

Media Release

Remote Australians the priority for new NBN Interim Satellite Service

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People in homes, small businesses and indigenous communities in some of the most remote areas of Australia will be among the first users of a new high-speed broadband satellite service provided over the National Broadband Network.

NBN Co's Interim Satellite Service will be available to eligible individuals and small businesses on the mainland and across Tasmania from July 2011, with the first priority being given to those who currently have no alternate access to broadband services.

NBN Co plans to offer a wholesale Interim Satellite Service capable of peak download speeds up to 6Mbps*, to be available via participating retail service providers.

The announcement follows the signing by NBN Co Limited of a contract worth up to \$200 million with Optus for managed satellite services and some satellite capacity. A second contract valued at just over \$100 million has been signed with IPstar for additional satellite capacity.

The Interim Satellite Service has been developed to assist the transition from the Australian Broadband Guarantee program to NBN Co's long-term satellite solution. It is planned that eligible rural, remote and isolated Australians will be able to receive up to a 12Mbps service when NBN Co launches two satellites in 2015.

NBN Co CEO Mike Quigley said: "Today's announcement is a major step towards reducing the digital divide between those Australians who live in the city and those in the bush.

"Regional, rural and remote Australians make a significant contribution to our economic prosperity. Enhanced broadband connectivity will assist some of the most geographically isolated Australians to access the types of business, health, education and government services that people in metropolitan areas take for granted."

NBN Co's satellite and fixed-wireless services are intended to serve the seven per cent of the nation's premises that its fibre optic cable rollout will be unable to reach. NBN Co is currently finalising contracts for its fixed wireless service, which is due to be available from mid 2012.

While the 6Mbps/1Mbps Interim Satellite Service will be offered to retail service providers (RSPs) as a wholesale access service, premises-based terminal equipment and dishes will be installed and maintained by NBN Co.

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The retail prices available to homes and businesses will be determined by RSPs. NBN Co expects that service providers will develop a range of offers and plans that may include different download allowances, home gateways or commitments to after-sales service.

NBN Co is aiming to achieve speed and service improvements, using existing satellite capacity, by investing in ground station upgrades including new satellite technology together with the latest modem equipment.

NBN Co will commence a trial of the new service this month with two RSPs who are currently offering services via the Australian Broadband Guarantee program. It is planned that the RSPs will offer 200 of their existing customers the opportunity to test the new service.

People in rural or isolated areas who think they may meet the eligibility criteria for the interim satellite service will be able to undertake a service qualification test.

From July it is planned that up to 300 new priority one end-user services per month will be installed during a transition period running until October 2011. From November NBN Co is aiming to provide capacity for up to 1000 new installations per month. Additional RSPs will be on-boarded commencing June 2011.

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NOTES TO EDITORS

The NBN Co Interim Satellite Service will have eligibility criteria, and end users will still need to apply for the service via a participating retail service provider following a service qualification process. A fact sheet about the service is available on www.nbnco.com.au, where there will be other updates prior to the service release.

*The speeds actually experienced by end-users will depend on a number of factors including the retail broadband plan they choose, the number of simultaneous users on the service, their equipment and their in-premises connection.