

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Supplementary Budget Estimates October 2018**  
**Communications Portfolio**  
**NBN Co Limited**

**Question No: 257**

**NBN Co Limited**

**Hansard Ref: Written, 05/11/2018**

**Topic: Technology Choice - HFC**

**Senator Anne Urquhart asked:**

a) Has NBN re-purposed any of the existing fibre supplying HFC nodes within the ex-Telstra HFC network to provide GPON based FTTP to any premises? If so, how many premises have been serviced in this way?

b) With regards to the Technology Choice Program Area Switch, NBN policy document BMS004306 states that an Applicant's financial contribution will include a "deduction of savings that would be incurred if the original planned technology is not constructed".

Has NBN applied this aspect of policy to all Area Switch Build Quotes that have been generated since 28 July 2016 (Issue date for Revision 2.0 of this policy)? If not, from what date forward has NBN applied this aspect of policy to all Area Switch Build Quotes?

c) With regards specifically to the method of calculation for "deduction of savings that would be incurred if the original planned technology is not constructed", do NBN

- a. deduct a standard amount based on the originally planned technology multiplied by the number of premises involved, or
- b. calculate the savings specific to each Area Switch application individually, or
- c. use some other method?

If (c) please define the method of calculation. If the method of application is not consistent, please advise how many applications fit into each category (a) (b) or (c) from 1 January 2017 to 30 June 2018.

d) For any Area Switch applications made since 28 July 2016 that did not cover a full "node" (for example, a MDU), resulting in the need for the originally planned technology to be constructed anyway to service other premises in the immediately surrounding area, has there been "deduction of savings that would be incurred if the original planned technology is not constructed" applied? If so, to what equipment or labour components does this correspond, given that the planned technology is being constructed anyway?

e) Does the "deduction of savings that would be incurred if the original planned technology is not constructed" include any allowance for savings from avoiding the need to remediate issues with copper, in the event that a copper-based technology was the originally planned technology and FTTP is the target technology? If so, how is this calculated?

f) If an area changes planned technology during the course of an Area Switch application, is the overall Build Quote calculated based on (a) the planned technology as at date of application, (b) the planned technology as at the date the Build Quote is issued, or (c) as at some other date? If the date applicable varies between Applications, please indicate the number of Area Switch applications that fit into each category (a) (b) or (c) from 1 January 2017 to 30 June 2018.

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g) If an area changes planned technology during the course of an Area Switch application, is the value of the "deduction of savings" included within the Build Quote calculated based on (a) the planned technology as at date of application, (b) the planned technology as at the date the Build Quote is issued, or (c) as at some other date? If the date applicable varies between Applications, please indicate the number of Area Switch applications that fit into each category (a) (b) or (c) from 1 January 2017 to 30 June 2018.

h) Does NBN offer Technology Choice Area Switch for premises located within an area planned for FTTC? If not, when will NBN offer Technology Choice Area Switch for premises located within an area planned for FTTC?

i) Does NBN offer Technology Choice Area Switch for premises located within an area planned for HFC? If not, when will NBN offer Technology Choice Area Switch for premises located within an area planned for HFC?

j) For any premises within FTTC and/or HFC designated areas that are presently unable to obtain a Technology Choice Area Switch to an alternative technology, would any "deduction of savings that would be incurred if the original planned technology is not constructed" be applicable to such applicants if the originally planned technology for their area is completed prior to NBN offering a Technology Choice Area Switch in those areas?

**Answer:**

- a) No.
- b) Yes. NBN Co's approach is to calculate the difference in costs between the rollout of planned and requested technologies.
- c) The answer is b – NBN Co undertakes a detailed assessment on a case by case basis.
- d) NBN Co has not progressed such an application in this timeframe.
- e) No.
- f) At the time of Application, NBN Co reviews the upcoming rollout plans for a given Area Switch location. Prior to issuing a Build Quote, NBN Co will check whether the planned technology has changed, and if so, would review accordingly.
- g) See (f) above.
- h) No. This is currently under consideration, but a date has not been set.
- i) No. This is currently under consideration, but a date has not been set.
- j) NBN Co applies a consistent approach to the pricing of Technology Choice applications in all areas that are eligible to apply.