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Tenaga seeks partners for Sarawak-Peninsular Malaysia power link

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KUALA LUMPUR (Oct 15): Tenaga Nasional Bhd (KL: TENAGA) is seeking partners for a consortium to jointly develop a major interconnection project linking Sarawak and Peninsular Malaysia.

The project will be a key component of the Asean Power Grid initiative that aims to strengthen regional electricity connectivity, and most of the power to be generated is set for export to neighbouring countries, including Singapore, said Tenaga's chief grid officer Hasmarizal Hassan.

"[We are] now currently finalising the potential consortium partner because it is going to be big, and we are looking [at] 51% in terms of equity share and about 49% by international player," he said.

Hasmarizal was speaking during the keynote session at the Asean Energy Business Forum 2025 on Wednesday.

Tenaga has identified potential partners and is in the midst of signing non-disclosure agreements with the shortlisted companies, he said. The company aims to finalise the consortium by year end and to begin a full feasibility study in early 2026.

The project's pre-feasibility study was completed earlier this year.

The Sarawak-Peninsular Malaysia Interconnection project ultimately aims to transmit up to 2,000 megawatts (MW) of hydro energy from Sampadi near Kuching to Sedili in Johor through a 700km submarine cable.

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Of the total capacity, 70% of the generated power will be exported to Singapore, while 30% will be channelled into the national grid, said Hasmarizal.

Other projects

Tenaga is also advancing a second power interconnection project with Singapore to expand export capacity beyond the existing 1,100MW.

The company will sign a joint development agreement with SP Group Assets Ltd on Oct 16, with the formal exchange to take place on Oct 17, according to Hasmarizal.

Under the project, a new 500kV substation in Pasir Gudang, Johor that will connect to Pasir Ris in Singapore via a

2km submarine cable is targeted for commissioning in 2029-2030.

Malaysia is also advancing the Vietnam-Malaysia-Singapore Interconnection estimated to cost around RM21 billion. The project aims to transmit 2,000MW of wind-generated power from southern Vietnam through Malaysia to Singapore.

A joint development agreement was signed in May 2025 by Malaysia Energy Consortium of Tenaga and Petroleum Nasional Bhd with Vietnam's PVM, and Singapore's Sembcorp Industries Ltd.

The project involves a 700km submarine cable from Vietnam to Kelantan, connecting to a 782km "supergrid" spanning Terengganu, Pahang and Johor, before linking to Singapore. Feasibility studies are expected to be completed by 2027, with commercial operations targeted for 2034.

Tenaga is also upgrading the existing Malaysia-Thailand interconnection, which currently transmits up to 300MW, to at least one gigawatt.

A separate Sumatra-Melaka interconnection is also under pre-feasibility study, supported by the US Trade and Development Agency as Malaysia explores new grid links with Indonesia to expand cross-border renewable energy trade.