

ATUG's Focus this week is on NBN and Digital Economy developments.

There have been two further steps in the NBN process, both of which are very important to end users:

- Release of the Request for Tender for Regional Backbone Blackspots
- Request for comments on the legislation to establish NBN Co

This work follows the earlier work on NBN Regulatory Reform arrangements during the roll-out period (for all submissions go to .....  
[http://www.dbcde.gov.au/communications/national\\_broadband\\_network/regulatory\\_reform\\_21st\\_century\\_broadbandsubmissionsm\\_for\\_21st\\_century\\_broadband/national\\_broadband\\_network\\_regulatory\\_reform\\_fo](http://www.dbcde.gov.au/communications/national_broadband_network/regulatory_reform_21st_century_broadbandsubmissionsm_for_21st_century_broadband/national_broadband_network_regulatory_reform_fo) )

and the proposal to mandate FTTP in Greenfields areas from July 2010 (ATUG's submission is here  
<http://www.atug.com.au/archives/submissions/2009/greenfieldsjun09.pdf>).

All these separate elements of the NBN planning continue to reflect the policy position of structurally separate fibre networks with strong open access arrangements and a focus on service quality and affordable prices.

In addition, ATUG is expecting Release of the Digital Economy Framework by the Minister next week and we are announcing our second round of Digital Economy Future Forums focusing on Integrity and Assurance issues and following discussions on Infrastructure and Access issues.

ATUG's Digital Economy Forums are looking at the issues that need to be tackled to ensure business, government and community organisations and their customers/clients are able to achieve the full productivity, growth and innovation potential of the National Broadband Network. Details of the upcoming forums are at:

- Newcastle – July 22
- Melbourne – July 24
- Sydney – August 4
- Brisbane – Mid August

ATUG's recent Future Forum in Melbourne raised a number of issues for ATUG to consider in the upcoming NBN discussions and consultations and built on the earlier Forum in Sydney (Forum Summary here  
<http://www.atug.com.au/Focus/fs080709/futforrep.pdf>):

- (1) Need for continued open dialogue about NBN developments and decisions and for such discussion to continue to focus on the interests and outcomes for end users – none of the big picture objectives will be achieved without support from end users. "It's not about the industry, it's really about the whole economy!"
- (2) Interest in Tasmania as an opportunity to learn about the practicalities

of NBN deployments from all perspectives – local Government, construction, end users, service providers, content owners, uptake and use factors such as confidence, affordability, reliability

- (3) Embedding effective competition and choice for end users – right down to the Termination Unit at the customers premises which must be capable of handling multiple services and service providers, easy switching processes and contracts which support choice.
- (4) Regulatory certainty is key to encouraging investment in both physical and soft infrastructure. An atmosphere of low risk is necessary if the required investments are to flow.
- (5) Network and Service integrity was considered important, as was the high availability of the termination unit which must have battery backup at the premise. Further more it was suggested the battery powering of many attachments to the NBN was important so end service availability was high.
- (6) Getting the basic services package right – free to air TV, lifeline voice service, access to health services.
- (7) Visual Services are seen to be a key use of the NBN. Whether it is visual interaction in the delivery of Education or Health services over distance, video conferencing services as an alternative to long distance travel, or television services, (free to air or subscription) the opportunity offered for High Definition visual services is substantial.
- (8) Many 'SMART' applications will be enabled by the NBN. Services for buildings, logistics, transport, energy management are only a few of the opportunities that will become available. Home and Business automation are also considered to be potential new applications for NBN services.
- (9) There may be many 'new' Service Providers. The concept of a 'government port' on the termination unit had strong support as many people considered that the delivery of government services via the NBN has the potential to better service community members while reducing the cost of delivery of Government services. Such a concept may require the establishment of a 'Government ISP' to bring together the online services of government in a coordinated and user friendly style.
- (10) End User Trust and Confidence in the NBN and in the services delivered over the NBN is a key 'Success Factor' for the project. The view of the Forum was that community concern about the perceived absence of adequate security of online payment arrangements has slowed the take up of electronic commerce.

(11) Developing skills to enable small and medium businesses to effectively participate in the e-commerce world are just as important as the development of professional and practitioner skills through University and TAFE courses.

