# Media release

29 May 2020

## NBN launches three new residential wholesale higher speed tiers

NBN Co research has revealed that 23 per cent of customers surveyed across Australia have upgraded to higher speed internet plans within the last 12 months, and a further 24 per cent of customers surveyed indicated they are planning to upgrade to higher speed home internet connections within the next 12 months.

With most Australians spending more time working, studying, shopping and entertaining themselves at home, NBN Co is also seeing strong demand for higher speed services from new customers with around 80 per cent of customers connecting to the **nbn** network for the first time choosing retail broadband plans based on wholesale download speeds of up to either 50 or 100 Mbps.<sup>5,6</sup>

To further improve residential customers' **nbn** experience, NBN Co is overprovisioning the downlink component of the Home Fast and Home Superfast products by around 10 - 15 per cent, where possible (with the exception of the new Home Ultrafast speed tiers<sup>1-4,6</sup>).

NBN Co is planning to overprovision most other existing wholesale fixed line speed tiers starting from between June and August 2020 (with the exception of the new Home Ultrafast speed tiers<sup>1-4,6</sup>). The provision of additional download capacity at the wholesale layer is designed to accommodate protocol overhead, which includes the code used to help ensure the correct delivery of data packets, that otherwise impact a customer's broadband speed. The intention is that more customers can experience download speeds that are closer to the maximum theoretical download speed of their chosen retail speed tier, subject to factors such as the capacity of the internet retailer's network and the efficiency and throughput of their in-home wiring, router and Wi-Fi equipment.

Brad Whitcomb, NBN Co Chief Customer Officer – Residential, said: "This period of self-isolation has given pause for many Australians to consider how important it is to choose the right plan to meet their needs and, generally, the more people and the more devices connected within the home, the more utility and benefit customers are able to derive from higher speed plans over the **nbn** network."

NBN Co has responded to increasing demand from customers for higher speed residential broadband services by launching three new residential wholesale products at attractive price points: Home Fast, Home Superfast and Home Ultrafast, which have each been developed by NBN Co following detailed consultation with internet retailers.

**nbn** Home Fast is available to internet retailers for an effective wholesale charge of \$58 per month. **nbn** Home Fast is designed to offer peak wholesale download speeds of up to 100 Mbps and upload speeds of up to 20 Mbps<sup>6</sup> and is available across all fixed line **nbn** technologies.

**nbn** Home Superfast will offer peak wholesale download speeds of up to 250 Mbps and upload speeds of up to 25 Mbps<sup>6</sup>. **nbn** Home Superfast is currently available to approximately 32 per cent of premises that are ready to connect to the **nbn**.

**nbn** Home Ultrafast will offer peak wholesale download speeds of 500 to close to 1000 Mbps<sup>1-4,6</sup> (subject to the access technology by which the service is supplied) and upload speeds of up to 50 Mbps. **nbn** Home Ultrafast is currently available to approximately 18 per cent of premises that are ready to connect to the **nbn**.

"Our priority is to help deliver high speed broadband to premises across Australia and, as we complete the initial volume build to 11.5 million premises<sup>7</sup>, we are starting to unleash higher speed tiers on a phased basis," said Brad Whitcomb. "Launching the three new higher wholesale speed tiers is the next step in our network evolution and we will continue to upgrade the network to offer higher speed services to more customers over time."

NBN Co will support internet retailers to verify the actual speeds that are attainable at individual premises.

#### ENDS

#### Notes to editors:

<sup>1</sup> Regardless of the retail service customers purchase, the actual wholesale speeds delivered by the **nbn** 1000 wholesale speed tier product will be less than 1Gbps due to equipment and network limitations. Reference to speeds are not end user speeds; they are wholesale layer 2 peak information rate bandwidth provided to the RSP.

