

**Broadbanding
Australia**



15 September 2011

Mr Robert Oakeshott, MP
Chair, Joint Committee on the National Broadband Network
Parliament House
CANBERRA 2600

Dear Mr Oakeshott

Cost of extending fibre to Julia Creek

I am writing to provide a response to a question raised at the Joint Committee on the National Broadband Network public hearing on 16 May 2011.

The question from Senator Macdonald related to the incremental cost of providing fibre to Julia Creek in Queensland. The question was taken on notice and NBN Co has now completed the work necessary to determine the cost.

Current network planning

Julia Creek has 271 Geo-coded National Address File (GNAF) locations and therefore does not fall within the fibre design rules outlined in our Corporate Plan 2011-13. Based on direction from the Government, NBN Co is planning a fibre footprint which covers 93 percent of all premises, including communities of more than 1,000 premises and communities with greater than 500 premises where transit backhaul passes these communities. Subject to final design, premises in Julia Creek would be connected to the National Broadband Network by fixed wireless access technology.

Design Parameters

The study design for Julia Creek was performed utilising passive access fibre architecture, as used in the First Release Sites. The local fibre was assumed to be provided aerially across existing infrastructure, with the distribution fibre deployed underground, using Telstra infrastructure where possible. The transit transport to the Townsville Aggregation Node was assumed to utilise the Regional Backbone Blackspots Program (RBBP) fibre which passes the township of Julia Creek.



Total costs

The total cost of providing fibre connectivity to premises in Julia Creek is calculated to be approximately \$1,140,000. This cost does not include capitalised leases for access to Telstra ducts and electricity poles which would be required to complete the build.

NBN Co has been asked by the Government to consider the implementation of a process which would provide individual end-users, or other entities such as local and state governments, an opportunity to consider paying to extend the fibre network based on a costing from NBN Co.

Preparing costings around individual propositions is a significant diversion of resources and NBN Co is therefore only intending to do so for locations contiguous with our rollout and when we receive an application under a properly defined process.

I hope this information is helpful to the Committee in its deliberations.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Mike Quigley".

Mike Quigley
Chief Executive Officer

Attachment A

16 May 2011 Question No: 3

Hansard Ref: JC15

Topic: Incremental cost of extending fibre to Julia Creek

Senator Macdonald asked:

Can you give me some indication of the incremental cost of providing fibre to Julia Creek?

Answer:

NBN Co Network Planning & Design are undertaking a study of Julia Creek to identify the incremental cost per premises to provide fibre to the town compared to what it would have cost if the town was covered by the planning rule of 500+ premises on an existing transmission route. In order to complete the study data on the existing infrastructure (for example the Telstra Exchange to accommodate the Fibre Access Node) the costs for construction at this location have to be obtained. It is estimated that the case study will be completed by late July 2011.