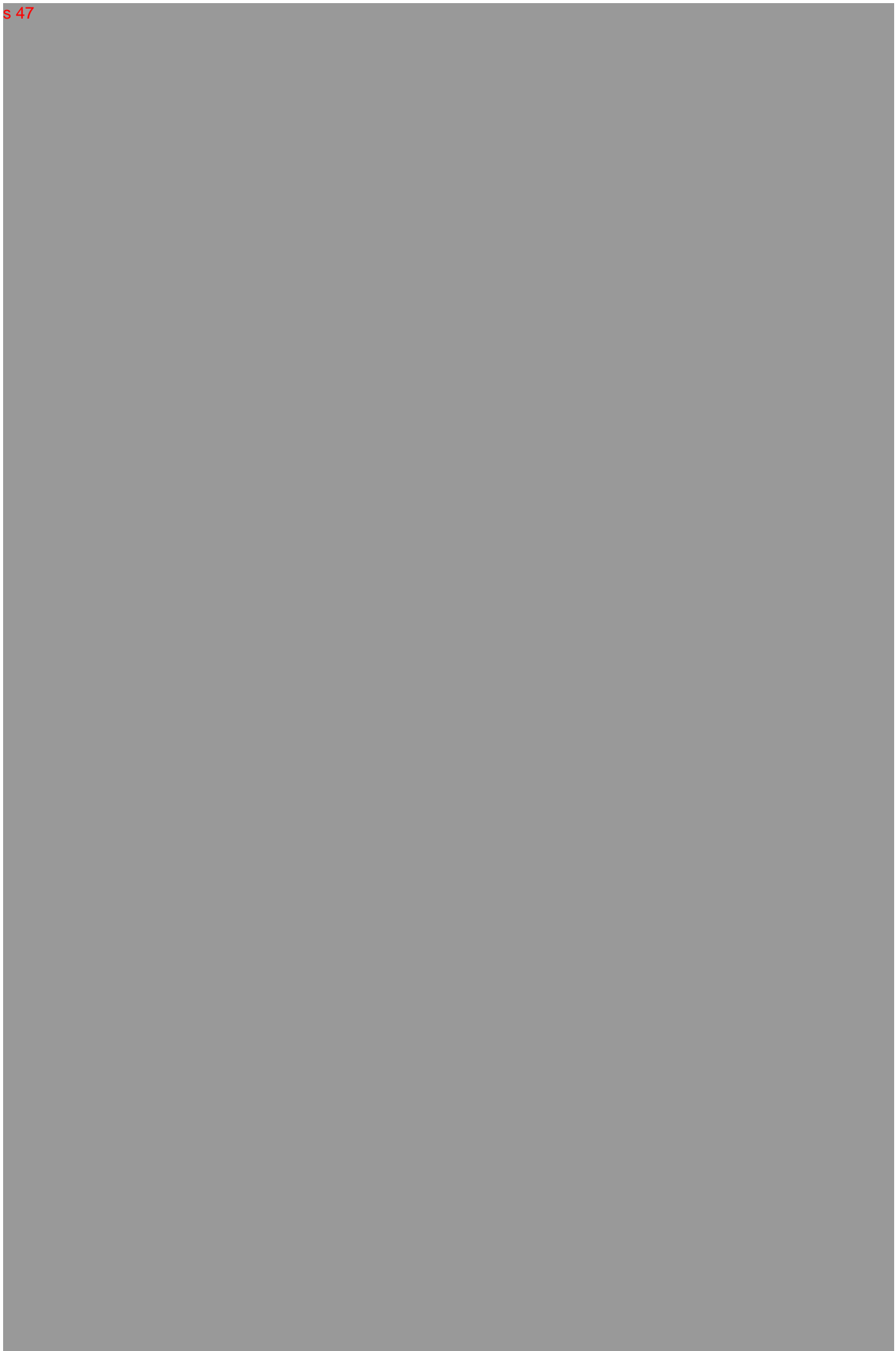




s 47

s 47











Australian Government  
Department of Communications and the Arts

MINUTE

To: Sarah Vandebroek, Chief Financial Officer

Approval to Commit Relevant Money under s23(3) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act)

**Purpose:** To provide information to enable you to decide whether to approve expenditure in 2017-18, 2018-19 and 2019-20 of s 47 for grant payments to Telstra, Optus and Vodafone under round 1, round 2, and the priority locations round of the Mobile Black Spot Program (the Program).

s 47

[Redacted text block]

**Background:** The Australian Government has committed \$220 million (GST exclusive) through the Mobile Black Spot Program to invest in telecommunications infrastructure to address mobile black spots across Australia. Rounds 1 and 2 of the Program are delivering 765 new base stations into regional Australia. The Australian Government commitment includes \$60 million to the priority locations round, which is delivering new and improved mobile coverage to 125 targeted priority locations including 23 that are been addressed under round 2 of the program, an alternative Government program or through carriers own commercial investments. Funding referred to in this Minute is exclusive of GST unless otherwise noted.

On 5 April 2018, the Minister for Regional Communications, Senator the Hon Bridget McKenzie, announced under the priority locations round of the Program, 102 identified priority black spot locations to receive improved mobile coverage across regional Australia, with the rollout commencing in 2017-18. - 84 Telstra base stations and five small cells, 12 Optus base stations and one Vodafone base station.

s 47

**Total value of the grant funding program:** The total funding required for the Program in 2017-18 and 2018-19 is s 47 Expenditure for this authorisation is estimated to be phased as per the following table.

s 47

s 47



s 47



**Priority\_ Locations Round**

s 47



Under the priority locations round, s 47 will remain uncommitted in 2019-20.

s 47



s 47 [Redacted]  
[Redacted]

[Redacted]  
[Redacted]

[Redacted]  
[Redacted]

[Redacted]

|            |            |
|------------|------------|
| [Redacted] | [Redacted] |
| [Redacted] | [Redacted] |
| [Redacted] | [Redacted] |
| [Redacted] | [Redacted] |
| [Redacted] | [Redacted] |

**Cost Centre: 5000100550**

**Priority Location Round Payment Milestones:** Following execution of the Telstra, Optus and Vodafone funding agreements, the Commonwealth will need to pay a Mobilisation payment to Telstra, of s 47 [Redacted] of the Commonwealth's Total Funding Amount, an amount that is equal to or not greater than s 47 [Redacted], a mobilisation payment to Optus of s 47 [Redacted] of the Commonwealth's Total Funding Amount, an amount that is equal to or not greater than s 47 [Redacted], and a mobilisation payment to Vodafone of s 47 [Redacted] of the Commonwealth's Total Funding Amount, that is equal to or greater than s 47 [Redacted]. The total Mobilisation Payment is s 47 [Redacted].



For each Asset which receives Asset Completion, Telstra, Optus and Vodafone will receive s [Redacted] of the total amount of Commonwealth funding it requested for that respective Asset.



Following Rollout Completion of the respective Assets, Telstra, Optus and Vodafone will receive a Final Payment of up to s 47 [Redacted] of the Total Funding Amount or an amount no greater than s 47 [Redacted] respectively.

**Priority Location Round Timeline:** To allow execution of funding agreements for the priority locations round, approval is required as soon as possible.


Forward Commitment Authorisation

Paragraph 15 (l)(c) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) provides that the Department's Accountable Authority (the Secretary) must govern the department in a way that promotes its financial sustainability. In making decisions about this, the Secretary must, pursuant to subsection 15(2) of the PGPA Act, take into account the effect of those decisions on public resources generally. To ensure that the Secretary is able to meet these duties where a proposed commitment of relevant money extends beyond the available appropriation, (e.g. multi-year commitments), the Chief Financial Officer's authorisation that sufficient funds are available to meet the commitment must be obtained prior to the approval of the commitment of relevant money in this matter. In this instance the required Chief Financial Officer authorisation is shown below:

|   |                         |
|---|-------------------------|
| <b>Forward Commitment Authorisation</b>   |                         |
| As the Chief Financial Officer, I have determined that sufficient relevant estimate is available to meet the proposed amount payable under the arrangement being <b>s 47</b>   as per the table in the 'Contract value' section of this Minute. In giving this authorisation, I have had regard to the financial sustainability of the Department and the effect on public resources generally. |                         |
| Signature   | .                       |
| <b>Sarah Vandebroek</b><br>Chief Financial Officer  | Date: <i>r</i> May 2018 |

Signed.....  Date: **7** May 2018  
 Proposing Officer: **s 47F** , **Mobile Black Spot Program**

Ph. **s 47F** 

|  |          |                      |
|--|----------|----------------------|
| <b>proved</b>  | <b>0</b> | <b>Not Approved</b>  |
| <i>J..I.</i>   |          |                      |
| .....  | .....    | Date: <b>ay 2018</b> |
| <b>Lachlann Paterson</b><br><b>Delegate</b><br><b>Assistant Secretary, Regional Deployment</b>       |          |                      |
| Ph. <b>s 47F</b>  |          |                      |



~~PROTECTED Sensitive: Cabinet~~



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and the Arts  
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**SENATOR THE HON MATHIAS CORMANN**  
Minister for Finance  
Leader of the Government in the Senate

REF:MS18-000318


Senator the Hon Mitch Fifield  
Minister for Communications  
Minister for the Arts  
Parliament House  
CANBERRA ACT 2600

  
Dear Minister

s 34



Kind regards

  
Mathias Cormann  
Minister for Finance

s 34

s 34













FOR OFFICIAL USE ONLY



**Australian Government**  
**Department of Communications and the Arts**

**Minute**

**Subject:**

To seek your approval for a payment of **s 47** for the provision of the Priority Locations Round Mobile Black Spot Program mobilisation payment to Telstra.

**Issues:**

- On 1 June 2018, Senator the Hon Bridget McKenzie, Minister for Regional Communications executed the Mobile Black Spot Program Priority Locations Round funding agreement with Telstra (MS18-000596 refers).
- s 47**

**Recommendation:**

That you, as the accountable authority under section 23 of the *Public Governance, Performance and Accountability Act 2013*, authorise the payment of the invoice at Attachment A, for the amount of **s 47**.

Approve / t Approved

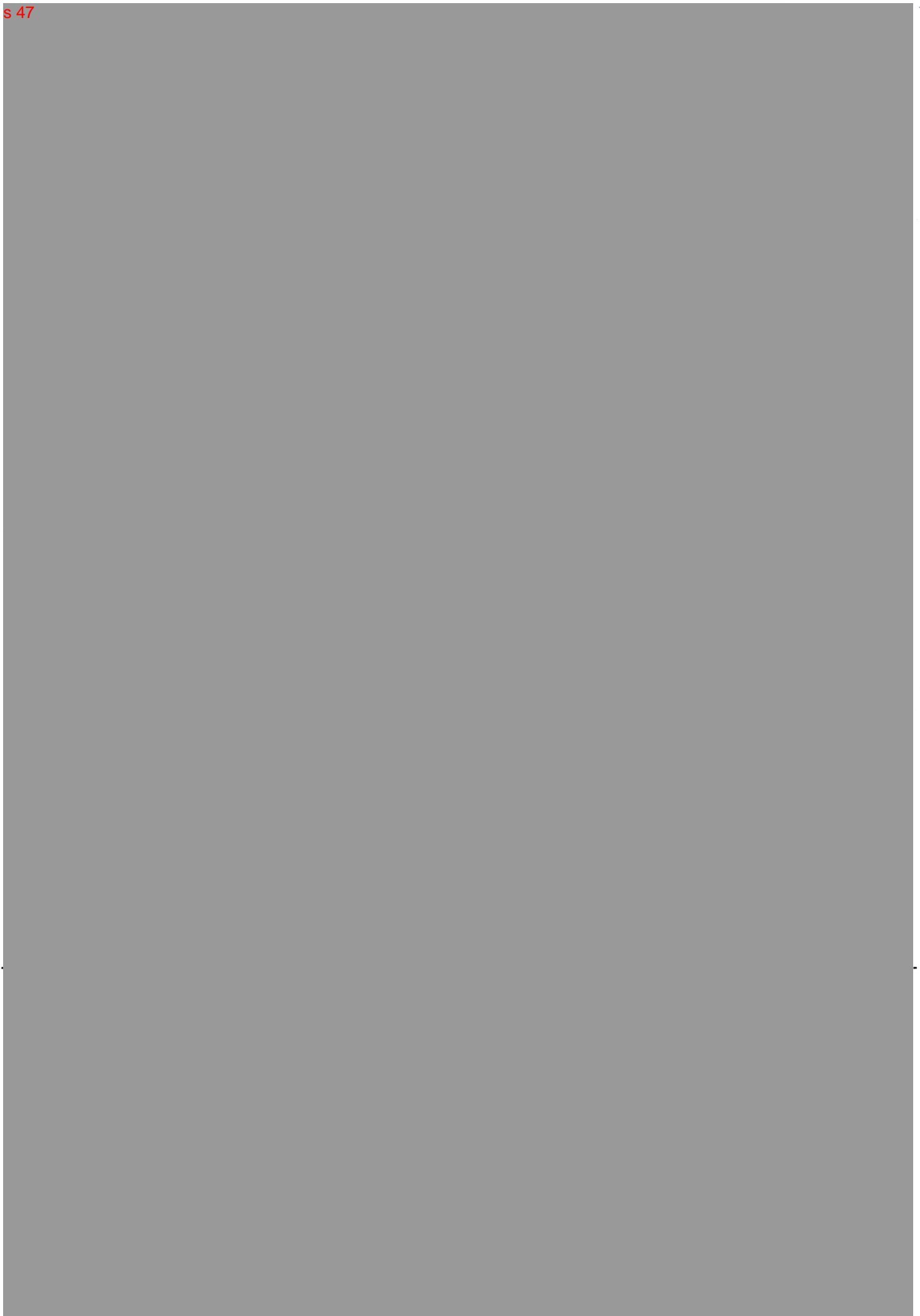
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|---------------------|--|---|
| <p><b>s 47F</b></p> | <p>A/g Assistant Secretary<br/>                 Regional Deployment</p> <p>21 16 12018</p> <p><b>s 47F</b></p> | <p>Delegat e:</p> <p><i>r#</i></p> <p>Lachlann Paterson<br/>                 A/g First Assistant Secretary<br/>                 Infrastructure and Consumer Division</p> <p>15-- 16 /2018</p> <p><b>s 47F</b></p> |
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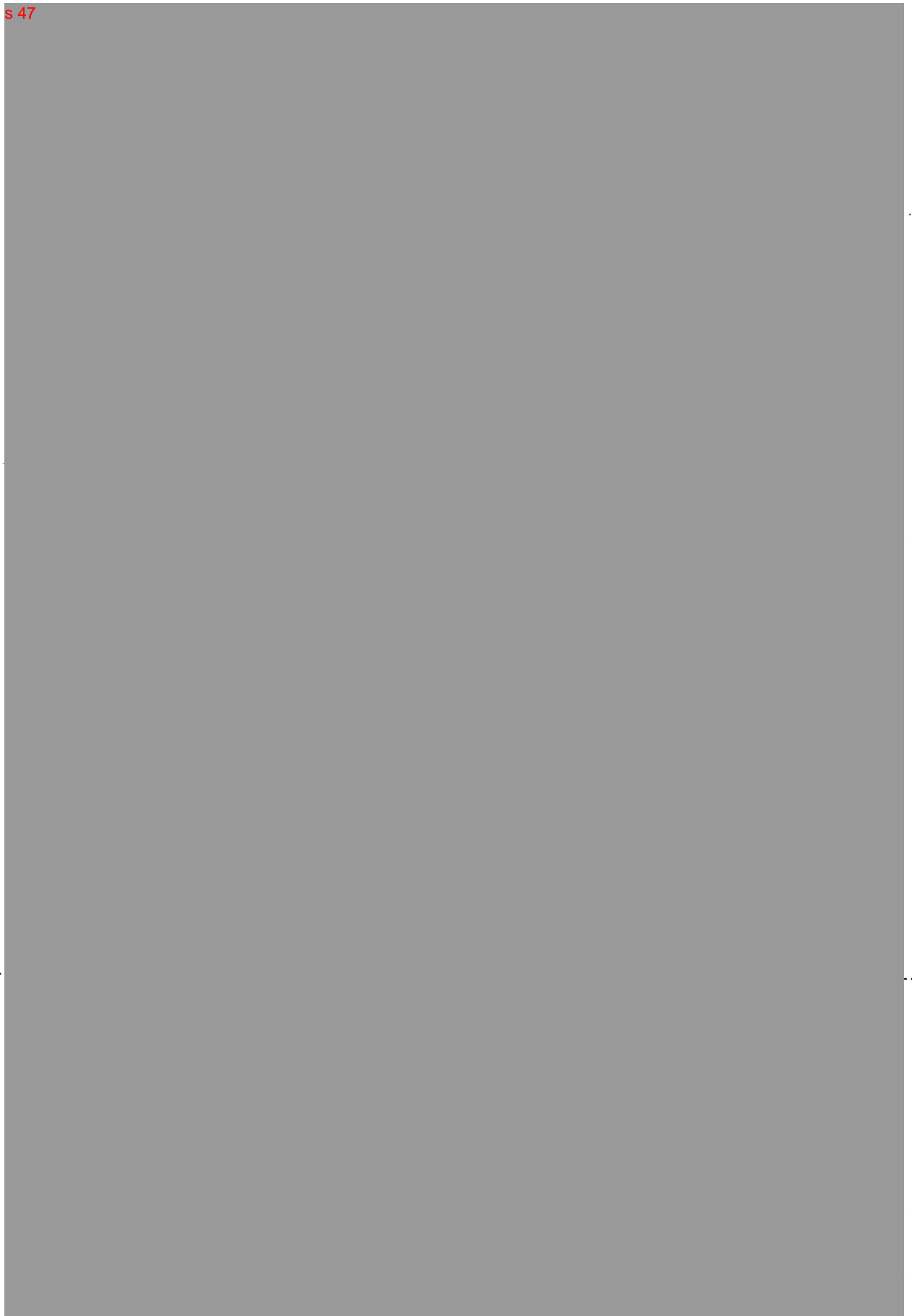
**Background:**

The Australian Government has committed \$220 million through the Mobile Black Spot Program to invest in telecommunications infrastructure to improve mobile phone coverage along major regional transport routes, in small communities and in a number of identified priority locations.

Telstra was successful in securing funding under the Priority Locations Round to build or upgrade 89 mobile base stations (including five small cells) around Australia. All base stations and small cells are expected to be completed by June 2019.















































