

**Standing Committee on Finance and Public Administration**

**ANSWER TO QUESTION ON NOTICE**

**Budget Estimates Hearing – May 2009**

**Department of Finance and Deregulation**

**Finance and Deregulation Portfolio**

**Outcome 1, Output 1.1**

**Topic: National Broadband Network**

**Question reference number: F36**

**Type of Question: Hansard, F&PA 96, Wednesday 27 May 2009.**

**Date set by the committee for the return of answer: 24 June 2009**

**Number of Pages: 1**

**Senator Coonan asked:**

- i) Did Finance costing include the costs of rewiring of any individual homes that may be necessary?
- ii) What kind of technology did Finance assume about the NBN? For example, did you assume a passive optical network or a point-to-point network or what?
- iii) How sensitive is the costing to, for example, that assumption as to what kind of technology is assumed?

**Answer:**

- i) No.
- ii) The Department of Broadband, Communications and the Digital Economy (DBCDE) developed the assumptions about the technology to be used. DBCDE considered that for the local distribution component of the FTTH network that a passive optical network was the most appropriate basis for development of a preliminary cost estimate. The specific FTTH architecture to be deployed will be guided by the findings of the National Broadband Network Implementation Study which is due for completion in early 2010. Further questions on issues related to the technology to be used should be directed to DBCDE.
- iii) The preliminary cost estimate of \$43 billion for the rollout of the National Broadband Network is based on a passive optical network for the local distribution component of the FTTH network. The sensitivity of this preliminary estimate for the assumed technology will be examined in the NBN Implementation Study.