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PETALING JAYA: Malaysia may explore nuclear energy to meet the growing electricity needs of data centres, with the government first requiring a thorough assessment of safety, regulations, manpower and technology before considering it as part of the country's energy mix.

Deputy Prime Minister Datuk Seri Fadillah Yusof told the Dewan Rakyat yesterday that any proposal must comply with International Atomic Energy Agency standards and be assessed with experienced international parties.

Fadillah, who is also Energy Transition and Water Transformation minister, was responding to Wan Ahmad Fayhsal Wan Ahmad Kamal (PN-Machang), who asked how the government would protect public water and electricity supplies from rising data centre demand during droughts or supply disruptions.

The question covered possible emergency usage restrictions, development curbs in certain areas and requirements for operators to use recycled water.

Fadillah said the government would support business-to-business (B2B) partnerships between energy suppliers and data centre operators looking to exploring nuclear power.

He said Indonesia's cooperation with Russia's nuclear energy company Rosatom State Corporation involves mining companies rather than government contracts.

On water security, he said data centre operators must maintain at least two days' worth of on-site water storage, while proposed developments are assessed by the Data Centre Task Force, jointly managed by the Investment, Trade



The National Water Services Commission requires developers and operators to consider alternative cooling sources, including recycled and reclaimed water as well as rainwater harvesting. – **SYED AZAHAR SYED OSMAN/THESUN**

and Industry Ministry and the Digital Ministry.

Areas with low water reserves would not be considered for new data centre developments, based on recommendations from state water operators, he said.

The National Water Services Commission also requires developers and operators to consider alternative cooling sources, including recycled and reclaimed water as well as rainwater harvesting.

Water operators have emergency response plans that include supplying water through tanker lorries, deploying static water tanks and arranging interstate assistance

coordinated by the commission.

"In cases of critically low supply, authorities could introduce scheduled water distribution or rationing as mitigation measures."

Fadillah emphasised that environmental assessments for data centre developments fall under the purview of the Natural Resources and Environmental Sustainability Ministry, which is responsible for ensuring projects meet relevant requirements, including applicable international standards.

"I believe these assessments are already being carried out before a data centre is allowed to be built."

He said data centre applications

are assessed by the Energy Focus Group under the Energy Commission before being referred to the Data Centre Task Force.

Operators are encouraged to generate their electricity through the Solar for Self-Consumption initiative to avoid passing additional costs to other consumers.

"The government has approved a requirement for data centres to source at least 30% of their energy from renewable sources."

Backup generators would provide an additional safeguard and could help manage demand when electricity operating reserves fell to critical levels, he added.