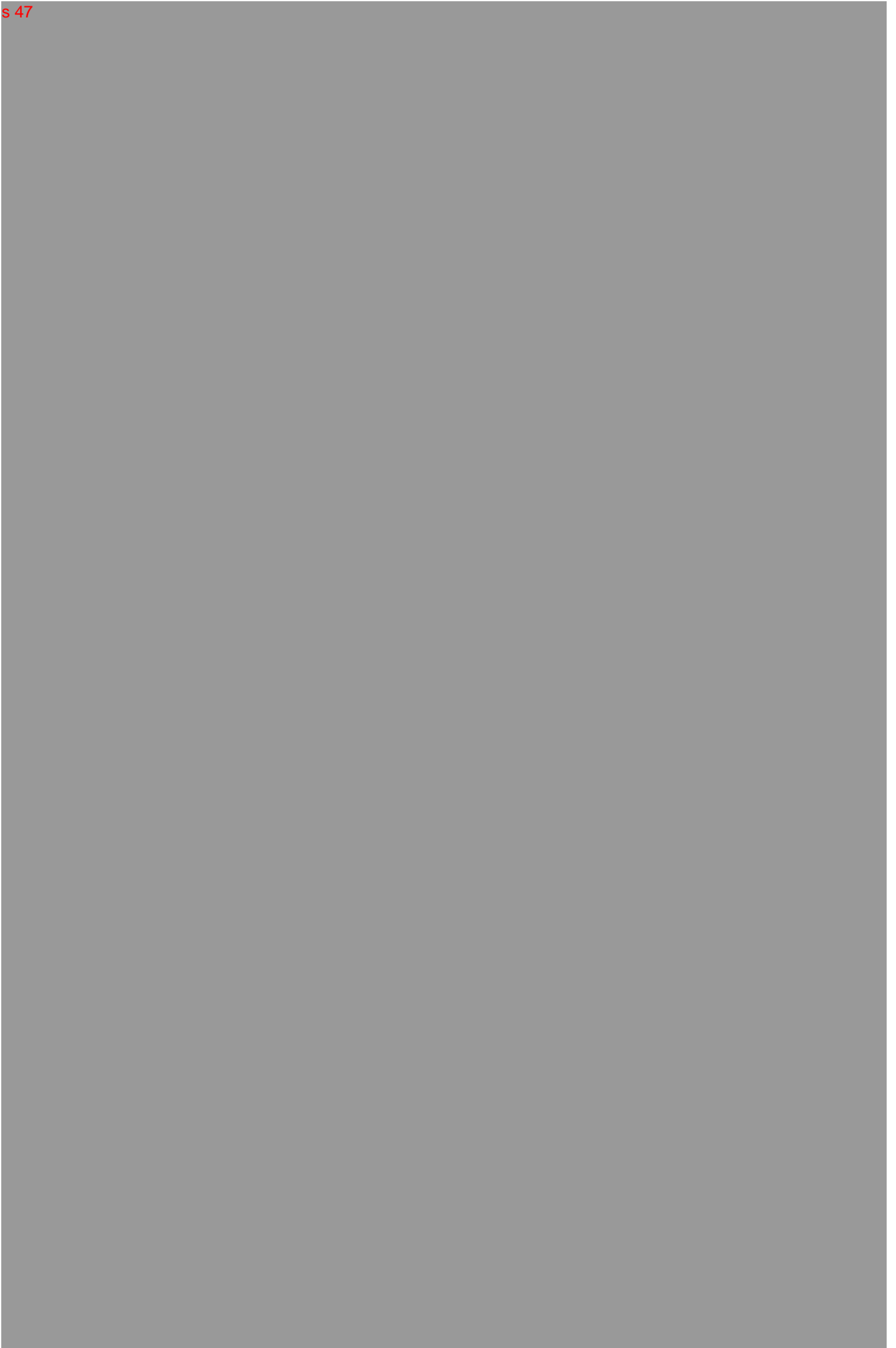










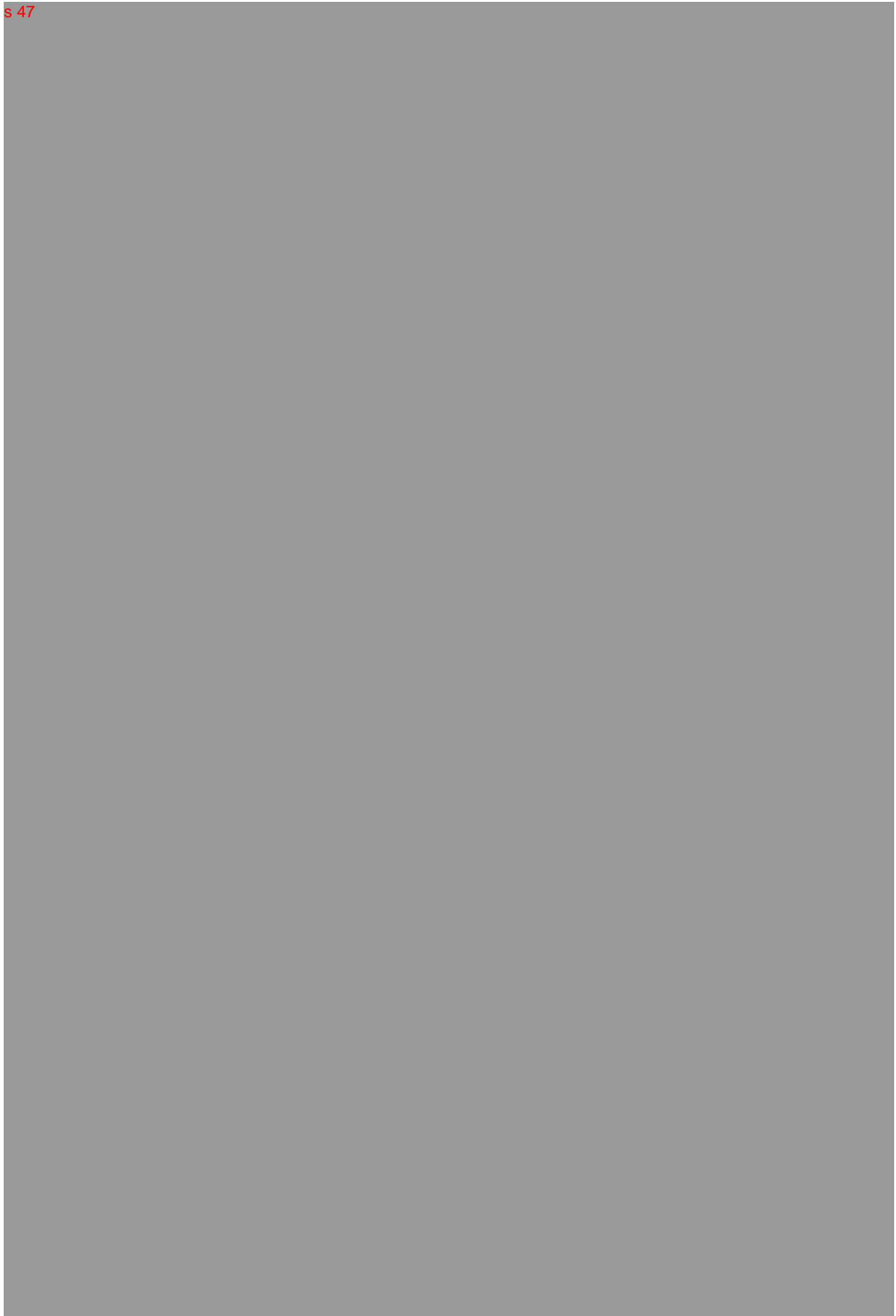






































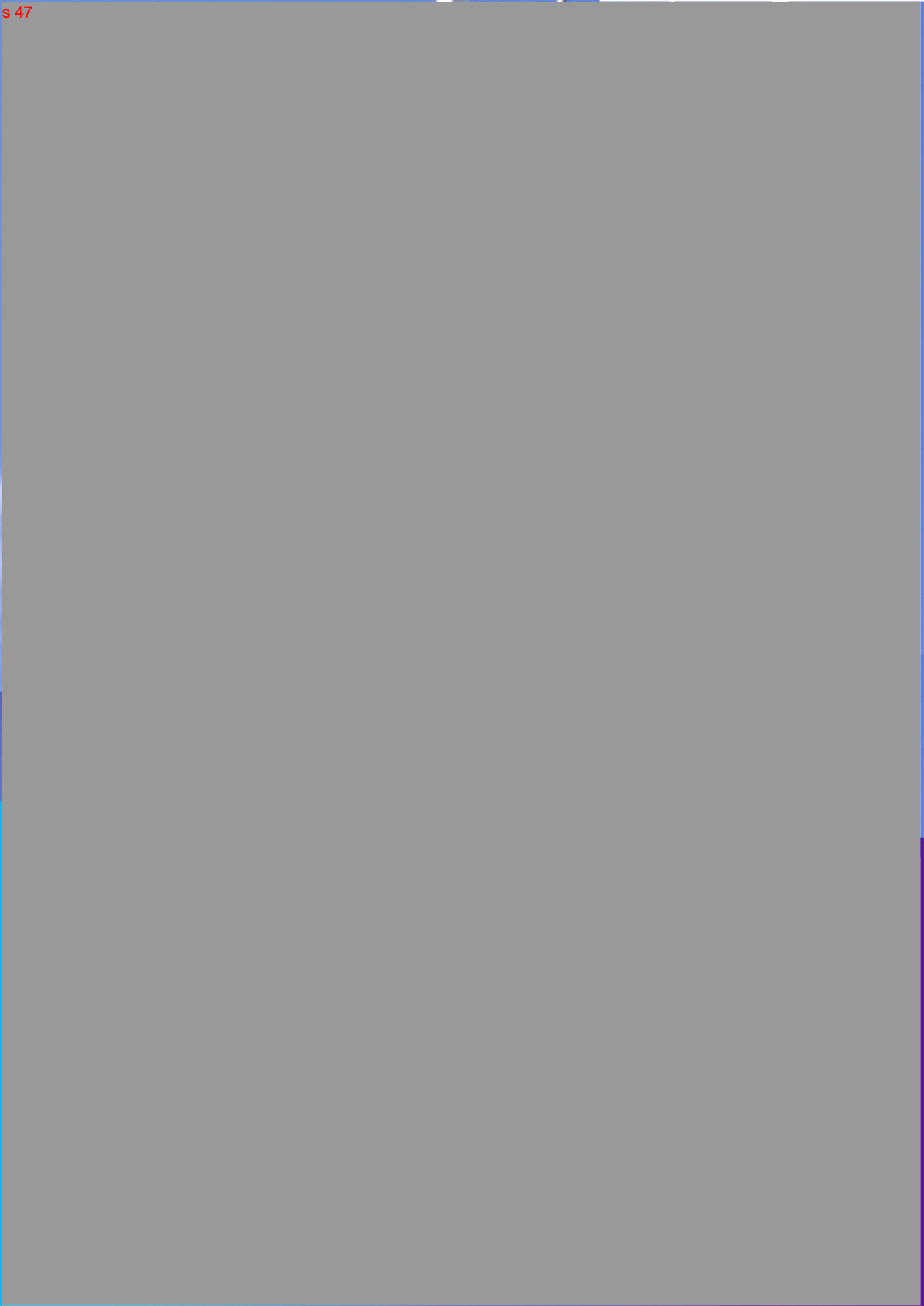




















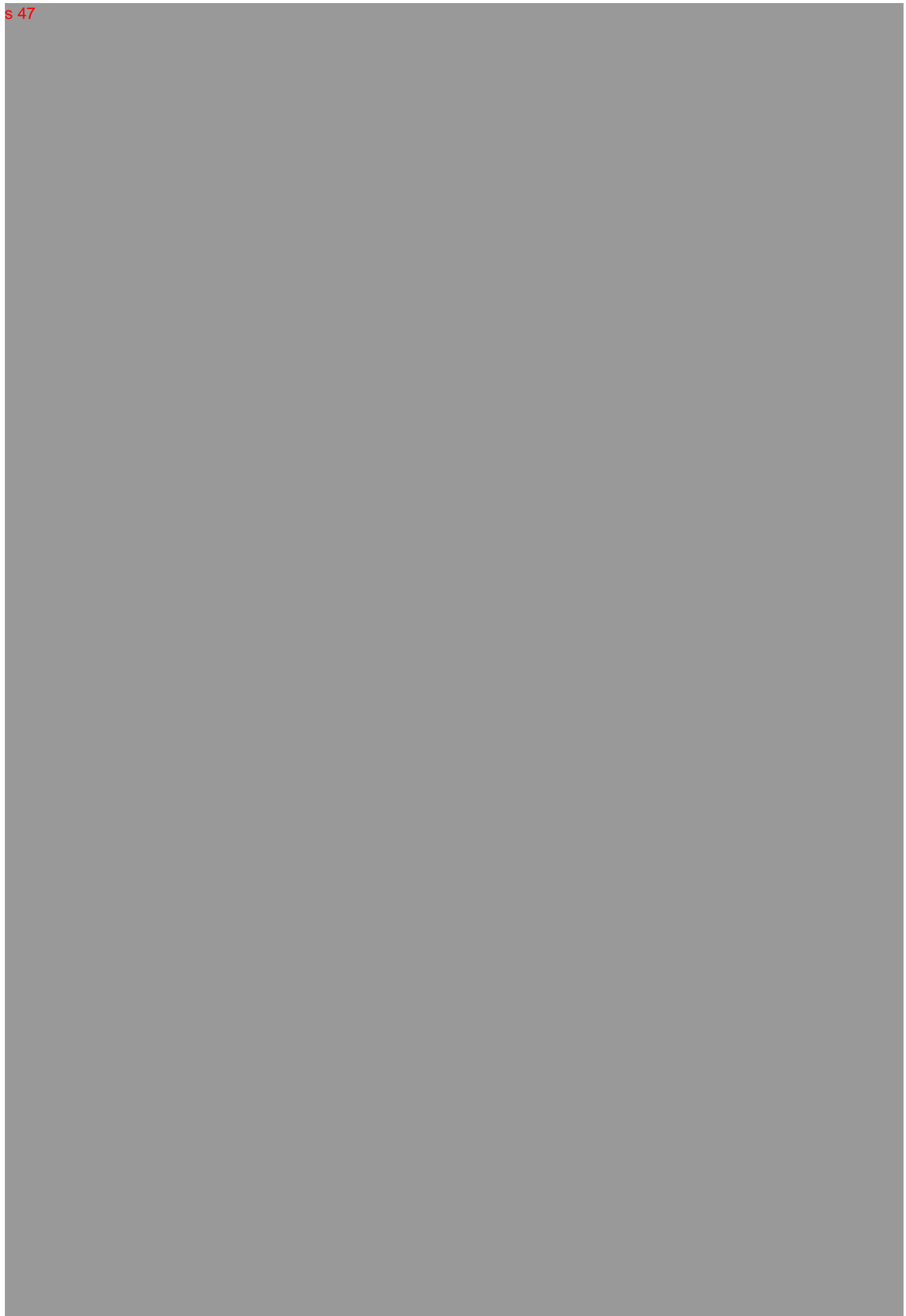






























































































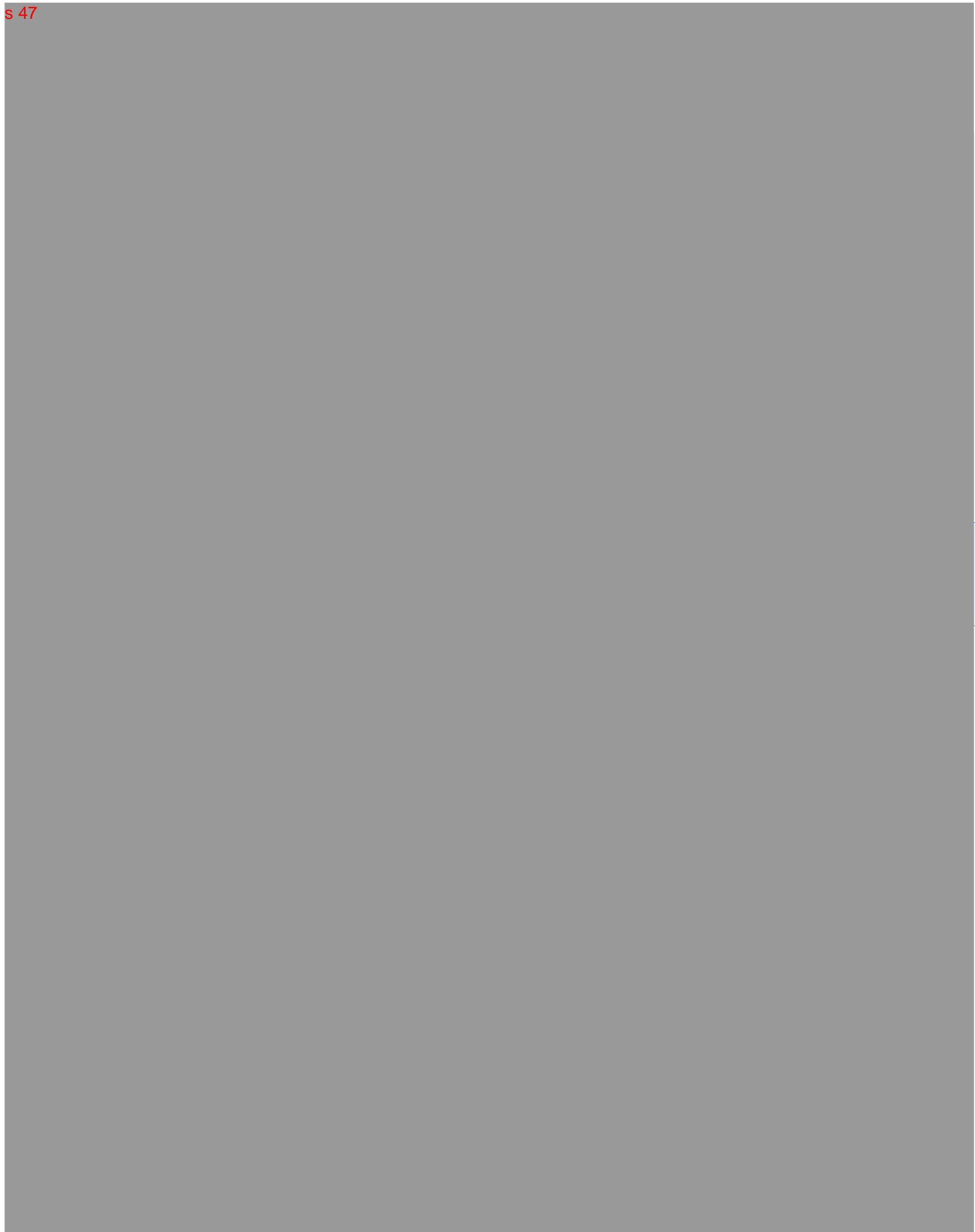


















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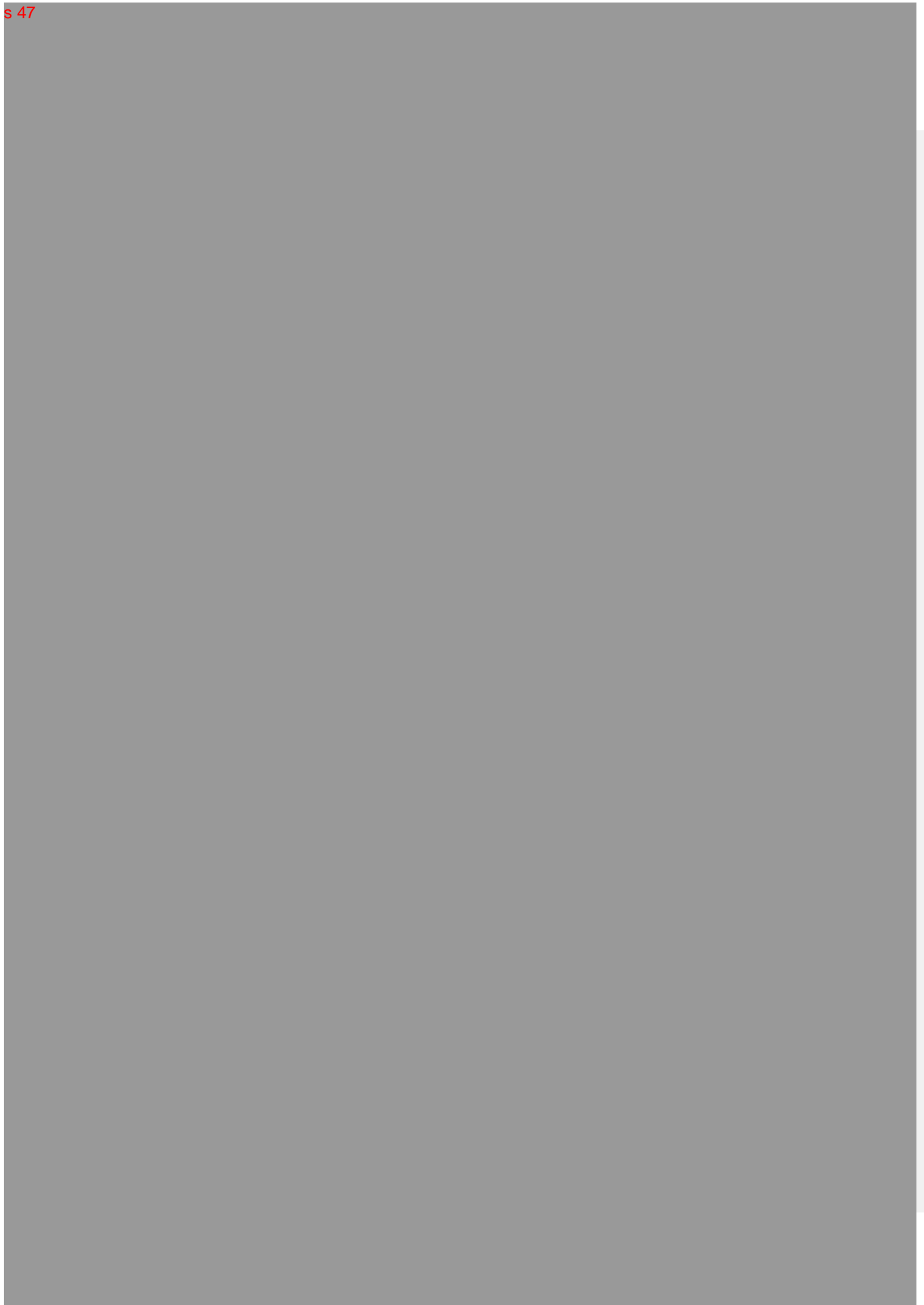
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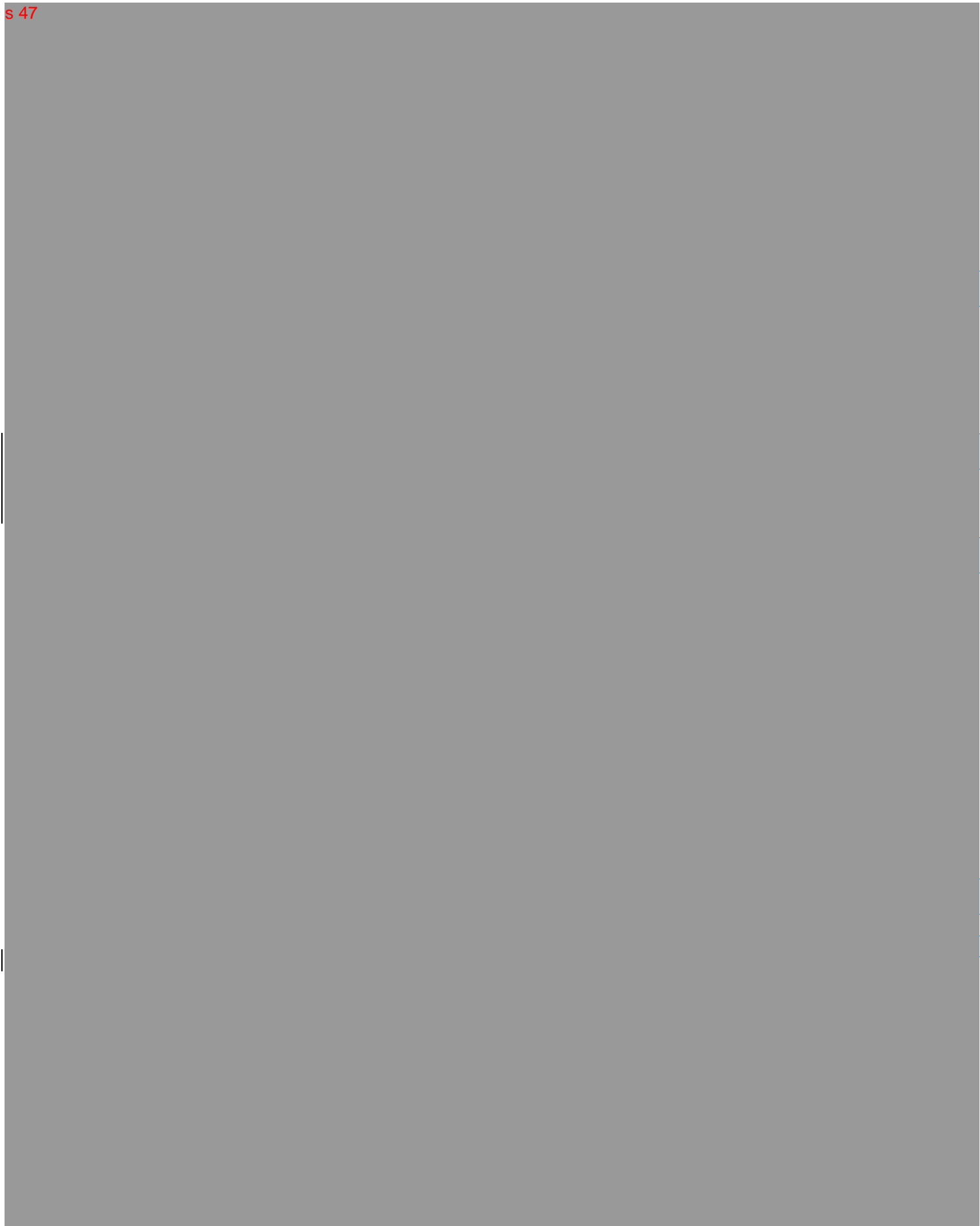
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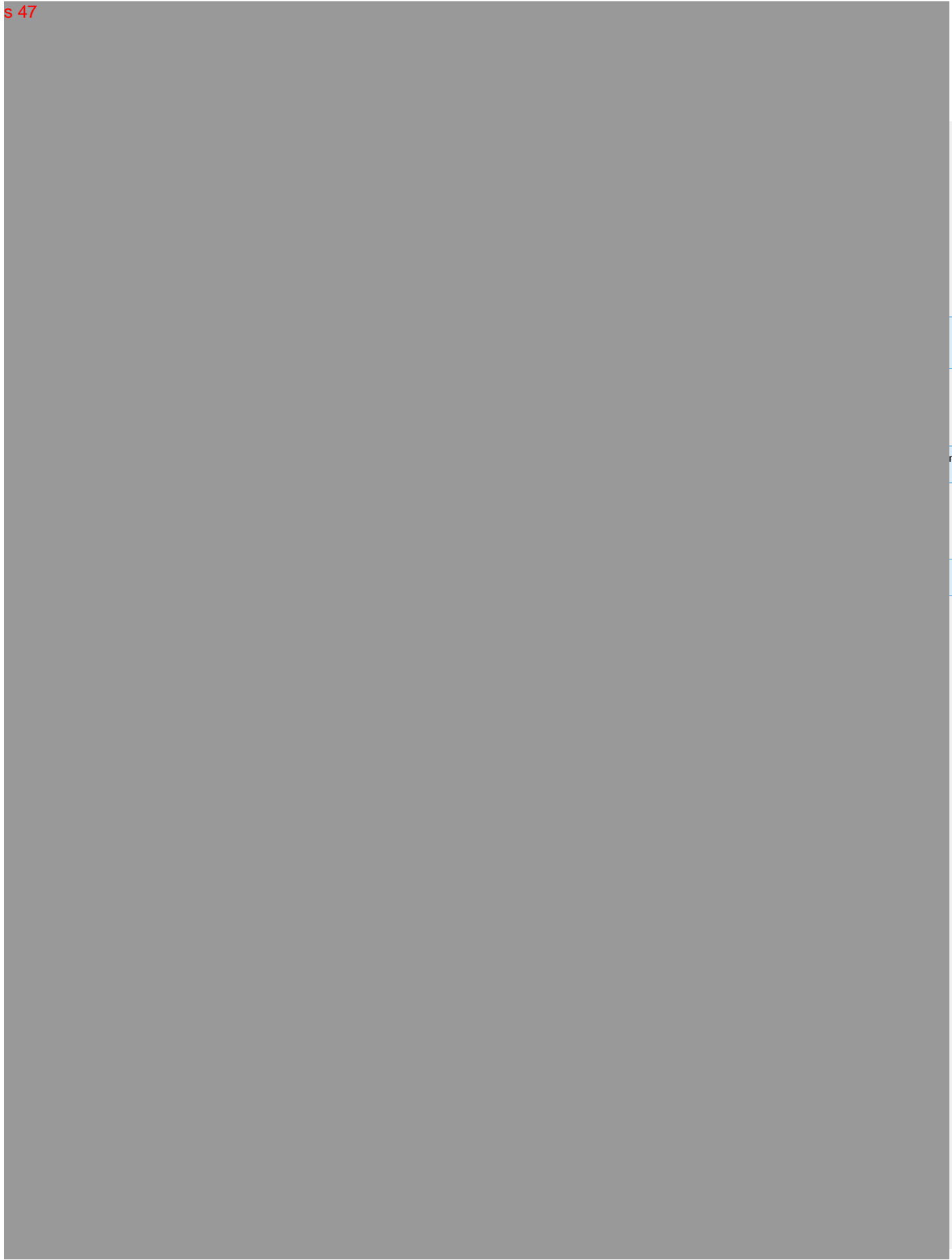






