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## BROADBAND TEST RUN

# AmInvest: Jasin project to have no near-term impact on TM, TNB

**KUALA LUMPUR:** There will be no near-term impact on Telekom Malaysia Bhd (TM) from Tenaga Nasional Bhd's (TNB) broadband test run in Melaka, said AmInvestment Bank (AmInvest).

Nevertheless, the bank said TM's dominant position in the fixed broadband market was beginning to be encroached with TNB's pilot project in Jasin.

The pilot project aimed to assess the technical, safety and commercial viability of using TNB's electrical infrastructure for the government's National Connectivity Plan.

The initiative, aimed at providing faster, cheaper and wider Internet connectivity, would involve 1,100 homes in Taman Merbau, Taman Maju and Felda Kemendor.

It said TNB, as the sole distributor of electricity in the country, had an extensive fibre optic network of more than 12,000km.

This would enable the company to deploy parallel high-speed broadband capability over its power infrastructure, it added.

TM and TNB had earlier aborted a memorandum of understanding signed in January to jointly develop an implementation plan to deliver the govern-



ment's Nationwide Fiberisation Plan.

The collaboration was envisioned to capitalise on the combined strength of both company's infrastructure and their proven expertise to develop the most efficient cost structure accelerate the fibre broadband network reach.

This involved sharing resources such as existing fibre networks, control centres, other transmission systems and building facilities of both companies.

It said TNB's broadband plan would be collaborative with TM as its resources could facilitate

its fibre rollout.

"As TNB is likely to invest in areas or segments where TM's fibre network is currently unavailable, we do not expect direct competition between the two operators in the medium term.

"Hence, we do not expect any near-term impact from this development," said AmInvest.

It kept its "hold" call on TM with a fair value of RM3.30, amid intensifying broadband competition and implementation of the mandatory standard on access pricing, which had reduced wholesale prices for third-party operators to access TM's high-speed broadband network.