

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates Hearings May 2015

Communications Portfolio

nbn

Question No: 123

Program No.: nbn

Hansard Ref: Written, 3/6/2015

Topic: Draft Wholesale Broadband Agreement (WBA)

Senator Urquhart, Anne asked:

NBN Co's latest draft of its WBA indicates that it will only guarantee to Retail Service Providers (RSPs) a peak information rate of 12/1 mbps on the Fibre to the Node (FTTN) network for the co-existence period.

- a. How long is the co-existence period? (If the answer can only be expressed as a range, please provide the range).
- b. Is it possible that the co-existence period could last until all special services are migrated?
- c. Does NBN Co anticipate mandatory migration in FTTN areas to the NBN? (i.e. will people receiving services on ADSL2+ that are faster than 12/1 mbps be forced to migrate once the area is declared Ready for Service (RFS)? If so, how soon will this occur after an area is declared RFS?
- d. If there is no forced migration, what effect does NBN Co anticipate the 12/1 minimum Peak Information Rate (PIR) will have on take up during the co-existence period?
- e. Has NBN Co revised its revenue forecasts to reflect the effect on take up during the co-existence period? If not, why not? If so, what will be the revenue effect for:
 - i. FY2016;
 - ii. FY2017;
 - iii. FY2018; and
 - iv. Cumulative until the deployment completion date.

Answer:

- a. The co-existence period will typically last for a period of 18 months after the 'RFS' date for each FTTN area. In some cases the co-existence period will be extended until all 'Special Services', i.e. services for business premises such as 'Integrated Services Digital Network' (ISDN) and 'Symmetrical High-Density Digital Subscriber Line' (SHDSL), are migrated to the **nbn™**.
- b. Yes.
- c. All services in an area will be required to migrate to the nbn within the 18 month migration window that starts when an area is declared 'RFS'. The only exceptions are 'Special Services', which have a longer migration window. Because nbn FTTN uses Very-High-Bit-Rate Digital Subscriber Line (VDSL), which is a distance-based technology like Asymmetric Digital Subscriber Line (ADSL), services that have previously received ADSL speeds faster than 12/1 are likely to receive FTTN speeds towards the upper range of nbn's speeds, i.e. 50-100Mbps.
- d. nbn does not expect the 12/1 Mbps minimum 'PIR' during coexistence to have an impact on take-up.
- e. No, **nbn** has not revised its revenue forecasts specifically for the 12/1 Mbps minimum PIR during co-existence. **nbn** maintains revenue forecasts for each of its five access technologies. The revenue forecasts for each access technology reflect the different characteristics of each network.