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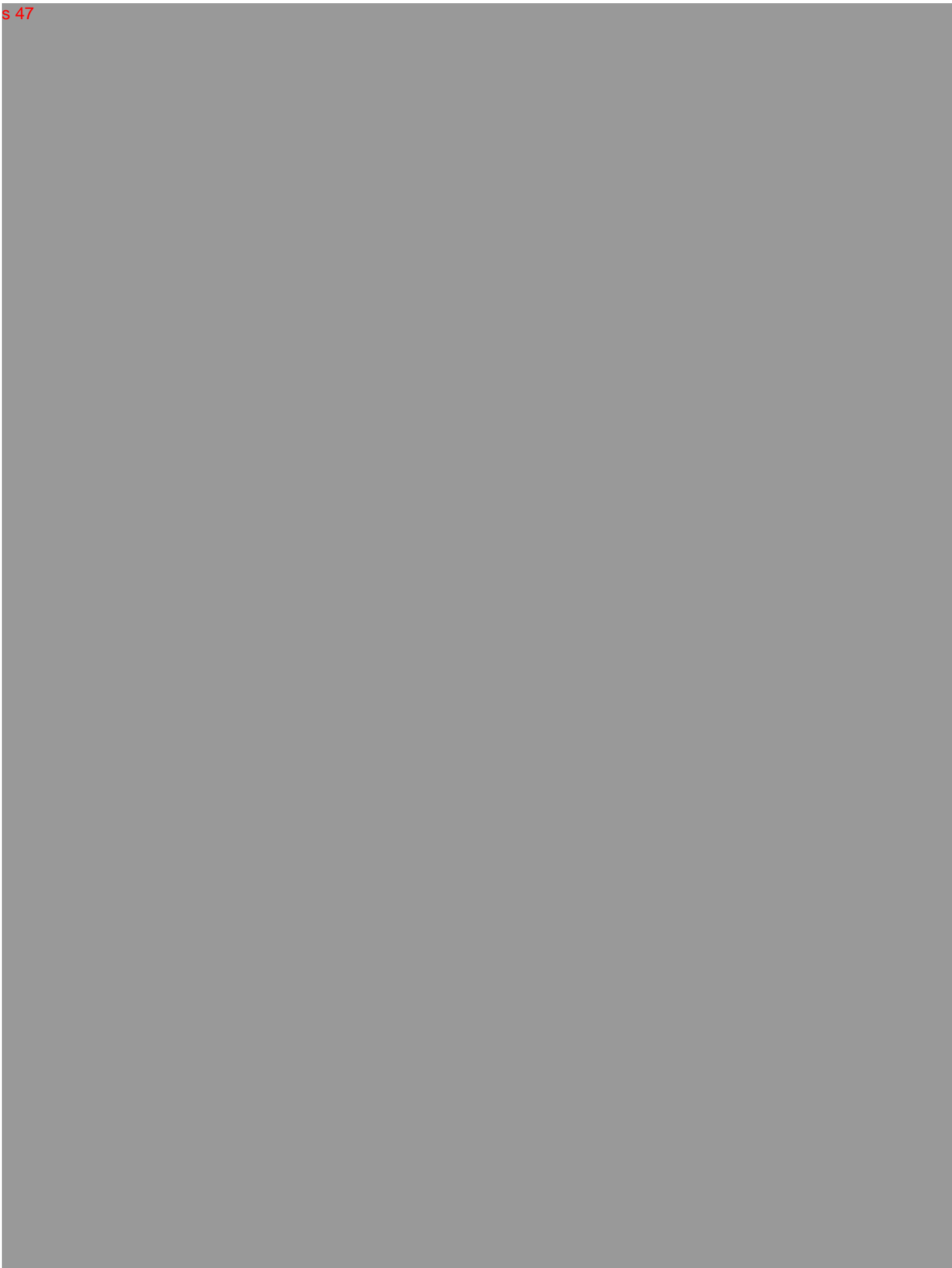


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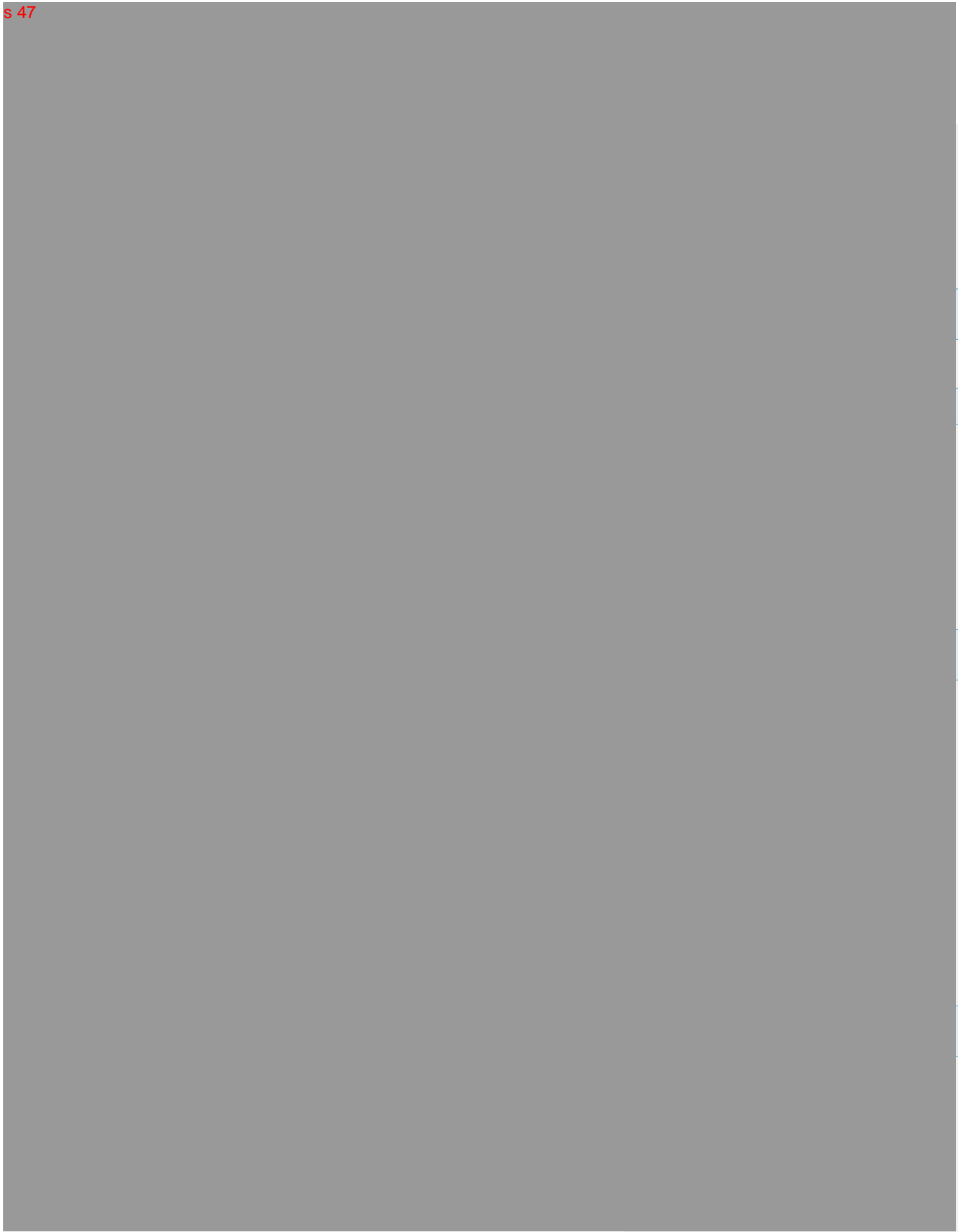


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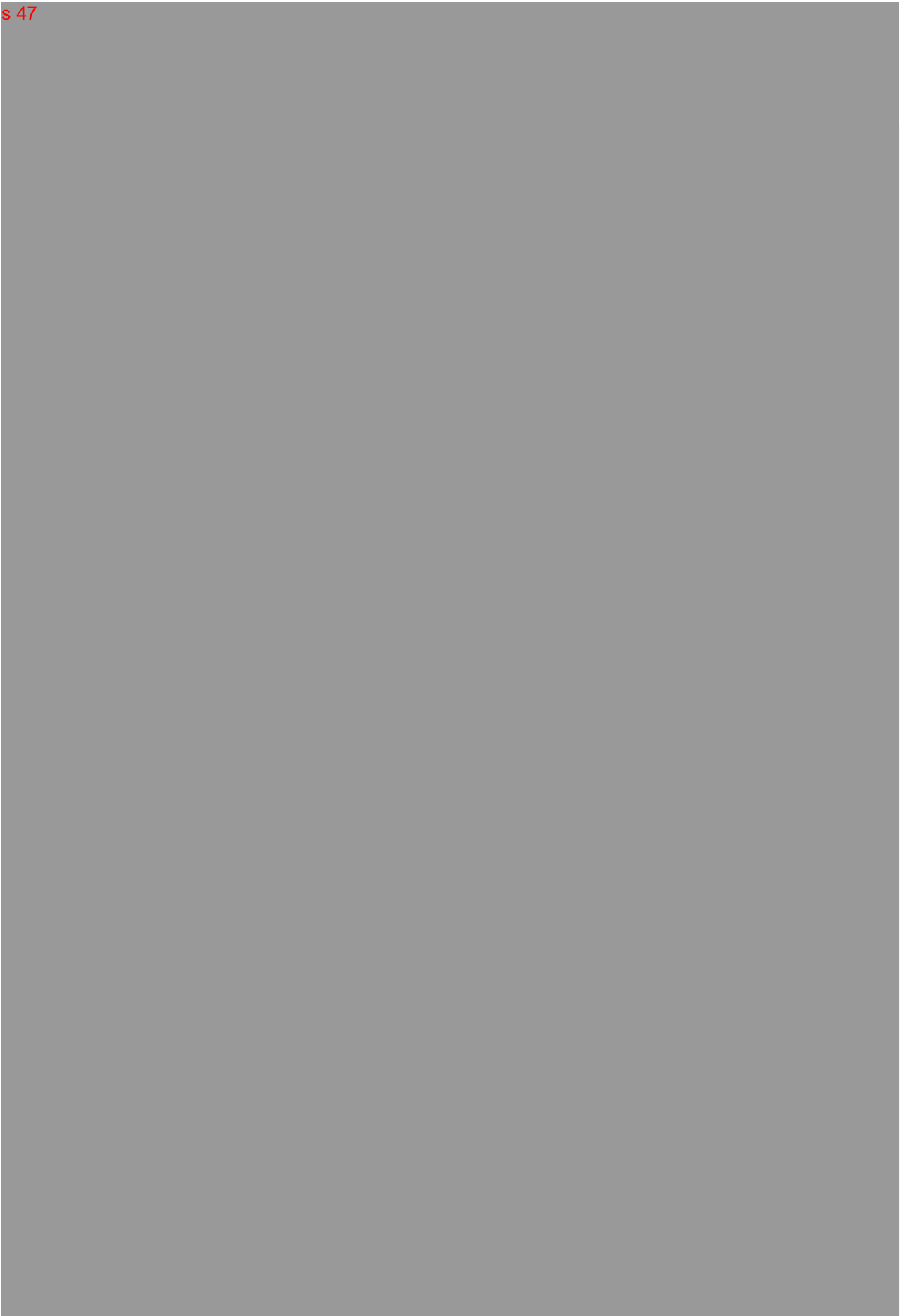
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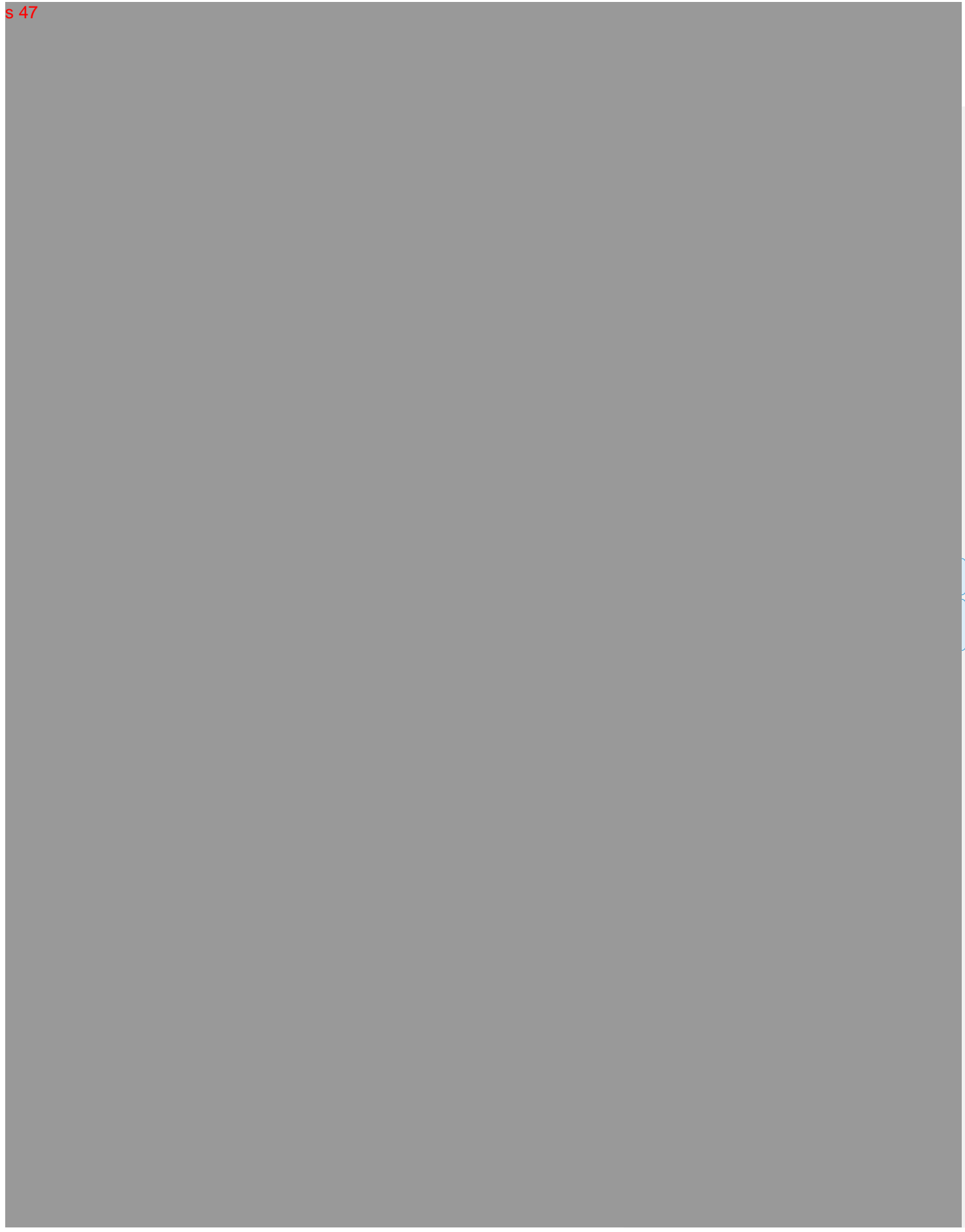












