

NBN Co submission to the ACCC – 2013-14 Regulatory Information and LTRCM Determination

31 October 2014

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1 Introduction

On 31 October 2014, NBN Co lodged the regulatory information it is required to lodge with the ACCC for the Financial Year 2013-14 under Schedule 1F of NBN Co's Special Access Undertaking (SAU), as accepted by the ACCC on 13 December 2013 (**Regulatory Information**). This Regulatory Information will be used by the ACCC in making its first LTRCM Determination under Schedule 1E of the SAU.

NBN Co submits that the ACCC should issue an LTRCM Determination for 2013-14 that adopts the values proposed by NBN Co in the Regulatory Information.

This submission is organised to provide:

- a summary of the relevant SAU provisions – section 2;
- a description of NBN Co's approach to preparing the Regulatory Information and relevant supporting materials – section 3; and
- a summary of each element in the Regulatory Information and relevant supporting materials – sections 4 to 7.

The confidentiality status of the Regulatory Information and relevant supporting materials is addressed in Appendix A (this is based on the ACCC's April 2014 *Confidentiality Guideline for submitting confidential material to ACCC communications inquiries*).

Capitalised terms in this submission have the same meaning given to them in the SAU.

2 Relevant SAU provisions

2.1 Regulatory Information

NBN Co's SAU includes a range of provisions relating to pricing and long term cost recovery.

In respect of the Initial Regulatory Period, which runs from the SAU Commencement Date (13 December 2013) to 30 June 2023, Schedules 1C, 1D and 1E set out the arrangements in respect of the pricing of NBN Offers and Other Charges, the calculation of NBN Co's Regulatory Asset Base (RAB) and the application of the Long Term Revenue Constraint Methodology (LTRCM).

NBN Co is required under Schedule 1F of the SAU to submit a set of Regulatory Information to the ACCC no later than 31 October each year in respect of the previous Financial Year. This Regulatory Information comprises:

- Actual Financial Information (including Operating Expenditure, Capital Expenditure and Revenue), as required by clause 1F.1.3 of the SAU;
- Proposed Financial Information (including NBN Co's proposed values for the Annual Building Block Revenue Requirement (ABBRR), RAB and Initial Cost Recovery Account (ICRA), which are based on the Actual Financial Information), as required by clause 1F.1.4 of the SAU;
- Expenditure Compliance Report (a certification from NBN Co's Chief Financial Officer (CFO) regarding the basis on which NBN Co's Capital Expenditure and Operating Expenditure meet the relevant prudence conditions as set out in the SAU), as required by clause 1F.2.1 of the SAU;
- Procurement Rules Compliance Report (a certification from NBN Co's Chief Procurement Officer (CPO) regarding the basis on which NBN Co's Procurement Rules meet the relevant conditions as set out in the SAU), as required by clause 1F.2.3 of the SAU; and
- Price Compliance Report (a certification from NBN Co's CFO regarding the basis on which the pricing of NBN Offers and Other Charges meet the relevant conditions as set out in the SAU), as required by clause 1F.3 of the SAU.

As 2013-14 is the First Financial Year under the SAU, NBN Co is also required under clause 1F.1.5 of the SAU to submit certain historical financial information relating to the period between the Cost Commencement Date (9 April 2009) and the First Financial Year (2013-14).

2.2 LTRCM Determination

Under clause 1E.1.2(a) of the SAU, the ACCC will issue an LTRCM Determination (by 30 June each year) in respect of:

- the ABBRR, the RAB, and the ICRA for the previous Financial Year; and
- the values of the inputs to each of those values, in accordance with Schedules 1D and 1E.

Clause 1E.1.2(c) of the SAU addresses various aspects of the LTRCM Determination process, including that the ACCC:

- must have regard to the Regulatory Information supplied by NBN Co;
- must consult with NBN Co if the ACCC intends to determine any values that are different to the values submitted by NBN Co in the Regulatory Information, and must consider any submissions received from NBN Co within the time limit specified by the ACCC;
- may consult with other persons that the ACCC considers appropriate, and must consider any submissions received within the time limit specified by the ACCC;

- may determine values for the ABBRR, RAB, ICRA and/or the value of inputs to those values that are different from the values submitted by NBN Co in the Regulatory Information, provided those values are determined in accordance with Schedules 1D and 1E;
- must publish on its website the LTRCM Determination and its reasons for the LTRCM Determination;
- must, prior to publishing the LTRCM Determination, publish on its website a draft LTRCM Determination and reasons, consult with NBN Co (and such other persons as the ACCC considers appropriate) on that draft and consider any submissions that are received within the time limit specified by the ACCC;
- must, within 40 Business Days of NBN Co submitting the Regulatory Information, notify NBN Co of the ACCC's preliminary view of the extent to which, if any, the ACCC intends to determine a substitute amount of Capital Expenditure or Operating Expenditure under the SAU; and
- must only disclose the confidential information of NBN Co in connection with an LTRCM Determination in accordance with the ACCC's confidentiality procedures, or as otherwise required or permitted by law.

3 Approach

NBN Co has developed a Regulatory Accounting and Allocation Manual (RAAM) in consultation with the ACCC to support the preparation of the Regulatory Information (and relevant supporting materials).

Noting that some of the financial concepts and definitions used in the SAU differ, given the different context, from those underpinning the NBN Co Limited General Purpose Financial Statements, the RAAM provides:

- NBN Co staff with detailed instructions on the principles, guidelines and templates to be used when preparing the Regulatory Information; and
- the independent auditor (where relevant) of the Regulatory Information with a documented reference framework against which to attest to its stated procedures for the purpose of preparing the Regulatory Information.

Consistent with the RAAM, NBN Co has lodged a range of supporting materials along with the Regulatory Information:

- a number of independent assurance reports from PricewaterhouseCoopers (PwC) – these are described, where relevant, in subsequent sections;
- an LTRCM Spreadsheet that sets out the calculation of the ABBRR, the RAB and the ICRA pursuant to the SAU; and
- a copy of NBN Co's current Chart of Accounts.

Taken together, the Regulatory Information and supporting materials provide transparency and assurance to the ACCC and interested parties (subject to the treatment of confidentiality set out in Appendix A).

4 Financial Information

In this section, NBN Co provides an overview of the following items submitted to the ACCC as part of the Regulatory Information:

- the Actual Financial Information and Proposed Financial Information;
- the Basis of Preparation for the Actual Financial Information and Proposed Financial Information; and
- independent assurance reports in support of the Actual Financial Information and Proposed Financial Information.

Section 4.4 also provides a summary of the Actual Financial Information and Proposed Financial Information.

