



NBN Co Information Paper

NBN Co Interim Satellite Service End User

Eligibility Criteria





NBN Co Limited

Interim Satellite Service Eligibility Criteria

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Environment

NBN Co Interim Satellite Service

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Introduction

NBN Co's vision for broadband service delivery is to make high speed broadband available to 100% of the Australian population, via a mixture of fibre, fixed wireless and satellite technologies. A central part of this vision is to provide a satellite broadband service across those areas of Australia not covered by the fibre and fixed wireless networks, so that all Australian residents may have access to high speed broadband.

As set out in NBN Co's Corporate Plan, NBN Co's fibre network footprint is designed to cover 93% of Australian premises. NBN Co's fixed wireless and satellite networks together are intended to serve the remaining 7% of premises, with the satellite service planned ultimately to be available to all of mainland Australia, plus Australia's external territories, including the Christmas, Norfolk, Lord Howe and Cocos Islands. NBN Co's satellite service is being designed to provide an unprecedented bandwidth and speed to areas traditionally underserved by broadband access. In this way, the NBN has the potential to change the way telecommunications are experienced in many areas of Australia.

Introduction of Interim Satellite Services

The long term vision for NBN Co's satellite service is planned to be realised in 2015, when NBN Co expects to launch its Long Term Satellite Service. This service is planned to utilise two high capacity, Ka band geostationary satellites owned and managed by NBN Co. The Long Term Satellite Service is designed to provide an unprecedented level of bandwidth to Australian satellite internet customers.

The procurement, construction and deployment of these satellites is a significant undertaking, taking years to design, build and launch. In the meantime, in order to bring forward the provision of services to Australian satellite internet customers, and to provide a level of transition from the Australian Broadband Guarantee (ABG) program towards the Long Term Satellite Service, NBN Co has introduced the Interim Satellite Service. The Interim Satellite Service is the result of a commercial arrangement between NBN Co and Optus, under which Optus will provide a managed service to NBN Co, utilising satellite bandwidth provided by Optus and IP Star.

The effect of the introduction of the Interim Satellite is to bring forward the provision of high-speed broadband services to many Australians who would otherwise be without broadband options. NBN Co also is concerned to maintain a high quality product, and to allocate and manage available capacity in a fair, efficient and non-discriminatory way. We intend to continue working closely with our Wholesale Customers to ensure that our processes are fair and understood.

NBN Co's satellite services will be rolled out in two stages:

1. The Interim Satellite Service. The Interim Satellite Service is designed to provide a transition from the Australian Broadband Guarantee program to NBN Co's Long Term Satellite Service. The Interim service will provide internet service providers a wholesale Layer 3 satellite broadband internet service, with download speeds up to 6Mbps and upload speeds up to 1Mbps*, to a limited number of premises across Australia, utilising existing Ku band satellite capacity from Optus and IP Star.

The Interim Satellite Service is being made available from November 2011. Each Wholesale Customer must use its own network elements to provide the service, including backhaul and traffic management, and connections to a specified NBN Co Point of Interconnect located in Sydney.

The Interim satellite service is planned to support 20 Wholesale Customers with a planned 1000 activations per month. This capacity depends on network operational capacity, and therefore may change over the life of the service.

The Interim Satellite Service will be available in mainland Australia and Tasmania but not Australia's external territories such as Macquarie, Christmas, Cocos, Lord Howe, and Norfolk Islands.

2. The Long Term Satellite Service. The Long Term Satellite Service is planned to provide internet service providers a wholesale Layer 2 nationwide service with peak speeds of 12 Mbps download, and 1 Mbps upload*. Based on multiple Points of Interconnect, it is expected to utilise NBN Co's own satellites using Ka band spectrum.

The Long Term Satellite Service will be designed to be delivered by two high capacity satellites owned by NBN Co and built for the purpose of providing services during the Long Term phase. The procurement of these satellites and the acquisition of spectrum to support the service are currently underway, with services due to commence in 2015.

The Long Term Satellite Service will be available in mainland Australia, plus all of Australia's external territories, including Macquarie, Christmas, Cocos, Lord Howe, and Norfolk Islands. The Long Term Satellite Service is not the subject of the invitation for expressions of interest in this document.

This information paper describes NBN Co Interim Satellite Service End User eligibility criteria.

** NBN Co is designing the NBN to be capable of delivering these speeds to NBN Co's wholesale customers (telephone and internet service providers). Speeds actually achieved by retail customers (end users) will depend on a number of factors including the quality of their equipment and in-premises connection, the broadband plans offered by their service provider and how their service provider designs its network to cater for multiple end users.*

End User Eligibility Criteria for Interim Satellite Service

Background

The criteria below have been established to enable NBN Co to manage the demand for its Interim Satellite Service, so that it is able to reasonably manage End User orders and activations. These criteria are based on the program guidelines that apply to the Australian Broadband Guarantee (ABG) program, including the concept and definition of metro-comparability as the primary test for determining eligibility. These criteria are also consistent with the Government's expectation of NBN Co to provide a level of transition from the ABG program to the Long Term Satellite Service.

