

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates Hearings May 2015

Communications Portfolio

nbn

Question No: 116

Program No. nbn

Hansard Ref: Written, 3/6/2015

Topic: Telecommunications Infrastructure in New Developments

Senator Urquhart, Anne asked:

As set out in the Government's policy paper "Telecommunications infrastructure in new developments: A new approach to competition," NBN Co will introduce new deployment charges in greenfields from 1 March 2015 and a new connection charge and backhaul charge from 1 July 2015. This was discussed during the May 2015 Budget estimates hearing:

Senator CONROY: What is NBN Co's assumption of the number of greenfields premises that NBN Co will serve in financial year 2016?

Mr Morrow: Again, that is part of the corporate plan.

Senator CONROY: I assume that in your numbers you are now going to lose some as cherry-picking sets in?

Mr Morrow: Indeed.

Senator CONROY: And you have to factor that in?

Mr Morrow: Yes.

Senator CONROY: How much revenue do you expect to raise from your new taxes and charges in 2016?

Mr Morrow: That is part of the corporate plan.

Senator CONROY: And out to 2021?

Mr Morrow: That is part of the corporate plan.

Senator CONROY: You are setting a record. How much revenue will you lose to non-NBN developments in 2016?

Mr Morrow: Again, that is part of the corporate plan.

Senator CONROY: And out to 2021?

Mr Morrow: It is beyond the corporate plan.

Senator CONROY: Nice try. That will still count. How do the changes affect NBN Co's capex and opex assumptions in greenfields? Are you likely to be doing the more expensive ones?

Mr Morrow: We have taken all that into account in our assumptions that are made into the corporate plan at this point.

Senator CONROY: What is the net result of peak funding? What assumptions have you made in the 2015-18 corporate plan? Is the policy change neutral? Is it negative? Is it positive? You were quite happy to tell us when one was neutral or a save.

- a. How much revenue does NBN Co expect to earn from these charges by:
 - i. 30 June 2016;
 - ii. 30 June 2017;
 - iii. 30 June 2018; and
 - iv. The deployment completion date.

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- b. How many greenfields premises does NBN Co envisage will now be served by the private sector instead of NBN Co by:
 - i. 30 June 2016;
 - ii. 30 June 2017;
 - iii. 30 June 2018; and
 - iv. The deployment completion date.

- c. How much revenue does NBN Co expect to forego by not serving these developments by:
 - i. 30 June 2016;
 - ii. 30 June 2017;
 - iii. 30 June 2018; and
 - iv. The deployment completion date.

- d. How much capital expenditure and operating expenditure will NBN Co not incur by not serving these developments by:
 - i. 30 June 2016;
 - ii. 30 June 2017;
 - iii. 30 June 2018; and
 - iv. The deployment completion date.

- e. What are NBN Co's assumptions of the impact of these charges on peak funding?

Answer:

a to e. This information is currently not available, as nbn has not released its 2015-2018 Corporate Plan.