4.1 Actual Financial Information and Proposed Financial Information

Consistent with the RAAM, NBN Co has lodged the Actual Financial Information and the Proposed Financial Information, as part of the Regulatory Information, via the following statements (the schedule numbering is based on the RAAM):

- Schedule 6 – Statement of Capital Expenditure, Disposals, Construction in Progress, Asset Lifetimes and Taxation Asset Lifetimes;
- Schedule 7 – Statement of Operating Expenditure;
- Schedule 8 – Statement of Interest Expense;
- Schedule 9 – Statement of Revenue; and
- Schedule 10 – Statement of LTRCM and RAB items.

As 2013-14 is the First Financial Year under the SAU, NBN Co is not required under clause 1F.1.3(b) of the SAU to lodge a statement setting out any material variances between the Forecast Financial Information and the Actual Financial Information, including reasons for the variances because NBN Co is not required to lodge Forecast Financial Information under clause 1F.1.2 of the SAU until 30 June of the first full Financial Year of the Initial Regulatory Period. NBN Co did lodge a set of Forecast Financial Information in respect of 2014-15 by 30 June 2014 (as required by clause 1F.1.2) and will, if applicable, lodge as part of the 2014-15 Regulatory Information a Schedule 11 – Statement of Material Opex, Capex and Construction in Progress Variances (as provided for in the RAAM).

4.2 Basis of Preparation

The Regulatory Information also includes the Basis of Preparation, which describes the relationship between the Regulatory Information and the NBN Co Limited General Purpose Financial Statements and sets out a number of Alternate Accounting Treatments that are necessary for alignment with the LTRCM concepts and definitions.

In addition to the Basis of Preparation, NBN Co notes the following in regard to the Actual Financial Information and the Proposed Financial Information.

- Capital Expenditure in Schedule 6 is reported at a level of detail that is consistent with the level at which NBN Co undertakes depreciation calculations for the purposes of its statutory accounts. At this level, there are a number of instances of negative Capital Expenditure in particular years. These occur for one of three reasons: a capitalised supplier rebate that relates to one or more asset types (this is reported as negative Capital Expenditure in a specially created asset type); the reversal of an over accrual in the prior reporting period (note that there are also instances of the reversal of an under accrual, although the resulting value is positive rather than negative); and the remapping of asset types to new and more detailed categories (this affects only the reported Capital Expenditure in 2010-11, 2011-12 and 2012-13, and the remapping is between categories with similar asset lifetimes).
- The Schedule 6 (Capital Expenditure) and Schedule 7 (Operating Expenditure) statements also provide a breakdown relevant to the SAU's prudency conditions (i.e. expenditure incurred before and after the SAU Commencement Date, and expenditure by deemed prudent category). These prudency conditions are discussed further below in the context of the Expenditure Compliance Report.
- The SAU is highly specific in regard to how the RAB, the ABBRR and the ICRA are to be calculated during the Initial Regulatory Period, including in regard to the determination and calculation of various intermediate inputs (such as the nominal rate of return, asset lifetimes, taxation asset lifetimes, regulatory depreciation and tax depreciation).¹ As noted in the ACCC's Final Decision², the SAU sets out the methodologies for all of these calculations (including the prudency conditions applicable to Capital Expenditure and Operating Expenditure) and having the ACCC undertake the LTRCM Determination (rather than NBN Co determining the relevant values itself) "should provide confidence to stakeholders that the outcomes have been determined in an impartial manner by an independent party"³.

4.3 Independent Assurance Reports

In support of the Actual Financial Information and Proposed Financial Information, NBN Co has lodged the following independent assurance reports from PwC:

- Reasonable assurance audit in regard to Schedules 6 to 9 – PwC's opinion in this regard is unqualified in nature and complements the existing auditing around the NBN Co Limited General Purpose Financial Statement (there are no assurance gaps in preparing the former from the latter).
- Factual Findings of Agreed Upon Procedures engagement in regard to Schedule 10 – PwC checked that the relevant input values are extracted from Schedules 6 to 9 into the LTRCM Spreadsheet and that the relevant LTRCM calculations are undertaken in accordance with the SAU in order to arrive at the output values in Schedule 10 – there is no exception identified in the report.

¹ In regard to the calculation of Taxable Profit under clause 1E.9.3, NBN Co notes that the general formula is subject to "for the purposes of corporate taxation: ... (iv) the treatment of assets received by NBN Co for nil consideration". For corporate tax purposes, NBN Co is required to treat the value of assets received for zero consideration (such as pit and pipe assets gifted by developers) as assessable income in the year in which NBN Co takes ownership of the assets, which results in a flow of tax depreciation over time. This tax treatment is reflected in the calculations underpinning the Statement of LTRCM and RAB items (Schedule 10).

² ACCC, *NBN Co Special Access Undertaking Final Decision*, 13 December 2013, pp.96-97.

³ ACCC, *NBN Co Special Access Undertaking Final Decision*, 13 December 2013, p.97.

4.4 Summary of Actual Financial Information and Proposed Financial Information

A summary of the Actual Financial Information and Proposed Financial Information is set out below (Table 1).

Table 1: Summary of Actual Financial Information and Proposed Financial Information (Nominal \$'000 except where stated otherwise)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
June Quarter CPI	1.419%	3.122%	3.549%	1.210%	2.390%	3.016%
Risk free rate	6.593%	5.666%	5.362%	5.186%	2.898%	3.616%
Nominal rate of return	10.093%	9.166%	8.862%	8.686%	6.398%	7.116%
Opex	139	82,255	330,865	499,419	778,673	1,215,514
Capex	-	7,601	254,951	490,091	1,034,569	1,596,522
Const'n in Prog. - closing	-	33,642	234,677	604,369	1,332,965	2,221,088
Interest Expense	-	0	0	15	123	1
Revenue	-	-	-	1,944	16,824	60,958
RAB – closing	-	7,601	261,506	700,852	1,574,878	2,901,139
ABBRR	139	82,255	335,534	599,379	1,014,452	1,682,853
ICRA - closing	139	82,407	425,244	1,059,616	2,125,041	3,898,154

Source: Regulatory Information, Schedules 6 to 10

5 Expenditure Compliance Report

As part of the Regulatory Information, NBN Co's CFO has provided a certification pursuant to clause 1F.2.1(a) of the SAU – the Expenditure Compliance Report. There is no reported exception in relation to either Capital Expenditure or Operating Expenditure, and as such NBN Co proposes that all Capital Expenditure and all Operating Expenditure incurred over the relevant period be included in the RAB and ABBRR, respectively.

In support of this submission, NBN Co would like to highlight the following two points.

