

**Joint Committee on the National Broadband Netw**

**Answers to Questions on Notice**

**Public Hearing 19 April 2013**

**Broadband, Communications and the Digital Economy Portfolio**

**NBN Co Limited**

**Question No: 6**

**Hansard Ref:** In Writing

**Topic:** Wholesale Pricing

**The Committee asked:**

Will wholesale user charges per month on average increase almost threefold over the next nine years?

**Answer:**

No. This question confuses wholesale access prices with average revenue per user. NBN Co's Corporate Plan forecasts wholesale prices to decline in real and nominal terms over time, but as end users elect to take up higher speeds and download more, average revenue per user increases.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 48**

**Hansard Ref:** In Writing

**Topic:** Workforce Issues – Port Macquarie

**The Committee asked:**

Have we engaged with and dealt with enough recruiters to provide the manpower to deliver the build as per correspondence received from Eather Recruitment in Port Macquarie?

**Answer:**

While recruitment of candidates working to install the NBN is a matter for contractors, NBN Co works with contractors to ensure they are made aware of any information related to availability of resources that NBN Co believes would be of value to them.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 49**

**Hansard Ref:** In Writing

**Topic:** Network Extensions – RDA Mid North Coast

**The Committee asked:**

Have you received an Issues Paper from RDA Mid North Coast titled “Resolving NBN Doughnuts – a policy shift for network extensions”. If so, can you respond?

**Answer:**

We have recently received the RDA Mid North Coast issues paper. The issues it raises are complex and would impact the current NBN rollout strategy. As such, it would require significant analysis by NBN Co before any of the proposed policy changes could be discussed with government.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 68**

**Hansard Ref:** In Writing

**Topic:** Contractors – rollout targets

**The Committee asked:**

If there was a discrepancy, why did the NBN Co maintain that its published figures were achievable?

**Answer:**

There was no discrepancy to the number the delivery partners forecast at the time.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question Nos: 73 and 74**

**Hansard Ref:** In Writing

**Topic:** Syntheo

**The Committee asked:**

On March 21, Senator Conroy said of the NBN Co's relationship with Syntheo: "We will be receiving back some of the money we have paid them to mobilise when they have clearly not mobilised. I think it's more than \$2 million in payments to them will be taken back by the NBN".

Does this \$2 million represent the entire amount paid by NBN Co to Syntheo in prepayments for the rollout in the Northern Territory?

**Answer:**

Pursuant to the Northern Territory (NT) Deed, NBN Co has been reimbursed \$2.64m in advanced overhead for the NT Region – the amount was derived based on proportion of GNAFs assigned to the work package for NT. In addition NBN Co has also been refunded mobilisation monies paid towards specific site based construction activities which have been subsumed by NBN Co.

With respect to design activities in the NT, NBN Co paid Syntheo \$38,000 over and above mobilisation monies paid based on work delivered at the time of contract cessation in the NT.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 75**

**Hansard Ref:** In Writing

**Topic:** In House Cabling – non-standard installations

**The Committee asked:**

How many installs of NTU's are not standard what additional costs are homeowners faced with if its non-standard?

**Answer:**

NBN Co is in the process of conducting a trial to inform the development of longer-term processes regarding standard and non-standard installations. Currently, there is no cost to end-users for non-standard installations.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 84**

**Hansard Ref:** In Writing

**Topic:** Quality inspections

**The Committee asked:**

Has the timeframe for quality inspection changed? That is, is it still 10 days?

**Answer:**

The time allowed for Practical Completion (quality inspection + defect rectification) remains unchanged at 10 days.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 102**

**Hansard Ref:** In Writing

**Topic:** Network Extensions

**The Committee asked:**

How many requests have been received and how many have been approved?

**Answer:**

150 requests have been received; 49 of these were deemed eligible for a network extension.

The remaining requests are either under consideration or did not meet the eligibility criteria for network extensions, which can be viewed online at <http://www.nbnco.com.au/get-an-nbn-connection/network-extension.html>



**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 112**

**Hansard Ref:** Page 34

**Topic:** Incentive arrangements for contractors

**Mr Fletcher asked:**

What I am interested to know is: what is the amount that NBN Co. put on the table that it was prepared to pay as an incentive and what is that as an increase on the payment that was otherwise payable under the contract?

**Mr Quigley:** If I can, I will take that one on notice, because it is a commercial issue between us and the contractors.'

**Answer:**

The agreements in place between NBN Co and contractors contain confidentiality requirements. Disclosure of confidential and commercially sensitive information such as the value of incentive payments may therefore result in a breach of these obligations. The release of this kind of information may cause harm to NBN Co's commercial relationships including those currently under negotiation and may negatively impact upon our ability to function as a commercial entity.

**Joint Committee on the National Broadband Network**  
**Answers to Questions on Notice**  
**Public Hearing 19 April 2013**  
**Broadband, Communications and the Digital Economy Portfolio**  
**NBN Co Limited**

**Question No: 113**

**Hansard Ref:** Page 34

**Topic:** Employees or contractors required for the NBN rollout

**Mr Fletcher asked:**

If I understand the plan correctly, there is an increment of almost a million premises—I think 960,000-odd premises—between 30 June 2013 and 30 June 2014.

**Mr FLETCHER:** What I am interested in understanding is: what does that feed through into the number of personnel—employees or contractors—who are required?

**Mr Quigley:** I do not have those numbers with me, but we have models of the numbers of people. You obviously have to make assumptions about increased volume, but there is also increased productivity that is happening. I do not have those models in front of me now.

**Mr FLETCHER:** Could you take that on notice.

**Mr Quigley:** Certainly.'

**Answer:**

The external workforce is expected to increase from a forecast of 7,500 workers at 30 June 2013 to 15,000 at 30 June 2014.