



**Palmer, Tamara (REPS)**

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**From:** Daniel Brinkworth  
**Sent:** Wednesday, 2 February 2011 4:10 PM  
**To:** Committee, IC (REPS)  
**Cc:** Jane Bohnsack; Graeme Maxwell  
**Subject:** Response - House of Representatives Standing Committee on Infrastructure and Communications  
**Attachments:** Media Release - Broadband Investment Secured on Fleurieu.pdf; Senator Conroy - Possible Funding Partnership.pdf; Possible Victor Harbor Fibre Optic Loop.pdf; Possible Victor Harbor Fibre Optics CBD.pdf

Andrew McGowan  
Inquiry Secretary, House of Representatives Standing Committee on Infrastructure and Communications  
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Hello Andrew,

In reply to your e-mail dated 09/12/2010.

The City of Victor Harbor along with surrounding council areas are the recipient of the Regional Backbone Blackspots Program due to go live in March 2011.

The aim of this project is to install a fibre optic cable into Victor Harbor to provide additional wholesale access and will lead to new service offerings from different Service Providers within the local area.

Although this is great news and welcomed by the City of Victor Harbor and our Residents the project still relies on Telstra copper cables from the exchange to deliver the 'last mile' connectivity to the premises.

As the new backbone service connects into the existing copper cables they do not offer any technical advantages in the end product and the only advantage is around competition, cost, and access to new/additional providers. We expect to see some changes in the technical offerings but these are expected to be minimal and aimed at home users rather than the needs of Government or Private Enterprise. On the up-side the backhaul cable is a long term solution and should see future products and changes in technology available to Victor Harbor within shorter rollout schedules.

The new fibre optic backbone is the first step in the NBN project to install fibre optic cable to the premises but until this happens the new backbone will not be utilised to its potential by Government, Business and Commercial interests within the Victor Harbor area.

Council has investigated this issue for some time and believes this issue could be overcome in the short term with the installation of a local fibre optic loop strategically laid connecting all Commercial, Government and Businesses within the local area. A large number of these premises can be connected quite easily due to the high concentration of these services within different parts of town. A map has been provided showing the distances involved and concentration of them and would allow for a 'pick-and-mix' installation to provide a cost effective installation.

The City of Victor Harbor has discussed this issue with many local Schools, Hospitals, Medial, Nursing Homes, Government, Emergency Services and Local Businesses. Business delivery models currently under investigation are unachievable without access to this last mile high speed fibre optic connectivity. Council recently led investigations into a local Digital Regions Initiative project and even with strong interest the project was unable to proceed because there was no high speed fibre optic connectivity to the premises to provide these business and service delivery outcomes.

Other types of services are also required in addition to broadband (Internet). Victor Harbor is the regional centre for the Fleurieu Peninsula and is the location for the majority of Government, Commercial and Businesses for the entire region. The majority of these Government and Commercial operations operate as branch offices and would benefit from high speed 'point to point' communications that can be delivered over fibre optic cabling not just broadband internet. Their head office could be in Adelaide's CBD, Southern Suburbs of Adelaide, Interstate, or they may operate from multiple locations across the Fleurieu Peninsula and beyond.

Key drivers for business delivery models in the current climate also include access to cost effective communication systems such as broadband and other high speed digital communication technologies. As such Council expects to see a gradual increase in Government service centres in the local area once fibre to the premises is available. The nearest service centre for many Government services is though an office located in the Southern Suburbs of Adelaide or Adelaide's CBD. This distance issue is further compounded by the lack of public transport both across the Fleurieu Peninsula and into Adelaide.

In 2004 Council installed its own inter-office microwave communication network. This has led to vast improvements in our business delivery models, improved communications between sites, as well as cost savings. These benefits, cost savings and improved business delivery models could easily be replicated by other Government and Commercial Enterprise once they have access to high speed digital communication infrastructure. Council undertook this project by itself due to the lack of commercial offerings that were very high in cost and very low in technical specifications. Councils infrastructure cost was reasonable when comparing to the annual link lease costs and was significantly faster with the capital outlay retrieved through savings in the short term but the biggest benefit was around increased productivity, greater collaboration of the workforce and better service delivery. The City of Victor Harbor is looking at opportunities, partnerships or commercial offerings to provide a cost effective replacement to its microwave network.

Council has been actively pursuing the installation of this fibre optic loop within the local area for some time but has been unsuccessful. Council has all the necessary contacts, tendering procedures, contract management, project management, experience, preliminary planning, community & stakeholder engagement, and desire required to provide a successful project but lacks the funding required to install this service. Funding has been actively investigated and requested but has not been successful to date.

With suitable funding the City of Victor Harbor is willing to lead a project that would see not only the rollout of the fibre optic loop but working with local Emergency Services, Government, Education, Medical Institutions, and businesses to develop Victor Harbor into a Best Practice Model for the nation highlighting what can be achieved through the NBN. We have many ideas including linking them to their head office or other offices across the Fleurieu, Emergency Services information portal, delivery of medial records to the Hospital and Nursing homes, remote monitoring of patients, access to specialists in Adelaide, and remote education services. This project could also be expanded to cover the other townships on the Fleurieu Peninsula that are also being serviced by this new Backhaul link. Victor Harbor would make an ideal location for this as we have already laid the groundwork through preliminary negotiations with key stakeholders and we have a great mix of institutions who wish to participate.

I have attached copies of -

- 1) Media release congratulating Nextgen Networks on winning the Tender
  - 2) Letter to Senator Stephen Conroy - Minister for Broadband, Communications and the Digital Economy highlighting the possibility of a local fibre optic loop to overcome this issue
  - 3) Map of Victor Harbor showing the cabling required
  - 4) CBD map of Victor Harbor.
- All of which outlines the local issues, potential, current community engagement, possible outcomes, and basic outline of the fibre optic cable required.

<<Media Release - Broadband Investment Secured on Fleurieu.pdf>> <<Senator Conroy - Possible Funding Partnership.pdf>> <<Possible Victor Harbor Fibre Optic Loop.pdf>> <<Possible Victor Harbor Fibre Optics CBD.pdf>>

Another local issue is the heavy use of RIMS / Pair Gain within Victor Harbor used to connect new telecommunication infrastructure as the town grew. These RIMS also limit the number of premises that are able to benefit from the new backhaul link. This backhaul link may overcome some financial issues or provide incentives for telecommunication companies to seek out the potential of these customers but does not provide any direct benefits to these premises as it does not overcome the technical issues that are currently hindering broadband service delivery to people on RIMS.

Another key driver identified in discussions with Government services with a presence in Victor Harbor is around Government Telecommunication Contracts. These "Whole of Government" or "Whole of Department" contracts can lock-in those with a local presence to pre-negotiated suppliers and products which could limit the take-up of NBN related products in the local area. These contracts leave little room for localised negotiations based on local service offerings and are generally negotiated on the needs of the organisation as a whole at a very high level. These contracts generally run for 12, 24 or 36 months which may also see delays in take-up. These decision makers may also be unaware of the new and unique service offering within Victor Harbor. Some departments are more flexible than others in delivering their telecommunication needs.

If you have any questions please don't hesitate to contact me.

Regards,  
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ICT MANAGER  
City of Victor Harbor



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