- Firstly, the SAU's prudency conditions are intended to complement rather than substitute for NBN Co's pre-existing incentives to incur expenditure appropriately. In its final decision to accept the SAU, the ACCC says that it "considers that NBN Co will face a high degree of revenue sufficiency risk for most, if not all, of Module 1 [the period to 30 June 2023]. This is due to NBN Co's initial prices and the expected low initial take-up of NBN services. This should provide incentives for NBN Co to invest efficiently. In addition, there are measures in Module 1 [the prudency conditions] to ensure that the individual cost components of the LTRCM will only allow for NBN Co to recover prudent and efficient costs."⁴
- Secondly, separate to the prudency conditions in the SAU, NBN Co is subject to a high degree of oversight via existing legislative, Parliamentary and regulatory controls, and is subject to many cost transparency measures. These were described in detail by NBN Co as part of the initial, comprehensive, submission lodged in support of the SAU in late 2012.⁵

The Expenditure Compliance Report relates to the application of the prudency conditions relevant to Capital Expenditure and Operating Expenditure. In this regard, it is important to note the following:

- All expenditure incurred between the Cost Commencement Date (9 April 2009) and the SAU Commencement Date (13 December 2013) is automatically included in the RAB or ABBRR as relevant.⁶
- Expenditure in connection with a number of specified categories after the SAU Commencement Date is also automatically included in the RAB or ABBRR as relevant – these categories include:
 - the NBN Co Interim Satellite Network;
 - the Interim Transit Arrangements;
 - the Telstra Arrangements;
 - the Optus Arrangements;
 - the Tasmania Tri-Area Service Arrangements;
 - the First Release Trial Sites;
 - third Party Funded Network Changes;
 - (for Operating Expenditure only) the variation, change, augmentation or enhancement of the design, engineering or construction of the Relevant Assets that is required to address an urgent and unforeseen network issue as contemplated by clause 1D.7.2(a)(ix) of the SAU; and
 - (for Operating Expenditure only) a Force Majeure Event.⁷
- For all other expenditure, the Prudent Cost Condition and the Prudent Design Condition for Capital Expenditure and the matters set out in clause 1E.8.3 for Operating Expenditure are applicable.

⁴ ACCC, *NBN Co Special Access Undertaking Final Decision*, 13 December 2013, p.96.

⁵ NBN Co, *Supporting Submission – NBN Co Special Access Undertaking*, 28 September 2012, pp. 226-240.

⁶ NBN Co, *NBN Co Special Access Undertaking*, Clause 1D.3.2(a)(ii) and Clause 1E.8.2(a)(ii).

⁷ NBN Co, *NBN Co Special Access Undertaking*, Clause 1D.3.2(a)(ii) and Clause 1E.8.2(a)(ii).

The SAU exhaustively defines the SAU prudency conditions and their application is process-based in nature. Accordingly, the Expenditure Compliance Report, like the LTRCM Determination, is focussed on the extent to which Capital Expenditure and Operating Expenditure satisfy the relevant SAU prudency conditions. For example, the ACCC notes in its Final Decision that “capital expenditure that the ACCC is satisfied can be categorised as being deemed prudent or meeting the requirements of the prudent design condition and the prudent cost condition ... can be included in the RAB.”⁸

The NBN Co CFO’s certification set out in the Expenditure Compliance Report is informed by a range of investigations and testing of the relevant processes and controls. This includes:

- identifying relevant control objectives and control procedures;
- confirming end-to-end process maps;
- performing process walkthroughs with relevant staff (e.g. in relation to each of the four different network types – fibre, wireless, satellite and transit); and
- testing of control and process effectiveness.

Any such investigation and testing is necessarily subject to inherent limitations; there is an unavoidable risk that some deficiencies may not be detected, regardless of how carefully and thoroughly the work is planned and performed.

Consistent with this, the NBN Co CFO’s certification in the Expenditure Compliance Report is subject to appropriate qualifying language⁹ to make clear the basis on which the certification is provided and expresses negative assurance conclusions.

NBN Co has lodged an independent assurance report by PwC in regard to the controls applicable to Capital Expenditure and Operating Expenditure prudency. PwC conducted its work under the Australian Standard on Assurance Engagements ASAE 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”. PwC’s limited assurance opinion is unqualified in nature and complements the NBN Co CFO’s certification.

NBN Co submits that the Expenditure Compliance Report (taken together with the PwC assurance report) provides an appropriate basis for the ACCC to be satisfied that all Capital Expenditure and all Operating Expenditure incurred by NBN Co over the relevant period meets the relevant prudency conditions and should be included in the RAB and ABBRR, respectively.

⁸ ACCC, *NBN Co Special Access Undertaking Final Decision*, 13 December 2013, p.97.

⁹ NBN Co has had regard to the Australian Standard on Assurance Engagements ASAE 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” in developing the qualifying language in the certification.

6 Procurement Rules Compliance Report

As part of the Regulatory Information, NBN Co's CPO has provided a certification pursuant to clause 1F.2.3(a) of the SAU – the Procurement Rules Compliance Report. There is no reported exception in relation to this report, which relates to whether, over the period from 13 December 2013 to 30 June 2014, NBN Co's Procurement Rules satisfied the requirements in clause 1D.5.1 of the SAU.

The NBN Co CPO's certification set out in the Procurement Rules Compliance Report is informed by a range of investigations, and identified the following:

- the Procurement Rules that are the subject of the CPO's certification were provided to the ACCC on 20 December 2013 (within 30 days after the SAU Commencement Date, as required by clause 1D.5.2), and are subject to appropriate version control;
- the Procurement Rules initially comprised 13 documents, but NBN Co reduced this to two documents, as advised to the ACCC on 11 March 2014 (Procurement Manual v18 and Buying Guide v2.0, as originally provided to the ACCC on 20 December 2013); and
- over the period to 30 June 2014, NBN Co made one immaterial amendment to the Procurement Rules (to recognise the commencement of the SAU in Procurement Manual v19).

Any such investigation is necessarily subject to inherent limitations; there is an unavoidable risk that some deficiencies may not be detected, regardless of how carefully and thoroughly the work is planned and performed.

The NBN Co CPO's certification in the Procurement Rules Compliance Report is subject to appropriate qualifying language¹⁰ to make clear the basis on which the certification is provided and expresses negative assurance conclusions.

NBN Co notes that the Procurement Rules are commercially sensitive and for the purposes of the SAU have never been provided to any party other than the ACCC.

¹⁰ NBN Co has had regard to the Australian Standard on Assurance Engagements ASAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" in developing the qualifying language in the certification.

7 Price Compliance Report

As part of the Regulatory Information, NBN Co's CFO has provided a certification pursuant to clause 1F.3(a) of the SAU – the Price Compliance Report. There is no reported exception in relation to this report, which relates to whether, over the period from 13 December 2013 to 30 June 2014, NBN Co's pricing of NBN Offers and Other Charges satisfied the relevant requirements in Schedule 1C.

The NBN Co CFO's certification in the Price Compliance Report is informed by a range of investigations and testing. This includes:

- identification of the Price Lists that applied under WBA2 (in respect of fibre and fixed wireless) and the Satellite WBA (in respect of the interim satellite service) over the relevant period;
- checking of these Price Lists (and any changes made over the relevant period) for consistency with Schedule 1C of the SAU – a summary of this is provided in Appendix B of this submission; and
- checking of the process by which NBN Co publishes on its website Price Lists as part of relevant Standard Form Access Agreements (SFAAs).

