

**Senate Standing Committee on Environment and Communications**

**Answers to Senate Estimates Questions on Notice**

**Budget Estimates May 2017**

**Communications Portfolio**

**NBN Co Limited**

**Question No: 214**

**NBN Co Limited**

**Hansard Ref: Page 104, 25/05/2017**

**Topic: Cost to convert – FTTN to FTTP**

**Senator O’Neill, Deborah asked:**

**Mr Morrow:** Yes, that is correct. And, you can pay for it yourself if you want a gigabit per second. That is the incremental amount to get us down the street to your house. In the future—

**Senator O’NEILL:** How much does that cost?

**Mr Morrow:** It varies greatly depending on how close you are to the node.

**Senator O’NEILL:** So you have 54 of them—what is your cheapest one, and what is your most expensive one?

**Mr Morrow:** I think they have been under \$1,000, and the most expensive one—

**Mr Simon:** No, that is a fixed wireless. It would be \$14,000.

**Mr Rue:** More than \$10,000.

**Mr Simon:** \$14,000 would probably be the range.

**Senator O’NEILL:** \$14,000 is the top amount that you have quoted?

**Mr Morrow:** We are talking fibre to the node to convert to fibre to the prem.

**Mr Simon:** I will take that on notice. To give you an answer of what I understand, it is roughly in the range of 1 to 14. But I want to double check.

**Mr Morrow:** I would say that slightly less than a thousand is the cheapest that I have seen and it is tens of thousands at the higher end of it. If you want the detail, we are happy to provide that detail to you.

**Senator O’NEILL:** Please, if you can provide that on notice that would be good. I think I recall seeing that: 'from thousands to tens of thousands dollars, you can get the real NBN to your house.'

**Answer:**

Please refer to Question on Notice 363 from the Additional Estimates hearing in March 2017 for the lowest quote. However, since nbn previously responded, a higher quote has been issued for an upgrade from FTTN to FTTP for an individual premises. As at 14 June, this figure is now \$149,937.70.

As with any construction project, the cost for nbn Technology Choice depends on individual site specifics and varies significantly. The Average cost for all Individual Premises Switch cases that have been provided a “build quote” is \$15,800; however, this reflects a wide variety of different designs and complex structures and property types, all of which affect the average.

We see many examples of quotes under this average, between \$5,000-15,000. This can also be split between multiple residents, where often we will see groups of 3-4 residents submitting applications together. As you would expect, one lone end user applying for a Technology Choice upgrade will typically pay more than a group or area, who can share the costs. For example, nbn recently executed a contract for an FTTN to FTTP switch in Wilsonton, QLD, for a group of four residents, where the average cost of the switch was just over \$2,500 per resident.