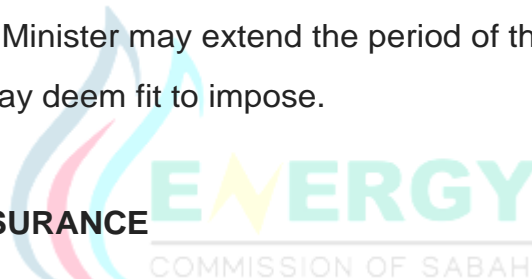
CONDITION 18: LICENCE IS NON-TRANSFERABLE, NON-ASSIGNABLE ETC.

1. The creation of any charge, mortgages, pledges, lien or other securities over the land used for the generating facility is prohibited without express written consent of the Minister.
2. Any such approval or consent shall be subject to such terms and conditions as the Minister in his absolute discretion may impose.

CONDITION 19: NO RIGHT OF EXTENSION

Nothing in this licence shall be deemed to entitle the Licencee, as of right to an extension of the term of this licence or to renewal thereof, provided that the Commission in consultation with the Minister may extend the period of this licence upon such terms and conditions as he may deem fit to impose.

CONDITION 20: INSURANCE



The Licencee shall, throughout the period of this licence, reasonably insure or keep insured the generating facility against any possible risks and to pay the premiums necessary for that purpose and whenever required by Commission, to produce on demand a true copy of the policy of insurance and requisite evidence of payment of the premiums and other fees and duties for the said policy.

CONDITION 21: PAYMENT OF FEES

The Licencee shall, at the times stated hereunder, pay to the Commission the amount of fees as provided for in the Regulations currently in force:

- (a) on the issuance of the licence; and
- (b) thereafter, an annual fee when due.

CONDITION 22: COMPLIANCE WITH LAWS

1. The Licencee shall ensure that it complies at all times with the provision of the applicable laws of Malaysia in particular with the provision of the Enactment and Regulations.
2. The breach of any law, including the breach of any provision of the Enactment or any subsidiary legislation made thereunder shall be deemed to be a breach of the terms and conditions of the licence
3. The Licencee shall apply for and obtain all necessary licence, permit or approval that is required under any other written law for the time being in force for the implementation, operation and maintenance of the generating facility or any part thereof.

CONDITION 23: REVIEW

The Commission, with the approval of the Minister may add to, vary or revoke any of the terms and conditions in this licence whenever it appears necessary or expedient for the purpose of extending Part I of the licence or meeting the technical, safety and efficiency requirements applied generally to the electricity supply industry in Malaysia.

CONDITION 24: SUSPENSION OF LICENCE

1. The Commission may, upon service of written notice to the Licencee, suspend this licence upon the occurrence of the following events:
 - (a) if the Licencee has failed to comply with or is in breach of any condition of this licence, and has failed or neglected to remedy the same after the Licencee has been requested to do so by the Commission; or

- (b) if the Licencee has failed to comply with any directive or order or notice given in writing pursuant to the Conditions of this licence by the Commission; or
 - (c) if the Licencee has breach the provision of the Renewable Energy Power Purchase Agreement entered into with SESB and has failed to remedy such breach despite notice from SESB to remedy the same.
2. When this licence is suspended pursuant to paragraph 1 above:
- (a) the Commission, with the approval of the Minister, may appoint SESB and/or such other person as may be appointed by him, to carry out, discharge, assume or perform any of the obligations, duties and responsibilities imposed under this licence on the Licencee, and to receive such payments, benefits or privileges which the Licencee is entitled under this licence to receive or to enjoy;
 - (b) the Licencee shall not be entitled to any payment or compensation from the Government for any loss or damage that may have occurred, incurred or suffered by the Licencee; and
 - (c) the Licencee, its agents, servants or workmen shall render all necessary assistance and cooperation to SESB and/or such person appointed by the Commission.
3. In exercising the right under paragraph 2 above, the Commission shall have regard to the rights of SESB under the Renewable Energy Power Purchase Agreement.

4. The period of any suspension imposed shall be determined by the Commission, provided always that where the suspension is as a result of the breach of any conditions of this licence, the suspension shall cease as soon as the breach has been remedied by the Licencee and the Commission shall certify the same.

PART III – REVOCATION

1. Notwithstanding paragraph 2 of Part 1 of this licence, the Commission may at any time revoke this licence by giving not less than thirty (30) days notice in writing to the Licencee at its registered office in any of the following circumstances:
 - (a) upon breach of any of the Conditions imposed in this licence;
 - (b) if the Licencee ceases to work or operate the generating facility;
 - (c) if any amount payable under Condition 21 is unpaid after it has become due whether notice in writing has been given to the Licencee or not;
 - (d) if a receiver or liquidator has been appointed for the Licencee;
 - (e) If any action taken for voluntary winding up or dissolution of the Licencee's company or any order pursuant to the Companies Act 2016 is made for the compulsory winding up the Licencee's company;
 - (f) if the Renewable Energy Power Purchase Agreement has expired or is revoked and terminated;
 - (g) if the generating units are not completed on or before the date as mentioned in paragraph 2 of Condition 5 or within such extended period as may be allowed in writing by the Commission;
2. Where this licence is revoked pursuant to paragraph 1 above, the Licencee shall not be entitled to any payment of compensation whatsoever from the Government and / or the Commission for any loss or damage that may have occurred, incurred or suffered by him;

3. The determination of this licence under this Part shall not prejudice or affect the right of the Government and / or the Commission to recover any sum due thereunder of any breach, non-performance of any of the Conditions on the part of the Licencee therein contained.
4. Any notice which is required to be given to the Licencee under paragraph 1 above, shall be deemed to have been given if sent by hand or pre-paid post or by facsimile to the Licencee's registered address as lodged in the Registry of Companies.



