

## Media release

**Tuesday 18 December 2018** 

# NBN Co unveils new plans for its Fixed Wireless network

- New Fixed Wireless Plus wholesale product to prioritise download speeds
- Existing legacy and bundled wholesale 25-50/5-20 Mbps speed tier product to be withdrawn from market following regulatory spectrum changes
- Additional \$800 million investment in Fixed Wireless network capacity

NBN Co has today unveiled plans to launch a new wholesale product intended to better reflect the capabilities of the **nbn**™ Fixed Wireless network and to better meet user demand.

Scheduled to launch in mid-2019, the new wholesale **Fixed Wireless Plus** product will be made possible through more efficient management of the finite capacity available on the network.

Instead of providing a fixed wholesale speed tier, it aims to deliver the maximum potential wholesale speed the network is capable of delivering at the time of use.

The product will initially support maximum potential network download speeds of up to 60Mbps and upload speeds of up to 20Mbps<sup>1</sup>.

Changes to NBN Co's spectrum licence<sup>2</sup> will require the company to withdraw the existing Fixed Wireless legacy and bundled 25-50/5-20 Mbps speed tier product by the end of 2019.

Following the regulatory changes in 2020, the company will be able to reallocate capacity to enable better utilisation of existing spectrum. This will see the expected maximum potential download speed on the Fixed Wireless Plus product increase to up to 75Mbps, with upload speeds up to 10Mbps. The maximum potential network speed does not equate to user experience, which may vary<sup>1</sup>.

Wholesale pricing for the new Fixed Wireless Plus product will match NBN Co's Fixed-Line 50 bundle at \$45. The company's legacy wholesale Fixed Wireless pricing on existing 12-25/1-5 products will continue to be offered to retailers.

The company today also delivered on its commitment to share regular updates about the Fixed Wireless network performance in its monthly public progress report<sup>3</sup>. The report shows 96.2 per cent of Fixed Wireless cells performed above NBN Co's Fixed Wireless wholesale minimum average download busy hour threshold of 6Mbps<sup>4</sup> in November, up from 94.5 per cent in May this year.

In August this year, NBN Co announced an additional \$800 million investment in Fixed Wireless capacity upgrades<sup>5</sup>, which will continue to be conducted over the course of the 2019 to uplift the performance of cells that are currently performing below NBN Co's Fixed Wireless design threshold.

#### NBN Co's Chief Customer Officer - Residential, Brad Whitcomb, said:

"We are committed to delivering access to fast broadband for regional and rural Australians and are investing in our Fixed Wireless network.

"The new wholesale Fixed Wireless Plus product is designed to reflect user demand with our insights showing people connected to the Fixed Wireless network are using their service with a ratio of 10:1 downloads compared to uploads.

"This follows extensive consultation with retailers and industry stakeholders to design a wholesale product that works within the limitations of wireless broadband technology. People should speak with their retailer about the data and speeds required for their usage and the speeds which can be achieved at their home.

"We acknowledge there are some users are currently experiencing slower speeds than anticipated in the busy hour on the Fixed Wireless network and want to reassure people that we are working hard alongside the industry to improve network capacity.

"With more than 3,000 Fixed Wireless cells upgraded this year, NBN Co's monthly progress report shows our network capacity program has been successful in reducing the number of cells which fall beneath our busy hour threshold, however, we do expect some fluctuation over the next few months as we scale up our efforts."

NBN Co's Sky Muster and Fixed Wireless networks, as well as the early prioritisation of the rollout in regional areas, are helping to drive economic prosperity in the bush. According to research released by NBN Co earlier this year<sup>6</sup>, the **nbn**™ access network helped create \$450m in additional gross domestic product (GDP) in regional Australia in 2017. That figure is forecast to drive an additional \$5.3bn in GDP in regional areas by FY21.

The research also forecasts that Australia's position in terms of internet equality will leap into the top 10 of Organisation for Economic Co-operation and Development (OECD) nations – up from the bottom 10 – by the time the  $nbn^{\text{TM}}$  access network rollout is complete.

The rollout of the Fixed Wireless network is expected to be a \$3.5billion investment to deliver access to fast broadband to more than 600,000 Australian homes.

#### **Ends**

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#### Resources

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Click here for graphs

#### **Notes to editors**

- 1. At launch, Fixed Wireless Plus is expected to be able to reach maximum potential network download speeds of up to 60Mbps and upload speeds of up to 20Mbps. Following the completion of regulated spectrum changes by March 2020, Fixed Wireless Plus will then be modified to deliver a maximum potential network download speeds of up to 75Mbps and upload speeds of up to 10Mbps, outside of the busy hour. Note the maximum potential network speed does not equate to end user experience, which can be affected by a number of factors as detailed [7] below. The FW Plus product will provide the best available speeds the network can achieve at the time of use, but such available speeds will fluctuate during the day, and end users may receive speeds that are significantly less than the maximum potential network speed, particularly in the busy period.
- 2. On 20 July 2018, the Minister for Communications issued a direction to the ACMA to take necessary steps to ensure spectrum users in the 3.4GHz to 3.6GHz bands conform to standard interference management conditions, including adopting specified downlink and uplink network configuration measures. A uniform configuration adopted by all operators across these spectrum bands will allow for a more efficient use of spectrum across the bands by reducing the need for "guard bands" (unused spectrum) between spectrum bands used by different licence-holders. The ACMA enforced this new direction on 4 December 2018.
- 3. NBN Co's monthly progress report is designed to give Australians a clearer understanding of the ways the company is taking action to improve customer experience. The metrics used relate to services NBN Co delivers to phone or internet providers and the physical connection of homes and businesses to nbn™ infrastructure. The metrics do not cover services supplied by providers to end users. Metrics are based on averages, summaries and simplifications − end user experiences vary. For information on the metrics and their descriptions please visit <a href="https://www.nbn.com.au/updates">www.nbn.com.au/updates</a>.
- 4. NBN Co uses a design criteria targeting a minimum average download wholesale speed on a cell of 6Mbps, during the busy hour of the day (typically 7pm to 11pm). As with any wireless broadband network, capacity is shared and finite. This is why NBN Co has an ongoing capacity upgrade program which undertakes work on these cells when they fall beneath the design threshold.
- 5. This calendar year, more than 3,300 cells across the nbn™ Fixed Wireless network have had capacity upgrade works completed, with an additional 200 expected to be completed by the end of the month.
- 6. The Connecting Australia report was commissioned by NBN Co in 2017 through independent research agency AlphaBeta. It combines national census data with an Ipsos survey of 3500 individuals across 1700 postcodes in metropolitan, regional and remote areas, including those connected to the **nbn**™ access network and those not connected. Australia is projected to reach the top 10 OECD countries for internet equality by 2021 (assuming all other OECD countries hold constant at their 2016 figures).
- 7. NBN Co provides wholesale services to phone and internet providers. **nbn**™ wholesale speed tiers available to providers vary depending on the access technology in a user's area. A user's experience, including the speeds actually achieved over the **nbn**™ broadband access network, depends on the **nbn**™ access network technology and configuration over which services are delivered to their premises, whether they are using the internet during the busy period (7pm to 11pm), and some factors outside of NBN Co's control (like their equipment quality, software, chosen broadband plan, signal reception (which can be affected by the distance of the end user from the transmission tower and environmental factors), or how their provider designs its network). Speeds may also be impacted by the number of concurrent users on the Fixed Wireless network, particularly during busy periods. Sky Muster™ satellite users may also experience latency.

For more information, visit <a href="www.nbn.com.au">www.nbn.com.au</a>

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