

**Broadbanding  
Australia**



## Media Release

**30 November, 2011**

### NBN Co releases 12-month contract to provide price and access certainty

NBN Co today published the final executable version of its contract with telephone and internet companies following extensive industry consultation.

The 12-month contract, known as the Wholesale Broadband Agreement (WBA)\*, will allow providers to enter into a commercial agreement with NBN Co while the Australian Competition and Consumer Commission considers the longer-term regulatory framework for the National Broadband Network.

The WBA sets out the commercial arrangements and obligations between NBN Co and its customers – locking in existing prices, confirming information about the products NBN Co is supplying and detailing service level agreements as well as providing a process for the further development of the contract.

NBN Co Head of Product Development and Industry Engagement, Jim Hassell, said NBN Co had listened carefully to its customers throughout the drafting process in order to come up with a contract that represented a good deal for the telecommunications industry, NBN Co and consumers.

“The Wholesale Broadband Agreement strikes a fair balance between our customers’ need for certainty and the flexibility we need, including to accommodate any further regulatory requirements,” Mr Hassell said.

“Moreover it provides the certainty telephone and internet service providers require to offer competitive broadband plans to the millions of homes and businesses that will connect to the NBN. Several broadband companies are already offering competitive packages in our trial sites based on NBN Co’s wholesale pricing.”

Mr Hassell also confirmed that NBN Co would shortly be lodging with the Australian Competition and Consumer Commission its longer-term regulatory framework.

NBN Co’s Special Access Undertaking (SAU) sets out the 30-year regulatory framework via which it plans to set price and non-price terms and recover rollout costs, subject to the oversight of the ACCC.

“The WBA and SAU have been drafted to operate together. It will take some months for the SAU to be reviewed by the ACCC, in consultation with industry, so we have shortened the length of our initial WBA to 12 months, down from five years, so it can be aligned with the outcomes of the regulatory process. If the SAU is approved in less than 12 months, we can also amend the short-term WBA if there is a need to update it to align with the SAU as accepted,” Mr Hassell said.

“We’re underlining our commitment to ongoing consultation with our customers by introducing a new contract development process that will provide customers and NBN Co with a forum to further develop the terms of the WBA whilst the SAU is being considered.”

“We are also including a provision in the SAU that should address the concerns of industry regarding recourse to the ACCC, while still maintaining the certainty of our contractual arrangements. Where

commercial agreement can't be reached on non-price terms not covered in the SAU, or where NBN Co introduces new prices after the SAU commences, the ACCC can be called upon to settle an outcome. Once the ACCC has made its decision, NBN Co will make the outcome available to all our customers.”

Today's announcement follows the release last week by NBN Co of the fifth draft of the WBA which included new service level targets and a new version of the Operations Manual created to provide further detail about NBN Co's interaction processes with its customers.

The short-term WBA retains the rebate on initial CVC pricing, moves to a regime that stops charging when a service has been suspended in favour of a reconnection fee, and loosens provisions relating to charges for incorrect call out of NBN Co field staff to recognise that customers will continue to learn about the network over the coming months. In addition, long-term price certainty on key products has been retained, even though a shorter term contract is now being offered.

Further information is available on NBN Co's website  
<http://www.nbnco.com.au/getting-connected/service-providers/wba.html>

**MEDIA INQUIRIES:**      **Rhonda Griffin**  
Phone 02 9927 4015  
Mobile 0428 134 401

\* The WBA excludes NBN Co fixed wireless and Interim Satellite Services which are subject to separate agreements