During the course of the Interim Satellite Service, NBN Co may need to change or amend the Eligibility Criteria to manage demand within the available capacity.

To maintain continuity of service qualification between the ABG program and the Interim Satellite Service, NBN Co provides service qualification services under similar processes that currently apply to ABG service qualification.

Metro-comparable service

A metro-comparable broadband service means a service with the following features:

1. Access to the Internet at a peak Data Speed of at least 512/128 kbps and 3GB per month usage allowance (with no restrictions within these limits on downloads or uploads or usage time);
2. A price to the End User over three years of no more than \$2500 (inc GST) including equipment, installation, connection, account establishment, travel costs and ongoing provision of the service; and
3. The service provider offering the broadband service can install the service within a reasonable period of time.

Eligible Users

An End User may be eligible if:

1. according to the Broadband Service Locator (**BSL**), they do not have access to a metro-comparable broadband service, as defined under the ABG program (**Metro-Comparable Service**), and
2. they are one of a residential customer, a small business, an Indigenous community organisation or a not-for-profit organisation, as defined below. For illustrative purposes, commercial broadband services that fall within the Metro-Comparable Service definition include:
 - traditional broadband services such as ADSL or ADSL 2+;
 - 3G wireless in 'hand held' areas, including those that require a Yagi external antenna; and
 - fixed wireless from a provider formerly provided under the ABG program guidelines in 2010-11.

Residential End Users

A residential End User is considered eligible if the following criteria are met:

- Premises being connected is the End User's principal place of residence;
- An End User has been residing at the premises to be connected for at least twelve months prior to being connected, or is intending to reside at the premises for the next consecutive twelve month period; and
- The End User does not have an existing NBN service at the eligible premises.

Further detailed criteria apply in order to determine whether a residence is an End User's principal place of residence (as required by the first point above). For example, while a flat or apartment in a block of flats or apartments may qualify, a hotel room or serviced apartment will not qualify. Details are set out below in the section "Further details about Eligibility".

Small business customers

A Small Business is considered eligible if the following criteria are met:

- The business does not have more than 20 full time equivalent employees (FTEs);
- The business has a unique and clearly identifiable work location set up in such a manner that represents a distinct place of operation for the business;
- The business does not have an existing NBN Co service at that place of business; and
- The business does not qualify as a residential End User.

Further detailed criteria apply in order to determine whether a work location is eligible. For example, vacant land or a site established for re-transmission of broadband services will not qualify. Certain organisations, such as most government organisations and education organisations (whether government controlled or private) are not considered Small Business End Users. Details are set out below in the section "Further details about Eligibility".

Indigenous community organisations

An Indigenous community organisation is considered eligible if NBN Co reasonably considers it to be an 'Indigenous Community Organisation'. NBN Co will consult with the Regional & Indigenous Communications Branch of the Department of Broadband, Communications and the Digital Economy in making that determination.

An Indigenous Community Organisation may apply if it meets the following criteria:

- The Indigenous Community Organisation can provide an Indigenous Corporation Number that can be verified by the Office of the Registrar of Indigenous Corporations;
- The Indigenous Community Organisation has a work location set up in such a manner that represents a distinct place of operation for the organisation;
- The premises are for use by the indigenous community; and
- The premises do not have an existing NBN service

An Indigenous Community Organisation may be eligible as a business using broadband services for its own business purposes and may be alternatively or additionally eligible, subject to NBN Co's prior written approval, on behalf of residential End Users within the indigenous community. If this is the case, the organisation will be responsible for all End User obligations relating to the broadband service.

Not For Profit Organisations

A Not-For-Profit Organisation is considered eligible if the following criteria are met:

- It is formed for social recreational, educational, charitable, philanthropic or other lawful purposes, where any profit earned can only be applied for the purposes of the organisation as a whole and not distributed to individual members;
- It is not associated with any Commonwealth, State, Territory or local government agency;
- It has no more than the equivalent of 20 full-time employees;
- It has a unique Australian Business Number; and
- It has a unique work location set up in a manner that represents a distinct place of operation for the Not-For-Profit Organisation.

Only one NBN service at each place of operation of the Not-For-Profit Organisation is permitted. NBN Co will consult with the Department of Broadband, Communications and the Digital Economy to determine if an organisation should be considered a 'not for profit' organisation.

Priorities

Applicable from 18th November 2011, there are two priority categories of Eligible End Users, described below.

Priority One Eligible End Users

Eligible End Users who have never had an ABG service and, according to the BSL, do not have access to a metro-comparable broadband service at a requested eligible premises.

