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TNB mulls plan to retire coal plants ahead of schedule to fast-track decarbonisation initiative

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KUALA LUMPUR (Aug 2): Tenaga Nasional Bhd (TNB) is exploring the viability of retiring its coal plants, especially the one at Kapar Energy Ventures (KEV) in 2028-2029, a year before the expiration of its power purchase agreement (PPA), in order to hasten the transition process to clean energy as it eyes a "significant share" of the RM80 billion market by 2050.

"We hope to start with Kapar Energy Ventures (KEV) and are exploring the viability of retiring the 1,400 MW plant up to a year ahead of its PPA expiration subject to shareholders' agreement and approvals from the relevant authorities and regulators.

"As for repowering plants with new technology, we have recently received a letter of intent to allow the repowering of our 1,400 MW gas-powered plant in Paka, which we intend to make hydrogen-ready by 2029," president and chief executive officer Datuk Baharin Din said during an editors briefing on Tuesday (Aug 2).

TNB is also actively seeking to build strategic alliances with technology partners who are able to provide technology, capability, and capital synergy to position TNB Power Generation Sdn Bhd (GenCo) as a greener and more sustainable player in the power generation sector, he added.

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Bernama

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This includes seeking potential collaborators to further the development of hydrogen as a viable clean source of energy, he said.

Baharin said TNB is committed to turning GenCo around in terms of its environmental, social and governance (ESG) performance to become a greener power generator.

"As demand for clean energy increases with the energy transition, we project the value of the clean energy market to be an estimated RM65 billion to RM80 billion, and we intend to capture a significant share of the market, about RM40 billion, by 2050," he continued. "Through these deliberate steps to increase its enterprise value and sustainability position, we are also staying open to the possibility of an initial public offering (IPO) for GenCo, should the opportunity come up."

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