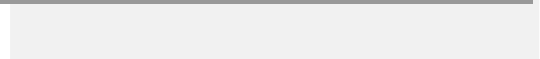
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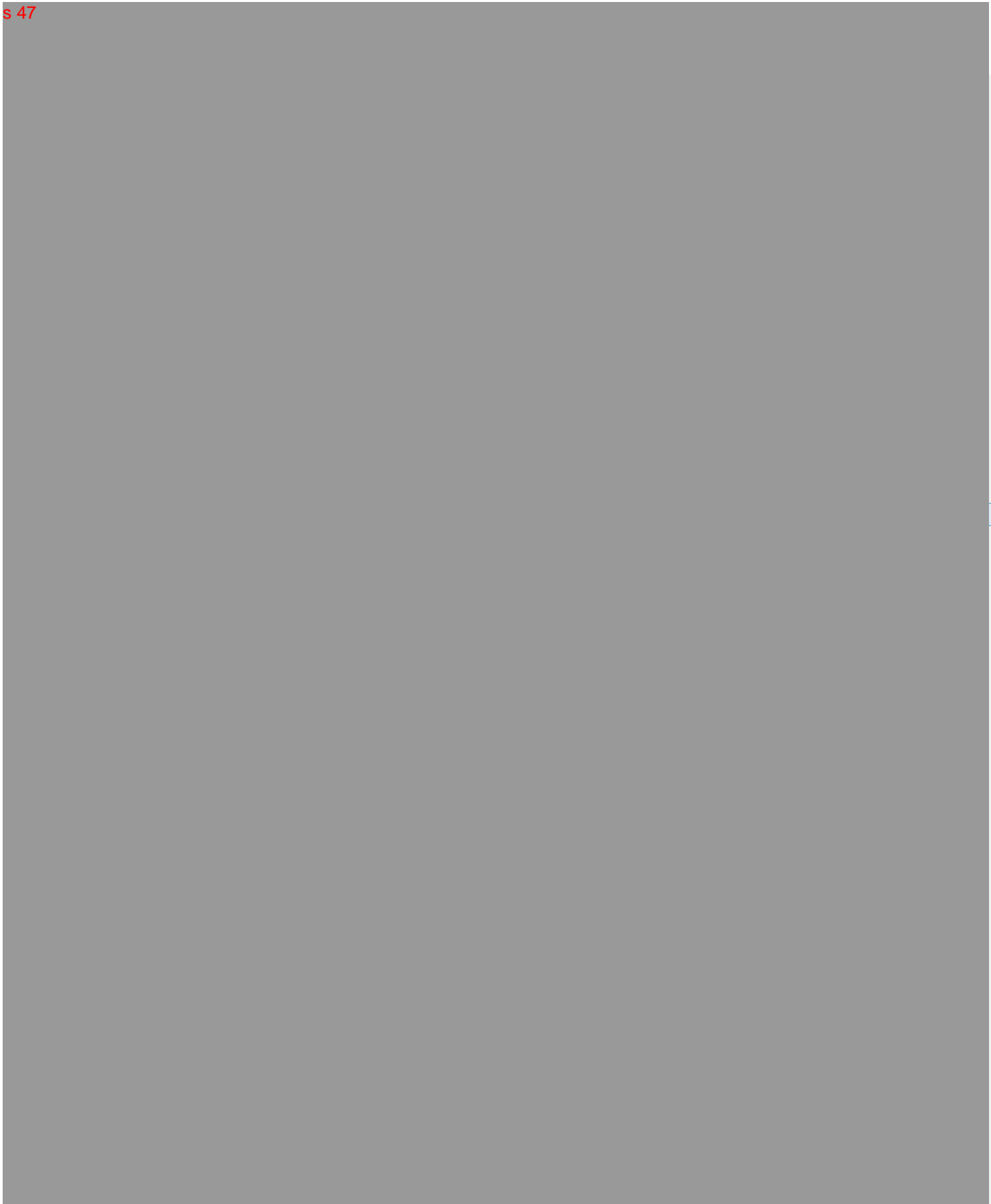
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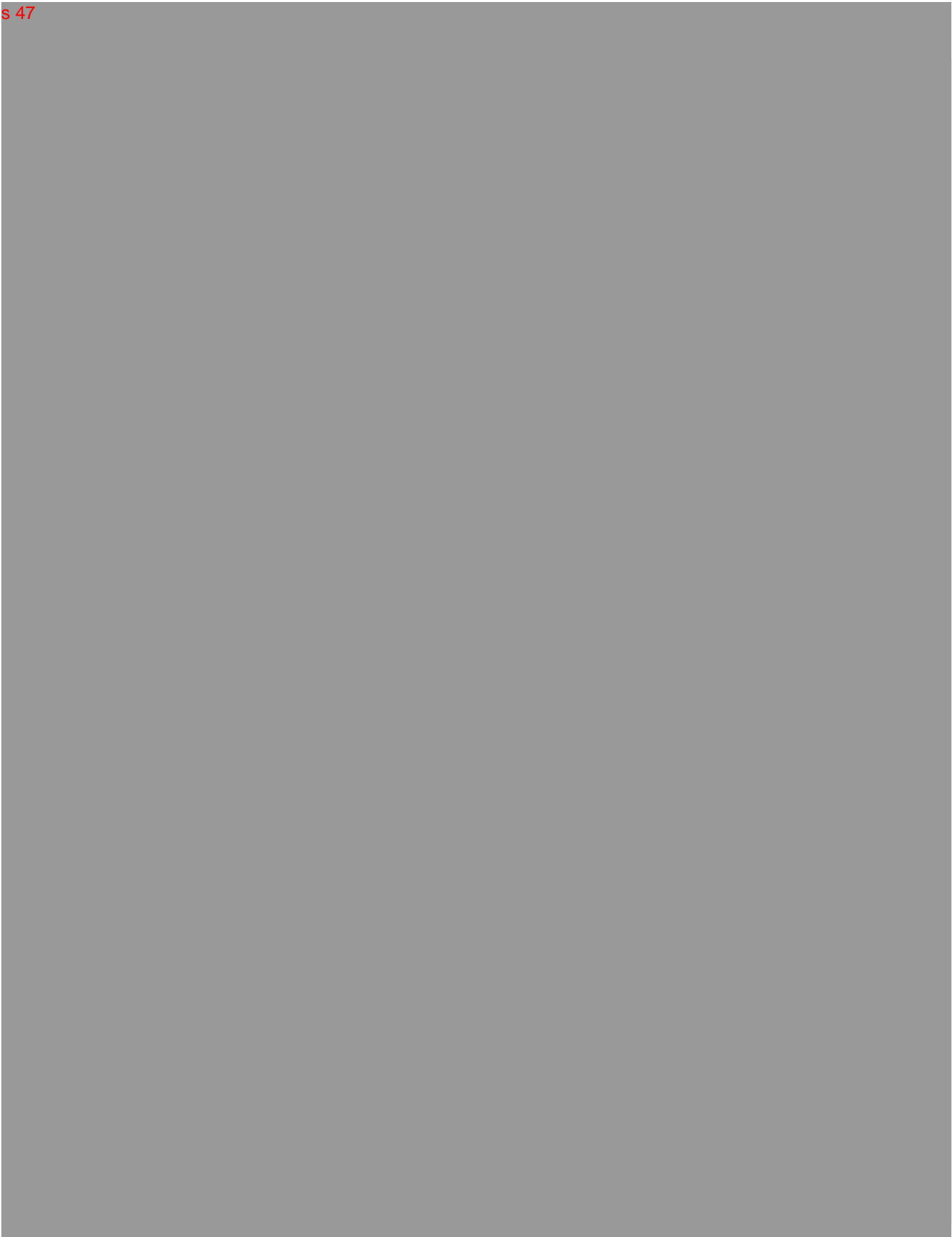
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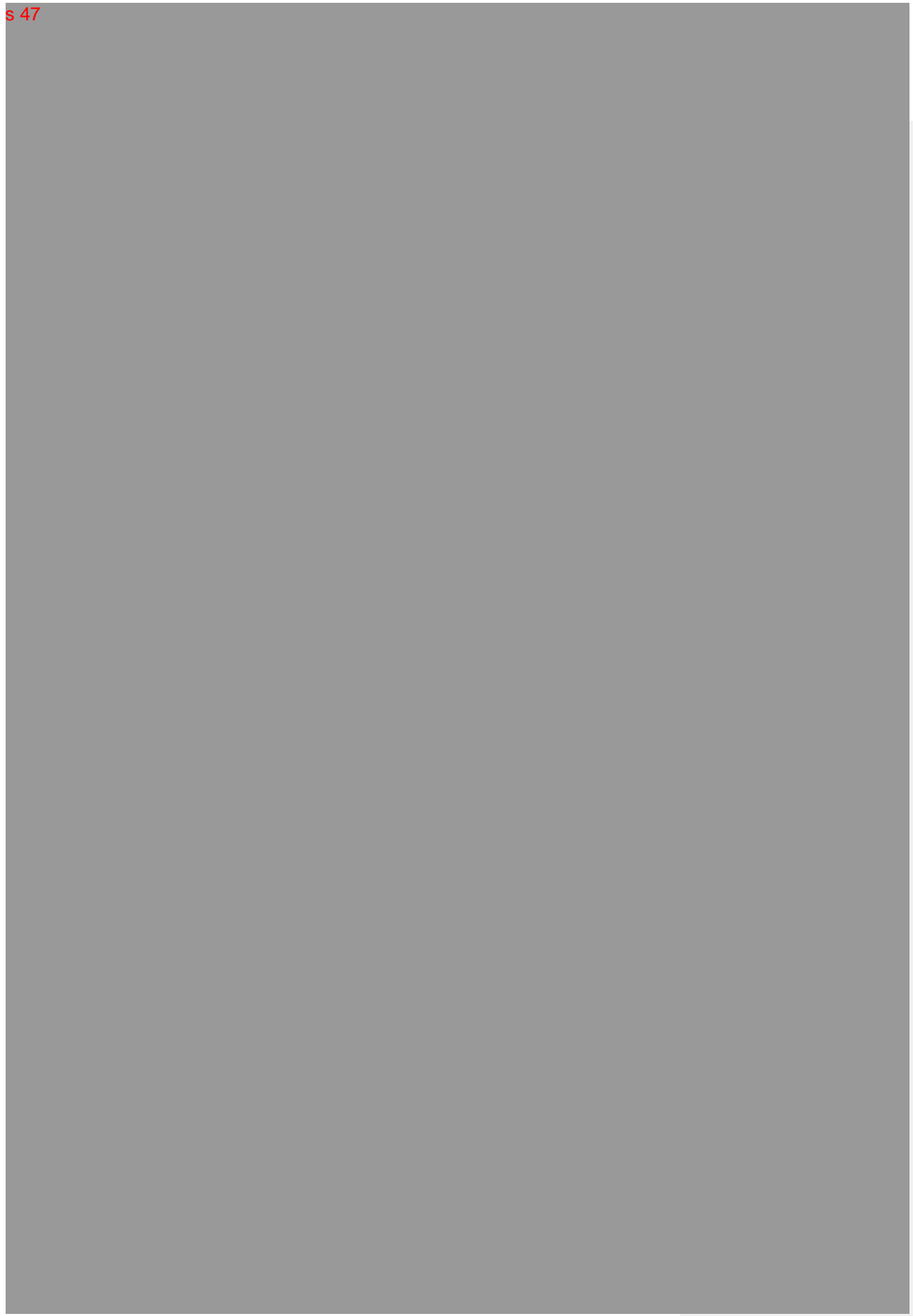


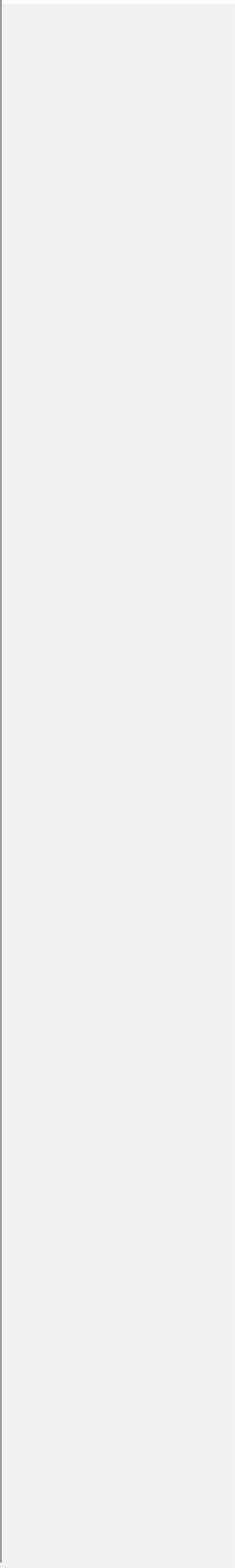
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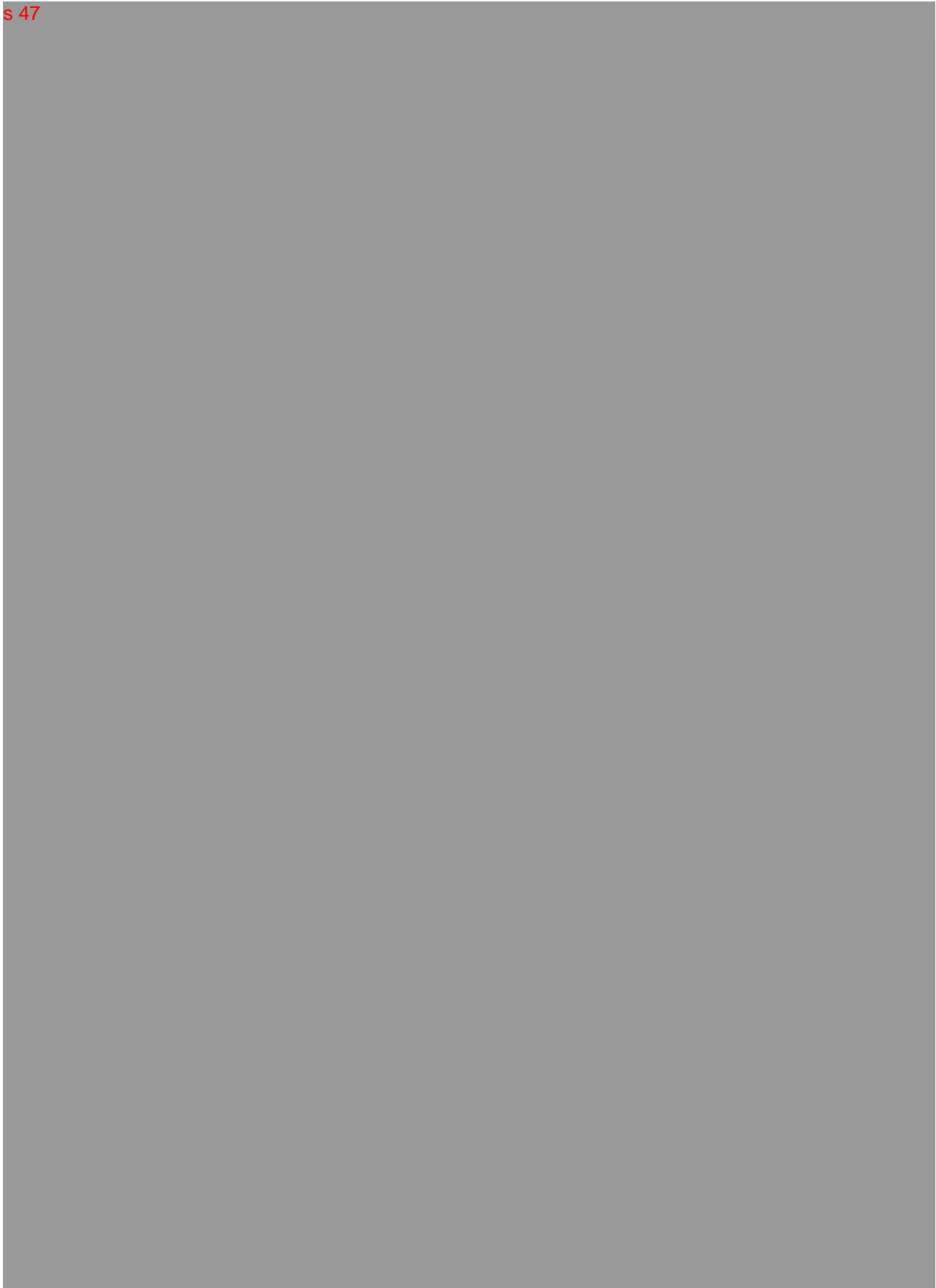








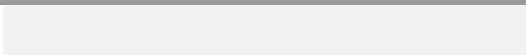






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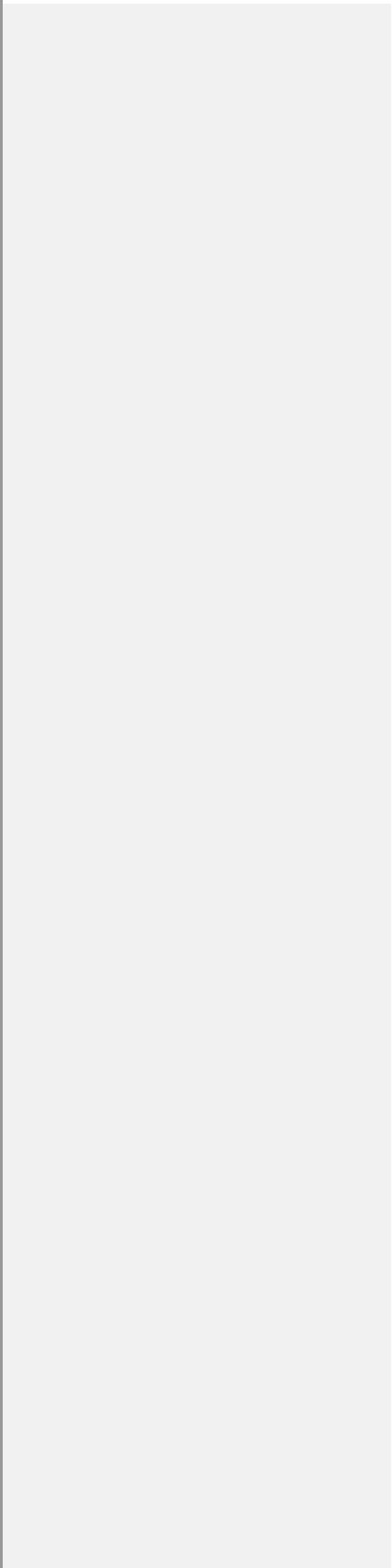


