

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Supplementary Budget Estimates Hearings October 2015

Communications Portfolio

nbm

Question No: 94

nbm

Hansard Ref: Page 125-126, 20/10/15

Topic: FTTN Design Process

Senator Conroy, Stephen asked:

Senator CONROY: Previously, the process nbn co went through—there were variations, but just simplify—is they did a desktop design that was issued to contractors, at which point a contract was issued for physical design. The contractors completed this physical design with a DDD, a detailed design document, at which point a commencement notice was issued to Telstra who did the pit remediation. Finally, once Telstra remediation was complete, nbn co issued a contract for build and so forth. I am sure you saw the tail end of that process.

I want to understand how this process has changed, both under the revised definitive agreements and the new MIMA contracts for FTTN. To start with: the design phase. I understand Telstra and Kordia have the design contracts. Is that correct?

Mr Morrow: Telstra, Kordia and Tata.

Senator CONROY: Tata—that is the Indian company that does not exist.

Mr Morrow: It is the Indian based company that has people, here, employing Australians.

Senator CONROY: They have imported how many?

Mr Morrow: I do not know how many have come in.

Senator CONROY: You did not know that six months ago, either, when we asked.

Mr Morrow: I am consistent.

Senator CONROY: Take me through it. How does the design process work now for FTTN?

Mr Morrow: It is a different process. I know you like to know the detail. I would propose that we take that on notice and explain how HFC and FTTN—

Senator CONROY: This is just FTTN, at the moment.

Mr Morrow: I know.

Senator CONROY: I won't get to HFC, because you are nowhere near it.

Mr Morrow: There is not, any longer, going to be the NDDs released, the construction commencement notices, issued. That is all changing with the new technology. In fact, we are simplifying. There are a lot of over-cumbersome and burdensome steps within that process. This is all being refined. Because you like to track that level of detail, my proposal would be for us to give you something, on notice, that explains this, for you to ask your questions.

Senator CONROY: I will just list off the questions, then. At what point in the FTTN design process is a contract issued for design?

Mr Morrow: We will take that on notice.

Senator CONROY: I am sure you never thought you would say this, but I bet you are wishing Mr Adcock were here with you now, to take us through it.

Mr Morrow: We will take that on notice.

Senator CONROY: How many premises has nbn co issued contracts for FTTN design to date?

Mr Morrow: We will take that on notice.

Senator CONROY: What is the cost per premise for FTTN design in the MIMA contracts? You must have an assumption in your corporate plan. You should not need to take that one on notice.

Mr Morrow: We will take that on notice.

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Answer:

A contract for design is issued to **nbn**'s delivery partners upon the completion of the Pre-network Design phase, when Network Planning Documentation is issued for a Fibre Serving Area (FSA). As at 30 September 2015, **nbn** had issued Fibre to the Node (FTTN) design contracts for approximately 1.75 million premises. The cost assumption for the design element of the FTTP rollout is commercial in confidence as contracts for such work are under continued negotiation.