



10 FEB, 2025

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The Star, Malaysia



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As leasing scheme gains momentum, experts call for better guidelines

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**PETALING JAYA:** Malaysia's newly announced rooftop solar leasing scheme has been welcomed as a significant step towards promoting renewable energy and reducing electricity costs, particularly for B40 and M40 households.

However, industry stakeholders stress the need for clearer guidelines and comprehensive awareness campaigns to ensure the initiative's success.

Gading Kencana Sdn Bhd managing director Datuk Muhammad Guntor Mansor Tobeng hailed the scheme as "the best thing announced by the government".

"This is the best programme for community involvement in renewable energy," he said when contacted.

"The response has been very positive, with many eager to participate. But we need detailed guidelines to streamline the process."

Muhamad Guntor highlighted that properties with solar panels would become more attractive as investment assets.

"In the past, property investors worried about finding tenants. Now, they can lease their rooftops straight away, turning them into revenue-generating investments," he said.

He also urged the government to expand the scheme beyond residential properties to include religious and community buildings.

"Mosques, temples and churches have large roof areas that can be utilised to generate income and contribute to green ener-

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Lionel Yap

gy goals," he added.

Announced recently, the Community Renewable Energy Aggregation Mechanism allows homeowners to lease their rooftops for solar power generation, with third parties aggregating multiple rooftops to supply green electricity to local consumers.

Meanwhile, the Corporate Renewable Energy Supply Scheme, launched in September 2024, enables corporate entities to purchase renewable energy directly from independent power producers via an open grid access system with predefined system charges.

Despite the enthusiasm, Malaysian Photovoltaic Industry Association secretary Lionel Yap said the scheme's success depends on a well-defined regulatory framework.

"It's definitely a step in the right direction, but there are still unanswered questions."

"We need clear guidelines and streamlined processes, especially concerning regulatory and commercial aspects," he added.

He also underscored concerns related to insurance, liability and contract terms.

"If you're renting out your rooftop, who's responsible if there's damage? What's a reasonable contract length? These are fundamental questions that need to be answered to build public confidence," he said.

Dr Saravanan Thambirajah, chief executive officer of the Federation of Malaysian Consumers Associations, highlighted the scheme's potential benefits for lower-income groups struggling with high electricity costs.

"This initiative enables homeowners to earn passive income without incurring the high costs of solar panel installations. Additionally, it promotes renewable energy adoption, reducing carbon emissions," he said.

However, Saravanan pointed out that many consumers remain unaware of such programmes.

"Our surveys show that people are still unfamiliar with initiatives like the Net Energy Metering and Sustainability Achieved Via Energy Efficiency programmes."

"Continuous education is crucial to bridge this knowledge gap," he said.

He also stressed the importance of consumer protection, advocating for transpar-

ent contracts and straightforward revenue-sharing models.

To overcome scepticism, all three experts agree that active government engagement is essential.

"The government should intensify awareness campaigns, reaching communities beyond urban areas," Muhamad Guntor suggested.

"People in semi-rural and rural areas could also benefit, but they need to be informed."

Yap echoed this sentiment, adding that the industry itself requires more engagement with policymakers.

"Our members have many questions, and we don't have all the answers. Continuous discussions with the government are essential," he said.

While the scheme holds promise, its success will depend on how efficiently the government addresses these concerns, Yap added.

"This is a good problem to have – we're no longer questioning whether we should do it, but rather how to do it better."

"The government has set the direction; now, a clear roadmap is needed for everyone involved," he said.

Saravanan suggested that financial incentives could further boost participation.

"Besides passive income, homeowners should receive additional benefits like tax breaks, subsidies or rebates on electricity bills."

"Additionally, guarantee schemes covering potential structural damage could help build confidence," he said.