

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates Hearings May 2015

Communications Portfolio

nbn

Question No: 120

Program No. nbn

Hansard Ref: Written, 3/6/2015

Topic: Consultation Paper – Third Consultation

Senator Urquhart, Anne asked:

According to the Consultation Paper "Long Term Satellite Product Construct – Initial Product Set and changes to NPIS – Third Consultation", NBN Co proposes to charge Long Term satellite customers:

- an Access Component Reactivation fee
- a Late Cancellation (Site Visit required) fee
- a Missed Appointment fee
- incidental charges for premises in “Limited Access Region”

- a. How much revenue does NBN Co expect to earn from these measures by:
 - i. 30 June 2016;
 - ii. 30 June 2017;
 - iii. 30 June 2018; and
 - iv. the deployment completion date.
- b. How do these charges align with the company’s obligation to provide Uniform National Wholesale Pricing?

Answer:

- a. The Long Term Satellite Service (LTSS) is expected to become commercially available in late Financial Year (FY) 2016. As such, no revenue from these specific charges is expected in FY2016. For FY2017 and FY2018, assuming that the charges apply in 2 per cent of cases, the expected revenue is less than \$0.5 million and less than \$1.0 million, respectively.
- b. **nbn** is not subject to a Uniform National Wholesale Pricing (UNWP) obligation. To be clear, the 8 April 2014 Statement of Expectations replaces all previous statements and does not place a UNWP obligation on **nbn**. The supply of LTSS is subject to **nbn**’s Special Access Undertaking (as accepted by the ACCC on 13 December 2013), which includes wholesale price cap arrangements.