

RMID0927

nbn Product Consultation
Closure Paper

nbn[®] Smart Communities

June 2024

Commercial-in-Confidence



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1. Introduction

1.1 Document Purpose

On 8th May 2023, **nbn** released a Product Construct Paper relating to the proposed 'RMID0927 **nbn**® Smart Communities' product. The Product Construct Paper outlined **nbn**'s proposal to enable a private and secure Integrated Communications Network (ICN) to be deployed over the **nbn**® Fibre Network over the same physical infrastructure used for broadband and telephony applications under a new product module and sought written feedback from PDF members and wider industry participants. **nbn** has welcomed the feedback and wishes to provide a response through this Consultation Closure Paper.

This document is being released through **nbn**'s Product Development Forum (PDF), as was the original consultation paper. **nbn** utilises the PDF to consult with RSPs and consumer advocacy groups on the design and launch of **nbn** products and features. Although in many cases consultation via the PDF occurs under the terms of, and for the purposes of **nbn**'s Special Access Undertaking (SAU), **nbn** can also use the PDF customer engagement mechanism to consult on matters outside the SAU's current scope. This document is also being released to the industry via the nbn website, as was the original consultation paper, as we sought industry participation and feedback on the proposed '**nbn** Smart Communities' Product construct – specifically from those industry participants who may not have had an opportunity to provide feedback on nbn's product initiatives via the Product Development Forum (PDF).

1.2 Document Audience

The intended audience of the original consultation paper and this closure paper are:

- Retail Service Providers (carriers and carriage service providers) who may wish to acquire the proposed '**nbn** Smart Communities' product as an input to the supply of a product supplied to customers such as building management companies, building system integrators, building management system equipment providers, corporations and strata corporations/owners' corporations. (**RSPs**);
- Potential downstream Building Service Providers such as building management companies, building system integrators, Building Management System (BMS) equipment providers who may wish to resell the proposed '**nbn** Smart Communities' retail product acquired from RSPs. (**Building Service Providers**); and
- Developers or Builders or any other entities who are responsible in the planning and construction of Multi Dwelling Units, aged care Independent Living Units and other similar types of private communities who choose **nbn** as their preferred provider of Access Network for broadband and telephony services. (**Developers**); and
- Potential end customers of the proposed '**nbn** Smart Communities' product such as property developers, building management companies, and strata corporations/owners' corporations (**End Customers**).

1.3 Product Construct Summary

'**nbn** Smart Communities' proposed a private and secure Integrated Communications Network (ICN) to be deployed over the **nbn** Fibre Network over the same physical infrastructure used for broadband and telephony applications. This connectivity was intended to support non-broadband, ethernet-based applications within a site,



including intercom, metering, sensors, closed-circuit television etc. It was proposed that the same fibre infrastructure was to be used, traffic would be segregated so that privacy and security can be maintained, without requiring duplicate communications infrastructure to be deployed.

2. Consultation Feedback

nbn would like to thank RSPs and industry participants who have responded to the Product Consultation Paper (PCP).

Below are the key themes that emerged from the RSPs and industry participants' feedback:

1. Demand for a 'nbn Smart Communities' type ICN solution: -

ICNs, but more specifically the creation of a single converged network for ICNs, is presenting as a viable option for those property developers willing to try new approaches with their building designs.

ICNs and BMSs are becoming more common in commercial buildings, retirement living and lifestyle communities, build-to-rent and land-leasing communities, and are emerging in some standard, build to-sell multi-dwelling units (apartments).

The adoption of ICNs and BMS is being driven by multiple factors, including:

- the persistent and growing pressure on developers to save cavity space, save capital and operational costs, minimise construction and operational complexities, and improve net saleable area (and therefore yields) for their projects;
- advances in technology, particularly the affordability and accessibility of connected devices, such as digital access controls and security, surveillance, sensors to support the tracking and mapping of CO₂, temperature, light and spatial heat, solar grid management, microgrid management, electric vehicle charging stations etc that improve liveability;
- convergence and standardisation of the use of Internet Protocol among BMS-connected devices; and
- increasing awareness and preference among occupiers for buildings and communities that are digitally enabled, sustainability-focussed, and operationally cost-efficient.

2. Demand for a simple ICN solution: -

The proposed 'nbn Smart Communities' service is a private Local Area Network facilitated by Smart Community Virtual Circuits and routing instances using **nbn's** owned service router, housed within **nbn's** Transit Aggregation Nodes and Depots site(s).

The feedback from RSPs and industry participants has indicated that the proposed **nbn** Smart Communities solution needs to be simplified to allow easy service enablement and service assurance processes.

3. Cost Effective solution: -

With growing cost pressures on developers, the feedback has indicated the commercial structure should ensure that ICN solutions provide overall savings to the customer for initial capital and have justifiable on-going operational costs.



3. nbn response

The feedback on the Product Construct Paper has enabled **nbn** to better understand the opportunities and challenges associated with the product concept. Based on the above feedback, **nbn** has decided to not proceed with the product concept in its current form but will continue to collaborate with the industry in the development of new propositions to suit the evolving needs of the market. This will be through our ongoing commitment to regular industry engagement with developers, RSPs and all key stakeholders. This might involve consultation on a revised product concept, one which solves for the feedback received by **nbn** through this consultation process. **nbn** welcomes the opportunity to work collaboratively with industry and service providers over to fully understand their use cases, product requirements and operational implications.

If you have any questions or wish to discuss this final product closure in more detail, in particular your specific feedback, please contact your Account Manager or email pdf@nbnco.com.au and Non-PDF Participants, please email smartcommunities@nbnco.com.au to request a meeting.