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MS25-000220


**Australian Government**
**Department of Infrastructure, Transport,  
Regional Development, Communications and the Arts**
**To: The Hon Michelle Rowland MP, Minister for Communications** (for decision)

**Subject:** Extension of Time - Mobile Black Spot Program and Peri-Urban Mobile Program

**Critical Date:** by 10 March 2025, to enable us to advise grantees (uncertainty of the extension is expected to lead to an increased risk of project frustrations if not resolved prior to Caretaker)

**Recommendations:**

1. That you **agree** to extend the rollout schedule completion date for Mobile Black Spot Program (MBSP) Rounds 1 to 5A sites by s47E(d) to enable delivery of remaining sites (**Attachment A**).

☒ **Agreed** / ☐ **Not Agreed**

2. That you **sign** the draft letters to the Chief Executive Officers of Telstra and Optus advising of approved extensions (**Attachment B**).

☒ **Signed** / ☐ **Not Signed**

3. s47C

☒ **Agreed** / ☐ **Not Agreed**

4. That you **agree** to extend the rollout schedule completion date for Peri-Urban Mobile Program (PUMP) Round 1 sites by six months to 30 June 2026.

☒ **Agreed** / ☐ **Not Agreed**

5. That you **agree** no further replacement sites can be proposed or approved under all current and future rounds of the MBSP and PUMP, effective immediately.

☒ **Agreed** / ☐ **Not Agreed**
**The Hon Michelle Rowland MP**

Date: 07-03-2025

**Comments:**

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**Key Points:**

1. The department actively works with MBSP and PUMP grantees and state and territory government co-funding partners to drive performance, manage variations and contingencies, and ensure outcomes are delivered to communities. Median project delivery under MBSP has been around three years, with rounds reaching around 90 per cent delivery by five years. Difficult projects can extend further. Delays are generally outside the direct control of the grantees (see **Additional Information**).

2. MBSP Rounds 1 to 5A currently have a rollout completion date of 30 June 2025 s22(1)(a)(ii). Telstra, Optus and Field Solutions Group (FSG) have sought agreement to an extension of time (EOT). If an EOT is not agreed and grantees assess they cannot deliver sites and submit asset completion reports by June 2025, grantees will frustrate sites and these will be removed from the program.

3. As at 31 December 2024, MBSP Rounds 1 to 5A are 95 per cent complete, with 1164 base stations operational. 65 sites are not yet complete and operational (breakdown by round and grantee is at **Additional Information** and the list of sites is at **Attachment A**). Of these:

- a. Nine (9) sites remain under Rounds 1, 2 and 4; and 56 sites under Rounds 5 and 5A. Round 3 is complete.
- b. 31 sites are under build or built (pending asset completion reporting), and 34 have not yet commenced construction.
- c. 18 sites are forecast to be delivered by 30 June 2025, and 40 by June 2026. Seven are at risk of non-delivery and likely to be frustrated and removed from the program.

4. We recommend you agree to extend the rollout schedule completion date for MBSP Rounds 1 to 5A to s47E(d) for all remaining sites. Funding is committed and contracted, community expectations are high and grantees continue to work towards delivery. On balance, we consider it is better to exhaust all reasonable options to deliver these sites, despite the delays. Where possible, the department will seek earlier completion by grantees.

- a. If you agree the EOT, grantees will continue working to deliver the sites. The EOT will also extend the operational period<sup>1</sup> for sites delivered in the extended period.
- b. If you do not agree the EOT, we expect at least 47 sites to be frustrated (numbers may increase if there are further delivery delays).

5. If you agree to extend the rollout schedule completion date, we will s47E(d) extend the funding agreements to 1 February 2026, s47E(d) based on delivery performance. s47E(d)

6. Subject to your agreement to extend the rollout completion date, draft letters to CEOs of Telstra and Optus are at **Attachment B**. s47E(d)

***Removal of replacement site options from MBSP and PUMP***

7. Under the funding agreements, sites on the rollout schedule can be frustrated and a new replacement site proposed. You previously agreed not to approve any further replacements sites under MBSP Rounds 1 to 5A s22(1)(a)(ii) and to limit new MBSP rounds such that replacement sites can only be proposed by a grantee within 18 months of the funding agreement being signed s22(1)(a)(ii). As previously noted in those briefs, while there have been

<sup>1</sup> Operational Period is the date of asset completion for that asset and ending on the date that is 10 years after the date of asset completion for that asset.

