

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2014

Communications Portfolio

NBN Co Limited

Question No: 88

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Satellite services

Senator Urquhart asked:

At the hearing (Page 49) Mr Simon in relation to satellite services said “That is right. In terms of wholesale pricing, we do have a strategic review going on as we speak, on both satellite and fixed wireless. Part of the scope of that strategic review is to look at a range of topics, including the way we price it.”

- a. Did the Coalition Broadband Policy state that if the NBN Co special access undertaking (SAU) was accepted by the ACCC that the prices in that undertaking would be a cap on prices rather than a universal price?
- b. Has the ACCC accepted the SAU?
- c. Has the Minister provided an instruction to NBN Co, or indicated that he intends to instruct NBN Co, to treat the SAU prices as a cap?
- d. When asked if he could rule out increasing prices Mr Simon did not rule it out. Can NBN Co now rule out increasing broadband prices to regional Australians as a consequence of its Strategic Review?

Answer:

- a. In the Government’s “Plan for Fast Broadband and an Affordable NBN” (April 2013), it is referenced on page 8 that *'Any uniform national wholesale prices in an NBN Co undertaking accepted by the ACCC will become uniform national wholesale price caps for directly comparable products. Network operators including NBN Co could freely offer wholesale prices for products (or product elements) that are below this cap'*.
- b. Yes, on 13 December 2013 and applicable from acceptance.
- c. No.
- d. As noted by Mr Simon at the hearing, NBN Co is currently conducting a Strategic Review in respect of the fixed wireless and satellite elements of the NBN project, including means of optimising the delivery of the Government’s policy objectives.