



Special Access Undertaking (NBN Transformation Projects) Government Policy Project Notice 2025— Overview

November 2025

Summary

On 13 January 2025, NBN Co announced that it would be undertaking upgrades to enable premises in the remaining fibre-to-the-node (FTTN) network areas to order higher-speed services using mostly fibre-to-the-premises (FTTP) technology.¹ The number of premises estimated to be in this footprint was approximately 622,000 premises as at the date of the announcement.

On 12 November 2025, the Minister for Communications, the Hon Anika Wells MP, issued a Project Notice in relation to this upgrade covering what are defined in the Project Notice as the NBN Network Upgrade Project and NBN Premises Upgrade Project (collectively the NBN Transformation Projects). The NBN Network Upgrade Project effectively covers the build component of the upgrade that will give FTTN premises the ability to access FTTP technology (or an alternative technology). The NBN Premises Upgrade Project effectively covers the component of the upgrade involving the connection of FTTN premises to FTTP technology (or alternative technology).

The full title of this Project Notice is the Special Access Undertaking (NBN Transformations Projects) Government Policy Project Notice 2025.

A copy of the Project Notice was provided to NBN Co and the Australian Competition and Consumer Commission (ACCC).

What is the Special Access Undertaking (SAU)?

The SAU is an undertaking given by NBN Co to the ACCC.

It is a key part of NBN Co's regulatory framework governing the terms on which NBN Co, as a wholesale open access telecommunications network, supplies services to retail internet and phone companies. The SAU regulates NBN Co's expenditure, wholesale pricing and services standards.

The SAU was originally accepted by the ACCC on 13 December 2013. It was subsequently varied in April 2021 to extend specific provisions, and then substantively varied in October 2023.

¹<https://www.nbnco.com.au/corporate-information/media-centre/media-statements/upgrades-for-remaining-homes-businesses-on-fttn>

Additional details on the SAU are available at NBN Co's website at <https://www.nbnco.com.au/rsps/special-access-undertaking-sau>.

What is a Government Policy Project Notice and what is its effect?

As part of the variation accepted by the ACCC in October 2023, a mechanism known as a Government Policy Project Notice was established. This is a formal notice given by the Communications Minister to NBN Co for the purposes of the SAU in relation to projects or programs that are reasonably required to achieve Commonwealth Government policy, taking into account the public interest served by the project or program.

Under the SAU, the ACCC assesses the prudence and efficiency of NBN Co's expenditure. Essentially this involves assessing whether NBN Co's expenditure is the choice a commercially prudent investor would make and is efficient in incurring the lowest cost. The amount of expenditure assessed as being prudent and efficient is then an input in calculating the amount of revenue that NBN Co is permitted to earn under the SAU.

If a Project Notice is issued in respect of a project or program, the ACCC must treat the actual capital expenditure and operating expenditures forecast to be incurred on the project or program as prudent expenditure.

The ACCC still undertakes an efficiency assessment of the expenditure.

Why did the Minister decide to issue the Project Notice?

The NBN Transformation Projects are reasonably required to achieve Commonwealth Government policy, taking into account the public interest served.

Specifically, the NBN Transformation Projects are reasonably required to meet Government policy objectives of improving the reliability of NBN services, increasing speeds available for all of the remaining FTTN premises, and increasing the proportion of the NBN premises able to access speeds of 1 gigabit per second.

The Project Notice also explains how the NBN Transformation Projects, in enabling the delivery of these objectives, are expected to result in a range of benefits, including:

- consumer and connectivity benefits, particularly in regional Australia
- long term benefits to the efficiency and operation of the network
- whole of economy, productivity and employment benefits
- market and competition benefits
- environmental benefits.

Consultation with the ACCC and NBN Co

Consistent with SAU requirements, the ACCC and NBN Co were consulted on the Project Notice prior to it being issued.

The department has published on its website the feedback from the ACCC and NBN Co on 10 October 2025. Both the ACCC and NBN Co support the issuance of the notice.

Maximum expenditure for NBN Network Upgrade Project

The Project Notice has set a maximum amount of expenditure for the NBN Network Upgrade Project at \$1.723 billion (nominal). This effectively caps expenditure deemed prudent through the Project Notice at amount below the current forecast expenditure of around \$3.8 billion for this project.

The Minister has made this decision to balance giving NBN Co the opportunity to realise the revenues that are forecast from the NBN Transformation Projects with managing the potential long-term impact on retailers and consumers.

The level of capping aligns with an option suggested by the ACCC in its feedback.

How will the Project Notice impact the prices that NBN Co charges retailers?

The Project Notice will not impact the maximum wholesale broadband prices that NBN Co can charge retailers until the early 2030s. In this period, the SAU will limit overall annual NBN price increases to inflation.

From the early 2030s, the maximum prices that NBN Co can charge retailers will be related to the amount of revenue that it is permitted to earn under the SAU. As explained above, the Minister has set a maximum amount of expenditure to limit the increase in NBN Co's permitted revenue, and any potential future impact on retailers and consumers.

The wholesale broadband prices that NBN Co will charge retailers in the 2030s cannot be forecast with certainty. For example, NBN Co may choose to charge prices below the maximum amount permitted under the SAU in response to market conditions.

The broadband retail prices that consumers will face in the 2030s can also not be forecast with any certainty. Retail prices are not regulated and individual retailers will make their own decisions about the prices they charge consumers.

Reporting requirements

The Project Notice included reporting requirements to provide transparency on the progress and outcomes of the NBN Transformation Projects.

Can the Project Notice be varied?

The Communications Minister can vary the Project Notice in the future by withdrawing and re-issuing it.

The making of the Project Notice and its content is the outcome of a robust process and extensive engagement with the ACCC and NBN Co.

However, the decision on the amount of capping is based on long term forecasts and assumptions about demand for NBN services, project costs, and regulatory inputs.

Therefore, the department will monitor outcomes going forward, supported by the reporting regime established through the Project Notice. If there is a concern that outcomes are materially diverging from the assumptions and forecasts on which the Project Notice is based, there will be the option of varying it in the future.