



## Media release

Tuesday 1 December 2020

# Retail Service Providers show strong support for NBN Co's Wholesale Broadband Agreement 4

NBN Co will today transition Retail Service Providers (RSPs) to a new two-year Wholesale Broadband Agreement (WBA4).

So far more than 50 Retail Service Providers (RSPs) have signed up to NBN Co's WBA4. Many retailers collaborated with NBN Co on the development of the new agreement and key signatories include all of Australia's largest internet retailers.

The fourth iteration of the agreement has been designed to provide enhanced customer service commitments with clearer accountabilities between NBN Co and internet retailers, as well as greater price certainty for retailers and value to customers.

WBA4 sets out the contractual obligations that govern retailers' access to the nation's largest broadband network and will enable participating retailers to receive the benefits of NBN Co's offer of some additional CVC (capacity) at no extra cost for the next two months<sup>1</sup>.

Participating retailers will also gain immediate access to NBN Co's release of additional CVC data inclusions on its 100/40 Mbps, **nbn** Home Fast, **nbn** Home Superfast and **nbn** Home Ultrafast bundle discounts, available from 1 December 2020.

NBN Co's WBA4 delivers more than 70 changes to the previous Wholesale Broadband Agreement (WBA3) to drive substantial improvements for retailers and help create better customer experience outcomes, while also optimising the agreement to deliver shared value amongst all industry participants and residential and business customers based on the current and evolving capabilities of the **nbn**<sup>™</sup> network.

NBN Co thanks RSPs and acknowledges their positive, constructive and collaborative response to the development of WBA4 and is assisting all remaining RSPs that are yet to sign and exchange contracts to complete their approval and transition processes.

### **NBN Co Chief Customer Officer, Brad Whitcomb, said:**

"We have thought deeply about the proposal we've put on the table with two clear aims in mind: to improve access terms for internet retailers and to enhance the quality of service we collectively deliver to customers.

"After engaging in discussions with many RSPs and the Australian Competition and Consumer Commission as part of the drafting process, we're confident that we have developed a substantially better deal for RSPs. And, importantly, we have drafted WBA4 to more clearly define responsibilities and accountabilities that

exist between NBN Co and our retail partners with the aim of providing consistently great service to customers.

“We hope these refined rules of engagement will drive continuing improvements in the customer experience of the **nbn**™ network from connection through to fault identification and resolution, as well as setting service standards that underpin everyday use. We have identified and aligned wholesaler and retailer incentives with the aim of working together to resolve issues quickly and improve the customer experience.”

The key service enhancements proposed in WBA4 include:

- lower entry level prices and greater pricing certainty and simplicity for internet retailers;
- stronger service delivery and performance rebates that will flow through to affected customers in many cases;
- substantial improvements to the fix experience, including new commitments to fix key speed and stability issues;
- new accountabilities – for NBN Co and for RSPs – that aim to drive better customer experience outcomes;
- better support for RSPs where they need NBN Co’s help to manage their customers; and
- removing costs and complexities from the **nbn** supply chain.

NBN Co has already materially improved key aspects of its pricing and discounting arrangements over the past 12 months, following extensive consultation with RSPs in 2019. These changes included:

- price reductions for the modified Entry Level Bundle (mELB) in October 2019 and May 2020, with a further reduction in October 2020;
- reduction in effective charge for the 25/5 Mbps bundle discount in November 2019;
- the introduction of national pooling of CVC inclusions in May 2020 accompanied by significant increases in the Overage Waiver Threshold;
- simplification of CVC utilisation conditions from May 2020;
- increases in CVC inclusion for 50/20 Mbps bundles discount in May 2020, and the introduction of new Higher Speed Tiers in May 2020 with higher CVC inclusions from 1 December 2020.

**ENDS**

#### **Notes to editors:**

1 NBN Co will look at the amount by which an RSP’s CVC charges set out in the invoice issued at the beginning of the September 2020 billing period exceed their respective CVC charges set out in the invoice issued at the beginning of the February 2020 billing period. The credit will be applied in December 2020 and January 2021 if total CVC charges for any given internet retailer in the September billing period exceed their respective CVC charges in the February billing period. The credit for December 2020 and January 2021 is not conditional on the retailer receiving a credit for the September 2020 billing period. The transition credit will be 75 per cent of this amount in December 2020 and 50 per cent of this amount in January 2021. This will be applicable to fixed line, fixed wireless and Sky Muster satellite services. NBN Co’s tapering of COVID-19 CVC Credit offer to internet retailers recognises that peak data demand is returning to normal forecast levels of growth.

Media enquiries

**Greg Spears**

Email: [gregspears@nbnco.com.au](mailto:gregspears@nbnco.com.au)

Mobile: 0406 315 014



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