Any such investigation and testing is necessarily subject to inherent limitations; there is an unavoidable risk that some deficiencies may not be detected, regardless of how carefully and thoroughly the work is planned and performed.

NBN Co notes that there were only a relatively small number of changes made to the Price Lists over the period. These related to four new types of NBN Offers / Other Charges:

- in respect of the NBN Fibre Network - AVC TC-2, CVC TC-2, and Enhanced Fault Rectification Service options; and
- in respect of NBN Co Interim Satellite Network– Customised CVC TC-4.

The NBN Co CFO's certification in the Price Compliance Report is subject to appropriate qualifying language¹¹ to make clear the basis on which the certification is provided and expresses negative assurance conclusions.

NBN Co has lodged an independent assurance report by PwC in regard to the controls applicable to price compliance (the same PwC report also addresses NBN Co's controls over capex and opex prudence). PwC conducted its work under the Australian Standard on Assurance Engagements ASAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". PwC's limited assurance opinion is unqualified in nature and complements the NBN Co CFO's certification.

¹¹ NBN Co has had regard to the Australian Standard on Assurance Engagements ASAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" in developing the qualifying language in the certification.

Appendix A Confidentiality

This Appendix sets out the confidentiality status of the Regulatory Information and relevant supporting materials provided by NBN Co to the ACCC. NBN Co has determined the confidentiality status of each of these materials in accordance with the ACCC's April 2014 *Confidentiality Guideline for submitting confidential material to ACCC communications inquiries*.

A1. Status of Regulatory Information and supporting materials

Public information

The following Regulatory Information and supporting materials are public in their entirety:

- Schedule 8 – Statement of Interest Expense;
- Schedule 9 – Statement of Revenue;
- Schedule 10 – Statement of LTRCM and RAB items;
- Schedule 12 – Expenditure Compliance Report;
- Schedule 13 – Procurement Rules Compliance Report;
- Schedule 14 – Price Compliance Report;
- Regulatory Information - Basis of Preparation;
- Regulatory Information – SAU Declaration;
- Cover Letter; and
- Supporting Submission (this document).

Public information, with limited redactions (redacted information is either confidential or confidential of particular sensitivity)

The following Regulatory Information and supporting materials are public, with limited redactions made to information that is confidential or confidential of particular sensitivity. Confidential information may be made available to a limited class of persons under appropriate confidentiality arrangements (as described in Table A.1 below). Confidential information of particular sensitivity will not be made available to any other parties, even under confidentiality arrangements.

- Schedule 6 – Statement of Capital Expenditure, Disposals, Construction in Progress, Asset Lifetimes and Taxation Asset Lifetimes;
- Schedule 7 – Statement of Operating Expenditure; and
- LTRCM Spreadsheet (public version).

Confidential information

The following supporting materials are confidential. These materials may be made available to interested parties under appropriate confidentiality arrangements with NBN Co.

- Reasonable Assurance audit report - Schedules 6 to 9;
- Agreed Upon Procedures report - Schedule 10; and
- Limited Assurance report – Schedules 12 and 14 (Body of the Report, Appendix B).

Confidential information, with limited redactions of confidential information of particular sensitivity

The following supporting material is confidential, with redactions made to confidential information of particular sensitivity. The confidential information in this material may be made available to interested parties under appropriate confidentiality arrangements with NBN Co.

- Limited Assurance report – Schedules 12 and 14 (Appendix A)

Confidential information of particular sensitivity

The following information will not be made available to any other parties, including under confidentiality arrangements:

- NBN Co's current Chart of Accounts; and
- Regulatory Accounting and Allocation Manual (RAAM).

A2. Reasons for confidentiality

Table A.1 sets out the reasons as to why the information classified as confidential:

- is commercially sensitive;
- if released, could cause NBN Co detriment; and
- if released to other interested parties would cause NBN Co significant commercial harm (for ‘confidential information of particular sensitivity’ only).

Table A.1 Reasons for confidentiality

	Information	Confidentiality status	Reasons
1	<p>Schedule 6</p> <p>Statement of Capital Expenditure, Disposals, Construction in Progress, Asset Lifetimes & Taxation Asset Lifetimes</p>	<ul style="list-style-type: none"> • Public, with the following information redacted: <ul style="list-style-type: none"> ○ Disaggregated Capital Expenditure and Disposals values (Confidential) ○ Disaggregated Asset Type names, Asset Lifetimes and Taxation Asset Lifetimes (Confidential) ○ Values under Reconciliation to NBN Co’s Audited General Purpose Financial Statement (Confidential of particular sensitivity) ○ Values relating to deemed prudent capital expenditure categories (Confidential of particular sensitivity) 	<p><i>Disaggregated Capital Expenditure and Disposals values</i></p> <ul style="list-style-type: none"> • Visibility over this information (in combination with metrics disclosed in NBN Co’s Annual Report, the NBN Co website and other public sources) would enable interested parties to calculate NBN Co’s Cost Per Premise (CPP) for each network. • Providing suppliers/contractors or competitors with the information required to determine NBN Co’s CPP could: <ul style="list-style-type: none"> ○ have an adverse impact on NBN Co’s negotiations with suppliers/contractors by providing suppliers/contractors with a commercial advantage; and ○ enable competitors to determine NBN Co’s costs, providing them with a unfair competitive advantage in building competing infrastructure. • To account for these risks, NBN Co is prepared to make this information available to only a limited class of persons under appropriate confidentiality arrangements. This limited class of persons would: <ul style="list-style-type: none"> ○ Include employees of NBN access seekers and relevant consultants retained by an NBN access seeker – consistent with the ACCC’s Statement of Reasons on the Disclosure Notice given to Telstra regarding the BBM RKR information (p. 8), the class of persons most likely to have the expertise to make well-informed submissions to the LTRCM Determination process is the class composed of NBN access seekers; but ○ Exclude such employees or relevant consultants where the

	Information	Confidentiality status	Reasons
			<p>relevant NBN access seeker is:</p> <ul style="list-style-type: none"> ▪ In the process of negotiating significant arrangements with NBN Co – the information (if provided to such an NBN access seeker) could be used in a manner adverse to NBN Co’s commercial interests. NBN Co notes that in its Disclosure Notice to Telstra regarding the BBM RKR information, the ACCC excluded employees of NBN Co from the class of persons to whom restricted extracts could be disclosed due to the ongoing commercial negotiations between Telstra and NBN Co; or ▪ An actual or potential competitor of NBN Co – as outlined above, there is a risk that actual or potential competitors could use this information, whether deliberately or inadvertently, to gain a competitive advantage over NBN Co. <p><i>Disaggregated Asset Type names, Asset Lifetimes and Taxation Asset Lifetimes</i></p> <ul style="list-style-type: none"> • Disclosure of this information would provide interested parties with visibility over the types of assets NBN Co uses in its network and how it uses those assets. This could cause NBN Co significant commercial harm by: <ul style="list-style-type: none"> ○ providing suppliers with an unfair commercial advantage in negotiations with NBN Co by understanding the value NBN Co places on different assets; and ○ providing competitors with an unfair competitive advantage by understanding the types of assets NBN Co uses in its network and how it uses those assets. • To account for these risks, NBN Co is prepared to make this information available to only a limited class of persons under appropriate confidentiality arrangements, as described above.

