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Malaysia to repurpose retiring coal plants into RE hubs

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KUALA LUMPUR: Malaysia plans to repurpose sites of retiring coal-fired power plants into renewable energy (RE) hubs and battery energy storage facilities under a proposed National Coal Site Repurposing Framework, said Deputy Prime Minister Datuk Seri Fadillah Yusof.

He said the country's existing coal fleet represented significant national infrastructure, including transmission connections, industrial facilities and strategically located land.

"Rather than allowing these assets to become stranded, we should view them as opportunities to create new economic value.

"Selected sites possess strong potential to be transformed into renewable energy hubs, battery energy storage facilities and other clean energy developments that continue contributing to local economies while supporting our national transition objectives," he said.

He was delivering his address at the closing ceremony of the World Economic Forum's "Malaysia's Energy Future: Power Sector Decarbonisation Deep Dive" here yesterday.

Fadillah, who is also Energy Transition and Water Transformation Minister, said the proposed framework outlined in the World Economic Forum's insight paper, "Beyond Coal: Building a Flexible, Resilient and Clean Power System for Malaysia", would provide a foundation for continued engagement among the government, regulators, utilities, investors and local communities.

He said every retiring power station presented an opportunity to create new industries, attract investments and prepare the workforce for the economy of the future.

Fadillah said Malaysia remained committed to its target of not building any new coal-fired power plants, transitioning away from coal-fired electricity generation by 2044 and achieving 70 per cent RE installed capacity



Datuk Seri
Fadillah Yusof

by 2050.

He stressed that RE deployment must progress ahead of coal retirement to avoid replacing coal dependence with greater reliance on imported liquefied natural gas (LNG).

"This is a critical consideration.

Should renewable deployment fail to keep pace, there is a real risk that coal dependence may simply be replaced by greater reliance on imported LNG, exposing Malaysia to fuel price volatility and external geopolitical uncertainties.

"A successful transition must therefore reduce dependence, not merely shift it from one imported fuel to another," he said.

To support the transition, he said the Ministry of Energy Transition and Water Transformation continues to prioritise large-scale solar deployment, the Corporate Renewable Energy Supply Scheme, battery energy storage systems, and smart grid modernisation.

On regional cooperation, Fadillah reaffirmed Malaysia's commitment to advancing the Asean Power Grid and expanding cross-border electricity trade to strengthen regional energy security and facilitate greater RE integration.

He also said the country would continue exploring long-term low-carbon energy options, including advanced nuclear technologies and small modular reactors, while ensuring safety, robust governance, regulatory preparedness and public confidence remain paramount.

— Bernama