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benefits to some communities, replacement sites extend program delivery and new sites are better proposed through new grant program rounds.

8. Since your decisions, the new Commonwealth Grant Rules and Principles 2024 (CGRPs) came into effect from 1 October 2024, and the use of replacement sites could now be considered to conflict with its better practice guidance (emphasis added).

- *Clause 14.13 Value with relevant money should be considered in recommending and approving a variation to a grant agreement. Variations should not be used as an alternative to appropriately planning a new grant opportunity.*
- *Clause 14.14 As a general rule, grant agreements should:*
  - *only be varied where necessary and for the length of time that will allow for the project or activities to be completed as originally agreed; and*
  - *not significantly change the scope of the initial agreement.*

9. Given this, we now consider it more appropriate to remove the use of new replacement sites completely, from all current and future rounds of the MBSP and PUMP. Subject to your agreement, we will give effect to this through the relevant funding agreements with all grantees. Any previously approved replacement sites will continue to be delivered.

*Peri-Urban Mobile Program (PUMP) rollout completion date*

10. PUMP Round 1 currently has a rollout schedule completion date of 31 December 2025 s22(1)(a)(ii) [REDACTED] To date, only three of the 66 PUMP Round 1 sites have been delivered. Current updates from grantees (TPG Telecom, Optus and Telstra) identify 31 sites as forecast to be delivered by then, with the remaining 32 sites expected to extend beyond (see **Additional Information**).

11. Grantees have not yet formally sought EOTs, but we anticipate these shortly. We are seeking your agreement to extend the rollout date by 6 months at this time, to 30 June 2026, to provide confidence to grantees to continue delivery. We will consult grantees on forecasts and advise you of the need for further extensions s47C [REDACTED]

12. We note that PUMP Round 1 funding agreements were signed during March to August 2023, and our experience with MBSP indicates that delivery can be expected to take up to five years to reach 90 per cent of sites delivered. Five-year funding profiles have recently been approved for MBSP Round 8 (at MYEFO 2024-25) and for PUMP Round 2 (at 2025-26 Budget) to reflect more realistic delivery profiles.

#### **Financial impacts:**

13. The current policy end date for the MBSP appropriation (Rounds 1 to 6) is 30 June 2027, and for the PUMP appropriation (Rounds 1 and 2) is 30 June 2029. You may extend individual rounds within these policy end dates. (Note the MBSP end date for Rounds 7 and 8 is 30 June 2030 and determined separately by the BCP appropriation.)

14. In approving the recommended EOT for the MBSP, s47C [REDACTED]  
s47C [REDACTED]

s47C [REDACTED] We will work with grantees to revise forecasts and profiles  
s47C [REDACTED]  
s47C [REDACTED]

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s47E(d)

The quantum and availability of unspent funds will depend on the number of sites and timing of final accounting reconciliation processes required for each grantee and round.

s47E(d)

### Next Steps

18. If you agree the proposed EOTs for MBSP Rounds 1 to 5A and PUMP Round 1, we will notify grantees. We will monitor delivery and work with grantees to revise forecasts and profiles

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**Legal/Legislative impacts:** N/A

### Stakeholder Implications:

19. Some discontent from communities about delayed sites can be expected. However, removal of delayed and uncompleted sites from MBSP and PUMP is expected to result in more vociferous concern. We note CommsDay published information obtained from FOI-397 on the June 2023 extension of time request, with references to this repeated across other media and in forums including the February 2025 CommsDay Regional and Remote Forum.

**Consultation:** Telstra, Optus, TPG, FSG, and External Budgets

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**Media Opportunities:** N/A

### Attachments:

**Attachment A:** List of remaining sites

**Attachment B:** Letters to the CEOs of Telstra and Optus

Cleared By: Karly Pidgeon

Position: Assistant Secretary

Division: Communications Services & Consumer/  
Regional Mobile Infrastructure Program Branch

Ph: 6236 s22(1)(a)(ii) / s22(1)(a)(ii)

Cleared Date: 6 March 2025

Contact Officer: s22(1)(a)(ii)

Section: Mobile Program Implementation

Ph: 6136 s22(1)(a)(ii)

**Instructions for MPS:** If agreed and signed, please email letters to recipients.

**Do you require a signed hardcopy to be returned:** No

**Responsible Adviser:** s22(1)(a)(ii)

**PDMS Distribution List:** Jim Betts, James Chisholm, Samuel Grunhard, Karly Pidgeon, s22(1)(a)(ii) Jason Lange, s22(1)(a)(ii)

<sup>2</sup> AAA Completion means the obtaining, by the Grantee, of all necessary Approvals and agreements to enable construction of an Asset to commence at a Site.