ANNEX A

The Generating Facility

(Location Plan)

The location plan of
..... is shown in Attachment 1.



APPENDIX 6

SAMPLE OF GENERATING LICENCE ISSUED BY THE COMMISSION'S OFFICE

*The Commission may impose:

- (1) Any additional terms or conditions of Licence
- (2) Amend any terms or conditions of Licence



Licence No.:

Serial No.:

FORM F
(Regulation 10)

ELECTRICITY SUPPLY ENACTMENT 2024

LICENCE FOR PRIVATE INSTALLATION

In accordance with the Section 8 of the Electricity Supply Enactment 2024, the Commission, with the approval of the Minister, hereby grants a licence to

of

to use, work and operate, in accordance with the Electricity Supply Regulation 2024, an electrical installation at

(hereinafter referred to as the Area of Supply), for the supply and use of electricity solely for within the Area of Supply subject to the following conditions:

(Please refer Annex 1).

Dated the _____ day of _____ .

Granted by

Energy Commission of Sabah

The Conditions

1. The nominal capacity of the electricity generating facility shall not be more thanMW.
2. The licence shall come into force from the date of issue and shall expire years thereafter.
3. The Licencee shall ensure that it complies with the provision of the Electricity Supply Enactment 2024 and all Regulations thereof.
4. The Licencee shall comply with any provision of any other written law or to obtain any approval that is required under any written law for the time being in force for the implementation, operation and maintenance of the installation or any part thereof.
5. The electrical installation shall be operated and maintained by qualified competent person as describe in the Enactment and Regulations.
6. The Licencee shall submit information to the Commission on the energy generated, fuel usage and other relevant data at monthly interval or otherwise as determined by the Commission.
7. The licence shall not be transferred without the prior written approval of the Minister.
8. The Commission, with the approval of the Minister, may review, amend or revoke any term and condition in this licence whenever it appears necessary or expedient for the purpose of compliance to the technical, safety and efficiency requirements applied generally to the electricity supply industry in Malaysia.
9. The Commission may, upon service of written notice to the Licencee, suspend this licence upon the occurrence of the following events: -
 - (a) if the Licencee has failed to comply with or is in breach of any condition of this licence, and has failed or neglected to remedy the same after the Licencee has been requested to do so by the Commission.
 - (b) if the Licencee has failed to comply with any directive or order or notice given in writing pursuant to the Conditions of this licence by the Commission.

10. The Commission may at any time revoke this licence by giving not less than thirty (30) days notice in writing to the Licencee at its registered office in any of the following circumstances: -
- (a) if the Licencee agrees in writing that this licence should be revoked.
 - (b) upon breach of any of the conditions of the licence.
 - (c) if the Licencee ceases to work or operate the installation.
 - (d) if any amount payable under the licence is unpaid after it has become due whether notice in writing has been given to the Licencee or not.
 - (e) if the electricity generating facility is not completed and successfully commissioned within three years from the date of issue of this licence or within such extended period as the Commission may allow in writing.

11. The "Area of Supply" means

.....

site for (Annex 1)



APPENDIX 7

SAMPLE OF DISTRIBUTION LICENCE ISSUED BY THE COMMISSION'S OFFICE

*The Commission may impose:

- (1) Any additional terms or conditions of Licence
- (2) Amend any terms or conditions of Licence



TABLE OF CONTENTS

	PAGE
PART I – TERMS OF LICENCE	
PART II – THE CONDITIONS	
CONDITION 1	: INTERPRETATION AND CONSTRUCTION
CONDITION 2	: OBLIGATIONS OF THE LICENSEE AND AREA OF SUPPLY
CONDITION 3	: STANDARD OF PERFORMANCE IN RESPECT OF ELECTRICITY SUPPLY
CONDITION 4	: PROHIBITION OF UNDUE PREFERENCE, OR DISCRIMINATION AND SUBSIDIES
CONDITION 5	: CONTRACTS WITH CONSUMERS
CONDITION 6	: RESTRICTION ON ELECTRICITY PRICES TO CONSUMERS
CONDITION 7	: CODES OF PRACTICE FOR SUPPLY OF ELECTRICITY AND PAYMENT OF BILLS
CONDITION 8	: METERING OF ELECTRICITY
CONDITION 9	: COMPLAINT HANDLING PROCEDURE
CONDITION 10	: VOLTAGE, FREQUENCY AND VARIATIONS OF SUPPLY AND VARIATION PERMITTED
CONDITION 11	: COMPLIANCE WITH DISTRIBUTION CODE AND COMPLIANCE WITH DISTRIBUTION SYSTEM OPERATOR
CONDITION 12	: RIGHT OF ENTRY
CONDITION 13	: STEP IN RIGHT OF THE COMMISSION
CONDITION 14	: SAFETY AND HEALTH MANAGEMENT PROGRAMME
CONDITION 15	: SEPARATE ACCOUNT FOR BUSINESS UNDER