	Information	Confidentiality status	Reasons
			<p><i>Values under Reconciliation to NBN Co's Audited General Purpose Financial Statement</i></p> <ul style="list-style-type: none"> NBN Co has confidentiality obligations to third parties for the values of a number of reconciling items. Values for other reconciling items have also been redacted to protect the commercial sensitivity of the values for which NBN Co has confidentiality obligations to third parties. <p><i>Values relating to deemed prudent capital expenditure categories</i></p> <ul style="list-style-type: none"> NBN Co has confidentiality obligations to third parties for all financial aspects of the Telstra and Optus arrangements. Values for other deemed prudent capital expenditure categories have also been redacted to protect the commercial sensitivity of the values relating to the Telstra and Optus arrangements.
2	<p>Schedule 7</p> <p>Statement of Operating Expenditure</p>	<ul style="list-style-type: none"> Public, with the following information redacted: <ul style="list-style-type: none"> Values relating to deemed prudent operating expenditure categories (Confidential of particular sensitivity) Values under Reconciliation to NBN Co's Audited General Purpose Financial Statement (Confidential of particular sensitivity) 	<p><i>Values relating to deemed prudent operating expenditure categories</i></p> <ul style="list-style-type: none"> NBN Co has confidentiality obligations to third parties for all financial aspects of the Telstra and Optus arrangements. Values for other deemed prudent operating expenditure categories have also been redacted to protect the commercial sensitivity of the values relating to the Telstra and Optus arrangements. <p><i>Values under Reconciliation to NBN Co's Audited General Purpose Financial Statement</i></p> <ul style="list-style-type: none"> NBN Co has confidentiality obligations to third parties for the values of a number of reconciling items.
3	<p>Reasonable assurance audit report (Schedules 6 to 9)</p>	<ul style="list-style-type: none"> Confidential 	<ul style="list-style-type: none"> This report is a special purpose report, prepared for a very particular objective and audience. By agreement with PwC, the report is not designed or prepared for public release. NBN Co notes that the key conclusions from the report have been

	Information	Confidentiality status	Reasons
			<p>disclosed publicly in NBN Co's Supporting Submission.</p> <ul style="list-style-type: none"> NBN Co may be prepared to make this report available, under appropriate confidentiality arrangements, to employees of NBN access seekers and relevant consultants retained by an NBN access seeker.
4	Agreed Upon Procedures report (Schedule 10)	<ul style="list-style-type: none"> Confidential 	<ul style="list-style-type: none"> This report is a special purpose report, prepared for a very particular objective and audience. By agreement with PwC, the report is not designed or prepared for public release. NBN Co notes that key conclusions from the report have been disclosed publicly in NBN Co's Supporting Submission. NBN Co may be prepared to make this report available, under appropriate confidentiality arrangements, to employees of NBN access seekers and relevant consultants retained by an NBN access seeker.
5	Limited assurance report (Schedules 12 and 14)	<p><i>Body of the Report</i></p> <ul style="list-style-type: none"> Confidential <p><i>Appendix A</i></p> <ul style="list-style-type: none"> Control Objectives – Confidential Control Procedures - Confidential of particular sensitivity <p><i>Appendix B</i></p> <ul style="list-style-type: none"> Confidential 	<p><i>Body of the report and Appendix B</i></p> <ul style="list-style-type: none"> This report is a special purpose report, prepared for a very particular objective and audience. By agreement with PwC, the report is not designed or prepared for public release. NBN Co notes that the key conclusions from the report have been disclosed publicly in NBN Co's Supporting Submission. NBN Co may be prepared to make the body of the report and Appendix B available, under appropriate confidentiality arrangements, to employees of NBN access seekers and relevant consultants retained by an NBN access seeker. <p><i>Appendix A</i></p> <ul style="list-style-type: none"> The Control Objectives and Procedures in Appendix A contain detailed information about NBN Co's internal policies and procedures relating to network design, procurement and pricing. Such information: <ul style="list-style-type: none"> is proprietary information; could be used by potential suppliers or contractors to gain a

	Information	Confidentiality status	Reasons
			<p>commercial advantage in negotiations with NBN Co, by understanding how our processes work; and</p> <ul style="list-style-type: none"> ○ would provide competitors with an unfair competitive advantage by providing them with information about how NBN Co prices its products and manages its processes internally. • Disclosure of such information would be adverse to NBN Co's legitimate commercial interests and could cause significant commercial harm. • NBN Co may be prepared to make the Control Objectives available, under appropriate confidentiality arrangements, to employees of NBN access seekers and relevant consultants retained by an NBN access seeker. • However, in relation to the Control Procedures, given the level of detail in these procedures, NBN Co does not consider that a confidentiality undertaking could be drafted in such a way that would adequately protect NBN Co from the risk of the harm described above.
6	LTRCM Spreadsheet	<ul style="list-style-type: none"> • Public, with information redacted to the same extent as in "Schedule 6 – Statement of Capital Expenditure, Disposals, Construction in Progress, Asset Lifetimes & Taxation Asset Lifetimes" • The public version does not contain formulas due to the redactions. All redacted information is Confidential 	<ul style="list-style-type: none"> • The redactions in the LTRCM Spreadsheet mirror the redactions in "Schedule 6 – Statement of Capital Expenditure, Disposals, Construction in Progress, Asset Lifetimes & Taxation Asset Lifetimes". <i>'Input sheet' and 'Regulatory & tax depreciation'</i> • These worksheets contain disaggregated Capital Expenditure values, Asset Type names, Asset Lifetimes and Taxation Asset Lifetimes. This information is Confidential (see explanation in relation to Schedule 6, above).
7	Chart of Accounts and Regulatory Accounting and Allocation Manual (RAAM)	<ul style="list-style-type: none"> • Confidential information of particular sensitivity 	<ul style="list-style-type: none"> • These documents contain information about NBN Co's internal policies, procedures and accounts, which is proprietary information. • Disclosure of this information could cause NBN Co significant commercial harm. For example, disclosure could: <ul style="list-style-type: none"> ○ have an adverse impact on NBN Co's negotiations with

	Information	Confidentiality status	Reasons
			<p>suppliers by providing suppliers with visibility over NBN Co's internal policies and procedures, and highly disaggregated cost information; and</p> <ul style="list-style-type: none"> ○ provide competitors with an unfair competitive advantage by having visibility over NBN Co's internal policies, procedures and accounts. ● NBN Co does not consider that a confidentiality undertaking could be drafted in such a way that would adequately protect NBN Co from the risk of this harm. ● NBN Co considers that non-disclosure of the Chart of Accounts and the RAAM will not unduly affect interested parties' ability to provide informed submissions to the LTRCM Determination process. Those aspects of the RAAM that are relevant for interested parties to provide informed submissions (i.e. the Alternative Accounting Treatments) are outlined and disclosed publicly in the Basis of Preparation in the SAU – Regulatory Information.

