

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Supplementary Budget Estimates Hearings November 2016**  
**Communications Portfolio**  
**NBN Co Limited**

**Question No: 186**

**NBN Co Limited**

**Hansard Ref: Written, 05/12/2016**

**Topic: Service Class Zero**

**Senator Chisholm, Anthony asked:**

1. For the week ending 24 November 2016 the NBN weekly report indicates there are 64,781 Premises at Service Class Zero. In Senate Estimates on 25 November 2016, Mr Morrow indicated the number of SC0 premises is around 10,000. Please explain the difference between Mr Morrow's estimate of SC0 and the number reported in the weekly report.
2. Could you outline how NBN deals with SC0? Does NBN have allocated resources to fix SC0 premises? Is there a team that returns to areas after the principal rollout or what is the approach?
3. Of the 64,781 premises can you please break down according to the table below:

Timeframe a premise has been designated SC0	Premises designated SC0
Less than 3 months	?
Between 3 and 6 months	?
Between 6 and 12 months	?
Between 12 and 24 months	?
More than 24 months	?
Total	=64,781

4. How many of the "Service Class 0" premises that were on the NBN register in December 2015 have been connected to the NBN this year?
5. How many "Service Class 0" premises have been connect to the NBN in 2016?

**Answer:**

1. The figure of 64,781 premises reported in the Public Progress report is for all 'unserviceable' premises at Service Class 0 (SC0) or equivalent. This includes SC0 (FTTP), SC10 (FTTN/B) and SC20 (HFC). For that reporting week, out of 64,781 unserviceable premises, there were 15,231 premises at Service Class 0.
2. SC0 issues are a normal part of any telecommunications roll out. There will always be a small proportion of premises in each area that are more difficult to serve and it makes sense to allow the other premises in the area to order a service while those issues are resolved. In 2014, nbn introduced new serviceability rules that put a limit on the number of premises that could be at SC0 or equivalent (25%). Prior to this, in 2012 and 2013, areas could be declared Ready for Service with significantly higher proportions of the premises at SC0.

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nbn allocates resources to resolve design, construction and activations issues that result in unserviceable premises. nbn deployment programs allocate resources depending on the technology, as they require technology-distinct resolutions. nbn addresses issues both during and after the principal rollout; however, the majority of unserviceable premises are unknown until the Service Area Module (SAM) is declared Ready for Service (RFS).

3. Refer table below, which provides the percentage of Ready for Service premises that are not serviceable in each category.

Timeframe a premises has been designated SC0 or equivalent	Premises designated SC0 or equivalent
Less than 3 months	0.86 %
Between 3 and 6 months	0.84 %
Between 6 and 12 months	0.51 %
Between 12 and 24 months	0.39 %
More than 24 months	0.19 %
Total	= 2.79% of all brownfields premises declared RFS at 24/11/2016 (64,781)

4. 36,831 premises that were unserviceable (SC0 or equivalent) in December 2015 have been made serviceable during 2016 (as at 9 December)
5. 89,721 unserviceable premises were converted to serviceable during 2016 (as at 9 December)