

Pay households, businesses to store power: Industry players

By **Diyana Isamudin** October 6, 2026 @ 5:59pm



Households and small businesses should be paid to store electricity and help ease pressure on Malaysia's power grid, industry players said.

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KUALA LUMPUR: Households and small businesses should be paid to store electricity and help ease pressure on Malaysia's power grid, industry players said.

Suncrox Solar founder Noor Shahiwan said consumers who store excess electricity and reduce their reliance on the grid during peak periods should be compensated for the wider benefit they provide to the power system.

Speaking at the 5th Solar Energy Storage Future Malaysia 2026, he said such incentives could encourage more consumers to install behind-the-meter energy storage.

He said the government could target users based on their ability to reduce grid demand, rather than offering blanket incentives, as different consumers have different electricity-use patterns.

For example, small shops and offices that operate mainly during daylight hours could use batteries to meet their electricity needs after solar generation falls in the late afternoon.

Similarly, households could use stored solar power during the evening peak, reducing their need to draw electricity from the grid when demand rises.

Shahiwan said such consumers should be incentivised because they not only manage their own electricity costs but also help the wider power system.

"The impact is very high and much bigger than, let's say, if you have a commercial industry," he said in a panel discussion titled "Malaysia Energy Transition 2026: What's Next After Solar ATAP?".

He said the government could classify consumers according to their level of dependence on the grid and structure incentives accordingly.

This could include grid-dependent, less grid-dependent and non-grid-dependent users, with greater incentives for consumers that can provide more flexibility through energy storage.

The proposal comes as Malaysia's electricity demand profile changes rapidly, driven by data centres, electric vehicles and broader electrification.

Solar generation, however, is concentrated during daylight hours, creating a need for storage and other forms of flexibility as renewable energy penetration increases.

Shahiwan said behind-the-meter storage could also help households on time-of-use tariffs avoid drawing electricity from the grid during periods of higher demand.

He said energy storage should therefore be considered alongside rooftop solar rather than as a standalone technology.

He said energy storage and energy efficiency should be the next priorities after rooftop solar as Malaysia needs to address both how electricity is generated and how efficiently it is consumed.

Shahiwan said financial incentives would be important if the government wanted to accelerate the deployment of behind-the-meter storage.

Rather than simply subsidising equipment, he said the policy should recognise the value that consumers could provide by reducing peak demand and improving the overall flexibility of the electricity system.

Solaroo Systems Sdn Bhd co-founder and director Johann Sze said battery storage was already becoming an urgent requirement.

"There is a lot more energy that is needed at night, which is straining our grid," he said.

He said the large-scale solar programme LSS6 had also moved towards incorporating battery storage, reflecting the growing need to balance renewable energy generation.

The LSS6 covers 2,500MW of solar capacity paired with 1,250MW of battery storage, with projects targeted for operation by 2029.

Meanwhile, SOLS Energy deputy chief executive officer Jaran Walia said Malaysia also needed to accelerate grid investment and streamline the approval process for rooftop solar.

"I don't know if we are investing fast enough upfront for our future grid requirements," he said.

He said there was a lot of opportunity for optimisation in the paperwork and end-to-end process for solar adoption, which could make turnaround times faster for consumers.

Keywords: **Malaysia, Businesses, Households, Malaysia Energy**