

For those who were not present at the Family Fun Day here's an update on the status of the NBN Technology Choice Area Switch application.

As background for any new residents, NFCA Inc was formed to sponsor an application submitted to NBN in June 2015 to upgrade the NBN rollout from copper (fibre -to-the-node or FTTN) to fibre (fibre-to-the-premises or FTTP) under NBN's [Technology Choice Area Switch](#) program (TCP). FTTP has the capacity for vastly higher internet speeds than any copper based technologies, TCP offered the economy of scale by installing 124 premises at the same time, and a one-time "subsidy" as NBN would deduct the cost of FTTN. FTTP is more reliable (not reliant on corroded copper) and would improve all communications (internet, mobile & TV) in Nathan Forest and has the very beneficial side effect of improving property valuations.

The NBN's indicative "estimate" to extend the fibre optic network to all premises in Nathan Forest Estate is \$429,000-\$495,000 (inc GST, or \$390,000-\$450,000 exc GST). For 124 premises this equates to \$3459-3992 (inc GST, or \$3145-\$3629 exc GST), which is above the expectation given the "trumped up" average costs per premises (FTTP \$3700, FTTN \$1600) detailed on pg 67 of the [2016 NBN Corporate Plan](#).

The reason why the published costs are regarded within the technical community as "trumped up" is that when Malcolm Turnbull announced the [Coalition's broadband policy in April 2013](#), he had estimated that the cost to pass each premises by fibre would be AU\$3,400. NBN Co at the time rejected this, stating that the cost per premises would be between AU\$2,200 and AU\$2,500. However, [internal documentation of "Finance Project Fox", leaked to ZDNet](#), revealed that NBN Co had begun implementing new rollout techniques developed under the former management that had been bringing down the cost of labour in installing fibre to the premises, with [costs as low as AU\\$1,034 per premises](#) in some locations.

Clarification was sought from NBN to ensure that the "estimate" factored in the deduction of FTTN costs with a request for a breakdown of costs and more detail about the FTTN design as some properties are more than 1Km from the proposed node location (corner of Lords & The Oval Dr).

The concern is that FTTN technology will not support the minimum 25Mbps for premises over 1Km from the node, even Chief Executive Officer of NBN, Bill Morrow, has expressed reservations in this [ZDnet article](#).

NBN responded that the FTTN costs had been deducted, the design was for a single node and also revealed it provisioned 168 premises! Additional costs would be incurred if any remediation of the conduits (clearing mud) was required. No breakdown of costs was provided.

An invoice for the next step for a Design & Quote by Telstra was issued being for \$45,265 (inc \$4115 GST), with a due date of 26 Nov 2015.

A subsequent request has been submitted requesting that the "estimation" be redone for 124 premises as per the original application. NBN responded on 17 Nov saying the "estimation" will be redone.

In a recent meeting with Amber Dornbusch, NBN's Government Relations Manager, it was disclosed that the FTTN design for Nathan Forest was complete and Telstra would commence the build in Dec 2015. Amber said that all premises will get the guaranteed speed of 25Mbps but was unable to reveal details of the design. We asked about NBN's leaked three year plan ([can be downloaded here in Excel format](#)) that shows some areas in Mount Nathan will get FTTP but again no details. A followup email has been sent to Amber with a request for these details.

A complaint was submitted to the Telecommunications Industry Ombudsman (TIO) for an independent review of the NBN's overblown estimate. TIO responded that they have no oversight of the NBN as they are wholesalers, but a request has been submitted to review this decision as the Technology Choice Program is a retail telecommunications offering.

A request has been sent to Senator Mitch Fifield, the current Minister of Communications (CC'd Scott Buchholz), to review NBN's TCP model, consider exemption of GST for NBN's TCP and provide details about co-funding by Retail internet Service Providers (RSP's). RSP's can entice FTTP customers on an individual basis by offering to pay costs in return for fixed term plans (much like mobile phone plans) but current law prevents this type of arrangement for Area Switches.

We have met with all 3 tiers of government to inform them about our TCP submission and seek their assistance. Local councillor Tracey Gilmore has been very supportive and provided a donation which assisted in establishing the incorporated body necessary to sponsor the TCP application. Sid Cramp is enthusiastic about the submission and has others in his electorate interested in doing the same. He hosted a meeting and invited Greg Birkbeck from Scott Buchholz's office along. To date we have not had any response from Scott Buchholz's office to the issues discussed at that meeting on 3 Nov 2015.

We await responses from NBN with a revised estimate for 124 premises and a breakdown of costs, TIO to review their decision not to investigate NBN TCP, Amber Dornbusch, Senator Fifield & Scott Buchholz MP, however, in summary it would appear that efforts to upgrade our NBN rollout from copper (FTTN) to fibre (FTTP) have been overcome by events (FTTN rollout commencing in Dec). I will recommend that NFCA Inc apply for a refund of our NBN TCP application fee due to the failure of NBN to provide a detailed estimate for the 124 premises in Nathan Forest in a timely fashion and failure to respond to numerous questions relating to the estimate.

Anyone wanting fibre to their premises and access to the NBN RSP's will have to wait for the completion of FTTN (Q4-2016) and apply under the Individual Switch Technology Choice program. NBN would not reveal how many optical (GPON) ports are available in the Nathan Forest single node but the default design has only 4 and applicants will likely incur significantly higher costs without the economy of scale and FTTN discount offered by the Area Switch application.

My view is that NBN have no interest in small communities progressing the TCP area switch application and have not delivered on the [expectations](#) given to them on 08 Apr 2014, by the then Minister of Communications, Mr Malcolm Turnbull which states "The government requires a high degree of transparency from NBN Co in its communication with the public and Parliament". The NBN's TCP estimation is unnecessarily shrouded in secrecy and Scott Buchholz should hold them to account. I welcome any replies with your thoughts.

Mark Gregory has published much of NFCA's endeavour to obtain FTTP in the Technology Spectator:

23 Oct: [How NBN 'Fibre on Demand' works](#)

27 Nov: [NBN technology upgrade a painful path for many](#)

Links to these and other related NBN issues are archived on the [NFCA website](#).

As soon as the FTTN build commences NFCA Inc's role which has been established to improve services & facilities in Nathan Forest will change focus from NBN to other issues. If you have ideas for improvements or have interest in committee work please send us an email.

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