



ENGINEERS
AUSTRALIA

2 April 2008

Senator the Hon Stephen Conroy
Minister for Broadband, Communications
and the Digital Economy,

Dear Minister

The following is provided on behalf of Engineers Australia to assist consideration of the development of the National Broadband Network Request for Proposals.

Engineers Australia understands that the information provided in response to this request for public comment will be used to inform the Panel of Experts and it is envisaged that this, in turn, will be reflected in the evaluation criteria for responses to the RFP.

It is envisaged by Engineers Australia that the RFP will make assumptions about the regulatory arrangements under which the National Broadband Network investment will need to operate. It is possible that the government may decide that a range of options can be assumed and seek alternative proposals under different options (where respondents so desire). On the other hand, the government may seek proposals from respondents for their preferred regulatory environment under which their proposal is offered. Engineers Australia considers that the latter approach would present substantial difficulties in evaluation due to the difficulty in comparing proposals. It may also be less adaptable to changing needs and innovative developments. It would be preferable for the government to target one or two different models as the basis for evaluation with the ability for respondents to offer alternatives if they wish (but only after they have proposed one solution which conforms to one of the target models).

The government could determine that it uses a two (or more) stage process where respondents submit preliminary information to allow the Panel of Experts to consider the different regulatory models and to recommend to the government preferred arrangement(s) for the RFP. It is envisaged that the regulatory arrangements proposed would include any assumptions that need to be made about structural separation and access arrangements.

Engineers Australia recently published its Telecommunications Infrastructure Report Card (copy attached for information).

The recommendations in that report were that:

1. Australia needs an ongoing, regularly reviewed and updated strategic plan for telecommunications infrastructure development.
2. Government should ensure that regulations and subsidies (if appropriate) are regularly reviewed and adapted as needed.

3. Unnecessary duplication of infrastructure should be avoided, particularly where government subsidies are given. Where there are no government subsidies, policies should encourage carriers to avoid duplications through appropriate access regimes.
4. A requirement to support inter-carrier roaming on any mobile infrastructure funded by government.

Engineers Australia considers that its recommendation 3 should be a guiding principle in setting the requirements of the National Broadband Network RFP. Furthermore, the solution needs to be provided in a way which ensures that review (recommendation 2) of regulation and funding arrangements allows for changes to meet the national interest in provision of broadband and telecommunications infrastructure.

Engineers Australia believes that there will be a range of solutions to meet the overall objectives and that it may be prudent to encourage industry to provide innovative solutions, preferably through a multi stage tendering process.

Members of Engineers Australia are skilled professionals, many of whom have skills in the management and implementation of major infrastructure projects. The government would be well advised to ensure that the successful proposal is supported by suitably experienced and qualified members of Engineers Australia as key members of their project team. Many of those individuals would be able to demonstrate successful involvement in complex engineering projects in order to mitigate the inevitable risk associated with such large projects.

If you require further information, please do not hesitate to contact me.

Yours sincerely

Leanne Hardwicke
Director, International and National Policy