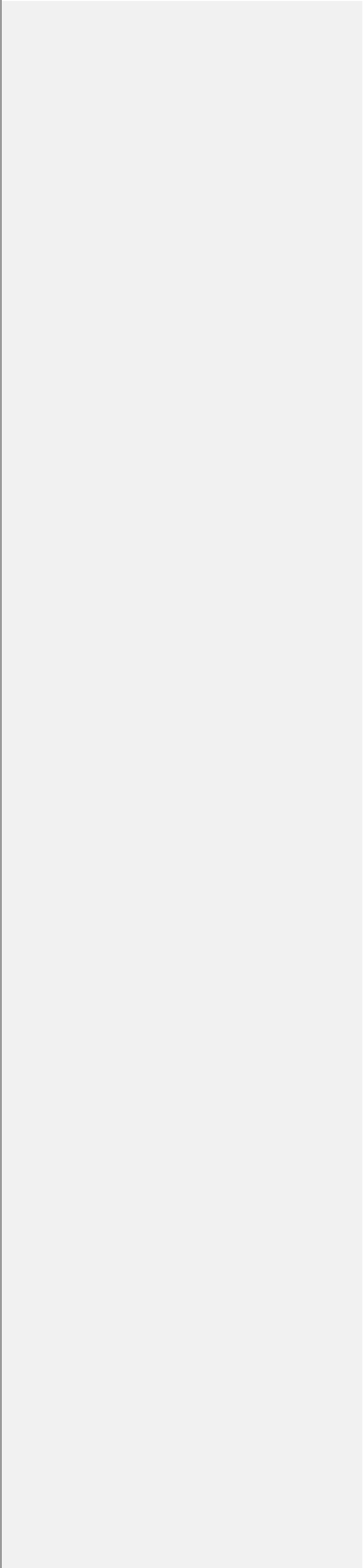


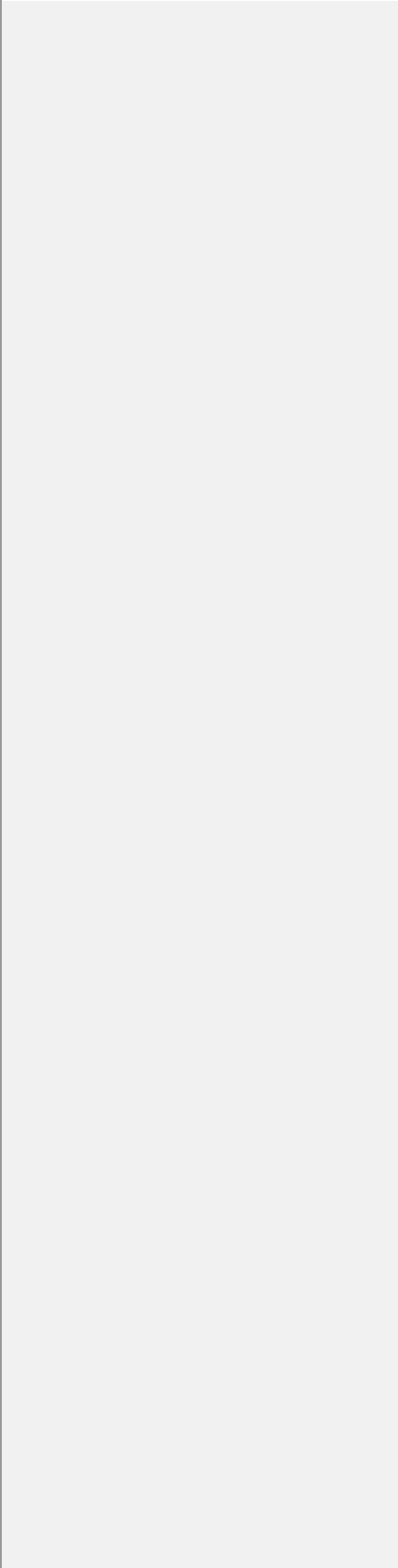


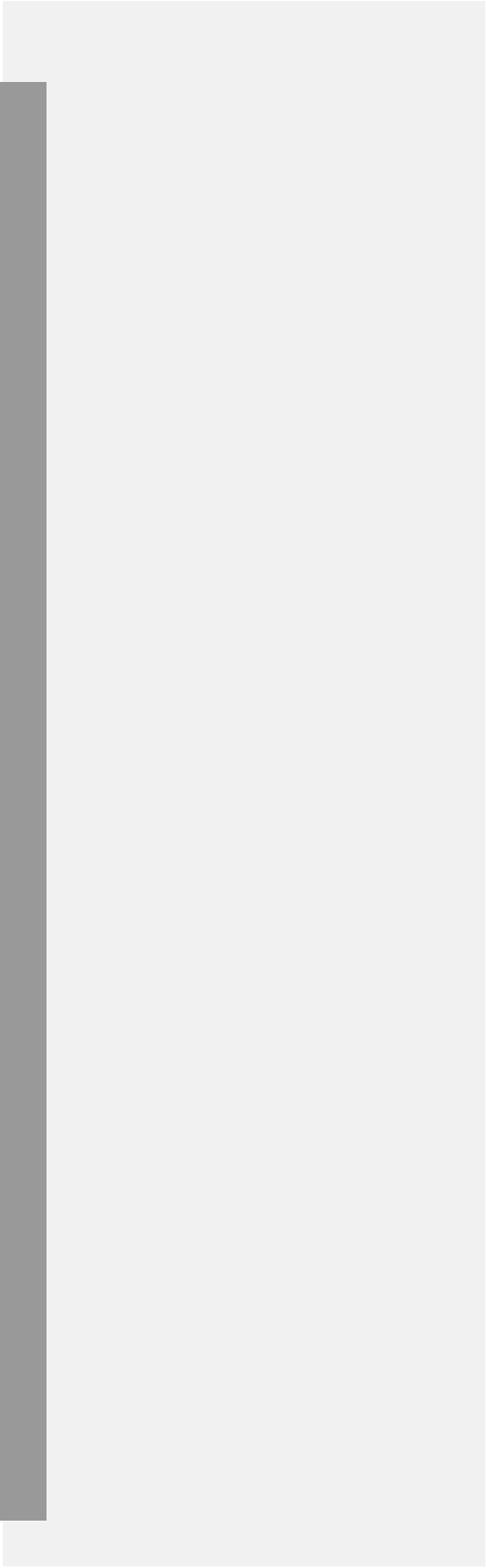




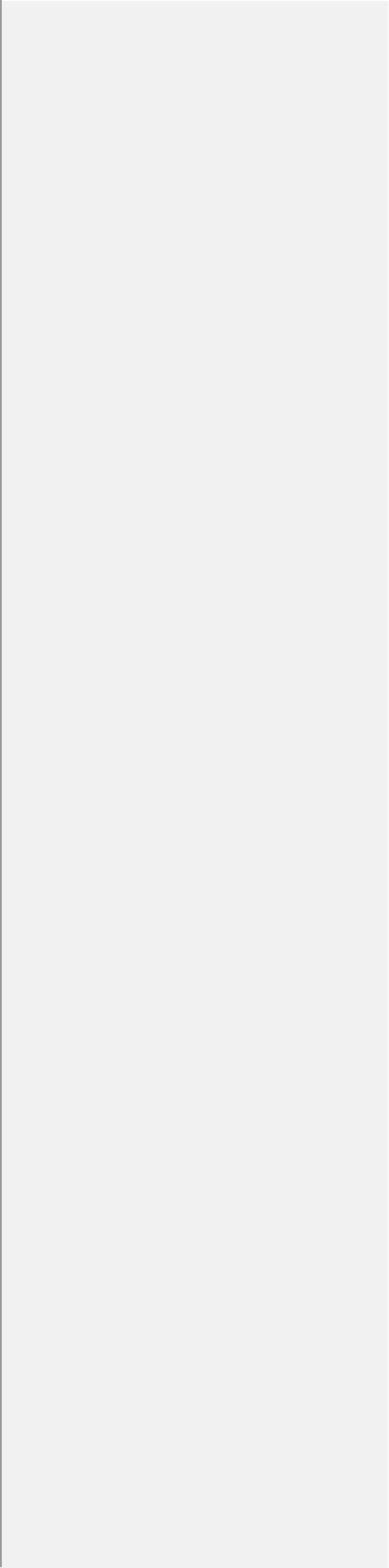




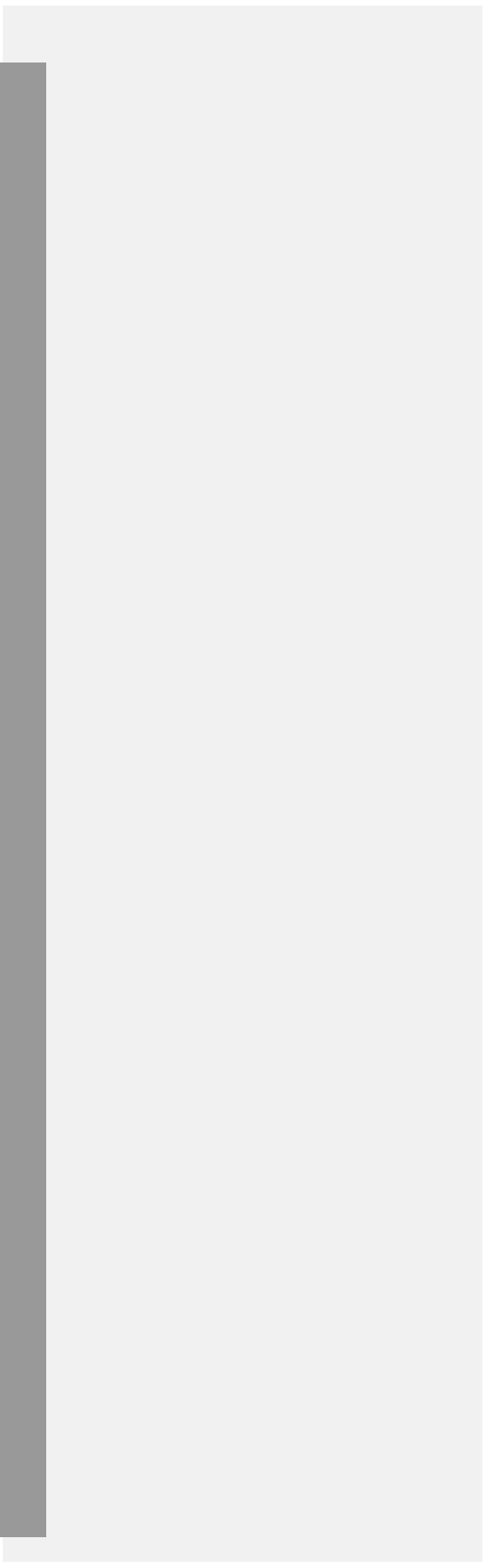




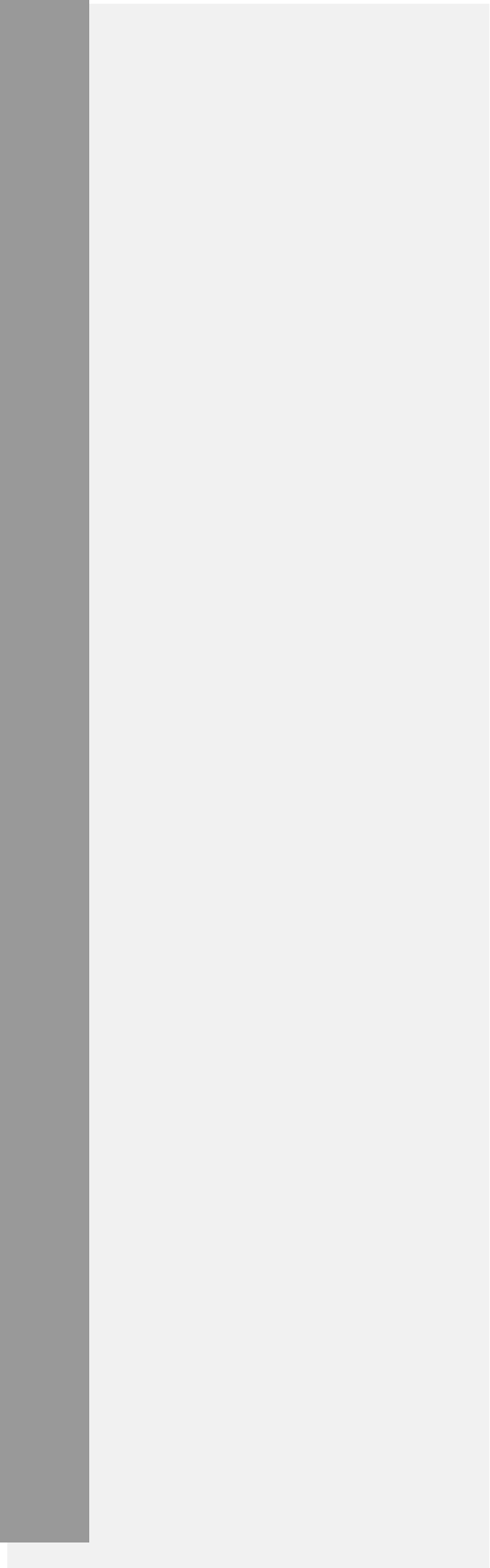


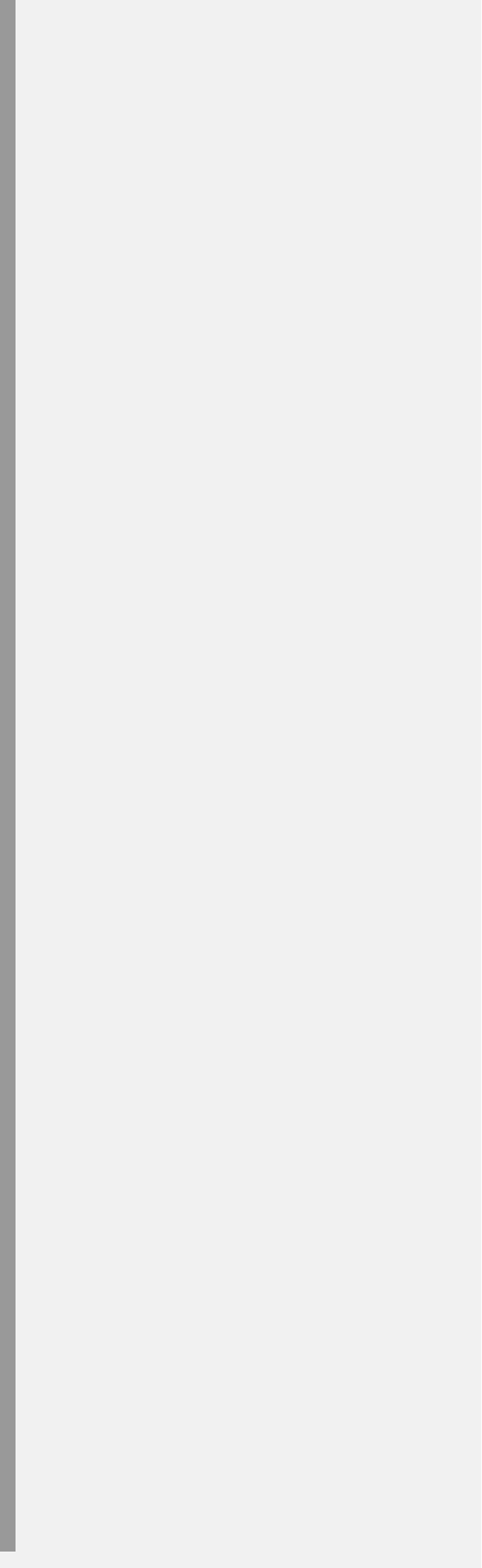
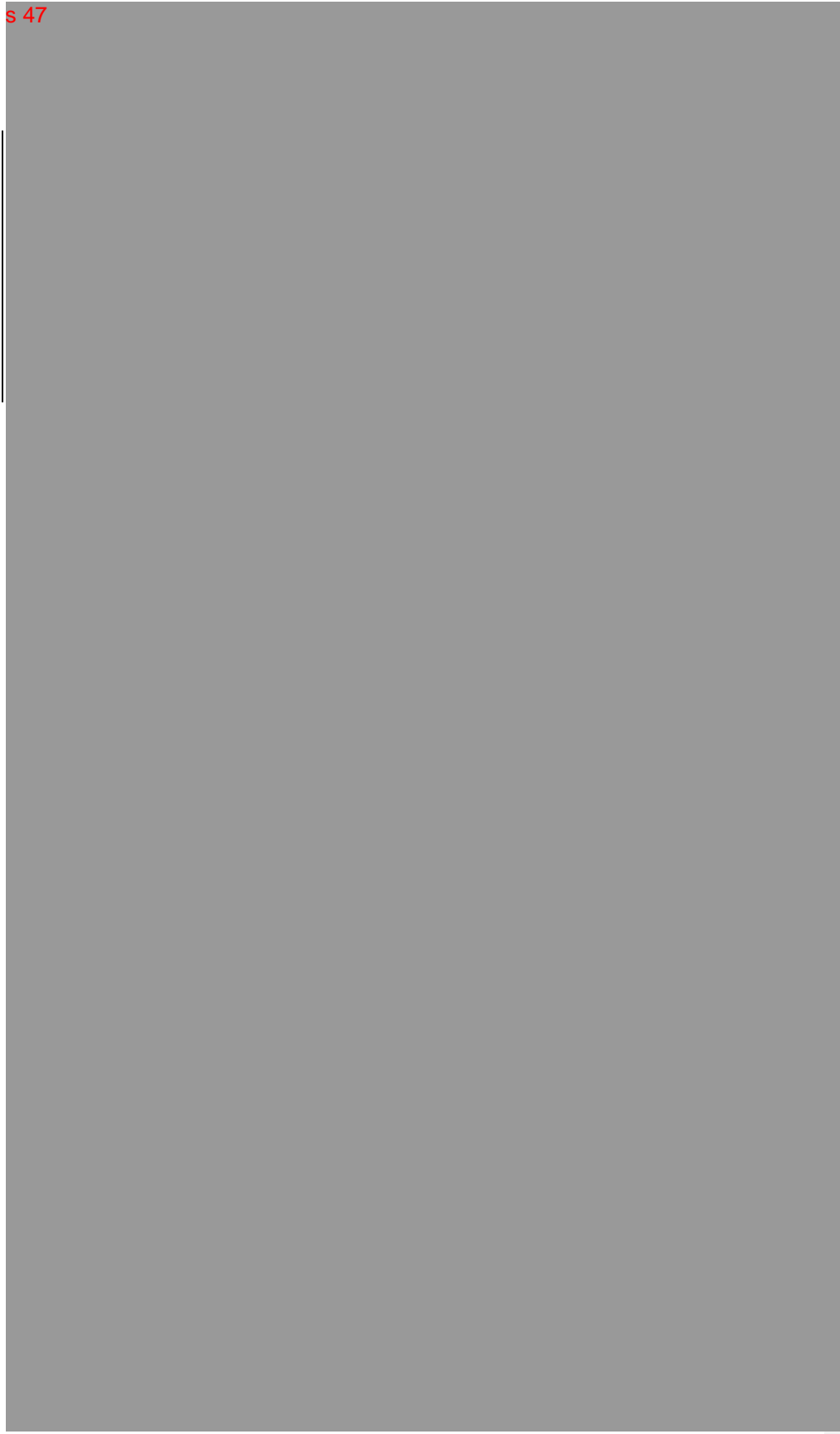


