Australian Government Department of Communications

Telecommunications in new developments – a guide for industry

The Australian Government has issued a new policy on the provision of telecommunication infrastructure in new developments. This factsheet provides an overview of the policy to help people working on new developments such as developers, installers of pit and pipe, builders and cablers.

I am a developer, what are my responsibilities?

Developers are responsible for providing telecommunications infrastructure in their developments. To provide this infrastructure, you need to contract a carrier to install and operate a telecommunications network.

A carrier is a person who holds a carrier licence issued by the Australian Communications and Media Authority to operate infrastructure to provide services to the public.

In residential areas, carriers need to operate high-speed networks on a wholesale-only basis to support retail competition. Retail service providers (RSPs) then offer services to the public.

The earlier you contact and select a carrier, the easier it is for the carrier to provide the required infrastructure and connect residents when they move in. Different carriers have different notification requirements.

You will also need to make a financial contribution to the installation of infrastructure. Charges may apply for backhaul and in-estate infrastructure. You can confirm the charges for a development by contacting carriers. Future residents may also need to pay service activation fees.

Before a carrier can install telecommunications infrastructure in a development, you must ensure that fibre-ready pit and pipe is installed in line with your chosen carrier's technical specifications.

You should confirm the requirements with your chosen carrier as early as possible. Some carriers offer turnkey solutions including pit and pipe.

How do I choose a carrier?

You can choose any carrier you like to provide telecommunications infrastructure in your development. As with any significant civil works, you should choose someone who is qualified and can do the job well. The Department of Communication's <u>Telecommunications in</u> <u>New Developments Map</u> shows new developments and the carriers servicing them.

What are NBN Co and Telstra's roles as infrastructure providers of last resort?

If you do not want to choose or cannot find another carrier, you can approach NBN Co or Telstra who are infrastructure providers of last resort (IPOLR) in new developments. This means they must provide infrastructure, on commercially agreed terms, if no one else is supplying it. Both IPOLRs will charge for the installation of the infrastructure.

NBN Co's charges are outlined below. If Telstra is the IPOLR in your development, you will need to contact Telstra for information on its charges.

NBN Co is the IPOLR in developments of 100 lots or more within its fixed-line footprint and in developments where its fixed-line network is available, or the NBN rollout has been announced. If you use NBN Co, you will need to provide six months' notice before your network needs to be available.

Telstra is the IPOLR in developments of less than 100 lots/premises where NBN Co's fixed-line network is not available and has not been announced. Telstra also covers developments outside the NBN fixed-line footprint in NBN fixed-wireless and satellite areas.

How much will NBN Co charge under the policy?

Carriers other than NBN Co set their own charges for infrastructure.

Under the policy, all development applications accepted by NBN Co on or after 1 March 2015 will be subject to the following in-estate charges:

Dwelling type	In-estate charge
Single dwelling units (SDU)	\$600 per premises within the SDU
Multi dwelling units (MDU)	\$400 per premises within the MDU

Developers will also be responsible for covering costs for NBN backhaul, where backhaul is not already available. Backhaul is the infrastructure that connects a development to a carrier's wider network.

Under the policy, all development applications accepted by NBN Co on or after 1 July 2015 will be subject to the following backhaul charges:

Backhaul	Charge per lot/premises
NBN backhaul already available	No charge
Backhaul costs up to \$1000 per lot/premises	Up to 50% of cost
Backhaul costs over \$1000 per lot/premises	Up to 100% of costs over \$1000 (in addition to up to 50% of the first \$1000)

All charges are GST inclusive and are in addition to the cost to developers for providing pit and pipe infrastructure.

If the new development is not in the NBN fixed-line footprint, NBN Co may impose charges for satellite or wireless services of up to \$1100 for MDU premises or \$1300 for SDU premises.

NBN Co will publish up to date information about the availability of backhaul to help developers to assess infrastructure before starting a project.

NBN Co also has a number of transitional arrangements to help with backhaul costs which are set out in the policy.

You can find detailed information about how to apply for an NBN service on <u>NBN Co's website</u>.

You can also contact the company for more information about charges that will apply to your development.

Why has charging been introduced?

The Government considers infrastructure costs should generally be met by the parties that use or benefit from them.

Developers are being asked to contribute to the cost of the installation of telecommunications infrastructure in new developments, in the same way that developers contribute to the cost of electricity and water infrastructure.

NBN Co's charges represent a partial recovery of costs for providing telecommunications infrastructure in new developments.

The introduction of charging is designed to promote competition, which in turn will foster long-term efficiency and innovation in the telecommunications market.

If you are concerned about NBN Co's charges, you are free to approach other providers of telecommunications infrastructure.

Do I have to use a carrier to install pit and pipe?

You do not need to use a carrier to install pit and pipe but, as with any significant civil works, you should choose someone who can do the job to the specifications and standards required.

Carriers may not accept pit and pipe if it doesn't meet their requirements. Some carriers have a list of businesses that can install fibre-ready facilities on their website.

Some carriers can also provide turnkey packages, including pit and pipe infrastructure.

What are the specifications for pit and pipe?

Carriers may have different requirements for installing pit and pipe in new developments. If the carrier has its own specifications, you are responsible for ensuring that the installed pit and pipe meets the carrier's requirements.

If the carrier does not have its own specifications, the pit and pipe should be installed in line with industry specifications.

Communications Alliance has published <u>voluntary guidelines</u> that are the default industry specifications.

The Government is working with NBN Co and industry to see if an industry standard can be developed.

Who provides the lead-in conduits?

Carriers typically require a lead-in conduit from the network to an individual dwelling to be installed before they will provide a connection. The property owner is responsible for having this ready at the time of connection.

A lead-in conduit should be installed in the construction phase to avoid extra infrastructure costs and disruption.

Developers and builders should engage early with carriers and property owners to ensure lead-in conduits are installed.

Who is responsible for in-building pathways and cabling?

Developers and builders should engage early with carriers and property owners about the provision of in-building pathways (such as risers and conduits) and cabling.

In MDUs, carriers generally need in-building pathways to be available for the installation of their cabling.

In individual premises, cabling beyond the carrier's network is generally a matter for the property owner.

Internal cabling needs to be done by registered cablers.

The <u>Australian Communications and Media Authority</u> is responsible for the regulation of cablers and in-house cabling.

What happens if a developer does not provide telecommunications infrastructure?

Developers should ensure that telecommunications infrastructure is available in their development so occupants have timely access to high-quality infrastructure.

Most new home buyers will want to make sure they can access phone and internet services as soon as they move into their new home.

If you do not ensure such infrastructure is provided, you may have difficulty selling your properties and buyers may face additional future costs.

Some local governments require developers to have telecommunications infrastructure in place as part of their planning approval processes. The Australian Government encourages general adoption of such requirements.

You should check with your local government, to see what its telecommunications infrastructure requirements are.

Where can I find out more?

You can contact any carrier providing services in new developments, or your association if you are an industry association member.

You can also contact us:

- email: greenfields@communications.gov.au
- mail: Market Structure Branch, Department of Communications, GPO Box 2154, CANBERRA ACT 2601
- website: <u>www.communications.gov.au</u>