Appendix B Check of SFAA Price Lists

Table B.1: WBA2 Price List (covering NBN Co Fibre Network and NBN Co Wireless Network)

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
AVC (TC-4) and UNI-D bundle Downstream/Upstream Mbps (PIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
12/1	Fibre Wireless	\$24.00	\$24.00	\$24.00	
25/5	Fibre Wireless	\$27.00	\$27.00	\$27.00	
25/10	Fibre	\$30.00	\$30.00	\$30.00	
50/20	Fibre	\$34.00	\$34.00	\$34.00	
100/40	Fibre	\$38.00	\$38.00	\$38.00	
250/100	Fibre	\$70.00	\$70.00	\$70.00	
500/200	Fibre	\$100.00	\$100.00	\$100.00	
1000/400	Fibre	\$150.00	\$150.00	\$150.00	
AVC (TC-1) Symmetrical Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
0.15	Fibre Wireless	\$10.00	\$10.00	\$10.00	
0.3	Fibre	\$20.00	\$20.00	\$20.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
0.5	Fibre	\$33.00	\$33.00	\$33.00	
1	Fibre	\$66.00	\$66.00	\$66.00	
2	Fibre	\$132.00	\$132.00	\$132.00	
5	Fibre	\$330.00	\$330.00	\$330.00	
AVC (TC-2) Symmetrical Mbps (CIR)					
		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
5	Fibre	Not available	\$32.00	\$32.00	Introduced 30 April 2014 as part of the Medium Business product release.
10	Fibre	Not available	\$64.00	\$64.00	
20	Fibre	Not available	\$128.00	\$128.00	
30	Fibre	Not available	\$192.00	\$192.00	
40	Fibre	Not available	\$256.00	\$256.00	
CVC (TC-4) Symmetrical Mbps (CIR)					
		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
100	Fibre Wireless	\$2,000.00	\$2,000.00	\$2,000.00	The Maximum Regulated Price in the SAU is \$20 per Mbps per month
150	Fibre Wireless	\$3,000.00	\$3,000.00	\$3,000.00	
200	Fibre Wireless	\$4,000.00	\$4,000.00	\$4,000.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
250	Fibre Wireless	\$5,000.00	\$5,000.00	\$5,000.00	
300	Fibre Wireless	\$6,000.00	\$6,000.00	\$6,000.00	
400	Fibre Wireless	\$8,000.00	\$8,000.00	\$8,000.00	
500	Fibre Wireless	\$10,000.00	\$10,000.00	\$10,000.00	
600	Fibre Wireless	\$12,000.00	\$12,000.00	\$12,000.00	
700	Fibre Wireless	\$14,000.00	\$14,000.00	\$14,000.00	
800	Fibre Wireless	\$16,000.00	\$16,000.00	\$16,000.00	
900	Fibre Wireless	\$18,000.00	\$18,000.00	\$18,000.00	
1000	Fibre Wireless	\$20,000.00	\$20,000.00	\$20,000.00	
1100	Fibre Wireless	\$22,000.00	\$22,000.00	\$22,000.00	
1200	Fibre Wireless	\$24,000.00	\$24,000.00	\$24,000.00	
1300	Fibre Wireless	\$26,000.00	\$26,000.00	\$26,000.00	
1400	Fibre Wireless	\$28,000.00	\$28,000.00	\$28,000.00	
1500	Fibre Wireless	\$30,000.00	\$30,000.00	\$30,000.00	
1600	Fibre Wireless	\$32,000.00	\$32,000.00	\$32,000.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
1700	Fibre Wireless	\$34,000.00	\$34,000.00	\$34,000.00	
1800	Fibre Wireless	\$36,000.00	\$36,000.00	\$36,000.00	
1900	Fibre Wireless	\$38,000.00	\$38,000.00	\$38,000.00	
2000	Fibre Wireless	\$40,000.00	\$40,000.00	\$40,000.00	
CVC (TC-1) Symmetrical Mbps (CIR)					
		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
5	Fibre Wireless	\$100.00	\$100.00	\$100.00	The Maximum Regulated Price in the SAU is \$20 per Mbps per month
10	Fibre Wireless	\$200.00	\$200.00	\$200.00	
20	Fibre Wireless	\$400.00	\$400.00	\$400.00	
CVC (TC-2) Symmetrical Mbps (CIR)					
		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
50	Fibre	Not available	\$1,000.00	\$1,000.00	Introduced 30 April 2014 as part of the Medium Business product release. The Maximum Regulated Price in the SAU is \$20 per Mbps per month
150	Fibre	Not available	\$2,000.00	\$2,000.00	
200	Fibre	Not available	\$3,000.00	\$3,000.00	
250	Fibre	Not available	\$4,000.00	\$4,000.00	
300	Fibre	Not available	\$5,000.00	\$5,000.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
400	Fibre	Not available	\$8,000.00	\$8,000.00	
500	Fibre	Not available	\$10,000.00	\$10,000.00	
600	Fibre	Not available	\$12,000.00	\$12,000.00	
700	Fibre	Not available	\$14,000.00	\$14,000.00	
800	Fibre	Not available	\$16,000.00	\$16,000.00	
900	Fibre	Not available	\$18,000.00	\$18,000.00	
1000	Fibre	Not available	\$20,000.00	\$20,000.00	
NNI					
NNI Bearer Profile		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
1000BaseLX	Fibre Wireless	\$200.00	\$200.00	\$200.00	
10GBaseLR	Fibre Wireless	\$400.00	\$400.00	\$400.00	
1000BaseEX	Fibre Wireless	\$500.00	\$500.00	\$500.00	
10GBaseER	Fibre Wireless	\$1,000.00	\$1,000.00	\$1,000.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Second UNI-V and AVC TC-1 bundle AVC (TC-1) symmetrical Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
0.15	Fibre	\$17.50	\$17.50	\$17.50	
Enhanced Fault Rectification Service Option					
Enhanced-12	Fibre	\$15.00	\$15.00	\$15.00	
Enhanced-12 (24/7)	Fibre	Not available	\$45.00	Not specified	Introduced 30 April 2014 as part of Medium Business on Fibre Maximum Regulated Price is currently the initial price for the NBN Offer or Other Charge introduced by NBN Co.
Enhanced-8	Fibre	Not available	\$40.00	Not specified	
Enhanced-8 (24/7)	Fibre	Not available	\$90.00	Not specified	
Multicast AVC downstream Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
5	Fibre	\$2.00	\$2.00	\$2.00	
20	Fibre	\$5.00	\$5.00	\$5.00	
30	Fibre	\$10.00	\$10.00	\$10.00	
40	Fibre	\$15.00	\$15.00	\$15.00	
50	Fibre	\$20.00	\$20.00	\$20.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Multicast Domain downstream Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
100	Fibre	\$250.00	\$250.00	\$250.00	The Maximum Regulated Price in the SAU is \$2.50 per Mbps per month
200	Fibre	\$500.00	\$500.00	\$500.00	
300	Fibre	\$750.00	\$750.00	\$750.00	
400	Fibre	\$1,000.00	\$1,000.00	\$1,000.00	
500	Fibre	\$1,250.00	\$1,250.00	\$1,250.00	
600	Fibre	\$1,500.00	\$1,500.00	\$1,500.00	
700	Fibre	\$1,750.00	\$1,750.00	\$1,750.00	
800	Fibre	\$2,000.00	\$2,000.00	\$2,000.00	
900	Fibre	\$2,250.00	\$2,250.00	\$2,250.00	
1000	Fibre	\$2,500.00	\$2,500.00	\$2,500.00	
Media Streams per Multicast Domain		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
≤200	Fibre	\$0.00	\$0.00	\$0.00	
>200	Fibre	\$50 per Media Stream in excess of 200 Media Streams	\$50 per Media Stream in excess of 200 Media Streams	\$50 per Media Stream in excess of 200 Media Streams	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Installations and activations		Charge per activity	Charge per activity	Charge per activity	
Initial Standard Installation		\$0.00	\$0.00	\$0.00	
Initial Non Standard Installation		Labour Rate + Materials over and above Initial Standard Installation	Labour Rate + Materials over and above Initial Standard Installation	Hourly Labour Rate plus cost of materials	Under WBA2, "Labour Rate means \$75.00 for each of the total number of man-hours of labour required to perform the relevant activity (rounded up to the next full hour)." Under the SAU, "Hourly Labour Rate means, at the SAU Commencement Date, \$75 per hour, rounded up to the next full hour required to perform the relevant activity."
Subsequent Installation		\$270.00 + Labour Rate + Materials over and above Initial Standard Installation	\$270.00 + Labour Rate + Materials over and above Initial Standard Installation	Hourly Labour Rate charged for a minimum amount equivalent to 3.67 hours, plus the cost of materials	
Subsequent Installation of Power Supply with Battery Backup		\$0.00	\$0.00	Not specified	The price of this Other Charge is not specified in Schedule 1C.
Access Component Reactivation		\$0.00	\$0.00	\$0.00	
Multicast AVC Reactivation		\$0.00	\$0.00	\$0.00	
CVC Activation		\$0.00	\$0.00	\$0.00	
Multicast Domain Activation		\$0.00	\$0.00	\$0.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
NNI 1000BaseLX Activation		\$1,000.00	\$1,000.00	\$1,000.00	
NNI 10GBaseLR Activation		\$5,000.00	\$5,000.00	\$5,000.00	
NNI 1000BaseEX Activation		\$7,000.00	\$7,000.00	\$7,000.00	
NNI 10GBaseER Activation		\$35,000.00	\$35,000.00	\$35,000.00	
Service Qualification Enquiry		\$0.00	\$0.00	\$0.00	
Service modification					
		Charge per activity	Charge per activity	Charge per activity	
Access Component Modification (no attendance at Premises required)		\$0.00	\$0.00	\$0.00	
CVC Modification		\$0.00	\$0.00	\$0.00	
Multicast Domain Modification		\$0.00	\$0.00	\$0.00	
NNI Modification		\$0.00	\$0.00	\$0.00	
Equipment Modification (attendance at Premises required)		Labour Rate + Materials	Labour Rate + Materials	Hourly Labour Rate plus cost of materials	
Equipment Removal		Labour Rate + Materials	Labour Rate + Materials	Hourly Labour Rate plus cost of materials	
Service management					
		Charge per activity	Charge per activity	Charge per activity	
On Site Maintenance Call Out		\$0.00	\$0.00	\$0.00	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
No Fault Found (No Truck Roll Required)		\$50.00	\$50.00	\$50.00	
No Fault Found (Truck Roll Required)		Labour Rate (min 2 hours)	Labour Rate (min 2 hours)	Hourly Labour Rate charged for a minimum of 2 hours plus each hour thereafter	
Late Cancellation (Site Visit Required)		\$0.00	\$0.00	\$0.00	
Missed Appointment		\$0.00	\$0.00	\$0.00	
Restoration		\$50.00	\$50.00	Not specified	The price of this Other Charge is not specified in Schedule 1C.
Facilities Access Service – Recurring charges					
		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
Cross Connect		\$0.00	\$0.00	\$0.00	
NBN Co Co-location (1 x lockable half height Equipment Rack)		\$1,200.00	\$1,200.00	\$1,200.00	
NBN Co Co-location (1 x lockable full height Equipment Rack)		\$2,000.00	\$2,000.00	\$2,000.00	
NBN Co ODF Termination Point		\$0.00	\$0.00	\$0.00	
NBN Co Building Entry Service (per fibre cable)		\$190.00	\$190.00	\$190.00	
Facilities Access Service – Setup and activations					
		Charge per activity	Charge per activity	Charge per activity	

