Australian Government Department of Communications and the Arts

Broadband networks in apartment buildings - considerations for property owners and managers

The Department of Communications and the Arts (the Department) is aware that building owners and managers are being approached by telecommunications companies deploying infrastructure (known as carriers) to install new equipment to provide very fast broadband services in their buildings. This information note is designed to assist building owners and managers to make informed decisions. It makes a key distinction between carriers, who provide network equipment and wholesale services, and retailers, who provide retail services using a carrier's network.

National Broadband Network

NBN Co Limited (nbn) is the carrier that is rolling out the National Broadband Network (the NBN). The Australian Government has indicated that it should roll out the NBN as quickly and cost effectively as possible. nbn will employ a multi-technology mix to provide peak wholesale download data rates of at least 25 megabits per second to all premises and at least 50 megabits per second to 90 per cent of fixed line premises. This approach means that nbn is undertaking less disruptive civil works than it would otherwise need to, and means that the network is being deployed at a rapid rate.

The NBN is a wholesale-only, open access platform. In practice this means that consumers on that network have a choice as to which retail service provider they wish to purchase a service from.

More information is available at <u>www.nbnco.com.au</u>.

Alternative carriers

Other carriers providing very fast broadband to residential customers generally need to operate new networks on a wholesale-only basis like nbn. However, there are some exceptions to these arrangements. If an exception applies or a carrier is not complying with regulatory requirements, building occupants may not have the benefits of competition and choice otherwise available on a wholesale-only, open access network. Building owners and managers are encouraged to check that a carrier will be operating an open access model and whether it is on a regulated or voluntary basis.

Building owners and managers who are approached by competing carriers should carefully consider the terms and conditions of supply being offered. It may be that a carrier will ask for exclusive use of your in-building cabling to provide services, possibly for an extended period or even in perpetuity. Exclusive use in a building may be sought because of space constraints or to optimise the broadband performance of the equipment being installed. However, unless a carrier provides access to other providers, such exclusive arrangements can reduce retail choice, to the detriment of residents. Further, it is possible that a request for exclusive use of in-building cabling could conflict with existing contracts with other carriers.

Where non-exclusive use is proposed, carriers may need to manage interference between their systems to ensure that customers' services are not significantly degraded. The industry body, the Communications Alliance, has prepared a draft code on this issue, *Next Generation Broadband Systems Deployment Rules*, which is currently out for consultation.

www.communications.gov.au www.arts.gov.au www.classification.gov.au

Carrier use of building entry powers

Telecommunications carriers have some legislated powers to enter land and buildings to undertake inspections and to install and maintain facilities to help them provide services. They can use these powers to install types of equipment that have been determined to be low-impact telecommunications equipment.

In using these powers and immunities, carriers must follow specified procedures in accordance with obligations set out in the <u>Telecommunications Act 1997</u> and the <u>Telecommunications Code of Practice</u> <u>2018</u>. These include advising building owners and occupants in advance and advising them that they have the right to object.

The regime includes specific objection processes which should be followed in the first instance. If an objection cannot be resolved with the carrier, the matter can be referred to the Telecommunications Industry Ombudsman (<u>www.tio.com.au</u>) within five business days of the objector receiving the carrier's response in writing.

Importantly, the Department takes the view that carriers cannot use their powers to access in-building cabling owned by the body corporate. It is the Department's view that carriers therefore need to obtain agreement to use such cabling. If you have doubts about the way a carrier is seeking to exercise its powers, you should raise these promptly with the carrier or seek independent legal advice.

Summary—points to consider

Building owners and managers need to make their own decisions about competing proposals to install telecommunications equipment in their buildings and to provide services into the future. In doing so, the Department suggests considering the following questions:

- Does the proposal involve an open access solution which all retail providers will be able to use, and does the carrier provide this on a regulated or voluntary basis?
- Does the proposal provide residents with a choice of retailers and will this continue in the future?
- Will building occupants be locked into a decision for an extended period or in perpetuity?
- Will other carriers be able to install, or be interested in installing, competing cabling in the future if they can't get access to in-building cabling?
- Are carriers correctly advising you on their use of rights to access facilities, particularly in respect to in-building cabling?
- Is the proposal consistent with any pre-existing contracts with other providers, for example, for the use of in-building cabling?
- Does the new carrier have a clear plan for managing possible interference with any existing services such as ADSL and VDSL2, and potential competing services?

More information

Queries or comments can be directed to powersandimmunities@communications.gov.au.

