

Joint Committee on the National Broadband Network**Answers to Questions on Notice****Public Hearing 30 October 2012****Broadband, Communications and the Digital Economy Portfolio****NBN Co Limited**

Question No: 1

Hansard Ref: In writing**Topic: NBN Rollout****The Committee asked:**

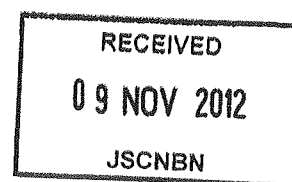
There have been reports of between a six month and a 12 month delay in the original NBN rollout? Can you clarify what the delay in the NBN rollout has been?

Answer:

The NBN Co 2011-13 Corporate Plan (page 22) assumed that the commencement date of the Telstra agreements would be 30 June 2011. The NBN Co 2012-15 Corporate Plan sets out (e.g. on pages 9 and 12) that the commencement date of the Telstra Definitive Agreements was in fact 7 March 2012. The fibre construction period has been extended by six months despite a nine month delay in the commencement date.

In addition, Mr Quigley stated in the JCNBN Hearing on 30 October 2012:

“There were a number of reasons, one of which was the ACCC decision on the points of interconnect. They moved from 14, which we had designed on and based our network on, to 121. That required a rejig of the network—quite a substantial one. We had anticipated getting the national duct data in June. We got it the following March. Of course, the construction contracts themselves took a bit longer for us to negotiate because we terminated a process and went into a new process to make sure that we were getting value for money for the Australian taxpayer. I have to also say that the issues we talked about around addressing were also quite a task to undertake. We also took on board on 1 January 2011 the greenfields requirement, and I had some information because I know the committee is interested in greenfields, but it looks like we are out of time to do that. That was quite a substantial undertaking.”



@ 1.31 pm

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Question No: 11

Hansard Ref: In writing

Topic: NBN Co Financial Result

The Committee asked:

What has caused employee expenses to almost double since the end of 2011- 2012?

Answer:

As set out on page 24 of NBN Co's *Annual Report 2011-12*, NBN Co's headcount has increased from 906 in June 2011 to 1,674 in June 2012.

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Question No: 34

Hansard Ref: In writing

Topic: Medical Alarms

The Committee asked:

Can you explain the ‘must opt’ battery option available to users on the fibre network under new arrangements in the 2012-2015 Corporate Plan? (p. 46)

Answer:

The Government consulted widely with key stakeholder groups (including emergency service organisations, consumer groups and the medical and security alarm industry) on the extent to which NBN Co should provide Battery Backup to different types of end-users (e.g. phone only end-users and Priority Assist end-users). The 2012-15 Corporate Plan incorporates the Government’s policy approach that end-users will be able to nominate whether or not they want NBN Co to provide Battery Backup. This is known as a ‘must-opt’ approach. At the time of ordering a service from an RSP, an end-user will make an active decision as to whether to take the battery back-up unit, or to not take the unit. Priority Assistance households will be provided with a Battery Backup Unit.

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Question No: 40

Hansard Ref: In writing

Topic: Satellite Network

Joint Committee on the National Broadband Network asked:

Will multicasting be available over the satellite and fixed wireless networks?

Answer:

NBN Co is working toward offering the multicast product over wireless and satellite as shown in the NBN Co product Roadmap, which is available at:
<http://www.nbnco.com.au/getting-connected/service-providers/product-roadmap.html>

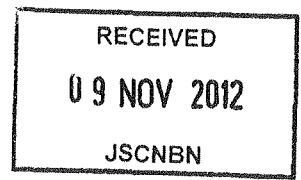
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@6.33 pm

Question No: 47

Hansard Ref: In writing

Topic: Mobile Backhaul (NBN Co Corporate Plan page 68)

Joint Committee on the National Broadband Network asked:

Can you provide some background to the statement on page 68 of the corporate plan in relation to the development of mobile backhaul and how this will assist consumers in rural and remote areas?

Answer:

The recent increases in mobile data usage driven by smart-phones, tablet devices and other forms of wireless internet usage have created network capacity challenges for mobile providers globally. NBN Co has received requests from existing mobile service providers who see the benefit of using the high-capacity NBN fibre network to also carry traffic from mobile base-stations. Mobile providers typically connect individual base-stations to their wider network using fibre technology, and providers have requested that NBN Co also connect to these base-stations as NBN Co are constructing the fibre network in relevant areas.