THE LICENCE

- CONDITION 16 : CONSUMER DEPOSIT
- CONDITION 17 : PROVISION OF THE INFORMATION TO THE COMMISSION
- CONDITION 18 : LICENCE IS NON-TRANSFERABLE, NON-ASSIGNABLE ETC
- CONDITION 19 : PAYMENT OF FEES
- CONDITION 20 : COMPLIANCE WITH LAWS
- CONDITION 21 : CHANGE IN LAW AND REVIEW OF LICENCE
- CONDITION 22 : SUSPENSION OF LICENCE

PART III - REVOCATION

ANNEX A: AREA OF SUPPLY



LICENCE GRANTED TO

UNDER THE ELECTRICITY SUPPLY ENACTMENT 2024

PART I - TERMS OF LICENCE

1. The Commission, with the approval of the Minister in exercise of the powers conferred by Section 8 of the Electricity Supply Enactment 2024 (hereinafter referred to as "the Enactment") and of all other powers exercisable by it for that purpose, hereby grants to, a company incorporated under the Companies Act 2016, having its registered office at
..... (Hereinafter referred to as "the Licencee"), a licence for the period specified in paragraph 2, subject to the terms in this Part and Conditions set out in Part II (hereinafter referred to as "the Conditions"), the Enactment and to any Regulations made or which may be made under the Enactment and to revocation as provided for in Part III, to use, work or operate any installation of electrical distribution facilities at (Hereinafter referred to as the "area of supply") and to supply electricity to or for the use of any person in the area of supply as specified in Annex A.
2. This Licence (hereinafter referred to as "this Licence") shall come into force on the date of issuance of the licence, and shall be of **years** duration but, without prejudice to Part II of this Licence, shall be subject to revocation as provided for in Part III.

(DATUK Ir. ABDUL NASSER ABDUL WAHID)
Chief Executive Officer
Energy Commission of Sabah

Commencement Date:

PART II - THE CONDITIONS

CONDITION 1: INTERPRETATION AND CONSTRUCTION

1. Unless the contrary intention appears, words and expressions used in this Licence shall be construed as if they were an Act of Parliament and the Interpretation Acts 1948 and 1967 applied to them and references to an enactment shall include any statutory modification or re-enactment thereof after the date when this Licence comes into force.
2. Nothing in this Licence shall in any way affect the powers of the Commission under the Enactment and any purported detraction or derogation of such powers shall have no force or effect.
3. Any word or expression defined for the purpose of Part I of the Enactment shall, unless the contrary intention appears, have the same meaning when used in the Conditions and Part III.
4. Where a time limit is stipulated, the Licencee shall comply with the obligation within the time limit and that obligation shall continue to be binding and enforceable if the Licencee fails to comply with that obligation within that time limit. However, the Commission may, upon request for an extension of such time in writing by the Licencee, grant such extension of time as it deems fit.
5. Any reference to a numbered Condition is a reference to the Condition bearing that number in this Licence and any reference to a numbered paragraph is a reference to the paragraph bearing that number *in* the Condition in which the reference occurs.
6. In construing the Conditions, the heading or title of any Condition shall be disregarded.
7. Any reference to "person" in this Licence shall be deemed to include natural and legal person.

8. In the Conditions and in Part 111, unless otherwise specified or the context otherwise requires:

"Affiliate"	in relation to the Licencee means any holding company or subsidiary of the Licencee or any subsidiary of a holding company of the Licencee, related to the Licencee's core business of generation and supply of electricity within the meaning of the Companies Act 2016;
"Area of supply"	Means the area referred to in Annex A of this Licence within which any activity authorised by this Licence is allowed;
"Auditors"	Means the Licencee's auditors, for the time being holding office in accordance with the requirements of the Companies Act 2016;
"Bulk purchase agreement"	Means an agreement for the purchase of bulk supply of electricity made or to be made between the Licencee and SESB or any other person authorised by the Commission and granted with a licence under Section 8 of the Enactment as the same may be amended, modified or novated from time to time;
"Commission"	means the Commission established under the Energy Commission of Sabah Enactment 2023;
"Consumer"	Means any person who is supplied or whose premises are for the time being connected for the purposes are for the time being connected for the purposes of supply of electricity by the Licencee in the area of supply.
"Distribution code"	means any code or similar Regulations made under the Enactment relating to the planning, design operation and maintenance of an electricity distribution system in Malaysia, as the same may be amended from time to time;
"Enactment"	means the Electricity Supply Enactment 2024 as it may from time to time be amended, extended, modified, or re-enacted;

