

Pavilion REIT Inks Multiple MOUs For Solar Power Procurement In Malaysia

solarquarter.com/2023/09/07/pavilion-reit-inks-multiple-mous-for-solar-power-procurement-in-malaysia

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7 September 2023



Representational image. Credit: Canva

The Board of Directors of Pavilion REIT Management Sdn Bhd, the manager of Pavilion Real Estate Investment Trust (Pavilion REIT), announces the signing of Memorandums of Understanding (MOUs) with key partners to support the Corporate Green Power Programme (CGPP). These MOUs will pave the way for Pavilion Kuala Lumpur Mall, Intermark Mall, and Pavilion Bukit Jalil to explore electricity purchase opportunities generated by solar power plants.

The Consortiums Involved

Consortium 1 (Pavilion KL & Intermark Mall)

- reNIKOLA Holdings Sdn Bhd, a leading renewable energy developer and energy solution provider
- Sun Energy Ventures Sdn Bhd, specializing in the development, ownership, operation, and maintenance of solar power plants
- Syarikat Osmania Logistics Sdn Bhd, engaged in telecommunication works and providing turnkey solutions

Consortium 2 (Pavilion Bukit Jalil)

- I2 Solarpark One Sdn Bhd, a solar plant developer operating large-scale solar power plants supplying to Tenaga Nasional Berhad
- Solarcap Sdn Bhd, a Malaysian SEDA-registered solar photovoltaic investor focused on commercial and industrial properties

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Key Highlights of the MOUs

- The MOUs will be effective for one year, extendable upon agreement, or until a Corporate Green Power Agreement (CGPA) is executed. The CGPA should be executed within 60 days from Suruhanjaya Tenaga’s approval or letter of offer to participate in the CGPP.
- The CGPA, expected to commence in Q3 2025, will have a contract term of 21 years and follow a virtual power purchase agreement mechanism in line with the NEDA Rules.
- Pavilion REIT will have the option to sell renewable energy certificates (RECs) back to the Consortium annually if deemed necessary.
- The solar power plant will be situated in Pasir Mas, Mukim Apam, Kelantan.
- Confidentiality obligations shall remain in effect for one year after the expiry or termination of the MOUs.

These MOUs are instrumental in obtaining necessary approvals from relevant authorities, including the Ministry of Natural Resources, Environment and Climate Change, Energy Commission, Tenaga Nasional Berhad, and local authorities. The CGPP aligns with Pavilion REIT’s sustainability goals to reduce its carbon footprint.