

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: 139

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Hansard Ref: Written, 22/2/2016

**Topic: NTD for HFC**

**Senator Urquhart, Anne asked:**

NBN Co's Network Design Rules, effective 30 June 2015, state (page 31) that NBN will provide the NTD (network termination device, or cable modem) for HFC.

**2.5 HFC Access Domain**

The HFC solution is currently under development and nbn expects to provide further details in subsequent updates to the NDRs to account for further changes and developments in relation to the design of this solution. The HFC Access domain solution is expected to consist of the following components:

- A HFC NTD (Cable Modem), which provides the UNI
- The coax plant, which provides the copper path between the NTD and Optical Node

- Is this still the intention?
- Does NBN Co intend to charge RSPs for this equipment? If so, how much?
- NBN Co's network design rules indicate (also page 31) that NBN Co has not yet chosen its HFC NTD (cable modem). Is that still the case?  
See Attachment E – Graph 4
- NBN Co also indicates that the modem will be the subject of an RFP [request for proposal]. Has this happened yet? If not, why not, and when will the RFP be complete?
- Is the delay with finalising the RFP for the HFC NTD the reason why NBN Co's HFC product release has been delayed?
- NBN Co's Strategic Review targeted 2.61 million premises passed with HFC by end 2016. Why is NBN Co so delayed with HFC?
- Which vendors is NBN Co considering for its HFC modem? Has NBN Co had discussions with Arris, Askey, Castlenet, Cisco Systems, Humax, Netgear, Pace, Sagemcom, Technicolor, Ubee Interactive, or other vendors about this?
- Has NBN Co procured any HFC equipment or services from Broadcom Corporation? If not, does NBN Co plan to?

**Answer:**

- Yes, nbn plans to provide the Hybrid Fibre-Coaxial (HFC) Network Termination Device (NTD) to the end user.
- No, nbn does not intend to charge for a Standard Installation which includes the NTD.
- No, nbn has entered into a contract with ARRIS for the supply of the HFC NTD.

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- (d) Yes, the Request For Proposal process has concluded. nbn has entered into a contract with ARRIS for the supply of the HFC NTD.
- (e) No.
- (f) nbn is on track to deliver against the nbn Corporate Plan 2016, which commits to 10,000 premises ready for service by 30 June 2016.

nbn's Strategic Review, dated December 2013, provided a number of scenarios to be considered by the nbn shareholding Ministers. The Government directed nbn to pursue 'Scenario 6', i.e. the 'optimised multi-technology mix (MTM)' model on 8 April 2014 (in the revised statement of expectations).

However, as stated on page 13 of nbn's Corporate Plan 2014-17, Scenario 6 was not intended to represent the final outcome of nbn's detailed MTM integrated planning. Scenario 6 was an illustration of what these outcomes might be, based on a set of assumptions as detailed in the Strategic Review. In general, nbn retains flexibility in its integrated planning to optimise the distribution and timing of premises across the multiple technologies to ensure the fastest possible rollout of broadband to premises.

- (g) Based on a high level assessment of the capabilities of HFC modem suppliers, nbn invited Arris, Cisco, Netgear and Technicolor to respond to a request for proposal.
- (h) nbn has not procured any equipment or services from Broadcom and has no plans to do so. nbn relies on equipment suppliers such as Cisco, Nokia, Ericsson and others to design and engineer network-ready equipment.