NBN Offer / Other Charge (in the order as set out in the Price List as at 30 June 2014)	Network	Price List 2.0 (13 Dec 2013 to 29 Apr 2014)	Price List 3.0 (30 Apr 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Cross Connects Activation		\$0.00	\$0.00	\$0.00	
NBN Co Co-location (1 x lockable half height Equipment Rack) Activation		\$900.00	\$900.00	\$900.00	
NBN Co Co-location (1 x lockable full height Equipment Rack) Activation		\$1,500.00	\$1,500.00	\$1,500.00	
NBN Co ODF Termination Point Activation		\$0.00	\$0.00	\$0.00	
First Access Card		\$0.00	\$0.00	\$0.00	
Additional feasibility study for NBN Co Building Entry Service		Labour Rate + Materials	Labour Rate + Materials	Not specified	The prices of these Other Charges are not specified in Schedule 1C.
Additional post-installation inspection for NBN Co Building Entry Service		Labour Rate + Materials	Labour Rate + Materials	Not specified	
Facilities Access Service – Service management		Charge per activity	Charge per activity	Charge per activity	
Additional / Replacement Access Card		\$100.00	\$100.00	\$100.00	
Facilities Access Missed Appointment (During Business Hours)		\$300.00	\$300.00	\$300.00	
Facilities Access Missed Appointment (Outside Business Hours)		\$450.00	\$450.00	\$450.00	

Table B.2: Satellite WBA Price List (covering NBN Co Interim Satellite Network)

