



# Media Release

Thursday 14 December 2017

## NBN Co announces new pricing options to boost broadband speeds

**New wholesale pricing options designed to improve customer experience and meet the growing demand for fast broadband in peak hours**

NBN Co has unveiled dramatic discounts on its top-tier internet access plans in a move that is designed to deliver significant savings for its wholesale customers and allow them to improve broadband speeds and service for end users.

The changes – which apply to the company's fixed line access network and come into effect in the second quarter of 2018 – mean that for the first time NBN Co will bundle together access and bandwidth charges for its higher speed plans under a simple pricing structure.

The company plans to introduce a new **nbn™** 50 wholesale bundle charged at \$45 a month with 2Mbps of bandwidth included and a new **nbn™** 100 wholesale bundle at \$65 a month with 2.5Mbps capacity included.

Previously, the static access charge and the fluid capacity charge made up a two-part pricing model that had seen some retailers under-provision bandwidth, which was impacting end user speeds during peak download times.

But these new plans – include nearly double the current average capacity being purchased by retailers across all **nbn™** fixed line services today – will help entice retailers and end users to move up the speed chain, reposition the **nbn™** 50 service as the company's flagship plan and unleash the potential of the **nbn™** access network.



[Video – What is bandwidth and how is it delivered?](#)

The changes are expected to also result in significant savings for NBN Co's wholesale customers with the new **nbn™** 50 bundle representing a potential discount of 27 per cent while the **nbn™** 100 bundle could save retailers 10 per cent when compared to current average prices across the industry.

Included bandwidth on these new packages is just the minimum, meaning retailers can continue to purchase additional capacity as demand increases for \$8 per megabit per second per month, a 40 per cent reduction.



Until the new pricing structure goes live and to help transition retailers to the new pricing options, NBN Co is also introducing a promotion that will see the **nbn™** 50 wholesale service sold for the same access price as the **nbn™** 25 service with a boost of 50 per cent additional bandwidth.

While these new plans are designed to help promote the take-up of higher speeds, NBN Co has also announced plans to introduce a lower cost of entry-level wholesale bundle to ensure retailers committed to voice-only and basic broadband access customers are not left behind.

The new voice-only and low usage access plans will come with an included 50kbps of data, which is enough to cover a basic telephony service. This means retailers servicing telephony-only and basic internet users can purchase the new **nbn™**12 bundle for a wholesale charge of just \$22 per month, which represents a potential discount of around 8 per cent on the current entry-level plan.

NBN Co's existing pricing options will continue to be available for internet and phone providers who prefer this model and to also allow a smooth migration for those who choose to progressively move their customers over to the new bundles.

**NBN Co Chief Executive, Bill Morrow, said:**

“Today, more than 80 per cent of end users are on plans based on the **nbn™** 25 wholesale speed tier or lower but we want all Australians to experience the benefits of fast broadband and the economic growth, job creation, and social inclusion that it unlocks.

“Combining access and bandwidth charges into one simple price point will not only promote the take-up of plans based on higher wholesale speed tiers and position the **nbn™** 50 bundle as our flagship service, but it will also trigger the triple benefit of improved end user experiences, provide more affordable pricing options for retailers and support NBN Co's revenues in the longer term.”

The **nbn™** access network is currently available to more than one in two Australians and is scheduled to be complete by 2020.

Read more about the pricing options on the [nbn blog](#).





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### Media enquiries

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Supporting video, audio and images can be found [here](#)



### Notes to editors:

- Example wholesale graphic shows the AVC speed tiers and CVC bandwidths proposed for inclusions in the new **nbn™** bundles, together with the price that **nbn™**'s customers would pay under today's prices. These are based on the average cost of CVC across the industry compared with the prices that all retailers will be able to access under the new announced bundles.
- Each retailer's actual cost of CVC bandwidth today, and therefore the approximate cost under today's prices, varies by the average amount of bandwidth which the retailer purchases per service. This means their current costs could be higher or lower than the examples in this table.
- NBN Co's immediate wholesale discount option will be available to the majority of end users who can connect to the **nbn™** access network from 14 December 2017 until **nbn™**'s new high bandwidth bundles are available.
- The immediate wholesale discount is designed to allow end users to experience faster speeds at a similar cost to what they are paying today for up to 12 months from the date their provider moves them to the new plan. Phone and internet providers will decide the retail price of the plans and will not be able to offer the promotion on **nbn™** powered Fixed Wireless or Sky Muster™ plans.
- NBN Co has made the immediate wholesale discount promotion available to all phone and internet providers who have signed the Wholesale Broadband Agreement (WBA).