



17 JUN, 2025

RM43b power grid overhaul

The Sun, Malaysia



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Investment by TNB, which will integrate AI and battery energy storage systems, part of Malaysia's broader push for just, resilient and pragmatic energy transition, says Prime Minister Datuk Seri Anwar Ibrahim.

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Anwar (centre), flanked by Petronas president and CEO Tan Sri Tengku Muhammad Taufik (left) and S&P Global vice-chairman Daniel Yergin, officiating the opening of the Energy Asia 2025 conference at Kuala Lumpur Convention Centre yesterday. —BERNAMAPIC



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# TNB commits RM43 billion to modernise power grid

■ BY HARITH KAMAL  
newsdesk@thesundaily.com

**KUALA LUMPUR:** Malaysia's national power grid is set for a major upgrade, with Tenaga Nasional Bhd (TNB) committing RM43 billion to modernise and strengthen the country's energy infrastructure.

Prime Minister Datuk Seri Anwar Ibrahim said the investment will incorporate artificial intelligence (AI) and battery energy storage systems to enhance the grid's resilience and flexibility in the face of growing demand.

"TNB has committed RM43 billion to upgrade our national grid infrastructure. It will incorporate AI and battery energy storage systems to build greater resilience and flexibility for the future," he said.

Anwar made the announcement during his keynote address at the opening of the Energy Asia 2025 conference at the Kuala Lumpur

Convention Centre yesterday.

He said Malaysia's energy transition strategy is rooted in realism and social equity, warning that an abrupt shift away from fossil fuels would be both impractical and unjust.

"Fossil fuels still account for nearly 80% of global energy supply. While we embrace decarbonisation, we cannot abruptly abandon traditional energy sources," he said.

He stressed that decarbonisation efforts must not come at the expense of the poor or hinder national development, especially as rising demand from AI, data centres and digital infrastructure strains energy systems.

"Expecting countries to end fossil fuel use overnight is ridiculous," he said. "Ensuring universal access to affordable, reliable energy is not just a moral imperative, it is the foundation of a just transition."

Anwar called for a coherent

financial framework to boost investor confidence and unlock capital for renewable energy development across Southeast Asia.

Despite the region's vast potential, it received just 2% of global clean energy investment last year.

"Wind in Vietnam, hydropower in Laos, solar in Malaysia, geothermal in Indonesia. We are not discounting these possibilities. But they require enormous investments," he said.

He also highlighted recent Asean commitments to accelerate the Asean Power Grid initiative, supported by a dedicated financing facility to drive cross-border energy trade and integration.

"The push for interconnectivity goes beyond trade or diplomacy. It extends into energy, the very lifeblood of modern economies," he said.

Anwar noted Malaysia's leadership in carbon capture and storage (CCS), citing the Carbon

Capture, Utilisation and Storage Bill 2025 and Petronas' plans to establish three CCS hubs in offshore waters.

"Petronas is leading the charge, working with over 10 international partners including firms from Japan, South Korea, and global energy giants such as Total and Shell," he said.

The prime minister reaffirmed Malaysia's commitment to a balanced energy transition anchored in equity, sustainability and national security.

"Our energy transition must go beyond supply stability. It must include social justice and inclusive access," he said.

The Energy Asia 2025 conference, hosted by Petronas from June 16 to 18, brings together energy leaders and policymakers under the theme "Delivering Asia's Energy Transition," and is regarded as a key platform for regional climate and clean energy cooperation.