

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2016

Communications Portfolio

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Question No: 113

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Hansard Ref: Page 128, 9/2/2016

Topic: Current assumptions - number of FTTN premises ordering a professional install

Senator Conroy, Stephen asked:

Senator CONROY: This is your model that you have devised, Mr Rue, so I am glad you do know it. Under a standard install with FTTP, there is no nbn co charge and no further work required for speed and reliability. But for FTTN, on a standard install, there is no nbn co charge but reduced speed and reliability unless the consumer pays \$160 or \$235. They are the two choices you get. With modem install you get an RSP charge under FTTP. There is an FTTN RSP charge but self-install is harder for many, and you will explain how it is harder when you come back to us later. The key that I am trying to come to an understanding of, Mr Morrow, is that the questions that I am asking you tonight about the FTTN installation process go to the heart of the problems being experienced in the FTTN footprint. It is frustrating that you are unable to answer even simple questions about the FTTN installation process, taking almost everything on notice. I think the chair is going to talk at the end about meeting the officers who can answer the questions to save the committee time. You constantly draw the attention of the committee to how many hours you spend in front of the committee, but each time you take questions on notice we need to get you back to ask the next question. It is very frustrating, and I hope you understand that. I think the chair is going to take that point up with you.

To summarise, people who cannot afford the professional installation just have to make do with the modem posted to them and whatever best efforts at services that nbn co will provide. I have indicated before that a number of people in the first FTTN areas are having trouble with this approach that the company has taken. I am not surprised that, under the new model you have devised for your rollout, you are getting the sort of feedback that I described earlier and that Senator O'Neill described earlier. What is nbn co's current assumption of the number of FTTN premises that will order a professional install by 2020—so out of the 4.5 million premises, how many will have a central splitter installed? What is your calculation?

Mr Rue: We will take that on notice.

Answer:

nbn co Professional Splitter Installation was initially estimated to be requested for 5 percent of ordered services (current trend is less than 0.002 percent). It should be noted that this includes only the installation of the splitter itself and not the configuration on the Retail Service Provider (RSP) supplied VDSL2 modem which is the domain of the RSP.