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**Additional Information:**

Delivery of mobile base station infrastructure from desktop design (used at the grant application phase) through to build completion is complex for a variety of reasons. Analysis of past MBSP rounds, consultation with grantees, and review of variation and frustration notices has identified several key reasons for delays, including:

- acquisition and lease agreements for both private and crown land,
- approvals by state governments, local councils and other third parties,
- engineering complexities (such as transmission, backhaul and power connectivity), and
- COVID lockdowns and severe weather events, such as storms, fires and floods.

These activities involve many external parties and are largely outside of the grantees' control.

**MBSP Rounds 1 to 5A status**

As at 31 December 2024, 1164 base stations are complete (site on air) and 68 sites have been removed from the program. There are 65 sites remaining on the rollout schedule, with 56 from Rounds 5 and 5A. While a number of sites are scheduled for completion over the next few months, they could still experience delivery delays. A number of sites are also highly likely to be frustrated based on indications from grantees.

- Round 5 contracts were signed in June to October 2020 and early stages of delivery were materially impacted by COVID lockdowns.
- Round 5A rollout schedule commenced just on three years ago, with contracts signed in February to March 2022.
- You previously agreed to EOTs for Rounds 1 to 5A in June 2023 <sup>s22(1)(a)(ii)</sup> and June 2024 <sup>s22(1)(a)(ii)</sup> and advised grantee CEOs of the extension.

The tables below outline the status of the rollout schedule for MBSP Rounds 1 to 5A (as at 31 December 2024).

**Remaining sites per round and grantee**

	Round 1	Round 2	Round 3	Round 4	Round 5	Round 5A	Total
Contracted	2016	2017	2018	2019	2020	2022	-
Telstra	1	-	-	4	14	18	37
Optus	-	1	-	3	7	2	13
FSG	-	-	-	-	-	15	15
<b># Remaining</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>21</b>	<b>35</b>	<b>65</b>
# Announced	499	266	102	180	182	68	1297

**Overview of forecast rollout completion**

	30 June 2025	June 2026	High risk*	Total
Round 1	1	-	-	1
Round 2	-	1	-	1
Round 3 PL	-	-	-	complete
Round 4	4	2	1	7
Round 5	7	11	3	21
Round 5A	6	26	3	35
<b>Grand Total</b>	<b>18</b>	<b>40</b>	<b>7</b>	<b>65</b>

\*High risk of non-delivery, likely to be frustrated

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PUMP Round 1 status (66 announced)**Overview of forecast rollout completion**

	<b>At 31 Dec 2024</b>	<b>By 31 Dec 2025</b>	<b>Beyond 31 Dec 2025</b>
Telstra	0	9	7
Optus	0	10	12
TPG Telecom	3	12	13
<b># Remaining</b>	<b>63</b>	<b>32</b>	<b>0</b>
<i># Announced</i>	<i>66</i>		

The three PUMP Round 1 sites completed by TPG Telecom as at 31 December 2024 are:

PUMP-QLD-010	Rosewood	QLD
PUMP-VIC-016	Sorrento North	VIC
PUMP-NSW-005	North Catherine Field	NSW

