

**Tuesday 8 November 2022** 

# NBN Co releases new Wholesale Broadband Agreement Consultation Paper to industry

NBN Co today released its latest Wholesale Broadband Agreement (WBA5) Consultation Paper, which focuses on how a revised NBN Co Special Access Undertaking (SAU) could be implemented, subject to acceptance by the Australian Competition and Consumer Commission (ACCC).

NBN Co is planning to lodge a revised SAU variation proposal with the ACCC as soon as possible in November 2022. The Company is releasing the latest WBA5 Consultation Paper before lodgement of the revised SAU variation in response to RSP feedback for consultation as early as possible and in consideration of the lead time required to implement the proposed SAU variation commitments.

The company's proposed SAU variation aims to deliver significant improvements to the regulatory and pricing framework, which should benefit end-user customers, the telecommunications industry as a whole and the wider Australian economy and society.

If accepted, NBN Co's proposed SAU variation will remove wholesale usage-based CVC (Connectivity Virtual Circuit) charging for all residential fixed line and fixed wireless services by 1 July 2026; simplify wholesale pricing; reduce the level of operational complexity for Retail Service Providers (RSPs) and provide greater price certainty; establish a link between NBN Co's efficient costs and prices; help ensure service standards cannot degrade over time, and provide a significantly enhanced oversight role for the ACCC.

At the same time, the varied SAU aims to provide NBN Co with the regulatory certainty needed for the company to operate as a sustainable commercial organisation. This will enable the company to invest in network capability over the long-term to meet the evolving needs of customers and help deliver Government policy.

The company's parallel WBA5 consultation process is intended to enable a contractual offer to be presented to RSPs for negotiation and agreement in time for NBN Co and RSPs to implement a new SAU by the later of 1 July 2023, or within three months of the SAU's acceptance.

The intention of the consultation paper is to discuss and agree on the implementation of the following six items, which will be contained in the revised SAU variation, so they are reflected in the commercial and operational detail of WBA5:

- 1. Utilisation-based billing
- 2. CVC inclusions adjustment
- 3. Voice-only bundled offering
- 4. Billing price configuration changes
- 5. Overbooking of CVC TC-4 on Network-Network Interface (NNI)

#### 6. Overage waiver

The company intends to release a follow-up consultation paper by 16 December 2022, which is likely to include details on the following:

- 7. Change right amendments to facilitate the varied SAU's regulatory reviews
- 8. Network utilisation rules
- 9. SAU-driven Service Levels Schedule changes
- 10. The SFAA term

The latest WBA5 Consultation Paper follows the release of the WBA4+ Bridging Offer and the WBA5 Opening Consultation Paper on 31 August 2022.

NBN Co has requested responses to today's WBA5 Consultation Paper from RSPs and consumer advocacy groups by 5pm on Tuesday 6 December 2022.

### Will Irving, Chief Strategy and Transformation Officer at NBN Co, said:

"We are committed to working constructively with the ACCC and the industry to arrive at an accepted SAU variation as early in 2023 as possible to achieve the objective set out by our shareholder ministers.

"We have also committed to implementing the new wholesale pricing by 1 July 2023 if the SAU variation is accepted by 31 March 2023. If the SAU variation is accepted after 31 March 2023, we will still commit to implementing new pricing within three months of acceptance of the SAU variation."

#### **ENDS**

## **Media enquiries**

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