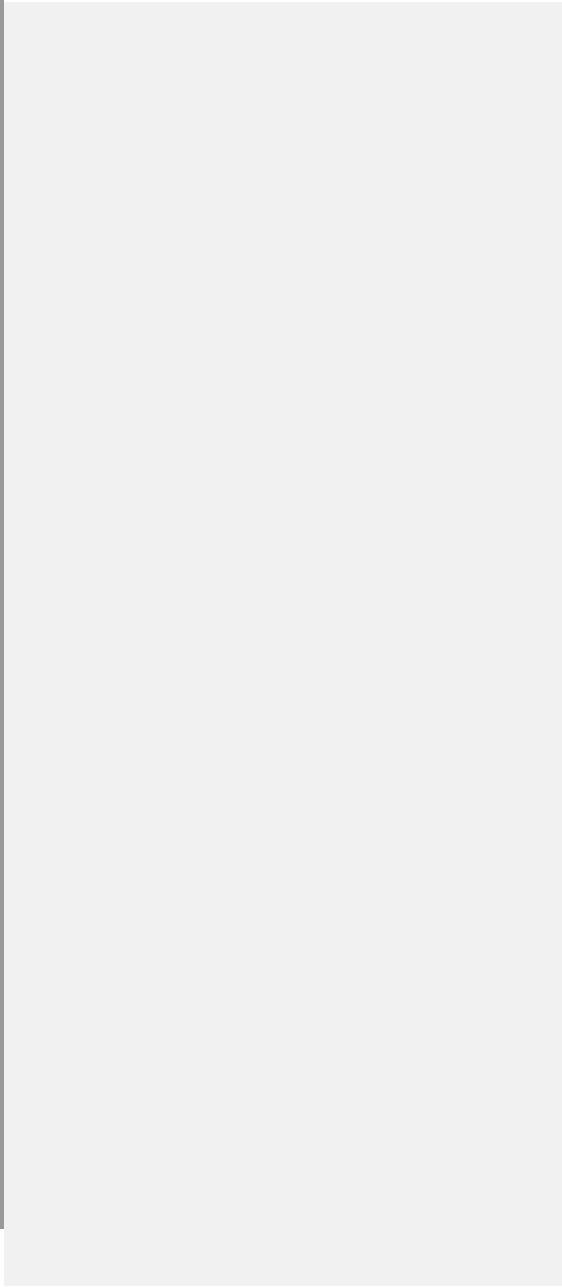






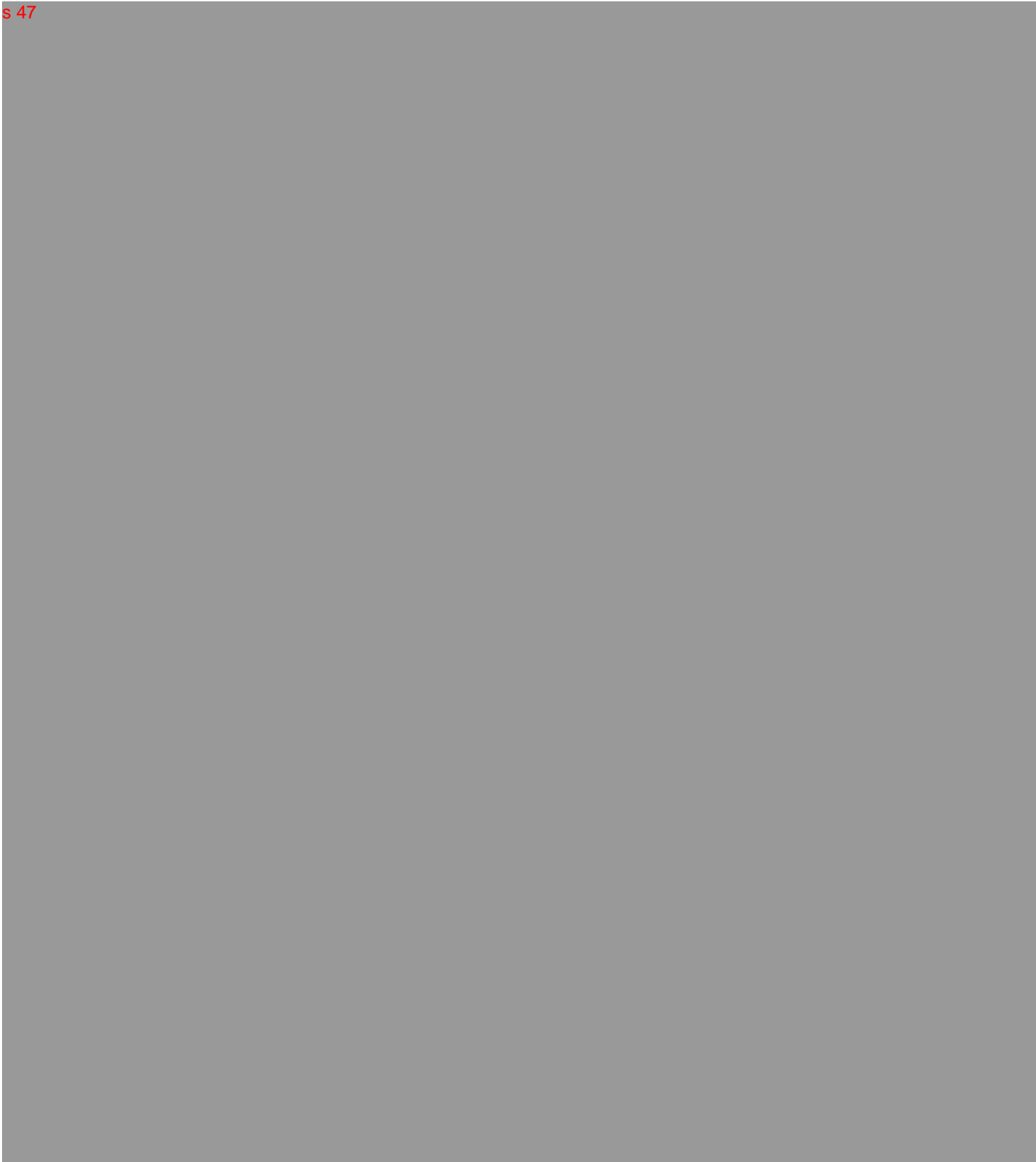








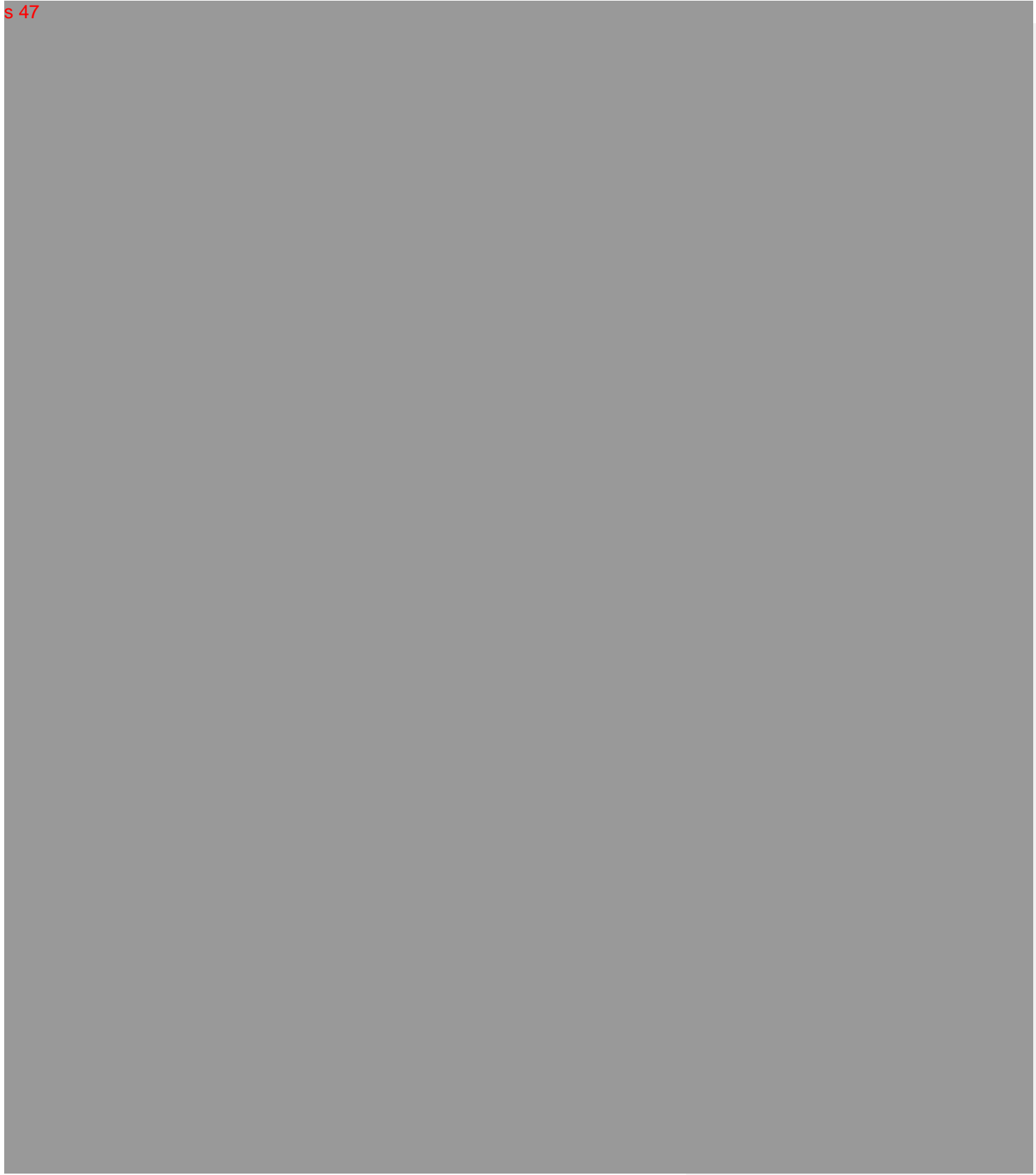




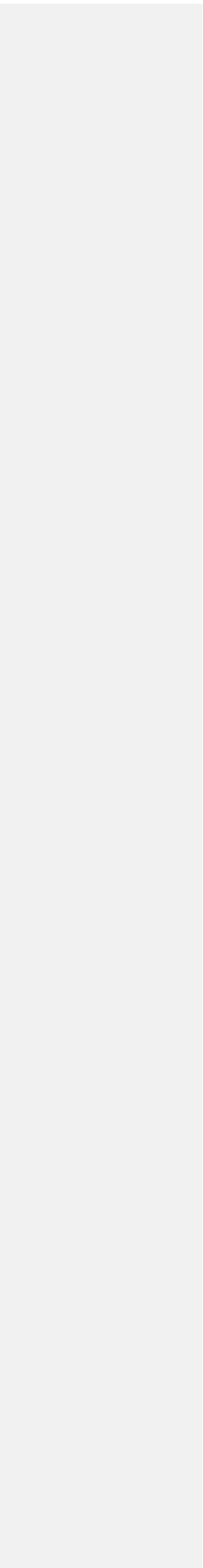
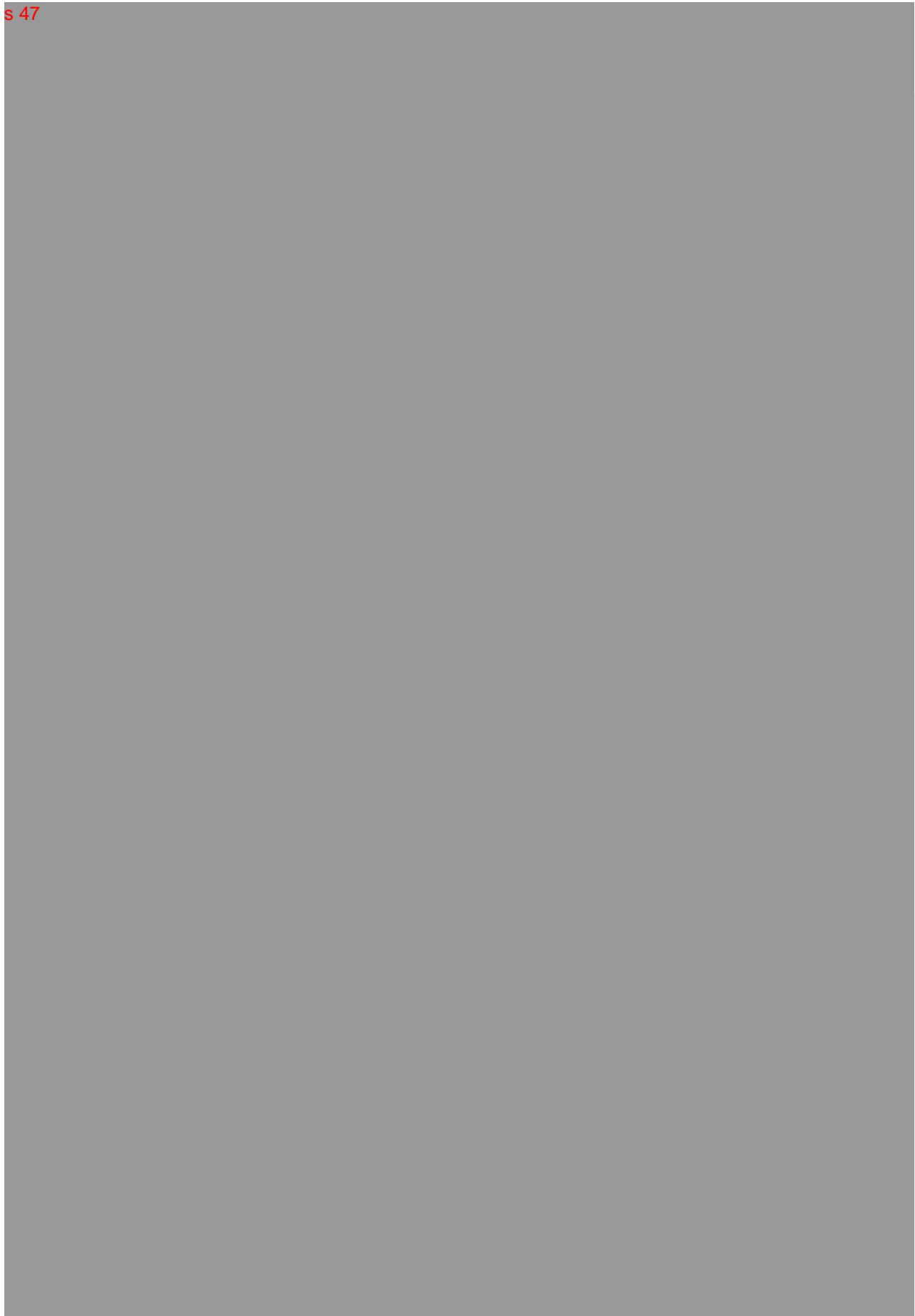


