

Broadbanding  
Australia



## Media Release

NBN Co releases Interim Satellite eligibility criteria  
Calls for retail service provider expressions of interest

**26 May 2011**

NBN Co today released more detailed eligibility criteria for potential rural and remote users of its Interim Satellite Service, confirming that, where high demand exists, first priority will be given to those people who have no access to alternate broadband services, subject to a service qualification process.

This followed the announcement by NBN Co earlier this month that it plans to offer a wholesale Interim Satellite Service capable of peak download speeds up to 6Mbps\*, to be available via participating retail service providers, following the signing of contracts with Optus and IPStar.

To manage demand levels and ensure continuity between the outgoing Australian Broadband Guarantee program and the Interim Satellite Service, the end-user customer service qualification process will be conducted under similar processes as applied to the ABG. For example, rural, regional and remote customers will not be eligible for an Interim Satellite Service if they can access a "metro comparable" commercial service – with minimum data speeds of at least 512/128 kbps, a 3GB per month data allowance, and a total price to the end customer of no more than \$2500 over three years.

The full eligibility criteria are available from the NBN Co website or by calling 1800 881816.

Under the Interim Satellite Service, the satellite equipment and installation will be provided by NBN Co, at no cost to the end-user customer for a standard installation.

NBN Co has also today called for expressions of interest from retail service providers who would like to purchase wholesale satellite services to resell to eligible rural and remote customers.

From the scheduled commencement of the service in July until October, NBN Co is planning capacity to appoint up to seven RSPs, providing in total up to 300 services a month on a managed end-to-end service basis. From November NBN Co can appoint up to 20 RSPs, providing in total up to 1000 services a month, who will need to support traffic from a point of interconnect. Interested RSPs should contact their NBN Co account manager.

NBN Co has already signed two RSPs to participate in a trial phase from now until July 2011 – Harbour IT and Skymesh. They plan to test the service with up to 200 rural and remote customers, primarily existing ABG service users.

Further information about NBN Co, its objectives and recent announcement is at  
[www.nbnco.com.au](http://www.nbnco.com.au)

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\*The speeds actually experienced by end-users will depend on a number of factors including the retail broadband plan they choose, the number of simultaneous users on the service, their equipment and their in-premises connection.

Broadbanding  
Australia

# NBN Co Information Paper

## NBN Co Interim Satellite Service End User Eligibility Criteria



## **NBN Co Limited**

### **Interim Satellite Service Eligibility**

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This Information Paper sets out NBN Co's proposals in respect of certain aspects of the National Broadband Network. The contents of this Information Paper are intended for public consultation and represent NBN Co's preliminary position on the subject matter of this Information Paper. The contents of this Information Paper should not be relied upon by our stakeholders (or any other person) as representing NBN Co's final position on the subject matter of this Information Paper.

#### **Environment**

## Introduction

NBN Co's vision for broadband service delivery is to make high speed broadband available to 100% of the Australian population, via a mixture of fibre, wireless and satellite technologies. A central part of this vision is to provide a satellite broadband service across those areas of Australia not covered by fibre and wireless networks, so that all Australian residents may have access to high speed broadband.

As set out in NBN Co's Corporate Plan, NBN Co's fibre network footprint is designed to cover 93% of Australia's population. NBN Co's wireless and satellite networks together are intended to serve the remaining 7% of the population, with the satellite service planned ultimately to cover the entire continent, including the Christmas, Norfolk, Lord Howe and Cocos Islands.

NBN Co's satellite service is being designed to provide an unprecedented bandwidth and speed to areas traditionally underserved by broadband access. In this way, NBN Co will change the way telecommunications are experienced in many areas of Australia.

### Introduction of Interim Satellite Services

The long term vision for NBN Co's satellite service is planned to be realised in 2015, when NBN Co launches its Long Term Satellite Service. This service will utilise two high capacity, Ka band geostationary satellites owned and managed by NBN Co. The Long Term Satellite Service is designed to provide an unprecedented level of bandwidth to Australian satellite internet customers.

The procurement, construction and deployment of these satellites is a significant undertaking, taking years to design, build and launch. In the meantime, in order to bring forward the provision of services to Australian satellite internet customers, and to provide a level of transition from the Australian Broadband Guarantee (ABG) program towards the Long Term Satellite Service, NBN Co is introducing the Interim Satellite Service. The Interim Satellite Service is the result of a commercial arrangement between NBN Co and Optus, under which Optus will provide a managed service to NBN Co, utilising satellite bandwidth provided by Optus and IP Star.

The effect of the introduction of the Interim Satellite is to bring forward the provision of high-speed broadband services to many Australians who would otherwise be without broadband options. NBN Co also is concerned to maintain a high quality product, and to allocate and manage available capacity in a fair, efficient and non-discriminatory way. We intend to work closely with our Wholesale Customers to ensure that our processes are fair and understood.

To this end, NBN Co is currently conducting a short satellite services trial with two wholesale customers and a limited number of their existing End User customers to develop and enhance its systems, facilities, products and processes, much like the NBN Co fibre network trial currently being conducted in five first release sites across Australia.