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## ATTACHMENT A

**List of 65 Mobile Black Spot Program sites to be delivered for Rounds 1 to 5A**  
**As at 31 December 2024**

Round	MBSP ID	Site Name	Grantee	State
Round 1	MBSP-VIC-112	Goldie	Telstra	VIC
Round 2	MBSP2-WA-088	Ningaloo Station (Jane's Camp)	Optus	WA
Round 4	MBSP4-QLD-008	Cedar Creek (PIP)	Telstra	QLD
Round 4	MBSP4-QLD-010	Charlie Moreland Camp	Optus	QLD
Round 4	MBSP4-SA-011	Flinders Ranges Way	Optus	SA
Round 4	MBSP4-VIC-013	Grampians Rd (Halls Gap To Dunkeld)	Telstra	VIC
Round 4	MBSP4-WA-009	Kanpa	Telstra	WA
Round 4	MBSP4-WA-021	Patjarr	Telstra	WA
Round 4	MBSP4-QLD-026	Yarrabah South	Optus	QLD
Round 5	MBSP5-QLD-047	Cedar Creek Falls	Telstra	QLD
Round 5	MBSP5-VIC-015	Coopers Creek	Telstra	VIC
Round 5	MBSP5-VIC-008	Hordern Vale	Optus	VIC
Round 5	MBSP5-WA-031	Lane Poole Reserve	Telstra	WA
Round 5	MBSP5-NSW-013	Lankeys Creek	Optus	NSW
Round 5	MBSP5-QLD-048	Lynd Roadhouse	Telstra	QLD
Round 5	MBSP5-WA-070	Lyndon River West Rest Area	Telstra	WA
Round 5	MBSP5-NSW-028	Mafeking	Telstra	NSW
Round 5	MBSP5-WA-069	Mount Margaret Community	Telstra	WA
Round 5	MBSP5-WA-038	Mt Horner North	Optus	WA
Round 5	MBSP5-WA-039	Muludja Remote Community	Telstra	WA
Round 5	MBSP5-WA-042	Ngaanyatjarra Lands, Tjukurla	Telstra	WA
Round 5	MBSP5-WA-044	North Kellerberrin	Optus	WA

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Round	MBSP ID	Site Name	Grantee	State
Round 5	MBSP5-WA-072	Punmu Community	Telstra	WA
Round 5	MBSP5-WA-051	Thevenard Island	Telstra	WA
Round 5	MBSP5-TAS-012	Tylers Hill	Optus	TAS
Round 5	MBSP5-WA-071	Useless Loop Town	Telstra	WA
Round 5	MBSP5-WA-056	Wangkatjunka Remote Community	Telstra	WA
Round 5	MBSP5-QLD-042	Yarraden	Telstra	QLD
Round 5	MBSP5-WA-063	Yathroo	Optus	WA
Round 5	MBSP5-WA-064	Youndegin	Optus	WA
Round 5A	MBSP5A-WA-002	14 Mile Camp, Warroora	Optus	WA
Round 5A	MBSP5A-VIC-001	Anglers Rest	Telstra	VIC
Round 5A	MBSP5A-QLD-010	Appletrees (Nindigully)	FSG	QLD
Round 5A	MBSP5A-NSW-029	Barrier Highway -Barrier Highway (Between Canbelego and Hermindale)	Telstra	NSW
Round 5A	MBSP5A-NSW-003	Borwon	FSG	NSW
Round 5A	MBSP5A-TAS-002	Bridgenorth	Telstra	TAS
Round 5A	MBSP5A-NSW-004	Bullarah	FSG	NSW
Round 5A	MBSP5A-NSW-001	Collymongle	FSG	NSW
Round 5A	MBSP5A-QLD-004	Cunamulla to Thargo - Bulloo	FSG	QLD
Round 5A	MBSP5A-QLD-005	Cunamulla to Thargo - Paroo	FSG	QLD
Round 5A	MBSP5A-QLD-003	Dynevor Downs	FSG	QLD
Round 5A	MBSP5A-QLD-002	East Thargo (West Lake Bindegolly)	FSG	QLD
Round 5A	MBSP5A-WA-012	Embulgan	Telstra	WA
Round 5A	MBSP5A-QLD-006	Eulo	FSG	QLD
Round 5A	MBSP5A-NSW-013	Ewingar	Telstra	NSW
Round 5A	MBSP5A-VIC-003	Frenchman'S Gap, Gaffneys Creek	Telstra	VIC