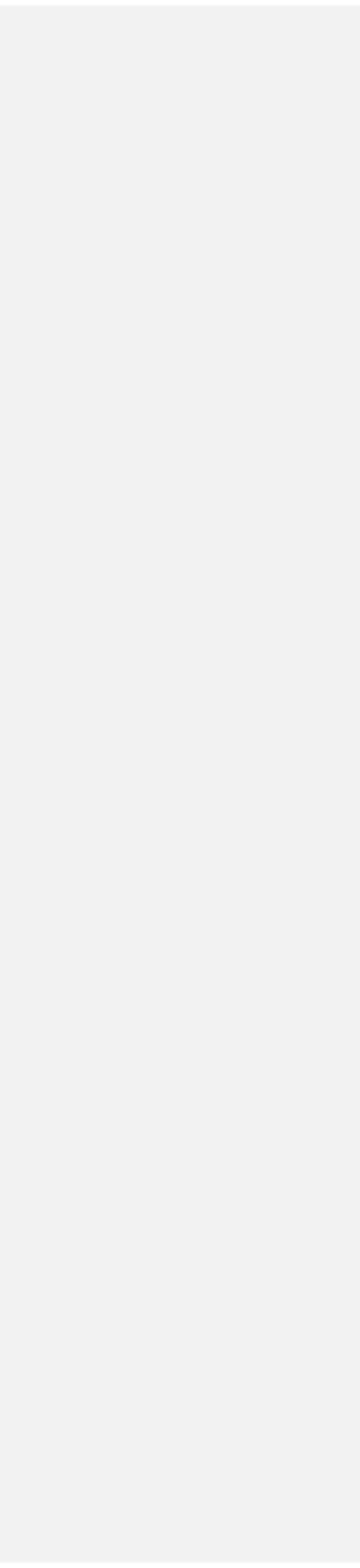




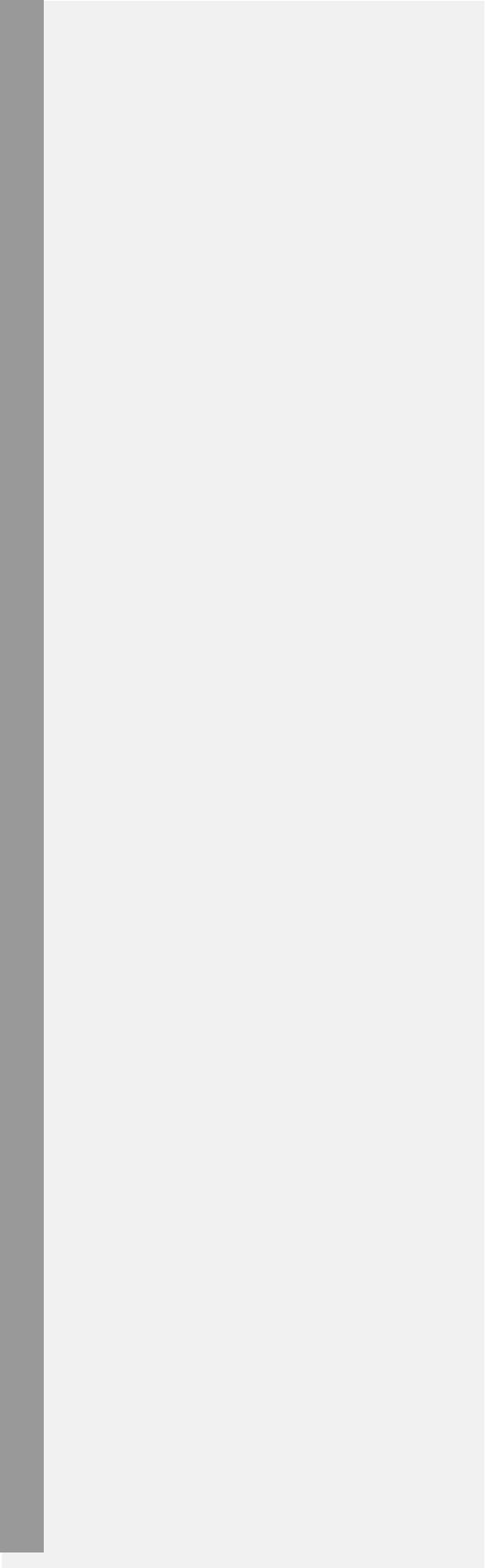














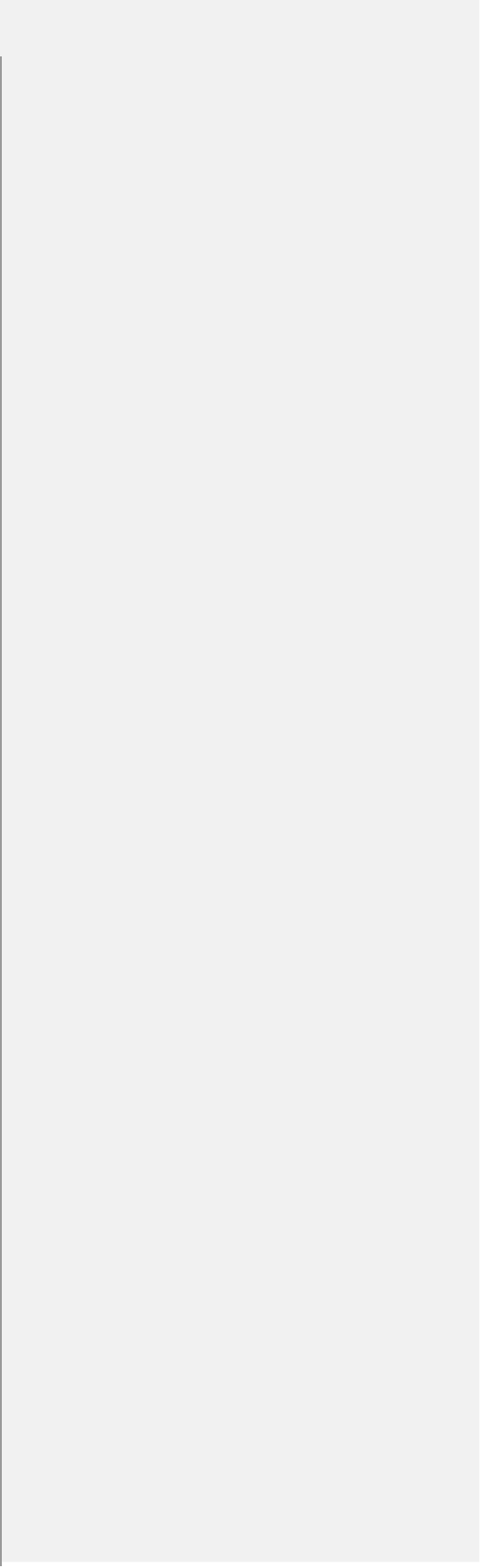








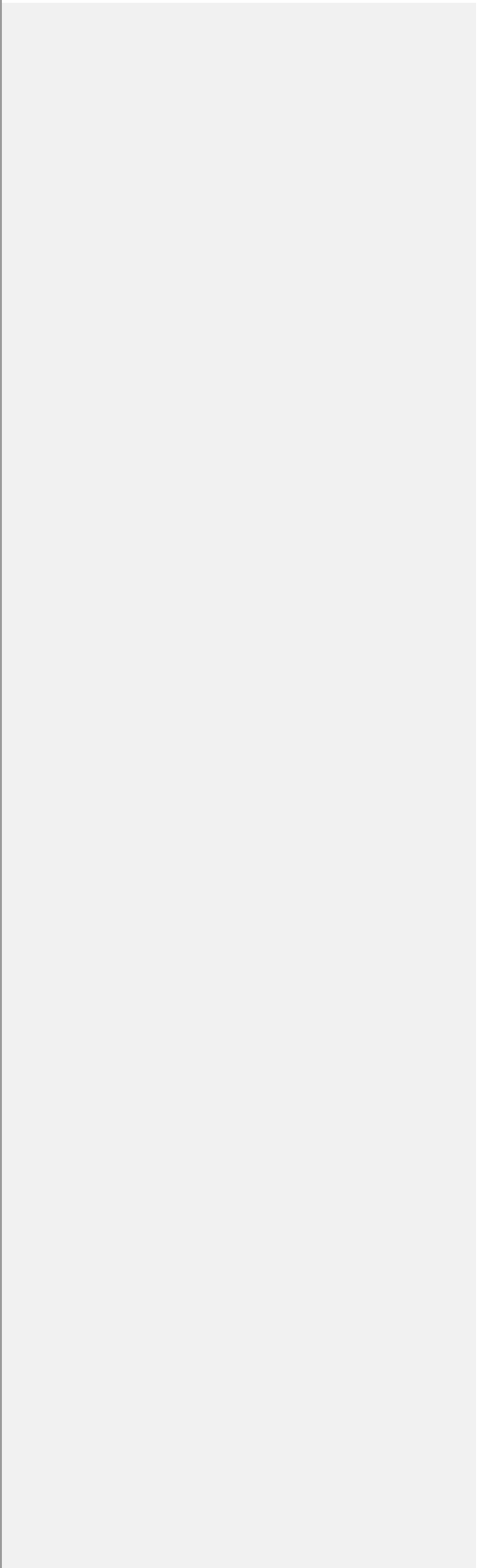








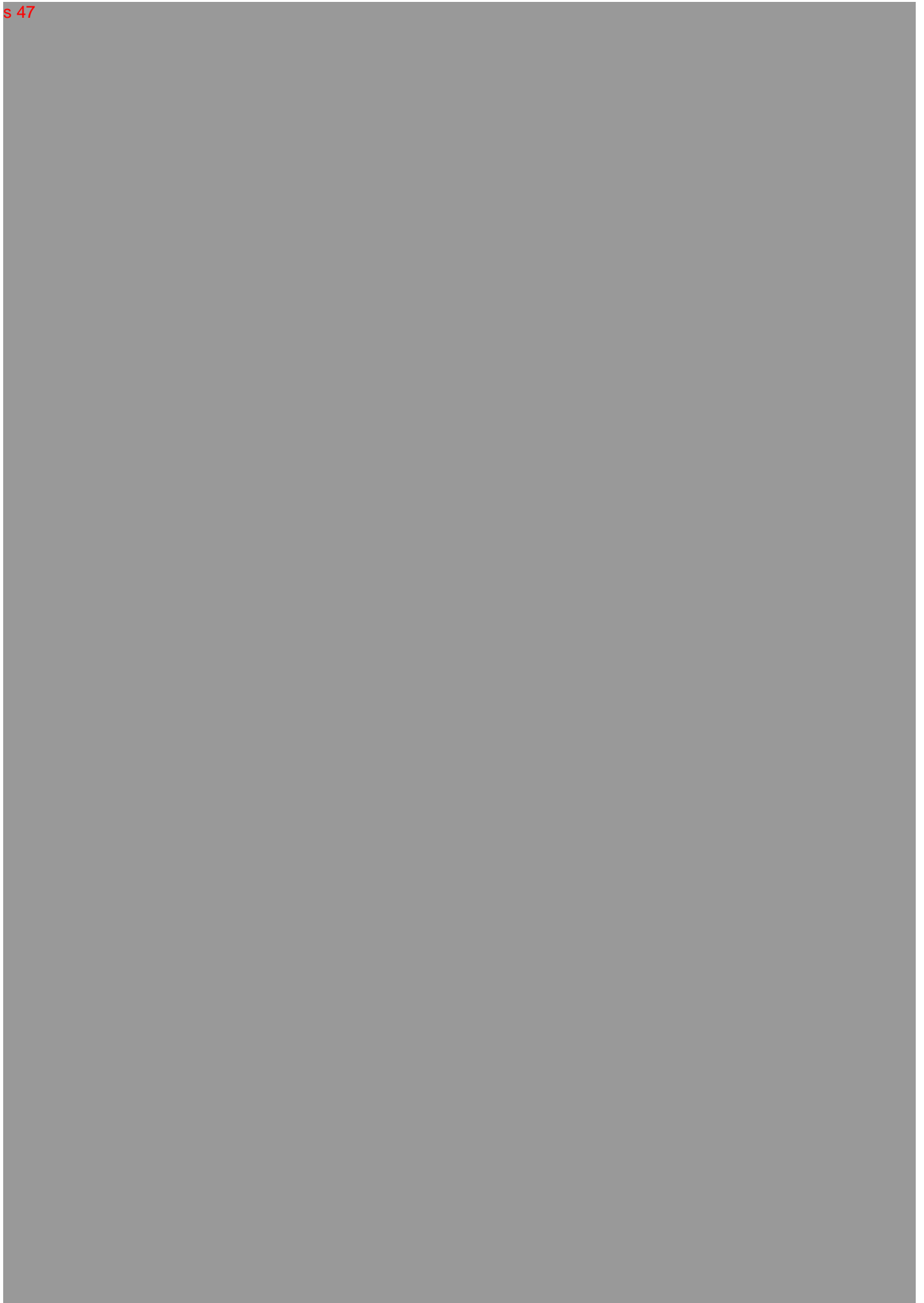




















































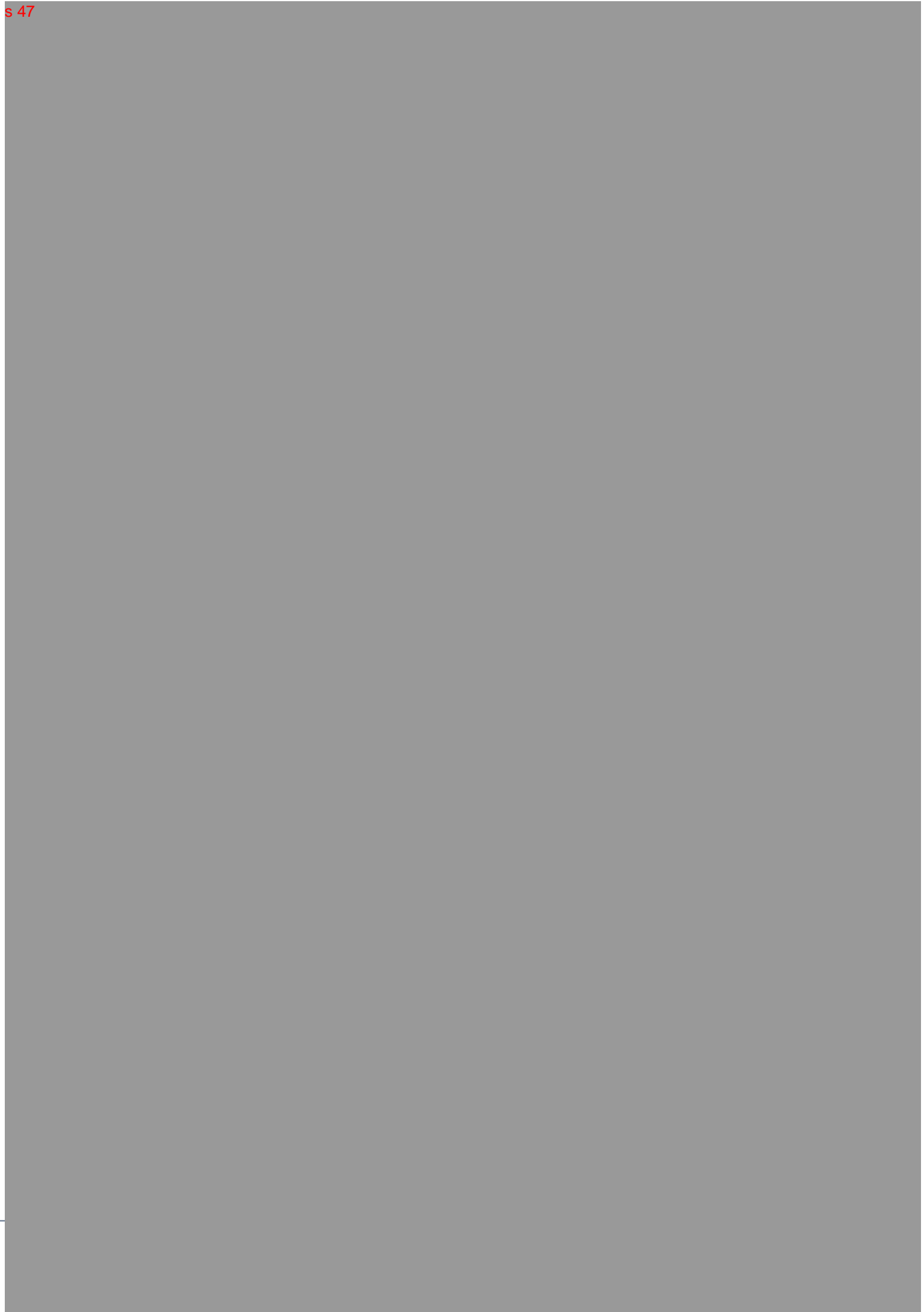


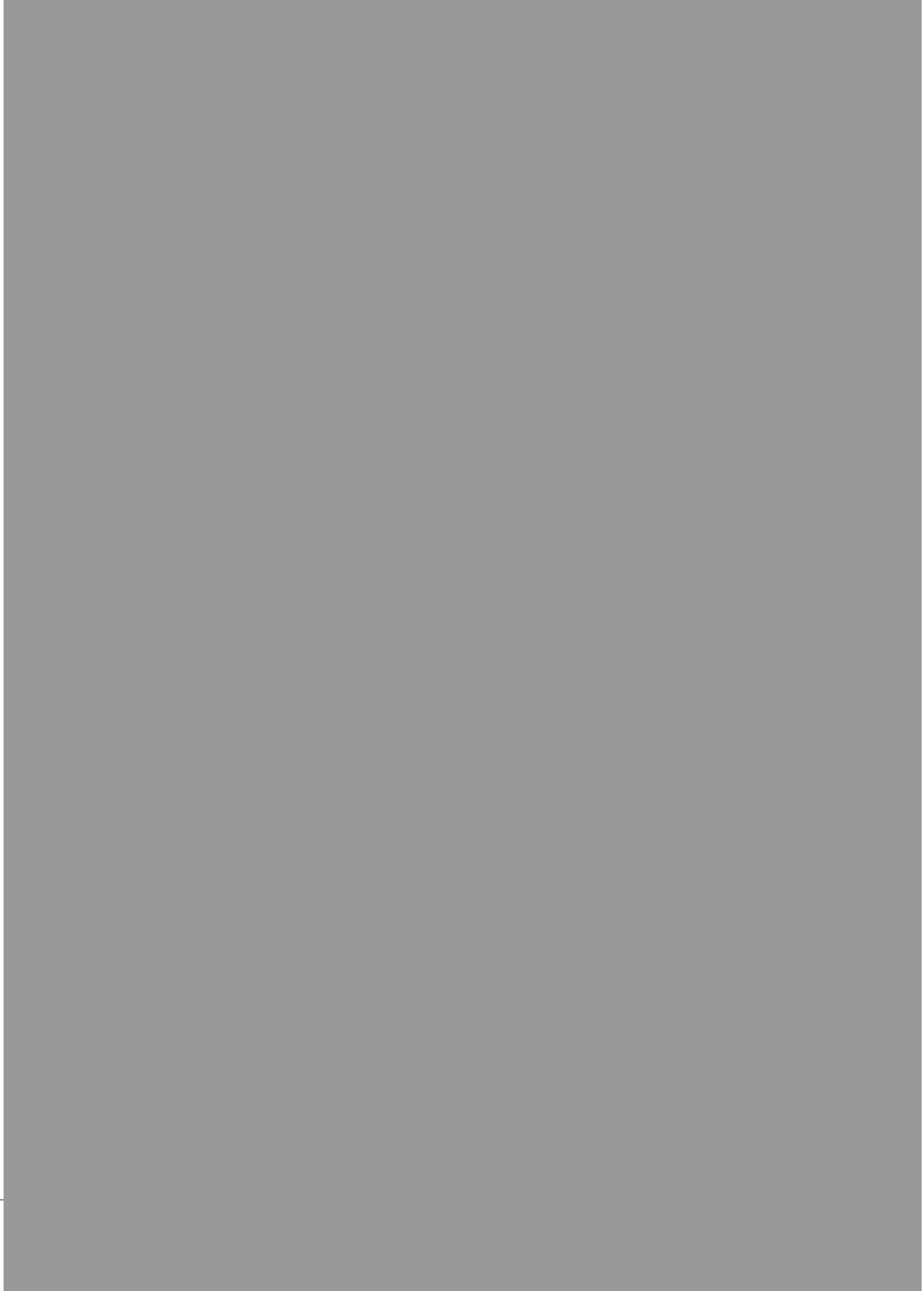




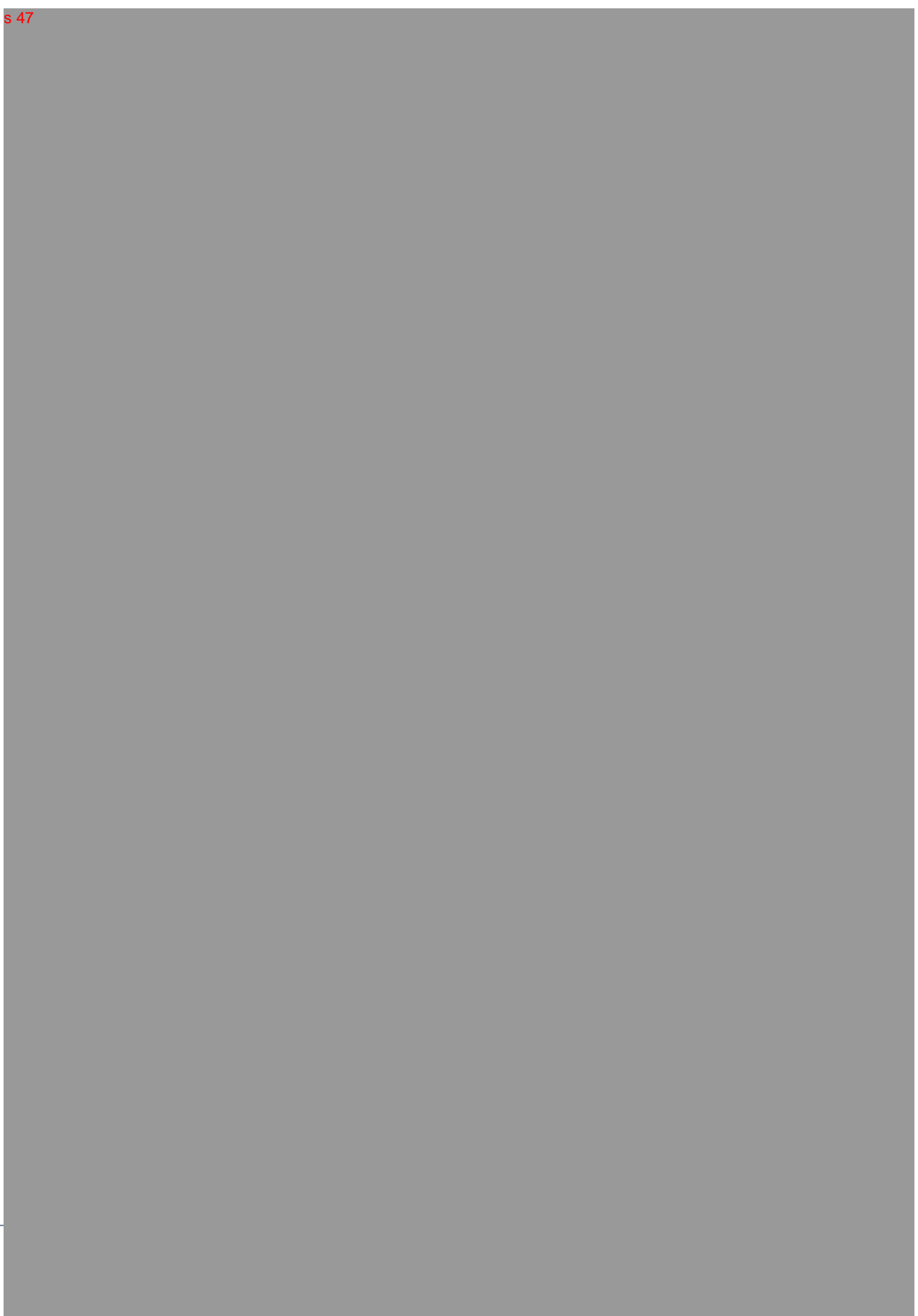






























