

Joint Standing Committee on the National Broadband Network

Answers to Questions on Notice

Committee Hearing 15 August 2018

NBN Co Limited

Question No: 3

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Hansard Ref: Page 7-8

Topic: Fixed wireless cost analysis

Mr Brian Mitchell, MP asked:

Mr BRIAN MITCHELL: Did the commitment require NBN to increase its capital expenditure profile for fixed wireless, relative to its plans prior to that commitment?

Mr Rue: If we were to maintain a user experience for existing customers on the fixed wireless network, it would have required us to spend much more capital on the fixed wireless network. It's related to the experience of existing users.

Mr BRIAN MITCHELL: How much more capital would have been required?

Mr Rue: A lot of money. Again, I don't have that analysis in front of me, but it would have been a lot of money—hundreds of millions of dollars.

Mr BRIAN MITCHELL: So you do have the analysis. Can I ask that be provided to the committee?

Mr Rue: We have a high-level analysis. Again, let me take that question on notice and I'm very happy to provide that in our notice to you.

Answer:

The change in usage and concurrency on fixed wireless services means that the only way nbn can offer a 100Mbps product on fixed wireless, while simultaneously maintaining an acceptable use experience for all subscribers, is to substantially upgrade capacity on the network. It would likely cost in excess of \$1 billion to provide a service that we would expect to be used by less than 1.4 per cent of active fixed wireless premises. For clarity, that is only around 5,000 of the approximately 410,000 active fixed wireless premises expected, and less than 0.1 per cent of the 8 million active premises we will have across the nation. A specific costing is very difficult to predict for a number of reasons, including the cost of the additional spectrum that would be required.