"Facility"	Means the whole or any part of the installation which the Licencee is licenced to use, work or operate;
"Licenced Business"	Means the business of distribution and retail supply of electricity in the area of supply as authorised under this Licence;
"Other Business"	means business or activities of the Licencee other than the Licenced Business;
"Regulations"	means the Electricity Supply Regulation 2024 and any Regulations made or which may be made under the Enactment, as it may from time to time be amended, extended, modified or re-enacted;
"Related undertaking"	Means any undertaking in which the Licencee has a controlling stake;
"Relevant assets"	means any asset for the time being forming part of the Licencee's generation business and any beneficial interest in land upon which the foregoing is situated;
"SESB"	Means Sabah Electricity Sdn. Bhd., a company incorporated under the Companies Act 2016, having its registered office at No. 129, Jalan Bangsar, 59200 Kuala Lumpur including its successors in-title or permitted assigns.

CONDITION 2: OBLIGATIONS OF THE LICENCEE AND AREA OF SUPPLY

1. The Licencee shall secure a supply of electricity up to **MW** inclusive of its ancillary services in order to use electricity and supply electricity to any person in the area of supply as specified in Annex A of this Licence. Any change to the maximum capacity of supply specified in this paragraph shall be subject to the prior approval of the Commission.

2. The Licencee shall not supply electricity to any person other than the persons in the area of supply mentioned in paragraph 1 above, provided that the Commission may with the approval of the Minister in writing permit the Licencee to supply electricity to such persons.
3. Subject to the provision of the Enactment and the terms and the Conditions of this Licence, the Licencee shall on the application of the owner or the occupier of any premises within the area of supply, provide connection to the consumer for the purpose of providing a supply of electricity to those premises, including the installing any cables and equipments.

**CONDITION 3: **STANDARD OF PERFORMANCE IN RESPECT OF ELECTRICITY
SUPPLY****

1. The Licencee shall ensure the capacity of the facility is adequate to meet the capacity and electricity demand of the consumer approved under this Licence unless he is prevented from doing so by complying with regulatory requirements or the malfunction or failure of any equipment or installation beyond his control, or as result of fire, flood, drought, landslide, earthquake, explosion, accident, industrial disturbance on national level, emergency, riot, civil disturbance, war, or any other similar event not within the control of the Licencee.
2. The Licencee shall plan, use, work, operate and maintain the facility according to prudent utility practices to ensure that the supply to the consumer is continuous, safe and reliable and of acceptable quality.
3. The Licencee shall ensure that the supply of electricity to continue uninterrupted notwithstanding arbitration, contractual or industrial dispute which the Licencee may be engaged in except where it is prevented from doing so in the circumstances mentioned in paragraph 1 above.
4. The Licencee shall comply with standards of performance in respect of consumer

supply and services as issued by the Commission from time to time and as in accordance with the Enactment.

**CONDITION 4: PROHIBITION OF UNDUE PREFERENCE, OR DISCRIMINATION
AND SUBSIDIES**

1. In the conduct of the Licenced Business, the Licencee shall not show undue preference or discrimination as among consumers or persons similarly situated in the area of supply having regard to the place and time of supply, the quantity of electricity supplied, the characteristic of the land, and the purpose for which the supply is taken.
2. The Licencee shall not without prior written approval of the Commission, give any subsidy or subvention to, or receive any subsidy or subvention from any Other Business of the Licencee or an affiliate or related undertaking.
3. The Licencee shall furnish to the Commission such information as it may request, from time to time, for the purposes of ensuring compliance with this Condition.
4. For the purpose of this Condition, "subsidy" includes any allowance or assistance in the form of money or otherwise including any manner of assistance which can be extended by way of transfer of pricing

CONDITION 5: CONTRACTS WITH CONSUMERS

1. The Licencee shall not enter into a contract for the supply of electricity with consumer in the area of supply unless the terms and conditions are consistent with matters referred to in the Enactment or the Regulations.

2. The Licencee shall not enter into any contract for the supply of electricity with any consumers in the area of supply at a tariff which is different to a tariff offered by the Licencee in accordance with its obligation under Condition 6 unless the consumer requires the supply of electricity pursuant to a special agreement with the Licencee on such terms as may be specified in the agreement.

CONDITION 6: RESTRICTION ON ELECTRICITY PRICES TO CONSUMERS

1. The Licencee shall not offer to supply and sell electricity to consumers in the area of supply at a tariff that is higher than to a tariff applicable to the same category of consumers of SESB approved by the Minister pursuant to Section 39 of the Electricity Supply Enactment 2024.
2. Notwithstanding paragraph 1 above, the Licencee may review the tariff offered to the consumer subject to:
 - (a) the maximum tariff reviewed shall not exceed the tariff applicable to the same category of consumers of SESB at the material time and the said tariff is approved by the Minister pursuant to Section 39 of the Electricity Supply Enactment 2024 and
 - (b) the Commission may fix the maximum prices at which the electricity may be resold pursuant to Section 49 of the Electricity Supply Enactment 2024.
3. Any charge which is not included in or does not form part of the tariff mentioned in paragraph 1 above, imposed by the Licencee for the supply and sale of electricity to the consumers in the area of supply, including principles in determining such charge, shall be approved by the Commission.

