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Ongkili: Edra's 50MW solar power PPA yet to be finalised

BY CHESTER TAY

KUALA LUMPUR: Edra Global Energy Bhd has yet to finalise the power purchase agreement (PPA) with Tenaga Nasional Bhd (TNB) for the uptake of power from its 50MW solar power plant, as Edra has not yet identified a suitable location to construct the power generator.

Edra, formerly the power asset arm of 1Malaysia Development Bhd (1MDB), has been sold to state-owned China General Nuclear Power Corp (CGN) for RM9.83 billion cash.

The sale, completed in May this year, was part of 1MDB's asset rationalisation exercise after having raked up some RM42 billion in

debts in just five years of operation.

On his way out from Parliament yesterday, Energy, Green Technology and Water Minister Datuk Seri Dr Maximus Ongkili told pressmen that Edra is currently eyeing Melaka as its choice for the solar power plant's location.

"The PPA must be specific to [the] location; they were hunting for land, some Perlis, [some] Pahang and [some] Melaka. I think they are zooming [into] Melaka. Our approval is there, but the [conditions] have to be met," he said.

"The EC (Energy Commission) will continue to be the referee in guiding [TNB] and Edra on the PPA," he added.

It was previously reported that

an Edra unit had bought a parcel of land in Kedah for the solar power project — slated to be the biggest single solar project in the country. The project was awarded to Edra in May 2014 without any tender called.

Meanwhile, Ongkili also revealed that the guided internal rate of return for the 50MW solar power plant project is 8.5%, but the actual internal rate of return will depend on the final location.

CGN, meanwhile, is reportedly considering listing Edra as early as 2017, which could raise as much as US\$400 million (RM1.67 billion), according to a *Bloomberg* report on Monday, citing people with knowledge of the matter.