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Transition to renewable energy

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KOTA KINABALU: Sabah is still on target to overcome challenges posed by the State's low electricity reserve margin that could impede its transition to renewable energy, said State Finance Minister Datuk Seri Masidi Manjun (pic).

"There is a concern that the low reserve margin will hamper or delay Sabah's goal to achieve green energy."

"It is going to be tough, but I think we are still on target to overcome the challenges," he told a press conference after representing the Chief Minister to officiate the Sabah Renewable Energy Conference (SAREC) 2025: Corridor to Transform Vision to Reality at Shangri-La Tanjung Aru Resort, here, Thursday.

Masidi said a primary difficulty lies in maintaining an adequate energy margin while ramping up renewable capacity.

"There are a lot of issues that come with the need to have a solution in energy margin in Sabah, but I think we are still on track to sort it out."



He confirmed that Sabah is in an "ongoing discussion" with Tenaga Nasional Berhad (TNB) to address the shortfall. "We are always in consultation with them."

Masidi conceded that subsidies for energy — particularly during the transition to greener power — will require significant state expenditure.

"We understand the fact that in the case of Sabah, it involved a huge amount of money for subsidies, but again, good stuff costs a lot of money and it is one of them."

Asked about the possibility of coal-fired generation, Masidi said while the option remains under consideration, his personal stance is firmly against it.

"It is a personal stand that we should try to avoid it. There is so much at stake. When you talk about sustainability, you need to sacrifice something that can actually be good for the State, but we need to look long term."

Masidi stressed that long-term resilience requires Sabah to distinguish itself from other states by prioritising sustainability. "The long term is about sustainability in the need for Sabah to put ourselves in a different sort of how people

see us than other states in the country."

On the recent report that Sabah's natural gas reserves are depleting at 4 per cent per year, the Minister observed that resource depletion is inevitable world-wide.

"All natural gas reserves will eventually deplete, not just in Sabah, but also in other places in the world," he said, adding the focus should be on maximising existing reserves while developing alternatives.

"The issue is how to maximise its utilisation to solve problems. There should be better considerations than just fearing about the fact that it is going to deplete."

Looking ahead, he acknowledged the possibility of importing gas but emphasised mitigation through renewables.

"I cannot say how much is going to happen in the future, but I can only say that it can be mitigated by going into a sustainable source. That is exactly what the conference is all about today, so that we are less reliant on gas," he said.

"Addressing a colourful analogy used by a former Minister," Masidi clarified the so-called "monkeys and gold" metaphor.

"He meant well, but the metaphor is slightly something that I think is more to

get the attention of the people," he explained.

"What he was saying is that you can actually have coal and you can utilise your coal in order to solve your problems. But Sabah opted not to exploit coal in those days, simply because we would like to keep Sabah green."

He lauded Sabah's decision to prioritise conservation over coal exploitation, noting the dividends for tourism.

"Tourism is the new gold, by the way. Tourism, over 95 per cent of all those engaged in tourism are Sabahans...It is only in the tourism industry that overwhelmingly the players...are all Sabahans. That, to me, deserved it and worth more than the gold that we opted not to exploit."

On the Ocean Thermal Energy Commission (OTEC) initiative, Masidi cautioned that results will take time.

"It will take time for it to see some form of fruition because it's a new source of energy. It's something that not many people in the world have started. So we have a long way to go."

"(But) if we just fold our hands and wait for it, it won't happen. We need to start somewhere somehow," he said.