### nbn's New AVC Higher Speed Tiers

**nbn** is making 3 new AVC Higher Speed Tiers orderable by RSPs from 29 May 2020 as listed in the following table:

| Speed tiers    | AVC TC-4 downstream<br>Mbps (PIR)      | AVC TC-4 upstream<br>Mbps (PIR) | nbn™ Network        |
|----------------|--|---------------------------------|---------------------|
| Home Fast      | 100                                    | 20                              | Fibre and HFC       |
| Home Fast      | 25-100 <sup>2</sup>                    | 5-20 <sup>2</sup>               | FTTB, FTTN and FTTC |
| Home Superfast | 250                                    | 25                              | Fibre and HFC       |
| Home Ultrafast | 500 to close to 1000 <sup>2, 3,4</sup> | 50                              | Fibre and HFC       |

<sup>2</sup> Where the bandwidth profile is expressed as a range, the range shows the maximum PIR which may be achieved at the **nbn**<sup>™</sup> Network Boundary for the relevant bandwidth profile. The PIR can fall anywhere in the range for the relevant bandwidth profile in respect of a particular AVC TC-4 used to serve a Premises (they are not minimum-maximum PIR ranges).

<sup>3</sup> Inherent limitations of **nbn**<sup>™</sup> Ethernet in relation to service frame overhead means the effective Layer 2 Peak Information Rate will be limited to, depending on the Frame Size, up to a maximum of 990Mbps (at 2,000 Byte Frame Size). See section 2.2.2.1 of the <u>nbn<sup>™</sup> Ethernet Product Technical Specification</u>.

<sup>4</sup> For the HFC Home Ultrafast bandwidth profile, the Layer 2 wholesale downstream service will be configured at the Layer 2 network management to a Maximum Sustained Information Rate of 750Mbps with the potential to burst up to a maximum of 990Mbps (depending on but not limited to, the Frame Size and line speed capability - see note 2 above) at potential burst durations between 1 to 50 seconds at least once a day (see section 2.2.2.5 of the <u>nbn<sup>™</sup></u> <u>Ethernet Product Technical Specification</u>).

<sup>5</sup> In this metric, retail broadband plans based on wholesale download speeds of 50 Mbps include retail broadband plans based on wholesale download speeds of 50 Mbps and 25-50 Mbps, and retail plans based on wholesale download speeds of 100 Mbps include retail broadband plans based on wholesale download speeds of 100 Mbps and 25-100 Mbps,

<sup>6</sup> **nbn** provides wholesale services to phone and internet providers. **nbn**<sup>m</sup> wholesale speed tiers available to providers vary depending on the access technology in an end customer's area. End customer experience, including the speeds actually achieved over the **nbn**<sup>m</sup> broadband access network, depends on the **nbn**<sup>m</sup> access network technology and configuration over which services are delivered to their premises, whether they are using the internet during the busy period, and some factors outside of **nbn**'s control (like their equipment quality, software, chosen broadband plan, signal reception, or how their provider designs its network).

<sup>7</sup> Please note that network construction will be an ongoing activity beyond the initial volume build for future new developments and a small proportion of premises defined as 'complex connections' – which includes properties that are difficult to access, culturally significant areas and heritage sites – where connection depends on factors outside of NBN Co's control such as permission from traditional owners.

## nbn's New AVC Higher Speed Tiers wholesale pricing and CVC inclusions

| Speed tiers    | AVC-only price (\$) | Bundled discount<br>effective charge with<br>CVC inclusion (\$) | CVC inclusion (Mbps) |
|----------------|---------------------|---|----------------------|
| Home Fast      | 37                  | 58  | 3.75                 |
| Home Fast      | 37                  | 58  | 3.75                 |
| Home Superfast | 68                  | 68  | 4.75                 |
| Home Ultrafast | 80                  | 80  | 5.75                 |

## **Footprint guidance**

- 1. Home Fast:
  - **nbn** will provide access to Home Fast to the entire **nbn**<sup>™</sup> Fixed Line footprint.
- 2. <u>Home Superfast:</u>
  - **nbn** will provide access to Home Superfast to 100 per cent of the **nbn**<sup>™</sup> FTTP footprint.
  - **nbn** will provide access to Home Superfast for up to 70 per cent of the **nbn**<sup>™</sup> HFC footprint, with a plan to make it available to order for 100 per cent of the **nbn**<sup>™</sup> HFC footprint by June 2021.
- 3. Home Ultrafast:
  - **nbn** will provide access to Home Ultrafast to 100 per cent of the **nbn**<sup>™</sup> FTTP footprint.
  - nbn will provide access to Home Ultrafast to an initial nbn<sup>™</sup> HFC footprint of up to 7 per cent. This will provide an opportunity for nbn and RSPs to work together to understand customer demand, usage patterns, customer satisfaction with speed performance and the future growth profile.

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