

**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: 94**

**Program No. NBN Co Limited**

**Hansard Ref: In Writing**

**Topic: Rollout**

**Senator Urquhart asked:**

With respect to the policy to re-prioritise the rollout:

- a. Is it correct that the existing rollout of the FTTP NBN has been concentrated around the location of Points of Interconnect (POIs)?
- b. Who chose the location of the POIs?
- c. Has NBN Co incurred additional expense in serving Greenfields locations because of the need to build temporary FANs (TFANs) and to purchase managed services between TFANs and the Transit network?
- d. Will a decision to re-prioritise the rollout to service “underserved” areas result in additional such costs?
- e. If so, how much?

**Answer:**

- a. There is a weighting that favours building around POIs; however, there are a number of other factors that are also considered such as concentration of new developments.
- b. The ACCC specified the approximate quantity of POIs. NBN Co chose for Telstra Exchanges to be the preferred location of POIs (in the interest of speed to establish). Telstra then narrowed down the options based on which Exchanges had sufficient space and power. The ACCC then narrowed it down further to sites where they believed there was sufficient existing backhaul competition.
- c. As with any construction initiative, providing interim infrastructure ahead of the final deployment comes at a cost.
- d. The Government has instructed NBN Co to prioritise areas identified as poorly served by the *Broadband Availability and Quality Report* published by the Department of Communications in February 2014 (including any subsequent refinements arising from additional data) to the extent commercially and operationally feasible.
- e. NBN Co is still in the process of developing design rules and determining how the Multi-Technology Mix model will be implemented across Australia.