

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2014
Communications Portfolio
Department of Communications

Question No: 518

Program No. 1.1

Hansard Ref: In Writing

Topic: Review of broadband quality and availability

Senator Urquhart asked:

Senator Urquhart: So you do not know what the difference between levered peak funding and unlevered peak funding is?

Mr Robinson: I will just inquire. Levered means without debt.

Senator Urquhart: Without debt?

Mr Robinson: That is my understanding, yes.

Senator Urquhart: That is levered. So unlevered is without debt?

Mr Robinson: Sorry, we do not have the officers who could answer your question. They are not here, so we will have to take that question on notice.

Answer:

Levered peak funding refers to the maximum amount of funding required to cover NBN project costs including debt issued from private sector providers and Commonwealth equity contributions.

Unlevered peak funding refers to the maximum amount of funding required to cover NBN project costs excluding debt issued from private sector providers. In the context of the NBN, unlevered peak funding relates to the maximum equity contribution which would be provided by the Commonwealth.

Levered peak funding differs to unlevered peak funding in that it includes debt and interest expenses.