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<b>Round</b>	<b>MBSP ID</b>	<b>Site Name</b>	<b>Grantee</b>	<b>State</b>
Round 5A	MBSP5A-VIC-004	Goongerah	Telstra	VIC
Round 5A	MBSP5A-WA-011	Hyden East	Telstra	WA
Round 5A	MBSP5A-WA-009	Indian Ocean Dr / Coolimba-Eneabba Rd	Telstra	WA
Round 5A	MBSP5A-WA-008	Indian Ocean Dr/ Cliffhead Campsite	Telstra	WA
Round 5A	MBSP5A-WA-014	Kadjina	Telstra	WA
Round 5A	MBSP5A-NSW-015	Kosciuszko Tourist Park	Telstra	NSW
Round 5A	MBSP5A-WA-004	Lake Kepwari	Optus	WA
Round 5A	MBSP5A-NSW-017	Malabugilmah	Telstra	NSW
Round 5A	MBSP5A-NSW-019	Millbank	Telstra	NSW
Round 5A	MBSP5A-WA-006	North Greenbushes	Telstra	WA
Round 5A	MBSP5A-QLD-008	St George Cotton Shed	FSG	QLD
Round 5A	MBSP5A-NSW-002	Strathmore Road Dungalear	FSG	NSW
Round 5A	MBSP5A-WA-001	Talbot	FSG	WA
Round 5A	MBSP5A-NSW-005	Telleraga	FSG	NSW
Round 5A	MBSP5A-QLD-001	Thargomindah Town	FSG	QLD
Round 5A	MBSP5A-WA-013	Tunney North	Telstra	WA
Round 5A	MBSP5A-VIC-010	W Tree Creek	Telstra	VIC
Round 5A	MBSP5A-QLD-007	Waihora	FSG	QLD
Round 5A	MBSP5A-NSW-031	Wattamolla	Telstra	NSW



## The Hon Michelle Rowland MP

Minister for Communications  
Federal Member for Greenway

MS25-000220

Ms Vicki Brady  
Chief Executive Officer  
Telstra  
Level 30, 400 George Street  
SYDNEY NSW 2000

s47F

Dear Ms Brady

Rounds 1 to 5A of the Australian Government's Mobile Black Spot Program (MBSP) have resulted in 1164 base stations achieving 'Site on Air' status as at 31 December 2024. I congratulate Telstra on delivering 874 of these sites. I appreciate Telstra's work, in collaboration with the Government, to provide new and improved mobile coverage to communities across Australia, particularly at locations which were not economical without the Government's co-investment.

I note that Telstra has requested an extension of time to deliver remaining sites funded under Round 1 to 5A of the MBSP. I agree to an extension of time for these sites to 1 February 2026, although I understand the majority of your remaining sites will be completed earlier and in 2025. The Government considers all Australians deserve access to reliable, high-quality and affordable telecommunications services. To that end, I look forward to all of Telstra's remaining projects being delivered to communities as quickly as possible.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts will work with your team to extend your grant agreements, and will continue to work closely with Telstra on delivery. The contact at my department is Ms Karly Pidgeon, Assistant Secretary, Regional Mobile Infrastructure Programs at <sup>s22(1)(a)(ii)</sup> [@infrastructure.gov.au](mailto:karly.pidgeon@infrastructure.gov.au).

Yours sincerely

Michelle Rowland MP

07/03/2025



## The Hon Michelle Rowland MP

Minister for Communications  
Federal Member for Greenway

MS24-000220

Mr Stephen Rue  
Chief Executive Officer  
Optus  
1 Lyonpark Road  
MACQUARIE PARK NSW 2113

s47F

Dear Mr Rue

Rounds 1 to 5A of the Australian Government's Mobile Black Spot Program (MBSP) have resulted in 1164 base stations achieving 'Site on Air' status as at 31 December 2024. I congratulate Optus on delivering 244 of these sites. I appreciate Optus' work, in collaboration with the Government, to provide new and improved mobile coverage to communities across Australia, particularly at locations which were not economical without the Government's co-investment.

I note that Optus has requested an extension of time to deliver remaining sites funded under Round 1 to 5A of the MBSP. I agree to an extension of time for these sites to 1 February 2026, although I understand the majority of your remaining sites will be completed earlier and in 2025. The Government considers all Australians deserve access to reliable, high-quality and affordable telecommunications services. To that end, I look forward to all of Optus' remaining projects being delivered to communities as quickly as possible.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts will work with your team to extend your grant agreements, and will continue to work closely with Optus on delivery. The contact at my department is Ms Karly Pidgeon, Assistant Secretary, Regional Mobile Infrastructure Programs at s22(1)(a)(ii) @infrastructure.gov.au.

Yours sincerely

Michelle Rowland MP

07/03/2025