### **Greenfields FTTP**

The Greenfields FTTP Consultation has closed and submissions are being considered now. This consultation canvassed many issues of relevance to end users including competition and choice, high quality services and affordable prices and provided, in ATUG's view, a guide to the Government's thinking about approaches to future NBN deployment:

State and territory planning laws could require developers and builders, as appropriate, to ensure:

- pit and pipe infrastructure is installed that would be appropriate for the deployment of FTTP and which, potentially, would allow competitive infrastructure provision in the future (for example sufficient space for more than one cable)
- appropriate FTTP infrastructure is installed ready for connection to new premises
- appropriate cabling is installed within new premises to allow practical use of FTTP capability
- open access wholesale services are available on a non-discriminatory basis, and
- retail services are available from at least one retail provider.

Large greenfield estates often include commercial centres, schools, medical clinics and other community facilities which may need higher grade services than residential customers. The Australian Government considers e-health and e-education will be important users of superfast broadband. Planning requirements may also need to ensure the FTTP requirements of such users are factored into developers' and service providers' planning.

### **Regional Backbone Blackspots**

The Regional Backbone Blackspots Request for Tender (closes 5 August 2009) is also a significant development from ATUG's perspective.

The Government is standing firm on its policy to create competitive backhaul outcomes early in the NBN process and has a strong eye on outcomes for end users:

The Australian Government objectives for this RFT (not in any order of importance) are to:

- (a) in the short to medium term, deliver an economic stimulus. The timely commencement of new infrastructure build in 2009 will support jobs and provide a boost to the economy, including opportunities for Australian businesses involved in telecommunications and related industries to participate in and benefit from the roll-out;
- (b) in the short to medium term, encourage better service outcomes for consumers in regional communities, including higher quality services and reduced costs, by improving the supply of backbone transmission services into regional communities. To facilitate competition the new backbone transmission services are to be provided on open and equivalent terms and conditions and the points of interconnection, including Backbone Points of Interconnection and Carrier Points of Interconnection, are to be at locations that enable other service providers ready access to the new services. Improved supply of backbone transmission services is expected to encourage retail service providers to further invest in local access infrastructure and enable retail service providers to differentiate their services. The type of improvements that could be expected for residential, business and public sector users such as local government, health and educational institutions include:
  - (i) lower prices, greater choice, more generous download allowances and greater access to fixed broadband services;
  - (ii) higher quality and increased availability and choice of mobile broadband services; and
  - (iii) lower cost data services for small and medium enterprises and businesses with regional offices; and
- (c) in the medium to long term, put in place key infrastructure that will contribute to the NBN.

### **NBN Co company legislation**

The Government has also now invited views on the legislation covering the access regime for the National Broadband Network and governing the operations, ownership and control of the NBN Company.

The Government is already considering submissions on options for reforming the existing telecommunications competition and consumer framework while the National Broadband Network is rolled out –

[http://www.dbcde.gov.au/communications/national\\_broadband\\_network/regulatory\\_reform\\_for\\_21st\\_century\\_broadband/national\\_broadband\\_network\\_reg](http://www.dbcde.gov.au/communications/national_broadband_network/regulatory_reform_for_21st_century_broadband/national_broadband_network_reg)

[ulatory reform for 21st century broadband submissions.](#)

The National Broadband Network Company will operate on a wholesale-only, open access basis with oversight by the Australian Competition and Consumer Commission.

Issues that interested parties may wish to address include:

- The optimal access regime for the National Broadband Network, including, for example:
  - the legislative obligations that should be required to ensure the National Broadband Network company operates on a wholesale-only, open access basis,
  - the process for identifying services to be offered,
  - how the prices and non-price terms and conditions of those services should be set, and for how long, and
  - the role of the Australian Competition and Consumer Commission.
- The appropriate equivalence obligation for the company and the services it offers, and how this would operate in practice.
- The nature of ownership restrictions applied to private sector investors to protect the Government's equivalence objective for the wholesale-only network.
- Arrangements for the Government to sell its stake in the network.
- Any other rights and obligations to be conferred on the company.

Submissions received will be provided to the Lead Advisor to the National Broadband Network Implementation Study.

Submissions are due by 5:00 pm (AEST) Thursday 30 July 2009, and can be forwarded by email to [nbnlegislation@dbcde.gov.au](mailto:nbnlegislation@dbcde.gov.au). Submissions may be made publicly available online.

Further information on the National Broadband Network, and on making a submission, is available at [www.dbcde.gov.au/nationalbroadbandnetwork](http://www.dbcde.gov.au/nationalbroadbandnetwork).

All in all, a very busy time! ATUG welcomes any contributions - our BLOG is at [www.atugblog.com.au](http://www.atugblog.com.au) for any help with this contact [patrick.sinclair@atug.org.au](mailto:patrick.sinclair@atug.org.au)

