



Jon Stanhope MLA

CHIEF MINISTER

MINISTER FOR TRANSPORT MINISTER FOR TERRITORY AND MUNICIPAL SERVICES

MINISTER FOR BUSINESS AND ECONOMIC DEVELOPMENT

MINISTER FOR INDIGENOUS AFFAIRS MINISTER FOR THE ARTS AND HERITAGE

MEMBER FOR GINNINDERRA

Ms Mary Jo Fisher
Chair, Senate Select Committee on the National Broadband Network
PO Box 6100
Parliament House
CANBERRA ACT 2600



Dear Ms Fisher

I am writing in relation to your letter of 15 June 2009 regarding the Senate Select Committee on the National Broadband Network (NBN)'s inquiry. I thank you for the opportunity to provide the following comments on the National Broadband Network to the Senate Select Committee on the National Broadband Network – July 2009.

As my department communicated to the Committee Secretary on 2 July 2009, it is the Territory's view that formal comment on a number of the Committee's Terms of Reference is somewhat premature at this stage given the NBN initiative is in preliminary stages and that key considerations of the NBN (such as project governance, and regulation etc) are still being finalised.

Nonetheless, the ACT welcomes the opportunity to provide comments on your revised Terms of Reference of 14 May 2009. I have also attached a recent submission from the ACT Land Development Agency on the NBN – Fibre in Greenfield Estates consultation paper for your consideration.

Comments:

I would like to highlight that, at this stage, the Territory provides in-principle support towards the NBN and is working cooperatively with the Australian Government to progress this important project. However, at present there is insufficient detail in publicly available information on which to provide substantive comment.

In relation to existing infrastructure, the Territory has previously queried the use to be made of existing infrastructure that is compliant with the 100 megabits per second broadband service specifications of the NBN identified in the Committee's Terms of Reference.

In relation to the ownership, governance and operating arrangements of the NBN company and any NBN related entities as identified in the Committee's Terms of Reference 2. b, the ACT Government has previously queried what arrangements, regulatory or otherwise, would be put in place for existing infrastructure owners.

ACT LEGISLATIVE ASSEMBLY

London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601

Phone (02) 6205 0104 Fax (02) 6205 0433 Email stanhope@act.gov.au

The Territory highlights that this issue should be considered as a matter of urgency to provide certainty to existing infrastructure owners, especially owners of NBN compliant infrastructure, and to the telecommunications industry as a whole.

If you have any further questions in relation to these comments, please contact Mr Ken Douglas, Senior Manager, Economic Regional and Planning, Chief Minister's Department, on (02) 6207 5014 or via e-mail at Ken.Douglas@act.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Stanhope', written in a cursive style.

Jon Stanhope MLA
Chief Minister

31 JUL 2009



ABN 104 179 155 79

Level 6 TransACT House
470 Northbourne Avenue
Dickson ACT 2602

GPO Box 158 Canberra ACT 2601

Telephone (02) 6205 0600
Facsimile (02) 6207 5101
Email lda@act.gov.au
Web www.lda.act.gov.au

The Manager, Fibre in Greenfields
Networks Policy and Regulation Division
Department of Broadband, Communications and the Digital Economy
GPO Box 2154
CANBERRA ACT 2601

Dear Sir / Madam,

We are pleased to provide our comments on the *National Broadband Network (NBN): Fibre-to-the-premises (FTTP) in Greenfield Estates - Consultation Paper (May 2009)*.

Although our comments have been communicated at meetings held in Sydney on 4 June 2009 and in Canberra on 9 June 2009, we felt it was important that our main comments be formally submitted as part of the consultation process.

Asset Ownership

The model for provision of FTTP needs to be cognisant of the fact that carriers and developers may cease to exist after an estate has been completed and residents have moved in. Of even greater concern is the possibility that in some cases, carriers and developers may cease to exist prior to completion of an estate.

Therefore, the model for asset ownership needs to address this possibility and provide a 'safety net' in the event of the above occurrences.

The model of a 'safety net' already exists with most other utilities such as water and sewer. In this case, assets are created by a developer through its contractor and are handed over to a central body which owns and operates the infrastructure.

It would be desirable if a central body existed to own and operate any FTTP assets in case a carrier ceased to exist, noting that this may happen some years after completion of the estate when the developer is no longer involved. The central body could also be responsible for regulation of approved carriers.

LDA notes that no such central body has been identified for any of its contracts for FTTP in the ACT, however, this structure is undesirable and LDA has proceeded on the basis that the benefits associated with implementing FTTP currently outweigh the consequence and likelihood of these risks.

Standards and Guidelines

A secondary benefit in establishing a central body is that it could be responsible for setting minimum performance standards, which are currently changing at a rapid pace as the technology evolves.

LDA notes that its previous procurement processes have been 'Request for Proposals' requiring respondents to advise the proposed level of service, rather than a more specified approach as in a 'Request for Tenders'. It would, however, be our preference for the minimum level of service to be specified by a central body.

Greenfields / Brownfields Equity

The proposals in the consultation paper differentiate between greenfields estates and all other estates.

Whilst there is an opportunity for developers to assist in the installation of FTTP infrastructure before the NBN project commences retro-fitting infrastructure in existing estates, the cost of providing this infrastructure should not disadvantage developers or purchasers in greenfields areas.

Therefore, there should be no difference in how greenfields, brownfields and existing areas are treated.

It is recommended that the Commonwealth pay for all the costs regardless of the development's location, thereby ensuring fair and equitable treatment to all types of housing. The developer's role should be limited to ensuring compliance with design standards and obtaining the necessary approvals whilst also providing reasonable access to trenching.

We do not support the option of greenfield developers being responsible for the cost of providing FTTP infrastructure and having to pass it onto purchasers, whilst brownfield developers and their purchasers receive the infrastructure without the same additional cost.

Interim Measures – FTTP Capability

The consultation paper poses several questions regarding what interim measures should be imposed on multi-tenanted buildings in older areas or infill developments.

It is recommended for these developments that the wiring inside the development should be mandated to be FTTP-capable, whilst the provision of lead-in infrastructure from an external point (which may be some distance away) will not be mandatory.

Response to Question 36

As part of our comments on the consultation paper, we have been asked to specifically respond to Question 36, regarding the establishment of a stakeholder group.

Whilst we believe that a stakeholder group would be beneficial to assist with the implementation, the size of the group should be quite limited. Developers could be represented by a peak body, such as the Urban Development Institute of Australia (UDIA).

We thank you for the opportunity to provide these comments. If you have any further questions in relation to these comments, please contact the undersigned on (02) 6207 5432 or Mr Ivo Matesic from our office on (02) 6207 9957.

Yours sincerely

Chris Reynolds
General Manager, Development

17 June 2009