

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2016

Communications Portfolio

nbn

Question No: 127

nbn

Hansard Ref: Written, 22/02/2016

Topic: Demand drop to Build drop

Senator Urquhart, Anne asked:

In 2012, NBN announced that it was going from demand drop to build drop.

- (a) Are all FSAMs in NBN Co's FTTP footprint now being rolled out with the build drop model, with demand drops reserved for premises for which the build drop is initially not possible?
- (b) If so, from what date was demand drop during the initial build phased out of the contractual arrangements with delivery partners?
- (c) While build drops bring forward capex, is it correct that build drops reduce the customer connect cost per premises compared to the demand drop model? If so, by how much?
- (d) What is the cost of FTTP customer connect in the case of a "best case" FTTP install (e.g. useable lead in conduit, drop and PCD installed as part of build drop)?

Answer:

- (a) Yes.
- (b) This was progressively adopted to new FSAMs issued to construction from around June 2014.
- (c) Due to ongoing commercial negotiation with delivery partners the costs of demand drop and build drop construction methods is commercial in confidence.
- (d) Due to ongoing commercial negotiation with delivery partners the costs of demand drop and build drop construction methods (and their component parts) are commercial in confidence.