**CONDITION 7: CODES OF PRACTICE FOR SUPPLY OF ELECTRICITY AND
PAYMENT OF BILLS**

1. Licencee shall, within three (3) months after this Licence enters into force, prepare and submit to and for the approval of the Commission:
 - (a) a Code of Practice describing the nature of services available to consumers in relation to electricity supplied by the Licencee; and
 - (b) a Code of Practice concerning the payment of electricity bills by its consumers and including appropriate guidance for assistance of such consumers who may have difficulty in paying such bills, and procedures for disconnecting consumers for non-payment.
2. In granting the approval, the Commission may make such modifications, as it considers necessary.
3. The Commission may, upon receiving a representation or otherwise, require the Licencee to review the Codes of Practice prepared in accordance with paragraph 1 and the manner in which it is implemented with a view to determine whether any modifications should be made to it or to the manner of its implementation.
4. The Licencee shall:
 - (a) draw the attention of the consumers, in such manner as the Commission may direct, the existence of each code and each any revision of it and how they may inspect or obtain a copy of each code in its latest form;

- (b) send a copy of each code and any revision of either of them to the Commission; and
- (c) make a copy of each code, revised from time to time, available for inspection by consumers during the normal working hours.

CONDITION 8: METERING OF ELECTRICITY

1. The Licencee shall provide and install such meters on the consumer's premises as it considers necessary for the measurement of the supply of electricity to a consumer.
2. The meter shall be provided by the Licencee, whether by way of sale, hire or loan to the consumer and the meter's installed location shall be visible and accessible for the Licencee's inspection or any other authorized action.
3. Every electricity meter shall be tested, calibrated and verified in accordance with subsidiary legislation, code or guideline made under the Enactment.
4. Once verified by the Commission, a meter may remain in service for a period of 10 years or any such period as approved by the Commission, except where the meter is suspected to be malfunctioning.

CONDITION 9: COMPLAINT HANDLING PROCEDURE

1. Subject to paragraph 3, the Licencee shall within three (3) months after this Licence enters into force and with the approval of the Commission, establish a procedure for handling complaints from consumers about the manner in which the Licencee conducts its business.

2. The Licencee shall, whenever requested to do so by the Commission, review the complaint handling procedure prepared *in* accordance with paragraph 1 above, and the manner in which that procedure has been operated, with the view to determining whether any modifications should be made to it or to the manner of its operation
3. In establishing a procedure in accordance with paragraph 1, and in carrying out any review under paragraph 2, the Licencee shall have regard to any representation made about the procedure or the manner in which it is likely to be, (or as the case may be), has been operated.
4. Any procedure shall specify the periods within which it is intended that different description of complaint should be processed and resolved.
5. The Licencee shall:
 - (a) draw the attention of the consumers, in such manner as the Commission may direct, the existence of the complaint handling procedure and each revision of it and how the consumers may inspect or obtain copies of such procedure in its latest form;
 - (b) make a copy of its complaint handling procedure, revised from time to time, available for inspections by consumers at the relevant office of the Licencee during the normal working hours; and
 - (c) provide free of charge a copy of the complaint handling procedure revised from time to time to each new consumer, and to any other person who request for it at a price not exceeding the reasonable cost of duplicating it.

CONDITION 10: VOLTAGE, FREQUENCY AND VARIATIONS OF SUPPLY AND VARIATION PERMITTED

1. The voltage of supply shall be 230 volts single phase or 400 volts three phase with variation not exceeding +10% to -6% or any voltage and variations according to the standard determined by the Commission.
2. The frequency of supply shall be 50Hz \pm 1%.

CONDITION 11: COMPLIANCE WITH DISTRIBUTION CODE AND COMPLIANCE WITH THE DISTRIBUTION SYSTEM OPERATOR

1. In so far as it may affect the operation and performance of the distribution system, the Licencee shall:
 - (a) comply with the provisions of the distribution code as it may be amended, extended or modified by the Commission and in accordance with such directive and ruling made from time to time by the Commission; and
 - (b) comply at all time, with the instructions, directives and guidelines of the person who operates the distribution system to ensure the safety, security and reliability of the distribution system.
2. Under emergency conditions of the distribution system, the Licencee shall provide every facility to assist in maintaining and/or restoring the safety, security and reliability of the distribution system.

CONDITION 12: RIGHT OF ENTRY

The Commission, or any other person duly authorised by the Commission, shall be entitled to enter any premises or land in or upon which the facility is installed or in the course of being installed and may examine, test, survey or take measurement of the installation and inspect any record and document kept by the Licencee pertaining thereto, to ensure compliance with the Conditions of this Licence.

CONDITION 13: STEP-IN RIGHT OF THE COMMISSION

Notwithstanding any contractual obligations of the Licencee, in the event this Licence is suspended or revoked upon breach of any of the Conditions of this Licence, the Commission may step in, solely for the purpose of exercising its duties and functions prescribed under the Enactment and the Regulations made thereunder.

