



Media release

Thursday 26 August 2021

NBN Co and Victorian Government announce combined investment to lift the digital capability of Victoria

NBN Co and the Victorian Government have signed a landmark agreement that will see significant co-investment to deliver more fibre and faster broadband services to more areas of Victoria.

The Victorian Government has committed \$73 million to establish the 'Victorian nbn State Program Fund' to be held on trust by NBN Co for co-funding new **nbn™** network infrastructure in key areas of the state, as part of the company's various area switch technology change programs.

NBN Co will also make co-investment funds available, subject to the identification and availability of **nbn™** network infrastructure projects that deliver positive outcomes to Victorian communities and a threshold commercial return to NBN Co.

Under the terms of grant deed announced today, the first project that NBN Co and the Victorian Government will co-invest in will create eleven new **nbn™** Business Fibre Zones in Benalla, Colac, Cranbourne South, Dromana, Hamilton, Lara, Pakenham North, Pakenham South, Portland, Warragul and Wonthaggi-Inverloch.

Retail Service Providers (RSPs) will be able to offer approximately 10,000 Victorian businesses located within the eleven identified outer metro and regional areas business-grade fibre connections at no upfront build cost from NBN Co. Plus, if the RSP signs up for a three-year Enterprise Ethernet plan, there's no up-front connection cost.

In addition to high network reliability, Enterprise Ethernet¹ offers access to plans based on the highest wholesale upload speed tier options available on the **nbn™** network and dedicated onshore service plan support for providers via the business **nbn™** Operations Centre. The plans remain flexible for small, medium and large businesses with options for prioritised data, high capacity symmetrical wholesale download and upload speed tiers from 10 Mbps to close to 1 Gbps² service enhancements available to add on to plans.

The **nbn™** Business Fibre Initiative helps level the playing field for businesses of all sizes and in more locations by reducing the significant variation that has existed in the cost of business broadband services in regional and rural areas compared to CBD Zones.

Eligible businesses within any of **nbn™** Business Fibre Zones that order an Enterprise Ethernet service will receive their chosen speed tier and service based on the same CBD-equivalent wholesale charge that is applied to a company based in a CBD Zone.

Prior to today's announcement, NBN Co had created 284 **nbn™** Business Fibre Zones across Australia, including 112 in regional areas. When combined with the eleven new **nbn™** Business Fibre Zones announced today, this creates a total of 295 zones that are expected to cover more than 860,000 business premises across Australia.

A total of 61 of these pre-existing **nbn™** Business Fibre Zones are located in Victoria, of which 18 are located in regional Victoria. This includes the nine regions prioritised for connectivity upgrades under the Victorian Government's Regional Partnership Digital Plans: Albury-Wodonga, Ararat, Ballarat, Bendigo, Echuca, Geelong, Horsham, Mildura, Shepparton/Mooroopna, Traralgon, Wangaratta, Wodonga and Warrnambool.

NBN Co has also previously committed up to \$300 million for regional co-investment with local councils, state and territory governments, and allocated an additional \$50 million to work with local councils and state and territory governments to identify opportunities to extend business-grade services outside of existing, designated **nbn™** Business Fibre Zones.

NBN Co will draw from these funds to co-invest with the Victorian Government, and on 21 June 2021 released its Regional Co-investment Fund Guidelines that will govern the application process by which federal government departments, state and territory governments and local councils can seek to participate in co-investment opportunities to lift the digital capabilities of communities in regional and rural Australia.

The Regional Co-investment Fund will focus on upgrading **nbn's** Fixed Wireless and Satellite footprint to enhance infrastructure and deliver higher speed broadband services to households, businesses and communities.

The Regional Co-investment Fund will help meet the growing and diverse needs of Australians living and working in regional areas, while also delivering long-term social and economic benefits to regional and rural Australia.

Stephen Rue, Chief Executive Officer at NBN Co, said:

"Since completing the construction of the **nbn™** network, we have focused on directing further investment to network upgrades that will continue to enhance the capabilities of the network across Australia.

"We are delighted to work with the Victorian Government to identify opportunities to co-invest in the development and delivery of new **nbn™** network infrastructure to support the Connecting Victoria Program.

"Small and medium businesses are the backbone of our great nation. And ongoing network investment to enhance digital infrastructure in Victoria will create jobs both in the medium term during the design and construction process, and over the long-term by stimulating greater productivity and the proliferation of a stronger, more vibrant digital economy in Victoria.

"When we made a substantial commitment to network upgrades towards the end of last year, we also announced that this would include significant funding to be made available for co-investment opportunities with state and territory governments and local councils.

"The Victorian Government has been the first to seize this opportunity, and the program we have announced today fits perfectly with the Victorian Government's overall \$550 million Connecting Victoria Program."

ENDS

Notes to Editors

1 In addition to the **nbn**[™] Business Fibre Zones, **nbn**[™] Enterprise Ethernet is only available in the **nbn**[™] Fixed Line network footprint and at limited premises served by the **nbn**[™] Fixed Wireless and Satellite networks. NBN Co is a wholesaler and does not control costs charged by service providers. Customers should contact their preferred provider to ask about availability and any fees and charges from their provider that may be applicable.

2 Regardless of the retail service purchased, the actual wholesale speeds delivered by the **nbn**[™] Enterprise Ethernet product will be no more than 952 Mbps due to equipment and network limitations. End user experience, including the speeds actually achieved over the **nbn**[™] network, depends on some factors outside our control (like equipment quality, software, and how an RSP designs its network). If an RSP has not selected the Class of Service – High, the speeds experienced may be affected by contention on the **nbn**[™] network, particularly in busy periods.

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