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: 215

NBN Co Limited Hansard Ref: Page 105

Topic: 100 meg services

Senator O'Neill, Deborah asked:

Senator O'NEILL: Thank you. According to the ACCC's *NBN wholesale market indicators report* there were around 65,000 active FTTN customers at the end of 31 March this year paying for a service of 100 down and 40 up megabytes per second. Does that sound right to you? **Mr Morrow:** 100 meg services?

Mr Simon: If there are 11 per cent, or something roughly like, and there are 800,000 services then that is 88,000—yes.

Senator O'NEILL: The *NBN wholesale market indicators report*—I have the number of FTTN here—says 64,970.

Mr Rue: As of Thursday last week, there were 78,500.

Senator O'NEILL: How many of those 64,970 at the end of 31 March could attain a download speed of 100 megabytes per second?

Mr Morrow: Again, that is the profile I think you are asking for on the speeds by distance on the copper. We will take that notice for you.

Senator O'NEILL: Mr Rue?

Mr Rue: I was just repeating your question; Mr Simon did not hear.

Senator O'NEILL: Mr Simon, can you help out with that?

Mr Simon: As you can imagine, we have five different technology accesses; they all have different characteristics. I do not keep all those numbers in my head. It is impossible.

Senator O'NEILL: I guess FTTN is of particular interest, seeing as it looks like that is what most people have at the minute, that is for sure. That is the biggest part of the market.

Mr Simon: All of them are of interest to us. We track the customer experience, and we look at all of them with equal capability.

Mr Morrow: By the way, the technology that has the most end users on it is FTTP. It has over a million users.

Senator O'NEILL: Could you provide on notice, of the 64,970, how many have 100 megabits per second, and the same for the 78,000 that Mr Rue indicated. Could you also estimate those who can obtain an upload speed of 40 megabits per second.

Mr Morrow: Yes.

Answer:

It is not possible to disaggregate precisely the line speed of each service recorded as using an AVC speed tier of up to 100 Mbps download in the ACCC *NBN wholesale market indicators report* as at 31 March 2017. As per Question on Notice 212, nbn estimates that approximately 65 per cent of FTTN lines are capable of providing 50 to 100 Mbps wholesale download speed during the coexistence period. On an averaged basis, there were more than 670,000 FTTN

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connections active at the end of March 2017 and therefore approximately 435,000 of those services would have lines rated as suitable for the 50 to 100 Mbps AVC tier.

It should be noted that nbn provides retailers with information about line speeds on the nbn portion of the network, and this is used by retailers as the basis for the sale of particular products to end users.

There are a number of other factors that can influence speeds, such as customer equipment in the home, CVC dimensioning, retailers' backhaul networks etc. This means that even if a line is rated as capable of up to 100 Mbps, nbn does not have visibility of whether that speed is attained due to the impact of these other factors.