NBN Co's satellite services will be rolled out in two stages:

1. **The Interim Satellite Service.** The Interim Satellite Service is designed to provide a transition from the Australian Broadband Guarantee program to NBN Co's Long Term Satellite Service. The Interim service will provide a Layer 3 satellite broadband internet service to a limited number of

end customer premises across Australia, utilising existing Ku band satellite capacity from Optus and IP Star.

The Interim Satellite Service is designed to roll out in two phases:

- The First Release phase, running from 1 July 2011 to November 2011, and
- The Second Release phase, running from November 2011 until 2015.

The First Release phase introduces the re-selling of an end-to-end internet service to the home via NBN Co's Wholesale Customers. It is intended that NBN Co's Wholesale Customers will be able to serve up to 300 End User customers per month who do not have access to other metro-comparable broadband services. During this time, NBN Co has a planned initial capacity to offer services to seven Wholesale Customers.

The second phase of the Interim Satellite Service will be the Second Release phase, which will be available from November 2011. In this phase, the Wholesale Customer is no longer reselling an end-to-end service, and must use its own network elements to provide the service, including backhaul and traffic management, and connecting to an NBN Co Point of Interconnect located in Sydney.

The capacity available during the First Release period is intended to be expanded so that NBN Co will have capacity to activate 1,000 connections per month. The initial planned capacity for the Second Release phase is 20 Wholesale Customers. This capacity depends on network operational capacity, and therefore may increase over the life of the service.

The Interim Satellite Service will be available in all Australian States and Territories but not Australia's external territories.

2. **The Long Term Satellite Service.** The Long Term Satellite Service is planned to provide a Layer 2 nationwide service with peak speeds of 12 Mbps download, and 1 Mbps upload. Based on multiple Points of Interconnect, it will utilise NBN Co's own satellites using Ka band spectrum.

The Long Term Satellite Service will be delivered by two high capacity satellites owned by NBN Co and built for the purpose of providing services during the Long Term phase. The procurement of these satellites and the acquisition of spectrum to support the service are currently underway, with services due to commence in 2015.

The Long Term Satellite Service will be available in mainland Australia, plus all of Australia's external territories, including Macquarie, Christmas, Cocos, Lord Howe, and Norfolk Islands. The Long Term Satellite Service is not the subject of the invitation for expressions of interest in this document.

This Information Paper describes NBN Interim Satellite Service End User eligibility criteria.

## End User Eligibility Rules for Interim Satellite Service

### *Background*

The criteria below have been established to enable NBN Co to manage the demand for its First Release Satellite Service, so that it is able to reasonably manage End User orders and activations. These criteria are based on the criteria that apply to the Australian Broadband Guarantee (ABG) program, including the concept and definition of metro-comparability as the primary test for determining eligibility. Therefore they serve as a useful benchmark for the level of demand NBN Co can expect for the First Release Satellite Service. These criteria are also consistent with the Government's expectation of NBN Co to provide a level of transition from the ABG program to the Long Term Satellite Service.

If, during the course of the Interim Satellite Service, the available demand becomes satisfied by NBN Co's services, or as NBN Co's capacity to supply increases (for instance, after the Second Release launch), NBN Co will look to relax these criteria so that demand can rise to meet NBN Co's capacity to supply.

To maintain continuity of service qualification between the ABG program and the Interim Satellite Service, NBN Co provide service qualification services under similar processes that currently apply to ABG service qualification.

### *Metro-comparability*

A metro-comparable broadband service is considered to be a service with the following features:

1. Access to the Internet at a peak Data Speed of at least 512/128 kbps and 3GB per month usage allowance (with no restrictions within these limits on downloads or uploads or usage time);
2. A price to the Customer over three years of no more than \$2500 including equipment, installation, connection, account establishment, travel costs and ongoing provision of the service; and
3. The Provider or Commercial ISP offering the broadband service can install the service within a reasonable period of time.

### *Eligible Users*

A customer is an Eligible User if:

1. according to the Broadband Service Locator (BSL), they do not have access to a metro-comparable broadband service, as defined under the ABG program (**Metro-Comparable Service**), and
2. they are either a residential customer, a small business or an Indigenous community organisation, as defined below.

For illustrative purposes, commercial broadband services that fall within the Metro-Comparable Service definition include:

- ADSL and ADSL 2+;
- 3G wireless in 'hand held' areas, including those that require a Yagi external antenna; and
- fixed wireless from a provider formerly registered under the ABG in 2010-11.

Eligible Users must be:

- residential customers;
- small business customers; or
- Indigenous community organisations.

#### **Residential customers**

- Only one service per customer is allowed.
- Premises being connected must be the customer's principal place of residence.
- A customer must have been, or intending to be, residing at the premises for at least twelve months.

#### **Small business customers**

- The business must have no more than 20 full time equivalent employees (FTEs).
- Only one connection at each place of business is allowed.
- Only one residential or small business connection per customer is allowed.

#### **Indigenous community organisations**

- Any indigenous community organisation is eligible, at the discretion of NBN Co.