Priority Two Eligible End Users

Eligible End Users who, according to the BSL, do not have access to a metro-comparable broadband service at a requested eligible premises and either have:

- a working ABG service that was connected more than three years ago, or
- had an ABG service less than three years old but have lost it through no fault of their own.

If the total demand for the Interim Satellite Service exceeds more than 1000 activations per month NBN Co reserves the right to process Priority One orders ahead of any Priority Two End Users.

Further details about Eligibility

Ineligible Organisations

Government organisations, including Commonwealth, state and local government organisations, with the exception of Indigenous community councils, are not Eligible End Users and their related premises are not eligible premises.

Education organisations including tertiary institutions, secondary and primary schools, childcare and day care centres and other education facilities (regardless of whether they are Government controlled or private) are not considered small businesses and therefore are not eligible end users and their related premises are not eligible premises.

Businesses with more than 20 FTEs are not eligible.

Eligible premises

Eligible residential premises must be an Eligible End User's principal place of residence. A principal place of residence is defined to be an Eligible End User's sole or principal place of residence for at least 12 consecutive months, during which the residence is exclusively available to the Eligible User, and which is self-contained and supports independent living. This includes:

- a distinct house, including a granny flat on a block of ground under a single title;
- a flat or apartment in a block of flats or apartments;
- houses, cottages or other dwellings on a farming property that are separate places of residence for the property owner and staff member(s);
- self-contained and distinct places of residence within retirement villages and nursing homes;
- a caravan, cabin or like structure that is permanently located at a particular location (i.e. the premises cannot be moved) and is the principal place of residence of the customer; and
- a permanently moored vessel that is the principal place of residence of the Eligible End User.

The following residential premises are not eligible:

- premises that are ordinarily occupied by a particular occupant for less than 12 consecutive months—these include hotel rooms, holiday apartments, serviced apartments, boarders' rooms, dormitories and self-contained rooms that are used by more than one occupant on a rotating basis (or other similar arrangement);
- barracks (both military and civilian);
- premises without a permanent power supply;
- any mobile premises (for example, boat, caravan or bus) or a demountable or other temporary building that is not permanently located in a particular location; and
- vacant land on which customer premises equipment is erected, unless the site is directly connected to the premises of a residential customer (such as a satellite dish built next to a house).

Eligible small business premises must be a unique work location. If the business is co-located in premises with other businesses, the business must have a clearly identified work location.

The following small business premises are not eligible:

- vacant land;
- a temporary or other demountable building that is not permanently located at a particular location;
- buildings such as sheds, barns or outbuildings that have been erected for the purposes of housing livestock, machinery or other equipment associated with the operation of the business but are not the small business' primary place of operation. However, if that building is the residence of a Residential End User (for example, a farm worker) it may be eligible premises for a residential service subject to satisfying the requirements outlined above for residential premises and Residential End Users; and
- a site established for re-transmission of broadband services.

Appeal mechanism for eligibility determinations

In cases where an End User does not agree with the results of a Broadband Service Locator (**BSL**) search (i.e. contrary to the BSL finding, they cannot access a Metro-Comparable Service or they have lost their ABG service through no fault of their own), the End User can seek to change their status online and provide the necessary supporting evidence to justify the appeal. This can be done by the End User online or by phone with the assistance of the NBN Co contact centre on 1800 881 816.

In cases where an existing ABG customer has lost their service, or considers that the service is no longer being provided at a metro-comparable level, they must in the first instance notify the Department of Broadband, Communications and the Digital Economy (**DBCDE**) by calling 1800 883 488, and have their circumstances validated by DBCDE. End Users should note that DBCDE will work with them and their retail service provider to attempt to resolve performance issues, before providing validation of loss of metro-comparable service.

A final decision on End User Eligibility will be made by NBN Co following receipt of an order from an authorised NBN Co Interim Satellite Service retail service provider, together with a signed declaration form from the End User that includes any necessary documentation requested by NBN Co, including a statement of reasons setting out the argument for their eligibility, and where relevant, DBCDE validation.

Key examples of circumstances in which the loss of an ABG service may be considered to have been lost through no fault of the End User include:

- fire, flood, cyclone or other natural disaster (not covered by insurance or other special arrangements);
- change of occupier at previously serviced premises, after which End User premises ABG equipment (CPE) is found not to be available at time of occupation; and
- major failure of the ABG equipment not covered by ABG warranty or occupier insurance.

The standard of evidence required is determined by NBN Co at its sole discretion, and will be reviewed as necessary from time to time. In most circumstances, NBN Co will accept an End User's signed statement of reasons as sufficient for accepting an order from a retail service provider, provided that the End User is covered by one of the circumstances outlined above. However, NBN Co may at its discretion impose additional requirements such as for NBN Co's installers to verify an End User's statement of reasons, e.g. major equipment failure, prior to proceeding with an installation. These additional requirements may be applied generally across all End Users, or on a case by case basis.



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