CONDITION 14: SAFETY AND HEALTH MANAGEMENT PROGRAMME

1. In carrying out its business activities, the Licencee shall establish a safety and health management system to ensure effective safety and health management and continual improvement of all reasonable measures to be taken by the Licencee to protect person and property from injury and damage that may be caused by the Licencee's installations, and practices or operation of the Licencee.
2. The Licencee shall comply the electrical infrastructure safety codes or in the absence of such code, with standard and prudent utility practices as may be determined by the Commission.

**CONDITION 15: SEPARATE ACCOUNT FOR BUSINESS UNDER THE
LICENCE**

1. Within three (3) months after grant of this Licence, the Licencee shall inform the Commission the commencement date of its Financial Year.

2. The Licencee shall in respect of its Licenced Business or any Other Business which it carries on:
- (a) keep proper books of account and records in such a form that the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to the Licenced Business are separately identifiable *in* the books of Licencee (and any affiliate or related undertaking of the Licencee), from those of Other Business in which the Licencee may be engaged; and
 - (b) prepare on a consistent basis from its accounting records in respect of the Financial Year commencing on the first year this Licence enters into force and each subsequent Financial Year, accounting statements comprising a profit and loss account, a balance sheet and a cash flow statement, together with the notes thereto, and such other particulars and details showing separately in respect of each such business and in appropriate detail the amounts of any revenue, cost, assets, liability, reserve or provision which has been either:
 - (i) charged from the Licenced Business to any Other Business or vice versa together with a description of the basis of that charge; or
 - (ii) determined the apportionment or allocation between the Licenced Business *and* any Other Business of the Licencee together with a description of the basis of apportionment or allocation; and

- (c) procure in respect of accounting statement prepared in accordance with this Condition in respect for each Financial Year, a report by the Auditors and addressed to the Commission stating whether in their opinion those statements are adequate for the purpose of, and comply with, this Condition and give a true and fair view of the revenues, costs, assets, liabilities, reserves or provisions of, or reasonably attributable to such businesses to which the statements relate.
3. The Licencee shall deliver to the Commission a copy of the account and Auditor's reports referred to in paragraphs 2 above as soon as reasonably practicable, and in any event not later than three (3) months after the end of each Financial Year.
4. References in this Condition to costs or liabilities of, or reasonably attributable to Licenced Business or Other Business shall be construed as excluding taxation, capital liabilities which do not relate principally to such businesses an interest thereon; and references to any accounting statement shall be construed accordingly.

CONDITION 16: CONSUMER DEPOSIT

1. The Licencee shall create an account for deposits paid by consumers and shall keep such accounts separate from all other accounts in the operation of the Licencee. For all intents and purposes such accounts of consumers deposit are held on trust by the Licencee for the consumers.

2. Where the Licencee has collected the deposit from the consumers, the Licencee shall pay a rebate on the amount of deposit a sum equivalent to five per cent per annum or such percentage as determined by the Minister, to be calculated on a pro-rated basis from the date of commencement of supply until termination of the supply and shall credit it into the consumer's account at the end of January of every year.
3. The Licencee shall refund the deposit not later than thirty days after the termination of the supply to the consumer, his successor in title, lawful assign, trustee, personal representative, administrator or any person entitled to that amount of money, subject to the deduction of any amount then due to the Licencee by the consumers.
4. Notwithstanding paragraph (3), the deposit shall not be refunded to any person other than the consumer, but where a person is able to furnish the Licencee with a discharge and indemnity letter, such deposit may be refunded to such person.

CONDITION 17: PROVISION OF INFORMATION TO THE COMMISSION

5. The Licencee shall keep record of the following and submit to the Commission at monthly interval:
 - (a) information on the maximum daily load and electricity sold per month;
 - (b) the class, operating voltage and demand of all consumers; and
 - (c) forced and mandatory outages and schedule of maintenance programme.
6. The Licencee shall notify the Commission as soon as possible of any major breakdown affecting any part of the installation which has occurred, the occurrence of any accident, fatal or otherwise and interruption of service for more than an hour.

7. Notwithstanding paragraph 1 and 2 above, the Licencee shall furnish to the Commission in such manner and at such times as the Commission may reasonably require, such documents, accounts, estimates, returns, reports and other information as the Commission may consider necessary in the light of the Conditions or as he may require for the purpose of performing the duties and functions assigned or transferred to it under the Enactment or any Regulations made thereunder.

CONDITION 18: LICENCE IS NON-TRANSFERABLE, NON-ASSIGNABLE, etc.

1. The Licencee shall not assign, transfer, sublet or otherwise dispose of its rights, duties, liabilities, obligations and privileges or part thereof under the terms and Conditions of this Licence except with the prior written approval of the Minister.
2. The licence shall not be transferred, charged, pledged, or otherwise encumbered without the prior written approval of the Minister.
3. The creation of any charge, mortgages, pledges, lien or other securities over the land used for the facility is prohibited without express written consent of the Minister.
4. Any such approval or consent shall be subject to such terms and conditions as the Minister in his absolute discretion may impose.