#### **Priorities**

There are two priority categories of Eligible Users, described below. An order on behalf of a Priority One Eligible User is always approved for connection in advance of any existing orders for a Priority Two Eligible User in a given calendar month (**Connection Period**) (i.e. no Priority Two order is approved for connection until all outstanding Priority One orders have been approved for connection in a Connection Period).

#### **Priority One Eligible Users**

Customers are Priority One Eligible Users if they have never had an ABG service, or have lost their ABG service through no fault of their own. Only Priority One customers will be eligible during the First Release phase.

#### **Priority Two customers**

Customers are Priority Two eligible customers if, according to the BSL, they do not have access to a metro-comparable broadband service, as defined above, but have a working ABG service that was connected more than three years ago. (When placing orders in respect of Priority Two customers, the



Wholesale Customer must be able to show that the Priority Two customer has given the Wholesale Customer permission to act on their behalf).

### *Categories of Eligibility*

#### **Ineligible Organisations**

Government organisations, including Commonwealth, state and local government organisations, with the exception of Indigenous community organisations, are not considered small businesses and therefore are not Eligible Users and their related premises are not eligible premises.

Education organisations including tertiary institutions, secondary and primary schools, childcare and day care centres and other education facilities (regardless of whether they are Government controlled or private) are not considered small businesses and therefore are not eligible customers and their related premises are not eligible premises.

Large businesses, defined as those with more than 20 FTEs, are not eligible.

#### **Eligible premises**

Eligible residential premises must be an Eligible User's principal place of residence. A principal place of residence is defined to be, or intended to be, an Eligible User's sole or principal place of residence for at least 12 consecutive months, during which the residence is exclusively available to the Eligible User, and which is self-contained and supports independent living. This includes:

- a distinct house, including a granny flat on a block of ground under a single title;
- a flat or apartment in a block of flats or apartments;
- houses, cottages or other dwellings on a farming property that are separate places of residence for the property owner and staff member(s);
- self-contained and distinct places of residence within retirement villages and nursing homes;
- a caravan, cabin or like structure that is permanently located at a particular location (i.e. the premises cannot be moved) and is the principal place of residence of the customer; and
- a permanently moored vessel that is the principal place of residence of the Eligible User.

The following residential premises are not eligible:

- premises that are ordinarily occupied by a particular occupant for less than 12 consecutive months—these include hotel rooms, holiday apartments, serviced apartments, boarders' rooms, dormitories and self-contained rooms that are used by more than one occupant on a rotating basis (or other similar arrangement);
- barracks (both military and civilian);
- premises without a permanent power supply;
- any mobile premises (for example, boat, caravan or bus) or a demountable or other temporary building that is not permanently located in a particular location; and

- vacant land on which CPE is erected, unless the site is directly connected to the premises of a residential customer (such as a satellite dish built next to a house).

Eligible small business premises must be a unique work location. If the business is co-located in premises with other businesses, the business must have a clearly identified work location.

The following small business premises are not eligible:

- vacant land;
- a temporary or other demountable building that is not permanently located at a particular location;
- buildings such as sheds, barns or outbuildings that have been erected for the purposes of housing livestock, machinery or other equipment associated with the operation of the business but are not the small business' primary place of operation. However, if that building is the residence of an eligible customer (for example, a farm worker) it may be eligible premises for a residential service subject to satisfying the requirements outlined above for residential premises; and
- a site established for re-transmission of broadband services.

#### *Dispute mechanism for eligibility determinations*

In cases where customers dispute the results of a Broadband Service Locator (**BSL**) search (i.e. they cannot access a Metro-Comparable Service, contrary to the BSL finding, or they have lost their ABG service through no fault of their own), they can seek to change their status online and provide the necessary supporting evidence to justify their case. This can be done by the customer online or by phone with the assistance of the NBN Co contact centre.

In cases where an existing ABG customer has lost their service, or considers that the service is no longer being provided at a metro-comparable level, they must in the first instance notify DBCDE by calling 1800 883 488, and have their circumstances validated by DBCDE. Customers should note that DBCDE will work with them and their provider to attempt to resolve performance issues, before providing validation of loss of metro-comparable service.

A final decision on their eligibility is made by NBN Co following receipt of an order from a Wholesale Customer, together with a signed declaration form from the customer that includes any necessary statement of reasons justifying their eligibility, and where relevant, DBCDE validation.

The key circumstances relating to loss of an ABG service that are acceptable justifications are:

- fire, flood, cyclone or other natural disaster (not covered by insurance or other special arrangements);
- change of occupier at previously serviced premises, and customer premises equipment (**CPE**) is found not to be available at time of occupation; and
- major CPE failure (not covered by warranty).

The standard of evidence required is determined by NBN Co at its sole discretion, and will be reviewed as necessary from time to time. In most circumstances, NBN Co will accept a customer's signed statement of reasons as sufficient for accepting an order, provided that the customer is covered by one of the circumstances outlined above; however, NBN Co may at its discretion impose additional requirements such as for NBN Co's installers to verify a customer's statement of reasons, e.g. major equipment failure, prior to proceeding with an installation. These additional requirements may be applied generally across all end users, or on a case by case basis.



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