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KUCHING: Tenaga Nasional Bhd (TNB) through its wholly owned subsidiary, TNB Power Generation Sdn Bhd (TNB Genco), has received a Letter of Intent (LoI) from the Ministry of Energy and Natural Resources for the development of a 2,100MW Combined Cycle Power Plant in Kapar, Selangor.

The project will be carried out in collaboration with Widad Business group Sdn Bhd and is scheduled to achieve a commercial operation date by 2031.

The new plant will use clean technology to support TNB's accelerated Energy Transition plan which is driven by the group's net zero emissions aspiration by 2050 and TNB's target to reduce its coal generation capacity by 50 per cent and carbon emission intensity by 35 per cent in 2035.

TNB president and chief executive officer Datuk Indera Baharin Din said the project has an estimated investment of RM9.5 billion and is projected to deliver an earnings before interest and tax (EBIT) of approximately



Datuk Indera Baharin Din

RM400 million per annum.

"It is part of our ongoing drive to further strengthen TNB's accelerated Energy Transition plan, in support of a carbon-neutral nation and the National Energy Policy, which was announced by the government recently," he added.

He said this greenfield project will be constructed on TNB Genco's owned land, located to the north of the existing Sultan Salahuddin Abdul Aziz Power Station.

Baharin added that as part of TNB's Net Zero 2050 mission, the company will be phasing out its coal plants and will replace

its retired coal plants with more efficient gas-fired power plants. "We are also looking at embracing new green technologies where new gas-fired power plants will be developed with future hydrogen technology as alternate fuel to gas."

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TNB Genco managing director Datuk Nor Azman Mufti said TNB Genco, as part of its role in supporting TNB's commitment to environment, social and corporate governance (ESG), is looking at promoting green technology such as hydrogen as the alternate fuel in its future plant ups.

He explained that replacing

natural gas with hydrogen fuel fired on a 2,100MW capacity power plant in the future has the potential to avoid 4.7 million tonnes of carbon dioxide equivalent (tCO₂e) emission per annum equivalent to carbon emitted from one million cars each year.

On another note, he said this project will open more employment and business opportunities which in turn will uplift the socioeconomic and living standards of the surrounding communities in Kapar, resulting in economic prosperity and high quality of life.