BROADBAND DEPLOYMENT UPDATE



97.8%

of New Zealanders will have access to faster broadband by end 2019

UFB

More than half a million New Zealanders in UFB areas have access, and over 39,000 users are now connected to UFB, a 44% increase in connected users since end March 2014

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Rural Broadband Initiative (RBI)

Two thirds of tower upgrades have been completed

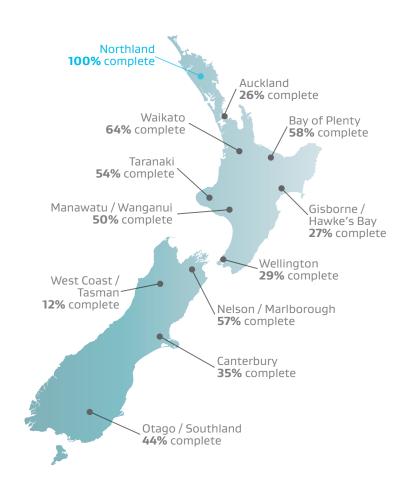
→ see page 3

Priority Users

Over 90% of the programme target for schools to be ready for service has been reached

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UFB DEPLOYMENT PROGRESS:





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Connecting 75% of New Zealanders with fibre to the premise by end 2019. Fibre will be capable of peak speeds of at least 100Mbps.

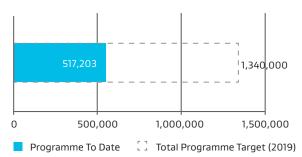
Highlights

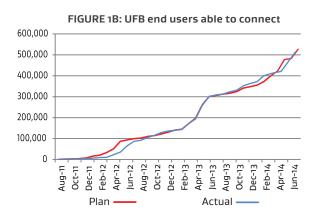
- > 74 retail providers are actively offering UFB services.
- > UFB connections are now available in **31 candidate areas**. For information on whether you can connect to UFB, please contact your retail service provider or go to www.broadband.govt.nz

TABLE 1: UFB Progress at June Quarter 2014

	End users able to connect	Connected users
Added this quarter	96,339	12,143
Total to date	517,203	39,510

FIGURE 1A: UFB end users able to connect





→ UFB

UFB Halves Software Company's Costs

Auckland-based business applications company, Navigator Business Software, has experienced significant reductions in its telecommunications costs since connecting to UFB.

Navigator's IT system can now handle far greater volumes of traffic – whether it be customer support, training videos, or product updates being sent out.

UFB has also enabled the company to cut its power bills by moving to cloud applications and replacing its internal server stack.

RURAL BROADBAND INITIATIVE (RBI)



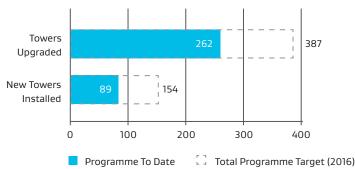
Connecting 86% of rural homes and businesses (outside UFB areas) with broadband at peak speeds of at least 5Mbps by 2016. This is through fixed wireless and improved copper services (some rural homes and businesses will be able to choose between the two services).

VODAFONE's role is the provision of fixed wireless broadband capable of peak speeds of at least 5Mbps.

TABLE 2: Vodafone Progress at June Quarter 2014

	Towers Upgraded	New Towers Installed	Households Covered (Approximate)
Added this Quarter	1	8	8,415
Total to Date	262	89	195,415

FIGURE 2: Vodafone RBI

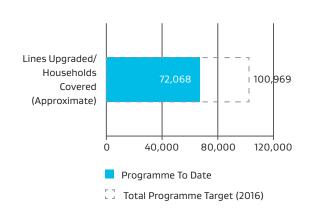


CHORUS' role is the deployment of fibre to cabinets, offering improved broadband services. Some residences will receive copper-based broadband speeds of up to 20Mbps.

TABLE 3: Chorus Progress at June Quarter 2014

	Lines Upgraded/ Households Covered (Approximate)
Added this Quarter	5,598
Total to Date	72,068

FIGURE 3: Chorus RBI



RURAL BROADBAND INITIATIVE (RBI)



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→ RBI

Faster broadband in South Westland

Four communities in South Westland now have access to faster broadband, under the Rural Broadband Initiative.

Haast township, Hannahs Clearing, Neils Beach and Jackson Bay can access the Internet at speeds that are faster and more reliable than their previous satellite services.

A new microwave link between the local communities and the rest of the network is being used to provide wireless broadband via new wireless sites.



The repeater installed at Haast Township.



To be connected with fibre capable of peak speeds of at least 100Mbps through the UFB or RBI. Remote schools will receive point-to-point wireless connections capable of peak speeds of at least 10Mbps.

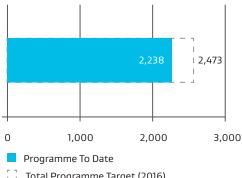
TABLES 4A & 4B: Schools Progress at June Quarter 2014

Added this Quarter	Schools with fibre past the school gate	Schools ready for service
UFB	14	31
RBI	71	73
Remote schools	n/a	1

Total to date	Schools with fibre past the school gate	Schools ready for service
UFB	1,315	1,249
RBI	951	948
Remote schools	n/a	41

Note: The programme target covers state and state-integrated schools. It includes schools that have been connected to fibre outside of the UFB and RBI.

FIGURE 4: Total UFB, RBI and Remote Schools ready for service



Total Programme Target (2016)

FIGURE 5: Total rural hospitals ready for service



Total Programme Target (2016)

Note: The number of hospitals includes eight rural hospitals connected to fibre prior to the establishment of the RBI

→ PRIORITY USERS

600 schools connected to Network for Learning

The rollout of fast Internet to schools has reached its latest connection milestone ahead of schedule, with 600 schools connected to Network for Learning's (N4L) Managed Network in July 2014.

Schools connecting to the Managed Network benefit from quick and reliable Internet complete with uncapped data, web filtering and network security services to help schools create a safe learning environment for their students.

N4L is on track to connect all participating schools by the end of 2016.

www.n4l.co.nz



■ Website

The quarterly broadband update is available in pdf format through the Ministry's Economic Development website:

www.med.govt.nz/sectors-industries/technology-communication/ fast-broadband/deployment-progress

■ Data Sources

The broadband deployment update is compiled with information from Crown Fibre Holdings and the various companies mentioned in this update.

This update covers the June quarter (1 April – 30 June) 2014.

■ Technical Note

The regional breakdowns displayed on page one ("UFB deployment progress by region") have been altered to provide a more detailed view of deployment by region. This amendment has been made to ensure consistency with the regional deployment factsheets produced annually by the Ministry.

■ Next Release

The next quarterly broadband update is scheduled for release November 2014.

Please forward any enquiries to:

Communications and IT Policy
Resources, Energy and Communications Branch
Ministry of Business, Innovation and Employment
P O Box 1473, Wellington, New Zealand
Telephone: +64 4 472 0030

Email: broadband@mbie.govt.nz



New Zealand Government