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# TNB continues to play active role in RE

## Priority on future renewable generation sources

**PETALING JAYA:** Underscored by Tenaga Nasional Bhd's (TNB) aspiration to be the Asean leader in renewables, the group is actively diversifying into energy sources that are able to meet the needs of the future in a sustainable, reliable and affordable manner.

"We are looking to expand our domestic generation capacity to fuel the nation's economic trajectory, while continuously building our international generation capacity in selected strategic markets," TNB said in its Integrated Annual Report 2018.

TNB explained that its priorities for future generation sources were focused on growing its renewable capacity, expansion of capacity into selected international strategic markets with strong growth prospects and improving the performance of the existing generation fleet, with the aim to position TNB as a renewables leader in the Asean region.

The government has also set a target to grow renewables' proportion of the total generation capacity mix from 2% currently to 20% by 2025.

In January 2018, TNB established TNB Renewables Energy Sdn Bhd (TRe) to spearhead and accelerate its renewable energy (RE) business growth in Malaysia.

"Under TRe, we intensified efforts in progressing our three-pronged RE strategy by capturing growth opportunities in utility-scale RE assets, small-scale RE assets, and expanding our retail self-generation platform.



**Big impact:** TNB gained a foothold in the country's first large-scale solar through a 50MW project in Sepang, Selangor.

"We also reviewed our international RE strategy, resulting in a decision to focus on growing our assets in five selected locations, namely, Turkey, India, the United Kingdom, Australia and the Asean region," TNB said.

To step up its international presence, TNB is currently exploring collaboration opportunities with several experienced partners with established footprints in these key markets.

For the financial year ended Dec 31, 2018, TNB's total installed RE capacity increased by 70.88MW to a total of 332MW, boosted by its acquisitions in the UK and the commissioning of a 50MW large-scale solar in Sepang.

It acquired an 80% equity interest in two RE companies in the UK, namely, GVO Wind

Ltd and Bluemerang Capital Ltd, providing the group with a generation equity of 20.88MW.

While TNB sees conventional assets as being relatively more economical in the short term, it recognises the need to invest in renewables to help address climate change issues, as well as to prepare for gradual depletion of carbon-based fuels.

"TNB's target is to grow our renewable capacity to 1,700MW - domestically and internationally by 2025," it said.

GSPARX Sdn Bhd, a fully owned subsidiary of TRe, provides solar PV system for residential customers, through cash and leasing options.

To date, some 1.3MWp worth of RE contracts have been confirmed under GSPARX.

"We partnered with the Malaysian Green Technology Corp with a target to install up to 10,000 charging stations nationwide.

"We also adopted the green energy programme to drive RE utilisation and energy efficiency for the Senai-Desaru Expressway, together with the Malaysian Industry-Government Group for High Technology and concessionaire Senai-Desaru Expressway Bhd," TNB said.

In addition, TNB is expected to complete the 30MW LSS in Bukit Selambau, Kedah in late 2020.

All these efforts are part of TNB's plan to become one of the world's top ten utilities by market capitalisation by 2025.