

Biogas and Biomass power plants at Lahad Datu begin operation

SANDAKAN: Sustainable Energy Development Authority Malaysia (SEDA) has approved 309 applications for 'Feed-in-Tariff' (FIT) for Sabah, with a capacity of 157.8 megawatts (MW).

The total is made up of 99.7MW biomass, small hydropower (35.6MW), Solar Photovoltaics (PV) for non-individuals (8.1MW), Solar PV for individuals (2.53MW), Solar PV for community (0.396MW) and biogas (11.4MW).

Minister of Energy, Green Technology and Water (KeTTHA), Datuk Seri Panglima Dr. Maximus Ongkili said, for the same period, five projects in Sabah have reached commercial operation with a Renewable Energy (RE) capacity of 43.4MW biomass and small hydropower capacity of 36.9MW and 6.5MW respectively.

"One of projects is the biomass power plant by Cash Horse (M) Sdn Bhd, which opened today (November 10). The company's involvement in generating RE coincides with the government's policies and strategies to reduce the State's dependence on fossil fuels.

"The implementation is one of the government's ongoing efforts to enhance the level of reliability of electricity supply and at the same time ensuring quality supply of electricity can be supplied at a reasonable rate," he said, at the opening ceremony of Biogas and Biomass Power Plant at Kilometre 63 off Sandakan-Lahad Datu bypass, yesterday.

For the half-year in 2014, generation component is the largest contributor to power supply disruption in Sabah, causing it to discharge the burden

and resulting in power outages, said Ongkili.

"However, with the completion of two major power stations in Kimanis with a total generating capacity of 365MW, Sabah Grid System has received additional generating capacity.

"This should be able to minimize electricity supply interruptions from lack of capacity, but also caused by unscheduled downtime from power stations because of the high operating margins.

"Among other generation projects in the planning of post 2014 (pasca 2014) are the Green Energy Power Station Tawau (30MW) using geothermal resources in Apas Kiri, Tawau in 2017, Upper Padas Hydroelectric Station (180MW) in 2023 and a major gas-basis power station with a capacity of 390MW on the East Coast of Sabah by 2021," he added.

To further enhance power supply in the East Coast, the government is planning to build three more power stations in Sandakan (90MW), Tawau (85MW) and Lahad Datu (30MW) for the period of 2016 to 2018.

Earlier, chairman of Cepatwawasan Group Berhad, Dato Seri Mah King Thian said, the 3MW biogas plant construction started in 2010 and was completed in August last year at a cost of nearly RM30 million.

The energy generated by the biogas plant is sold to nearby mills for their processing activity and for the use of their staff and workers houses.

Meanwhile, the 12MW biomass plant was built in 2011 and began commercial operation

in November this year with construction costs in excess of RM100 million. 10MW of it is sold to the grid owned by Sabah Electricity Sdn Bhd (SESB).

Biogas plant built and operated by Mistral Engineering Sdn Bhd and plant biomass by Cash Horse (M) Sdn Bhd, are both subsidiaries of Cepatwawasan Group.

According to him, the company faced a number of barriers and challenges in the implementation of the project, including the cancellation of the FIT for Sabah as soon as it was launched in December 2011.

"This biomass project is among the first projects in Malaysia to obtain FIT quota when it was launched. Even though we had to pay a processing fee of RM100,000 for the quota, we were told our FIT was canceled two to three weeks after that.

"From then on, the project was interrupted and I believe that without FIT implementation in the state, Sabah would not be developed as State with green technology even if it has rich natural and renewable resources.

"However, the FIT has expanded into Sabah due to the hard work and cooperation of the Ministry of Energy, Green Technology and Water, led by Ongkili," he said.

Also present at the ceremony were chairman of SEDA, Datuk Dr. Yee Moh Chai, SEDA executive chairman, Catherine Ridu, SESB senior general manager, Ir. Abdul Nasser Abdul Wahid, and managing director of Cepatwawasan Group Berhad, Dato Seri Mah King Seng.



Ongkili (middle) signing on the plaque to mark the opening of Biogas and Biomass Power Plants at KM 63 off Sandakan-Lahad Datu bypass, yesterday.