

Department of Broadband, Communications and the Digital Economy

APN submission on policy and funding initiatives to provide enhanced broadband to rural and remote areas

30th June 2008

Executive Summary

Australian Private Networks is pleased to respond to the Government's request for submissions on policy and funding initiatives to provide enhanced broadband to rural and remote areas.

This submission proposes a Satellite National Broadband Network, meeting key requirements of the wider NBN specification, including offering speeds over 12Mbps and ability to provide a safety net to all Australians not covered by the NBN. Importantly, the Satellite NBN proposed can be delivered in less than one year from entering into an agreement.

APN believes that demand will quickly grow for service comparable to the Government's proposed National Broadband Network (NBN) among the assumed 2% of the population which will be missed by the NBN.

APN concludes that it is feasible and in fact the lowest cost, lowest risk option for the Government, to develop a satellite NBN based on the high capacity IPSTAR 1 satellite and a new ground system capable of higher performance than the current platform.

User performance is primarily determined by the ground system utilised, and so would be essentially identical whether based on a new satellite or on existing capacity.

APN proposes to take the low risk, low cost option and leverage the investment already in place in the IPSTAR satellite. Benefits include:

- The IPSTAR satellite is already in orbit, proven, and is delivering services now, minimising project risk
- The orbital location at 119.5 deg East (on the equator approx north of Kalgoorlie) is well suited to coverage across Australia from east coast to the west.
- The satellite has substantial unused capacity over Australia, and can scale up to deliver probably double the base case capacity requirement

- The satellite is quite new, having been launched in August 2005 with a 15 year estimated life at that time, so has approximately 12 years remaining life
- Most importantly, the IPSTAR satellite utilises Ku band spectrum for user links, offering superior protection from rain fade compared to Ka band satellites
- The satellite network can have augmented capacity as the existing satellite either nears full capacity or approaches it's eventual service life
- Importantly, the business of providing ongoing services to those who have existing Broadband Connect or ABG satellite services using IPSTAR (and do not feel the need to upgrade to the higher speed NBN platform) is not jeopardised by capping the satellite's growth at an unsustainable level of utilisation.

APN is the first and only operator which has been able to develop a proposal under which IPSTAR is prepared to offer capacity on the IPSTAR satellite for use by ground technology other than its own proprietary system.

APN has been the leader in bringing satellite broadband to the position it now occupies as the broadband safety net for rural and remote Australia.

APN proposes that the Government underwrite an IRU (Indefeasible Right of Use) for sufficient IPSTAR capacity to allow the platform operator to provide wholesale bandwidth at prices which will allow genuine metro equivalence, even for higher usage plans.

APN proposes that it would invest in provision of the new higher performance ground system, and would operate the network as an open access wholesale network. APN would provide wholesale satellite network capacity, platform support, billing support and customer terminal supply and support to qualified retail ISPs on a satellite NBN safety net for all Australians.