CONDITION 19: PAYMENT OF FEES

The Licencee shall, at the times stated hereunder, pay to the Commission the amount of fees as provided for in the Regulations currently in force:

- (a) on the issuance or renewal or reissuance of the Licence; and
- (b) thereafter, an annual fee when due.

CONDITION 20: COMPLIANCE WITH LAWS

1. The Licencee shall ensure that it complies at all times with the applicable laws of Malaysia and in particular with the provision of the Enactment and Regulations.
2. The breach of any law, including the breach of any provision of the Enactment or any subsidiary legislation made thereunder shall be deemed to be a breach of the terms and conditions of the licence.
3. The Licencee shall apply for and obtain all necessary licence, permit or approval under the applicable laws for carrying out its Licenced Business, properly and in timely manner and shall diligently pursue all such applications.

CONDITION 21: CHANGE IN LAW AND REVIEW OF LICENCE

1. The Commission, with the approval of the Minister may add to, vary or revoke any of Terms and Conditions in this Licence whenever it appears necessary or expedient, safety and efficiency requirements applied generally to the electricity supply industry in Malaysia.
2. If a new Enactment or amendment to the Enactment is enacted, to the extent that necessitate redefining, reorganisation or changes to the business activities of the License specified in the Licence, or changes to the structure of the electricity supply industry, the licence may be reviewed, amended, modified or reissued to reflect such redefining, reorganisation or changes.

CONDITION 22: SUSPENSION OF LICENCE

1. The Commission may; upon service of written notice to the Licencee, suspend this Licence upon the occurrence of the following events:

- (a) if the Licencee has failed to comply with or is in breach of any Condition of this Licence, and has failed or neglected to remedy the same after the Licencee has been requested to do so by the Commission within stipulated period; or
 - (b) if the Licencee has failed to comply with any directive or order or notice given in writing pursuant to Conditions of this Licence by the Commission; or
 - (c) if the Licencee has breach the provision of the bulk purchase agreement entered into with SESB and has failed to remedy such breach despite notice from SESB to remedy the same.
2. The period of any suspension imposed shall be determined by the Commission, provided always that where the suspension is as a result of the breach of any Conditions of this Licence, the suspension shall cease as soon as the breach has been remedied by the Licencee and the Commission shall certify the same.
3. If the breach has not been remedied within the stipulated period, the Commission may, with the approval of the Minister, suspend the licence and exercise its duties and function pursuant to Condition 13.

PART III- REVOCATION

1. Notwithstanding paragraph 2 of Part I of this Licence, if the License constitute any of the following circumstances:
 - (a) if the Licencee agrees in writing with the Commission that this Licence should be revoked;

- (b) upon breach of any of the Conditions imposed in this Licence;
 - (c) if the Licencee ceases to supply electricity to consumers;
 - (d) if any amount payable under Condition 19 is unpaid after it has become due whether notice in writing has been given to the Licencee or not;
 - (e) if a receiver or liquidator has been appointed for the Licencee;
 - (f) if any action taken for voluntary winding up or dissolution of the Licencee's company or any order pursuant to the Companies Act 2016 is made for the compulsory winding up the Licencee's company; and
 - (g) if the bulk purchase agreement has expired or is revoked and terminated.
2. The Commission may allow the Licencee to remedy the non-compliance within 90 days from the date the Licencee received the notice of non-compliance from the Commission. If the non-compliance still persists or cannot be remedied within the time stipulated above, the Commission shall have the full right to revoke the Licence by giving 30 days notice of revocation in writing to the Licencee at its registered office.
3. Where this Licence is revoked pursuant to paragraph 1 above, the Licencee shall not be entitled to any payment of compensation whatsoever from the Government or the Commission for any loss or damage that may have occurred incurred or suffered by him.
4. The determination of this Licence under this Part shall not prejudice or affect the right of the Government or the Commission to recover any sum due there under of any breach, non-performance of any of the Conditions on the part of the Licencee therein contained.
5. Any notice which is required to be given to the Licencee under paragraph 1 above, shall be deemed to have been given if sent by hand or pre-paid post or by facsimile to the Licencee's registered address as lodged in the Registry of Companies.

ANNEX A

LICENCEE'S AREA OF SUPPLY

The Licencee's area of supply shall comprise the area within the boundary of

.....

..... as shown in 'Attachment 1':



APPENDIX 8

LICENCE APPLICATION REQUIREMENT



Documents Needed for Licence Application

LEU - Utility Licence

LEA1 - Public Licence Generation (IPP)

LEA2 - Public Licence Generation (PV)

LEA3 - Public Licence Generation (Other RE)

LEA4 - Public Licence Generation (Co Gen)