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
AVC (TC-4) (including UNI) Recurring Charges Downstream/Upstream Mbps (PIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
6/1	Interim Satellite	\$24.00	\$24.00	\$24.00	\$24.00	
AVC (TC-1) Recurring Charges Symmetrical Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
0.06	Interim Satellite	\$4.00	\$4.00	\$4.00	Not specified	The charge under the Satellite WBA is notional only – if ordered there is a credit equal to the amount of the charge – this forms part of the AVC and UNI bundle.
CVC (TC-1) Symmetrical Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
5	Interim Satellite	\$100.00	\$100.00	\$100.00	\$100.00	The Maximum Regulated Price in the SAU is \$20 per Mbps
10	Interim Satellite	\$200.00	\$200.00	\$200.00	\$200.00	

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
20	Interim Satellite	\$400.00	\$400.00	\$400.00	\$400.00	per month
50	Interim Satellite	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	
100	Interim Satellite	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	
CVC (TC-4)						
Download Mbps (CIR)		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
1 (Customised CVC)	Interim Satellite	Not available	Not available	\$20.00	Not specified	Introduced 12 June 2014. Maximum Regulated Price is currently the initial price for the NBN Offer or Other Charge introduced by NBN Co.
20	Interim Satellite	\$400.00	\$400.00	\$400.00	\$400.00	The Maximum Regulated Price in the SAU is \$20 per Mbps per month
50	Interim Satellite	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	
100	Interim Satellite	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	
150	Interim Satellite	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	
200	Interim Satellite	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
250	Interim Satellite	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	
300	Interim Satellite	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	
NNI						
NNI Bearer Profile		Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	Monthly recurring charge per SIO	
1000BaseLX	Interim Satellite	\$200.00	\$200.00	\$200.00	\$200.00	
1000BaseT	Interim Satellite	\$200.00	\$200.00	\$200.00	\$200.00	
Installations and activations						
		Charge per activity	Charge per activity	Charge per activity	Charge per activity	
Initial Standard Installation	Interim Satellite	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	Not specified	The prices of these Other Charges are not specified in Schedule 1C.
Initial Non Standard Installation	Interim Satellite	Hourly Labour Rate plus cost of materials (subject to section 3.1(a) below) (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (subject to section 3.1(a) below) (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (subject to section 3.1(a) below) (Travel Charges may apply in accordance with section 4 of this Price List)	Not specified	The Other Charges of the same names set out in the SAU only apply to NFAS or NWS.

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Subsequent Installation	Interim Satellite	\$270 plus Hourly Labour Rate plus cost of materials (subject to section 3.1(b) below) (Travel Charges may apply in accordance with section 4 of this Price List)	\$270 plus Hourly Labour Rate plus cost of materials (subject to section 3.1(b) below) (Travel Charges may apply in accordance with section 4 of this Price List)	\$270 plus Hourly Labour Rate plus cost of materials (subject to section 3.1(b) below) (Travel Charges may apply in accordance with section 4 of this Price List)	Not specified	
CVC Setup / Activation	Interim Satellite	\$0	\$0	\$0	\$0	
NNI 1000BaseLX Setup	Interim Satellite	\$1,000	\$1,000	\$1,000	\$1,000	
NNI 1000BaseT Setup	Interim Satellite	\$1,000	\$1,000	\$1,000	\$1,000	
Service modification						
AVC Modification – no site visit required	Interim Satellite	\$0	\$0	\$0	\$0	
AVC Modification – site visit required	Interim Satellite	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	Not specified	The prices of these Other Charges are not specified in Schedule 1C.
AVC Activation on existing equipment	Interim Satellite	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	\$0 (Travel Charges may apply in accordance with section 4 of this Price List)	Not specified	

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
CVC Modification	Interim Satellite	\$0	\$0	\$0	\$0	
NNI Modification	Interim Satellite	\$0	\$0	\$0	\$0	
Rearrangement / Modification	Interim Satellite	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials	Under S-WBA at 30 June 2014, “Hourly Labour Rate means \$75 per hour for each of the total number of man- hours of labour required to perform the relevant activity (rounded up to the next full hour).” Under the SAU, “Hourly Labour Rate means, at the SAU Commencement Date, \$75 per hour, rounded up to the next full hour required to perform the relevant activity.”

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Equipment Removal	Interim Satellite	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials	
Equipment Repair	Interim Satellite	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials (Travel Charges may apply in accordance with section 4 of this Price List)	Hourly Labour Rate plus cost of materials	
Service management		Charge per activity	Charge per activity	Charge per activity	Charge per activity	
On Site Maintenance Call Out	Interim Satellite	\$0	\$0	\$0	\$0	
No Fault Found (No Truck Roll Required)	Interim Satellite	\$50	\$50	\$50	\$50	

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
No Fault Found (Truck Roll Required)	Interim Satellite	\$150 (inclusive of 2 hours labour) Plus Hourly Labour Rate for each hour in excess of 2 hours (Travel charges apply if work needs to be performed within Zone 3 or Zone 4).	\$150 (inclusive of 2 hours labour) Plus Hourly Labour Rate for each hour in excess of 2 hours (Travel charges apply if work needs to be performed within Zone 3 or Zone 4).	\$150 (inclusive of 2 hours labour) Plus Hourly Labour Rate for each hour in excess of 2 hours (Travel charges apply if work needs to be performed within Zone 3 or Zone 4).	Hourly Labour Rate charged for a minimum of 2 hours plus each hour thereafter	
Late Cancellation (Site Visit Required)	Interim Satellite	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0	
Missed Appointment	Interim Satellite	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0 (Travel charges apply if work needs to be performed within Zone 3 or Zone 4)	\$0	
Travel charges relating to Ancillary Charges		Charge per activity	Charge per activity	Charge per activity	Charge per activity	
Premises or site at which work is to be performed is located within Zone 3 and 100kms or more by road from the nearest Field Staff Depot	Interim Satellite	\$3/km for each km by road in excess of 100kms by road from the nearest Field Staff Depot	\$3/km for each km by road in excess of 100kms by road from the nearest Field Staff Depot	\$3/km for each km by road in excess of 100kms by road from the nearest Field Staff Depot	Not specified	The prices of these Other Charges are not specified in Schedule 1C.

NBN Offer / Other Charge (in the order as set out in the Satellite Price List as at 30 June 2014)	Network	Satellite Price List Release 2.0 (13 Dec 2013 to 13 Apr 2014)	Satellite Price List Release 3.0 (14 Apr 2014 to 11 Jun 2014)	Satellite Price List Release 3.1 (12 Jun 2014 to 30 Jun 2014)	SAU - Maximum Regulated Price	Comment
Premises is located within Zone 4	Interim Satellite	As quoted by NBN Co on a case-by- case basis	As quoted by NBN Co on a case-by- case basis	As quoted by NBN Co on a case-by- case basis	Not specified	
Overnight Accommodation Travel Cost	Interim Satellite	\$150/night	\$150/night	\$150/night	Not specified	