As stated in the Corporate Plan on page 68, no decision has yet been made on this issue.

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Question No: 49

Hansard Ref: In writing

Topic: Mobile Backhaul (NBN Co Corporate Plan page 68)

Joint Committee on the National Broadband Network asked:

What is NBN Co considering in terms of development of products suitable for use as mobile backhaul?

Answer:

As outlined on page 68 of the 2012-15 Corporate Plan, no decision has yet been made in relation to this offering.

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Question No: 66

Hansard Ref: In writing

Topic: NBN Wireless Service

Joint Committee on the National Broadband Network asked:

Has any mobile carrier entered into any form of agreement with NBN Co to co-locate mobile network equipment at one or more NBN wireless tower sites?

Answer:

Yes. Telstra and Optus have entered in tower sharing agreements with NBN Co.

These agreements are reciprocal and grant access to Telstra and Optus to access NBN Co built and owned towers, subject to the terms and conditions of those agreements and the Facilities Access Code.

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Question No: 67

Hansard Ref: In writing

Topic: NBN Wireless Service

Joint Committee on the National Broadband Network asked:

Has NBN Co developed guidelines with regard to co-location of mobile network equipment on NBN Wireless sites?

If so please provide guidelines to the committee

Answer:

NBN Co is developing a Facilities Access Policy for towers, duct and depot space. The purpose being to allow access seekers to obtain terms, prices and ordering and provisioning processes for accessing NBN Co eligible facilities.

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Question No: 68

Hansard Ref: In writing

Topic: NBN Wireless Service

The Committee asked:

What financial consideration will mobile carriers be required to pay in order to collocate mobile network equipment with an NBN wireless site?

Answer:

The financial consideration required of mobile carriers will include application and project management fees, an annual recurring rental fee over the term of co-location and the cost of any make ready works to make the tower capable of co-locating additional mobile network equipment.

The agreements executed to date are reciprocal, meaning NBN Co provides Tower Sharing access at the same price that NBN Co is required to pay for co-locating equipment on Telstra and Optus's Tower infrastructure. Pricing is based on a market rate which usually reflects an annualised replacement cost.

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Question No: 71

Hansard Ref: In writing

Topic: NBN Co Financials

Joint Committee on the National Broadband Network asked:

Why was it possible for NBN Co to provide the Committee with unique graphs for costs associated with the satellite and wireless rollouts (albeit without any actual figures), when Mr Quigley told the Committee that it was not possible to separate out wireless and satellite figures in NBN reporting documents?

Answer:

In the hearing, Mr Quigley did not say it was not possible; he in fact said: “the reason we have combined them is that we are finding that where we are not able to put up a cell site—a tower—we obviously have to use a satellite solution, and we have made that very public. The reason we have then combined them is that we want to have that flexibility in case we cannot get a site approved... We are not certain of the break-up, so we thought it best to say this is the total of those two technologies.”

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Question No: 72

Hansard Ref: In writing

Topic: NBN Co Interim Satellite Service

Joint Committee on the National Broadband Network asked:

What is the standard timeframe in which an interim satellite service should be installed and activated at a customer premise once it has been ordered from an RSP?

Answer:

Our Wholesale Broadband Agreement requirements are:

Zone 1/2 (urban/rural) = 20 business days (28 calendar days)

Zone 3 (remote) = 25 business days (33 calendar days)

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Question No: 73

Hansard Ref: page 11

Topic: Power Poles

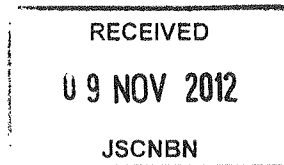
Senator Ian Macdonald asked:

Did the power companies ask NBN Co to sign NDAs?

Answer:

All Facilities Access Agreements with power companies have confidentiality obligations.

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@5.52 pm

Question No: 74

Hansard Ref: page 14

Topic: Power Poles

Mr Fletcher asked:

What does Telstra and Optus pay power companies for their HFC networks?

Answer:

This is a question for Telstra and Optus.