LEA5 - Public Licence Transmission

LEA6 - Public Licence Distribution

LEA EV - Public Licence Distribution Electric Vehicle Charging Station

LEP1 - Private Licence up to 5MW

LEP2 - Private Licence above 5MW



No.	Keterangan	Lesen Awam (LEA2/LEA2EVCS/ LEA3/LEA4/LEA5/ LEA6/LEA7/ELC2)	Lesen Persendirian	
			5MW dan kebawah (LEP1)	Atas 5MW (LEP2)
Dokumen berkaitan syarikat yang memohon dan disahkan.				
1.	Borang 9 (<i>Certificate of Incorporation</i>) / SSM	√	√	√
2.	Borang 13 (<i>Certificate of Incorporation on change of name</i>)	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>
3.	Borang 44 (<i>Notice of Situation of Registered Office</i>)	√	√	√
4.	Borang 24 (<i>Return of Allotment of Shares</i>)	√	√	√
5.	Borang 32A (<i>Return for the Transfer of Shares Transaction</i>)	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>
6.	Borang 49 (<i>Return giving Particulars in Register of Directors, Managers and Secretaries and</i>)	√	√	√
7.	Borang 55 (<i>Form Of Annual Return</i>)	√	√	√
8.	<i>Memorandum and Articles of Association</i>	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>
Dokumen berkaitan Pemasangan, Lokasi pemasangan & lukisan-lukisan pemasangan bersaiz A3 atau A4.				
1.	Pelan lokasi dan pelan tapak (menyatakan no. lot pemasangan dan no. lot bersebelahan)	√	√	√
2.	Geran Tanah (Borang mesti lengkap)	√	√	√
3.	Salinan perjanjian sewa bangunan/tapak (jika bukan milik pemohon)	√	√	√
4.	Lukisan Skematik Utama Voltan Tinggi(50KV sehingga < 230KV)/ Voltan Medium(1KV sehingga <50KV) yang mana berkaitan	√	√	√
5.	Lukisan Skematik Utama Voltan Rendah(Dibawah 1KV AC/ Dibawah 1.5KV DC)	√	√	√
6.	Borang G dan H	NA	√	NA
7.	Laporan Ujian Geganti Perlindungan(Relay Calibration Test Report)	NA	√	NA
8.	Permit To Install for SELCO(from ECoS)	NA	<i>Jika berkaitan</i>	<i>Jika berkaitan</i>
Kelulusan Agensi Kerajaan/ Organisasi Berkaitan				
1.	Salinan surat kelulusan Pihak Berkuasa Tempatan (Kebenaran Merancang)	√	√	√
2.	Salinan surat kelulusan Kerajaan Negeri	√	NA	<i>Jika berkaitan</i>
3.	Salinan surat kelulusan Jabatan Alam Sekitar	√	NA	<i>Jika berkaitan</i>
4.	Salinan surat kelulusan permohonan bekalan pukal daripada pihak Utiliti	LEA6 / LEA EV	NA	<i>Jika berkaitan</i>
5.	Surat/bil/invois caj sambungan yang dikenakan oleh pihak Utiliti	LEA6 / LEA EV	NA	<i>Jika berkaitan</i>
6.	Salinan surat kelulusan pelaksanaan PSS/CCC/NEMAS daripada pihak Utiliti	√	Solar PV	Solar PV
7.	Salinan surat tawaran projek loji janakuasa/penjanaan	LEA1/2/3/4	NA	NA
8.	Salinan surat kelulusan Jabatan BOMBA & Jabatan Pengangkutan Jalan(JPJ)	LEA EV	NA	NA
9.	Perjanjian Jualan Tenaga (PPA) / Sales and Purchase Agreement(S&P)	√	NA	NA
10.	Perjanjian Bekalan Bahanapi (FSA)	√	NA	<i>Jika berkaitan</i>
11.	Salinan Sijil Kelulusan Net Energy Metering (NEM)	√	NA	NA
12.	Lain-lain kelulusan(jika diperlukan)	√	√	√
Analisis Kewangan				
1.	<i>Letter Of Intent</i> Daripada Pembiaya Kewangan	√	NA	NA
2.	<i>Letter Of Offer</i> Daripada Pembiaya Kewangan	√	NA	NA
3.	Dokumen perjanjian kewangan	√	NA	NA
4.	<i>Project Financial Run</i> - bagi aktiviti Penjanaan :	√	NA	NA
5.	<i>Simple Financial Analysis</i> - bagi aktiviti Pengagihan Arahan: 1. Muat turun fail excel berikut: Simple Financial Analysis.xlsx 2. Lengkapkan maklumat yang diperlukan dalam fail excel.	√	NA	NA
Ringkasan projek				
1.	Merangkumi maklumat aktiviti yang akan dilesenkan seperti cadangan teknikal & cadangan pembiayaan projek; - lokasi pemasangan, aktiviti bangunan, product catalogue, insentif yang diperolehi, status kemajuan projek dan gambar tapak, serta maklumat-maklumat lain yang berkaitan.	√	NA	NA
2.	Bagi permohonan pindaan lesen, sila nyatakan justifikasi ke atas permohonan pindaan yang dibuat.	√	NA	NA

APPENDIX 9

CLIENT CHARTER

CLIENT CHARTER

Electricity Licence	Working Days
Private Licence 5MW and below	15
Renewal of Private Licence	3
Amendment to Installation Capacity	3
Private Licence above 5MW up to 50MW	60
Public Licence up to 50MW	60
Public and Private Licence above 50MW	90