



04 JUN, 2026

Malaysia accelerates BESS projects to strengthen power grid stability

The Sun, Malaysia



Malaysia accelerates BESS projects to strengthen power grid stability

BY HAYATUN RAZAK
sunbiz@thesundaily.com

KUALA LUMPUR: Malaysia is accelerating the deployment of battery energy storage systems (BESS) as part of its energy transition plans to strengthen power grid stability and support the integration of renewable energy.

Deputy Prime Minister Datuk Seri Fadillah Yusof said the Energy Commission is preparing to open tenders for large-scale BESS projects in the near term, with total capacity of about 2,000 megawatts (MW), and further opportunities expected as demand for grid stability rises.

"The total battery storage capacity is 2,000 megawatts and of course, we will open more because it is needed for the future," he told reporters after witnessing the signing of a strategic partnership between a local company

and a Hong Kong-based battery technology firm.

Fadillah, who is also Energy Transition and Water Transformation Minister, said the expansion of BESS deployment is expected to involve substantial investment as projects undertaken by Tenaga Nasional Bhd (TNB) alone could be valued at nearly RM1.5 billion.

He added that the broader pipeline of battery storage projects is expected to run into several billion ringgit, reflecting growing demand for grid stability solutions as renewable energy penetration increases.

"If it is only built by TNB, the value is about RM1.5 billion ... overall, we are talking about billions," he said.

Fadillah said the government is also looking to further develop a domestic battery storage ecosystem, with collaborations between local and international players paving the way

for initial assembly activities and eventually full-scale manufacturing in Malaysia.

"Maybe they will start by assembling first and then eventually it will be built for manufacturing in Malaysia. Such partnerships would support local industries through the supply of materials and technical expertise," he said.

Fadillah said battery storage has become a key pillar of the National Energy Transition Roadmap (NETR) as Malaysia expands its renewable energy capacity.

"If we want to go to renewable energy, which is intermittent, the battery is the tool to stabilise our grid," he said.

At the same time, he indicated that upcoming solar projects under the next round of the Large Scale Solar (LSS6) programme are expected to incorporate battery storage as part of their design.

"This is one of the areas we are

looking at, under LSS6, it must come with battery, which means all new power generation using solar must include storage."

Fadillah said the initiatives are being fast-tracked in response to global energy challenges, as the government moves to address supply risks and support a more resilient, renewable-based power system.

Separately, ACE Market-listed Mikro MSC Bhd is partnering with Hong Kong Cospower Technology Co Ltd (HKCT) to develop large-scale BESS projects in Malaysia.

Under a two-year agreement, Mikro MSC will serve as HKCT's partner for utility-scale BESS projects, including grid-connected systems, renewable energy integration and selected commercial and industrial applications.

Mikro MSC CEO Syed Mohd Hafiz Syed Mohd said it is well-positioned to capture the significant opportunities

that the NETR presents for the country's energy future and long-term sustainable economic growth.

"In HKCT, we have found a world leader in battery energy storage technology and a natural choice of partner, one that brings cost-effective, advanced solutions precisely aligned with Malaysia's energy transition aspirations," he said.

HKCT vice-president William Wang said Malaysia represents one of the most compelling growth markets for grid-scale energy storage in Southeast Asia, and this partnership reflects its commitment to establishing a strong and lasting presence here.

"We selected Mikro MSC as our exclusive Malaysian partner because of its technical experience, established market presence, strong sector relationships and credibility in supporting complex power infrastructure projects," he said.