

Headline	TNB to start fibre optics infrastructure venture this year		
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## TNB to start fibre optics infrastructure venture this year

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**KUALA LUMPUR:** Tenaga Nasional Bhd's (TNB), which has allocated RM9 billion in capital expenditure (capex) for 2019, is set to commence its fibre optics infrastructure business this year, according to president and CEO Amir Hamzah Azizan.

This comes after the successful National Fiberisation and Connectivity Plan (NFCP) pilot project in Jasin, Malacca, which was done in collaboration with the Malaysian government. The project was completed two months ahead of schedule, connecting 1,100 household with high speed broadband.

The objective of the pilot project was to showcase its fiberisation capacity and capabilities, as well as earning the right to launch at a wider scale.

For its fiber journey, the utilities group is looking at providing the large scale backbone system relating to fibre high speed broadband and not directly to the consumer.

"As a utility entity, we are familiar with running large scale backbone system and expanding out to fiber. It follows the same business model, a natural extension to our business," Amir told a press conference after TNB's AGM yesterday.

However, the group is not keen on expanding further downstream in the value chain due to the complexity issue.

With TNB's venture into fibre optic infrastructure, it will provide the network infrastructure and link to the households but the ultimate service providers would be the retail services providers (RSP) such as Astro,



From left: Amir, TNB chairman Tan Sri Leo Moggie and Nazmi at the press conference yesterday. - **BERNAMAPIX**

Time, Telekom Malaysia and others.

Despite that, Amir did not discount the possibility of TNB taking on the role of RSP in the future.

He said the group is in planning, staging and rolling out phase for the fibre business and is expected to see the first real penetration this year.

Commenting on electricity tariffs, he was non-committal whether there will a cut in the tariffs despite coal price has been on the downtrend as there is upside bias for gas price.

"Ultimately, Suruhanjaya Tenaga will take both prices into account and see what comes out from there."

On the RM9 billion capex allocated this year, some RM6 billion will be spent for its grid division and RM2.5 billion for electricity generation, while the remaining RM500 million for renewable energy.

"The big chunk of the RM2.5 billion (for electricity generation) will be for our Jimah East power plant in Malacca and Southern Power Generation power plant in Pasir Gudang," said CFO Nazmi Othman.