

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2016

Communications Portfolio

nbn

Question No: 104

nbn

Hansard Ref: Page 123, 9/02/2016

Topic: Professional installation - costs

Senator Conroy, Stephen asked:

Senator CONROY: No, I am quoting from your operations manual, version 2.12, effective 6 January 2016. It is not the previous one.

Mr Morrow: And your question is?

Senator CONROY: What I was trying to get to is whether you are incurring any cost, including the truck rolls and hiring the people, or fully offsetting that in a charge to the customers. Then I said, 'Do you have a price list attached?'

I am to a degree trying to find out whether or not you offset the cost. I think you do, but that is what I am trying to ascertain. I am sure Mr Rue is able to help.

Mr Rue: I am sure we do, but we will have to take that on notice.

Answer:

Our list price for professional splitter installation covers labour and materials, and as a variable price, is designed to recover our costs for performing this work.

We are, however, currently and temporarily capping the charge actually levied on our customers.

Where the professional splitter installation is performed at the time of service activation, we are currently capping the price charged to customers at \$160. This covers two hours of labour (\$75 per hour) plus the base materials cost (\$10).

Where the professional splitter installation is performed at a later time change we are currently capping the price charged to customers at \$235. To account for the cost of the additional truck roll to perform this work, we recover an additional hour for labour (\$75 per hour).

As to be expected, the time and materials actually required to perform this work varies on a premises-by-premises basis. As our systems and processes mature, we will be capable of tracking the time and materials actually required to perform each instance of work.

Our price list and letter capping the price for professional splitter installations are both published on the nbn website and are available at:

www.nbnco.com.au/sell-nbn-services/supply-agreements/wba2.html.