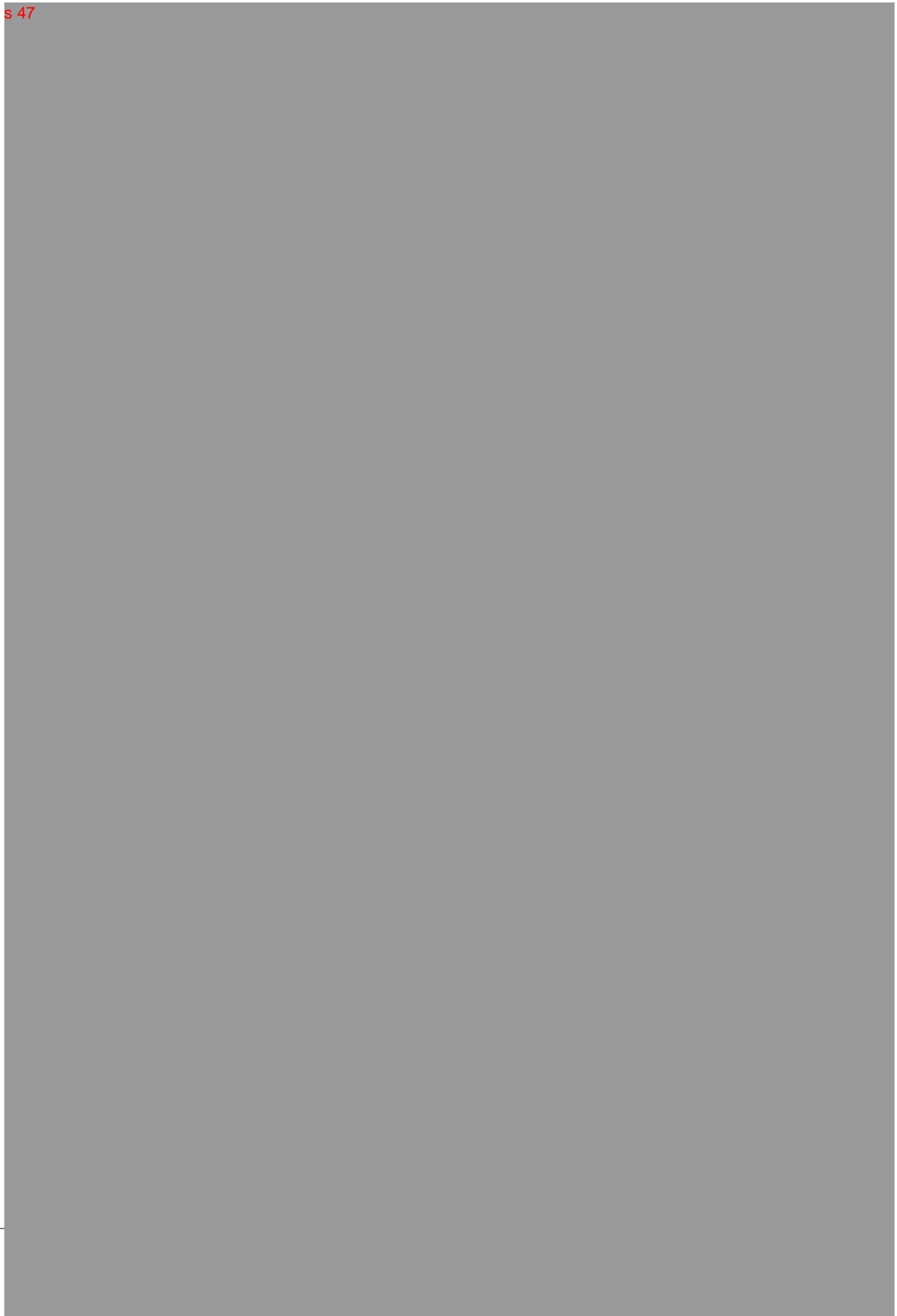
















































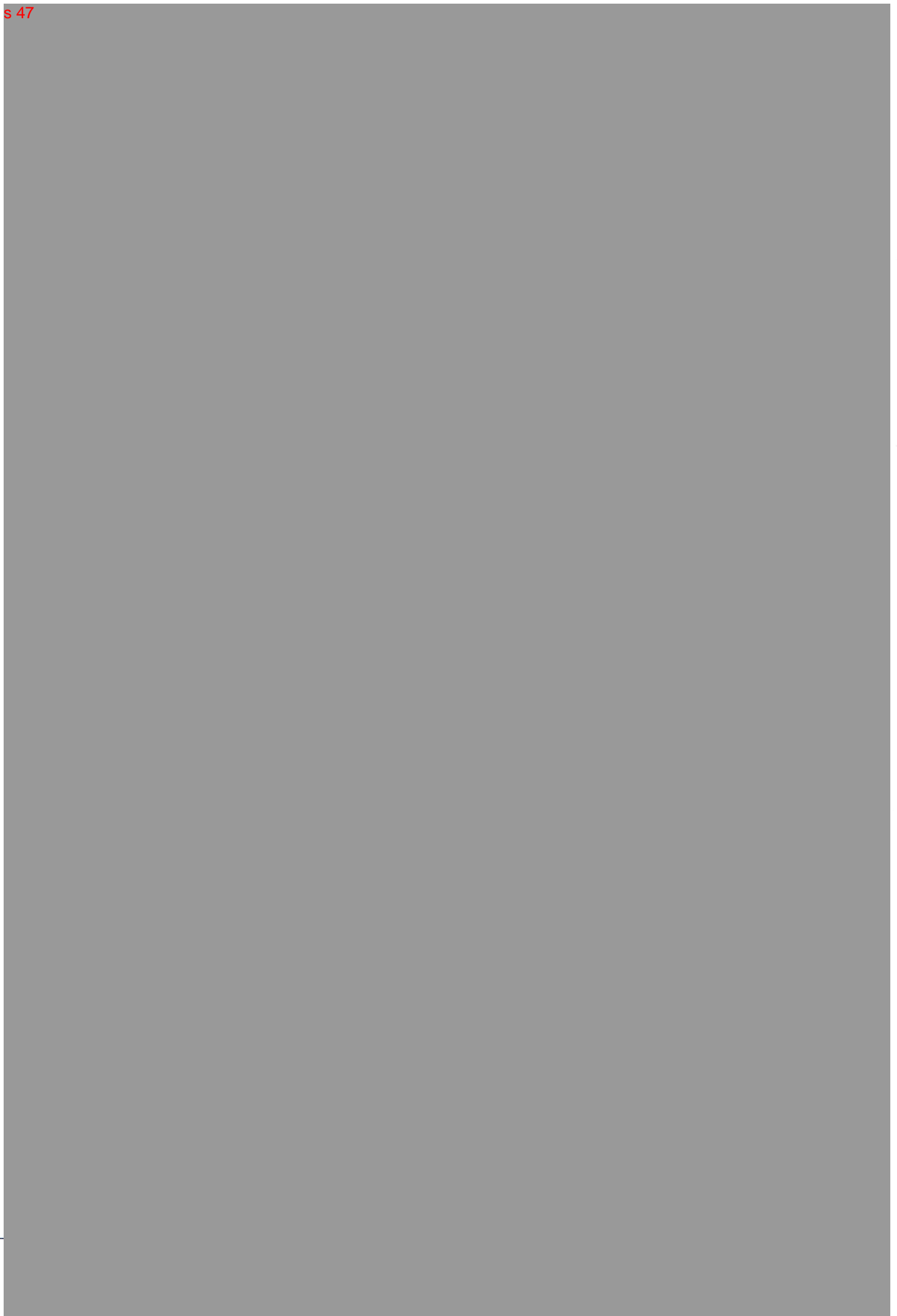








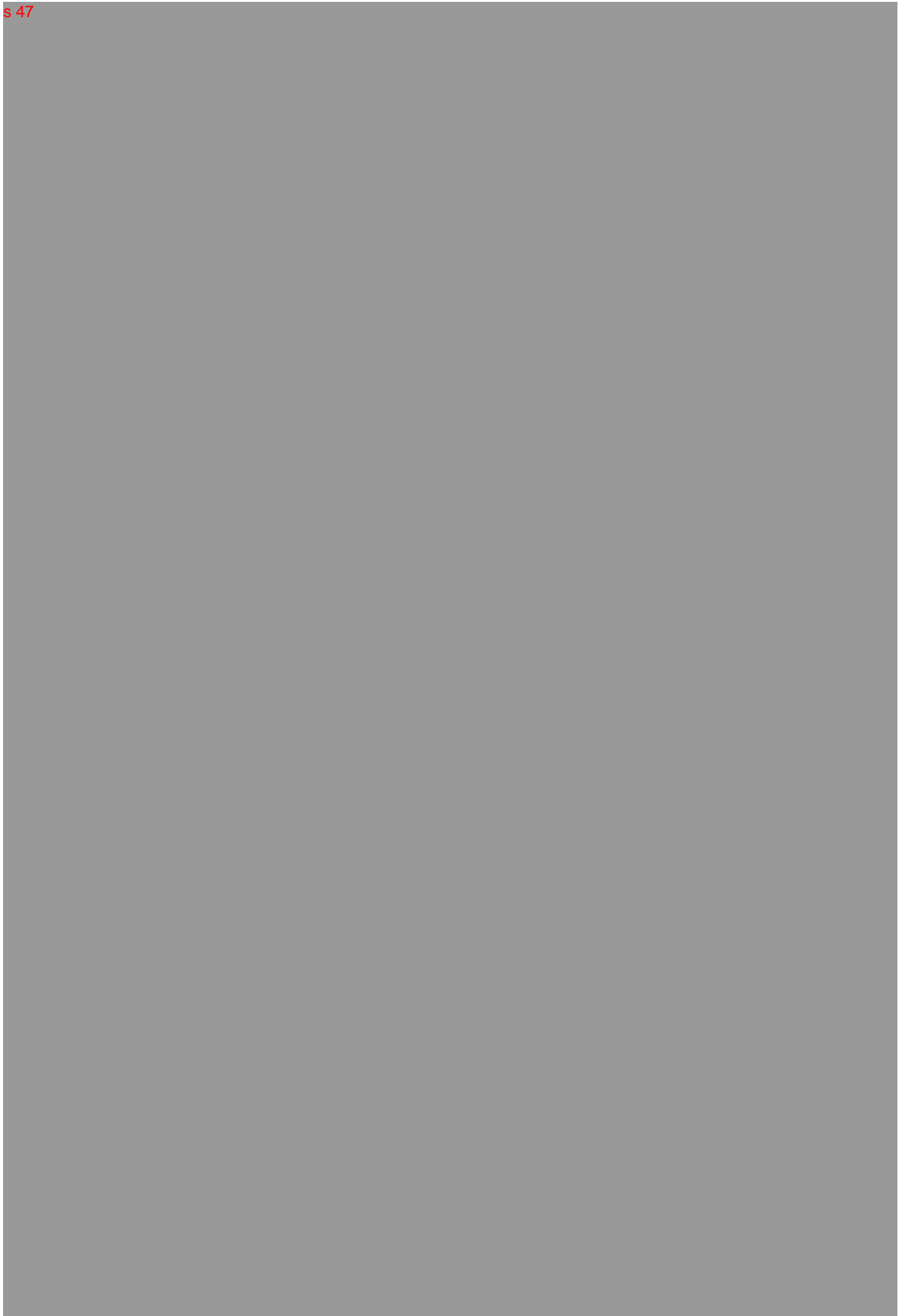


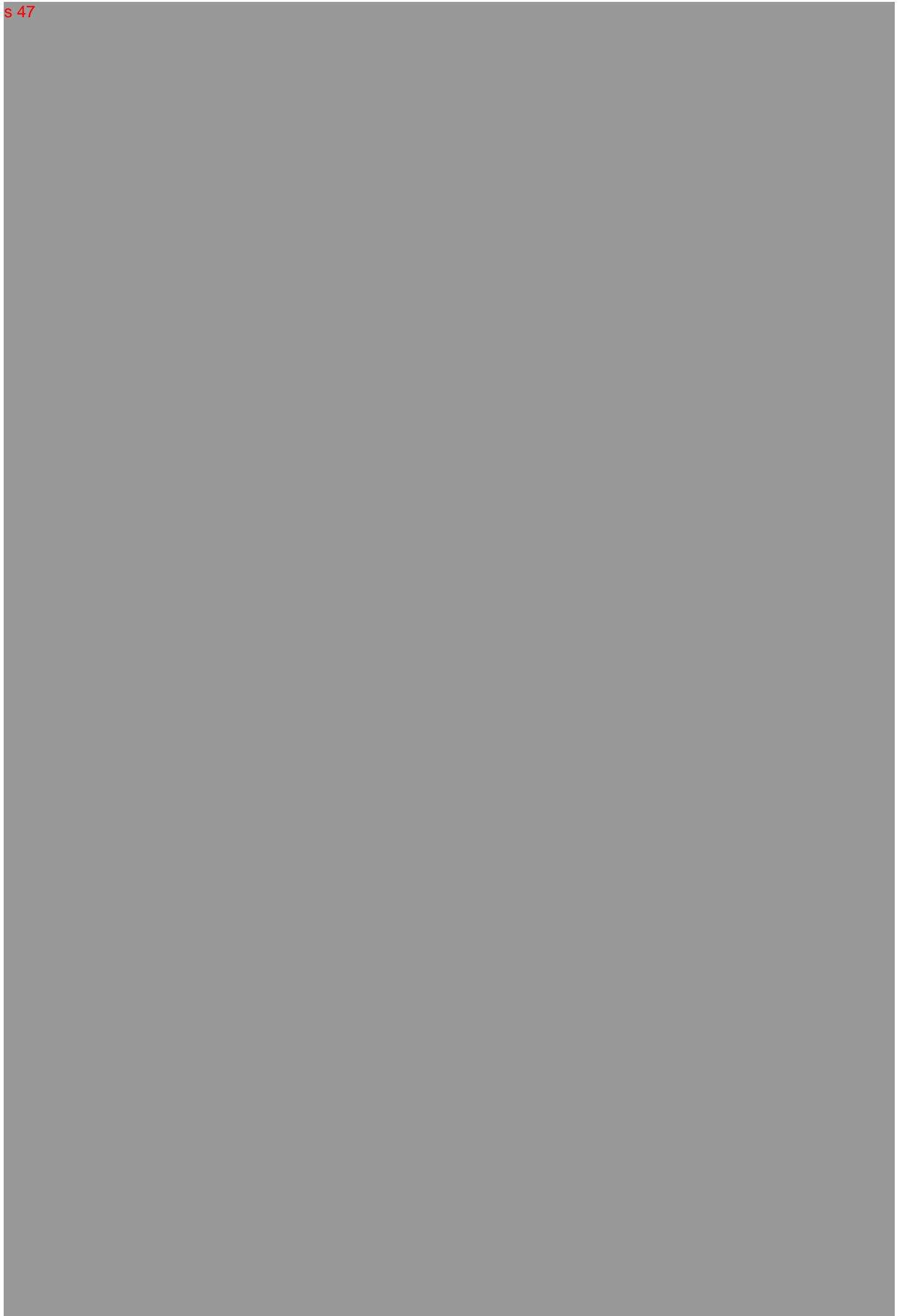








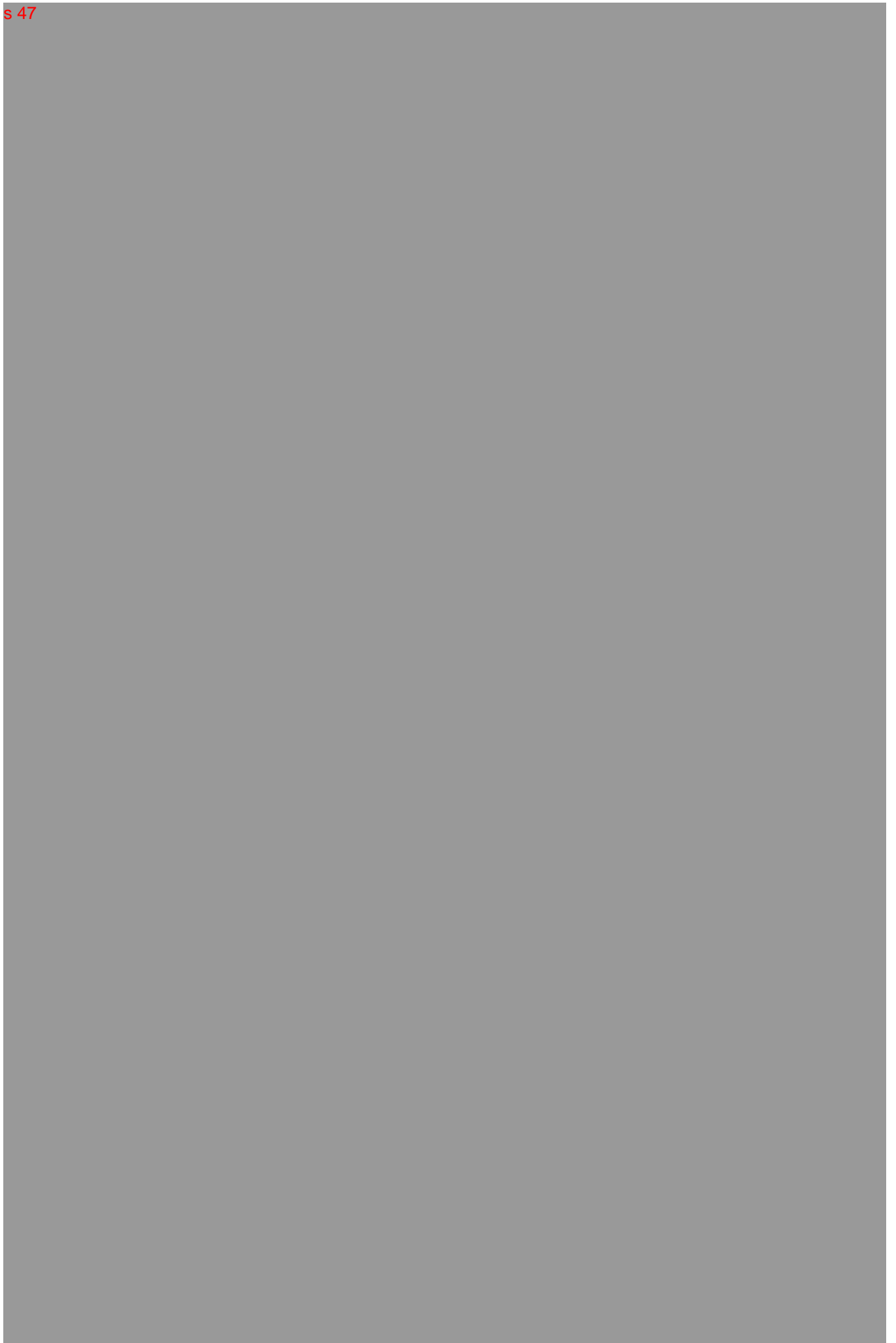


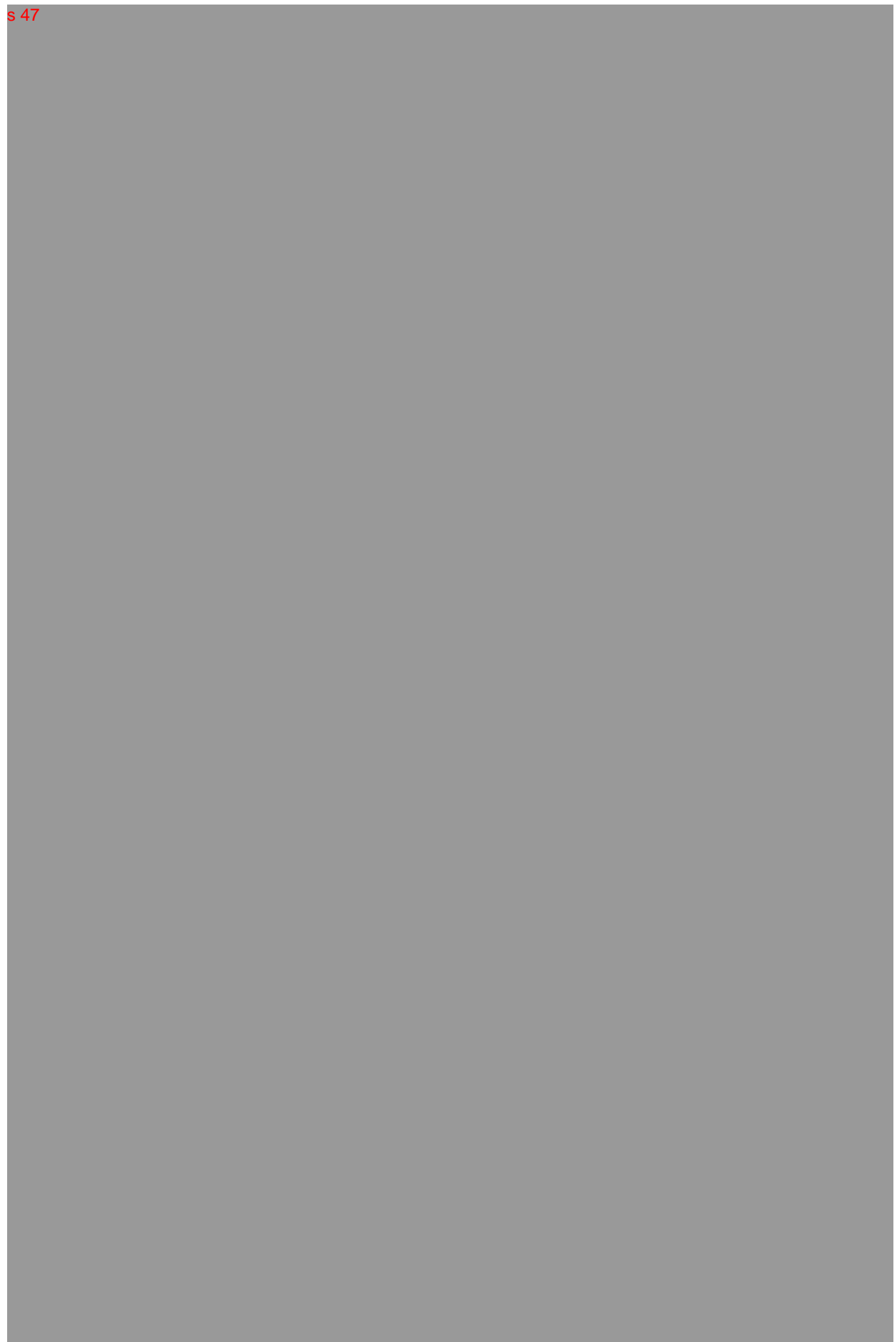






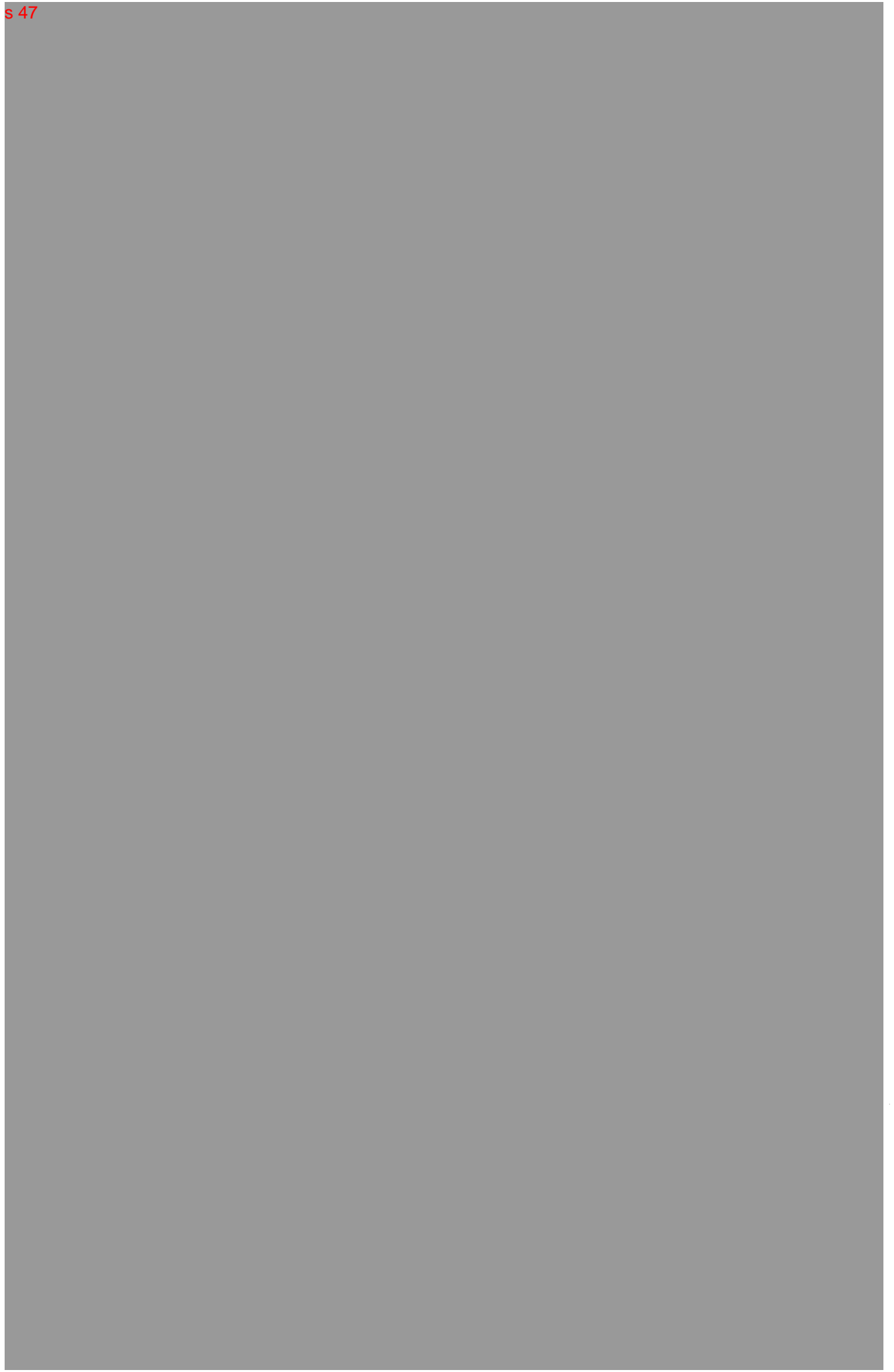




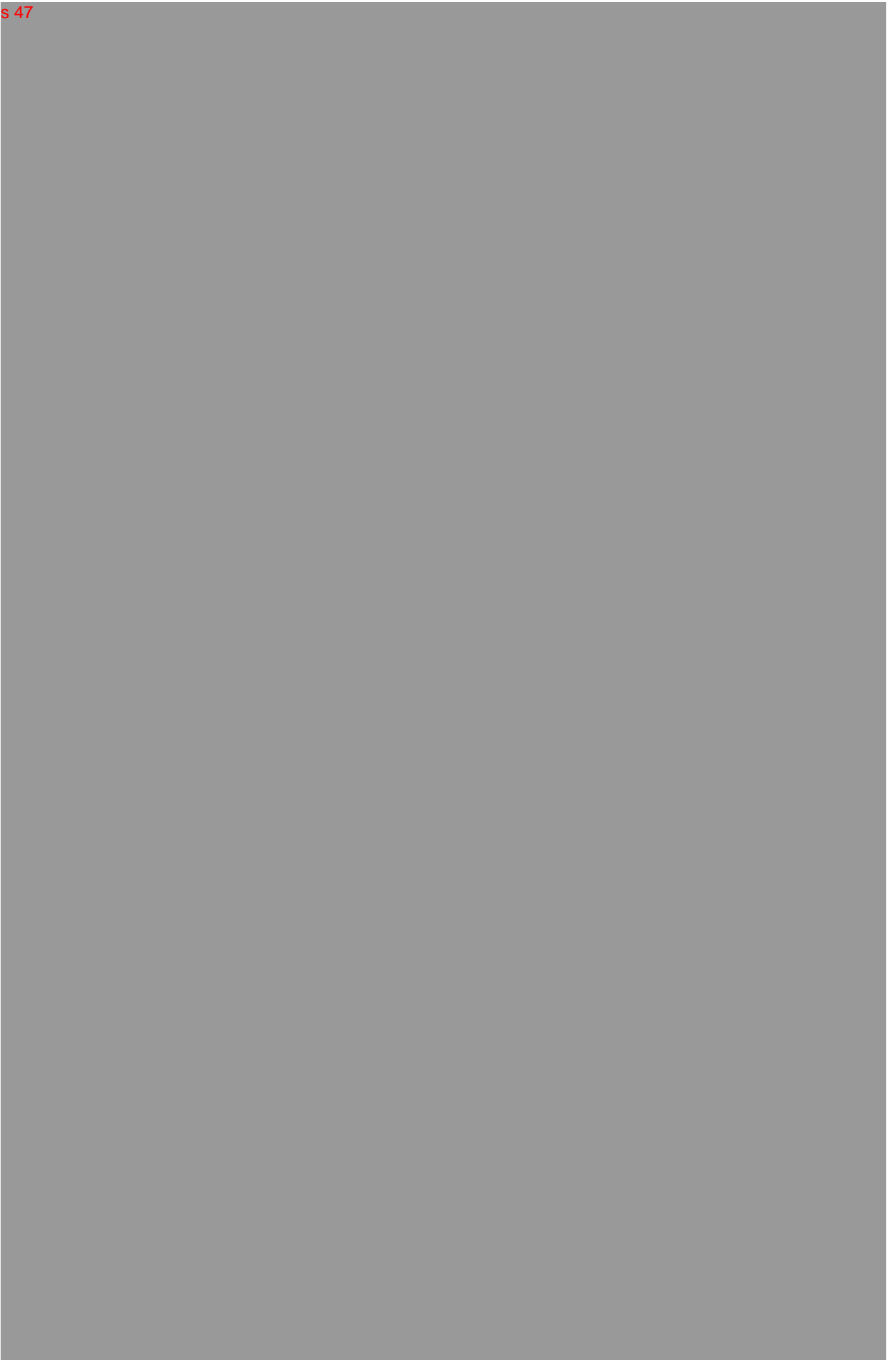


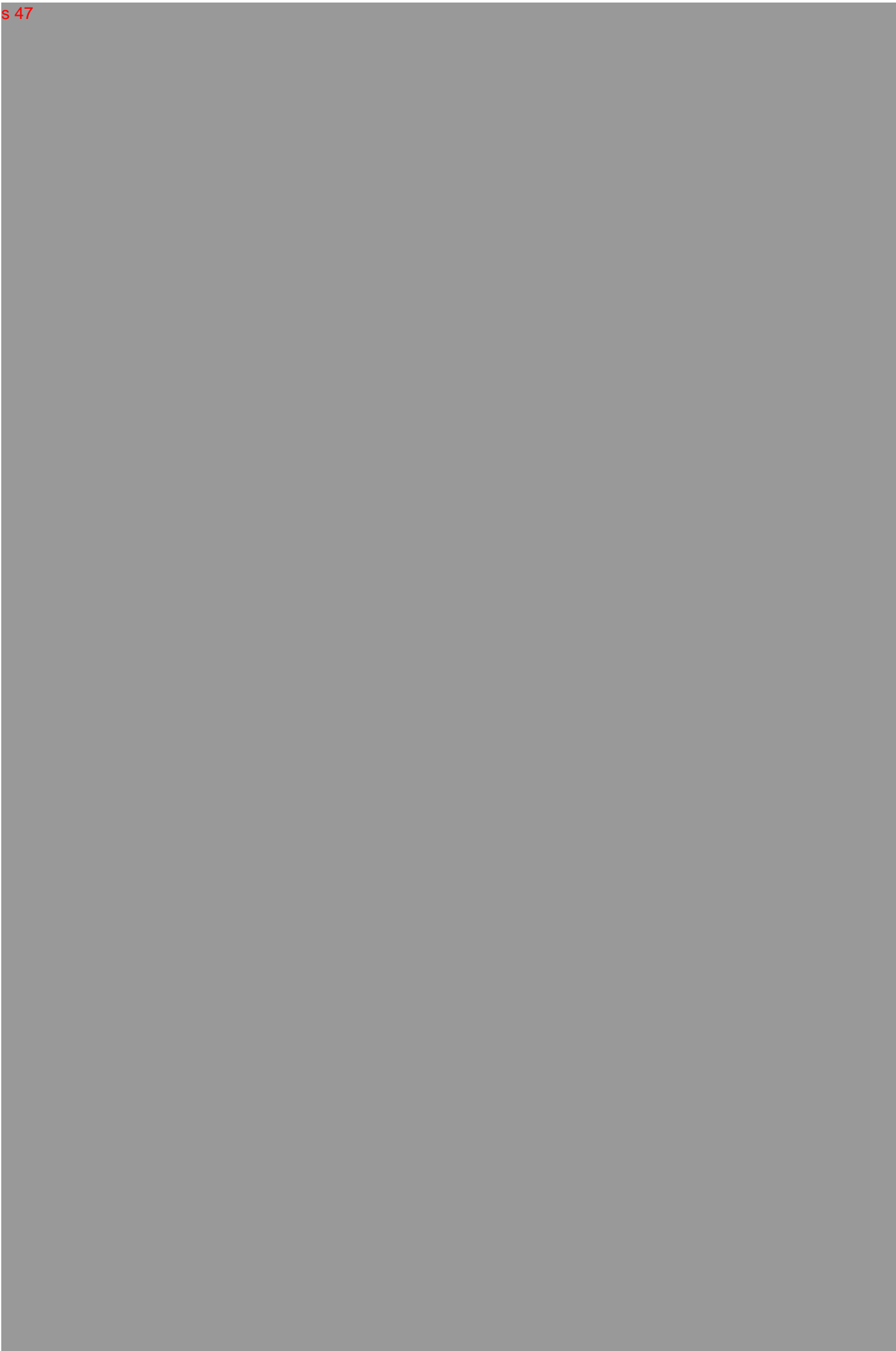




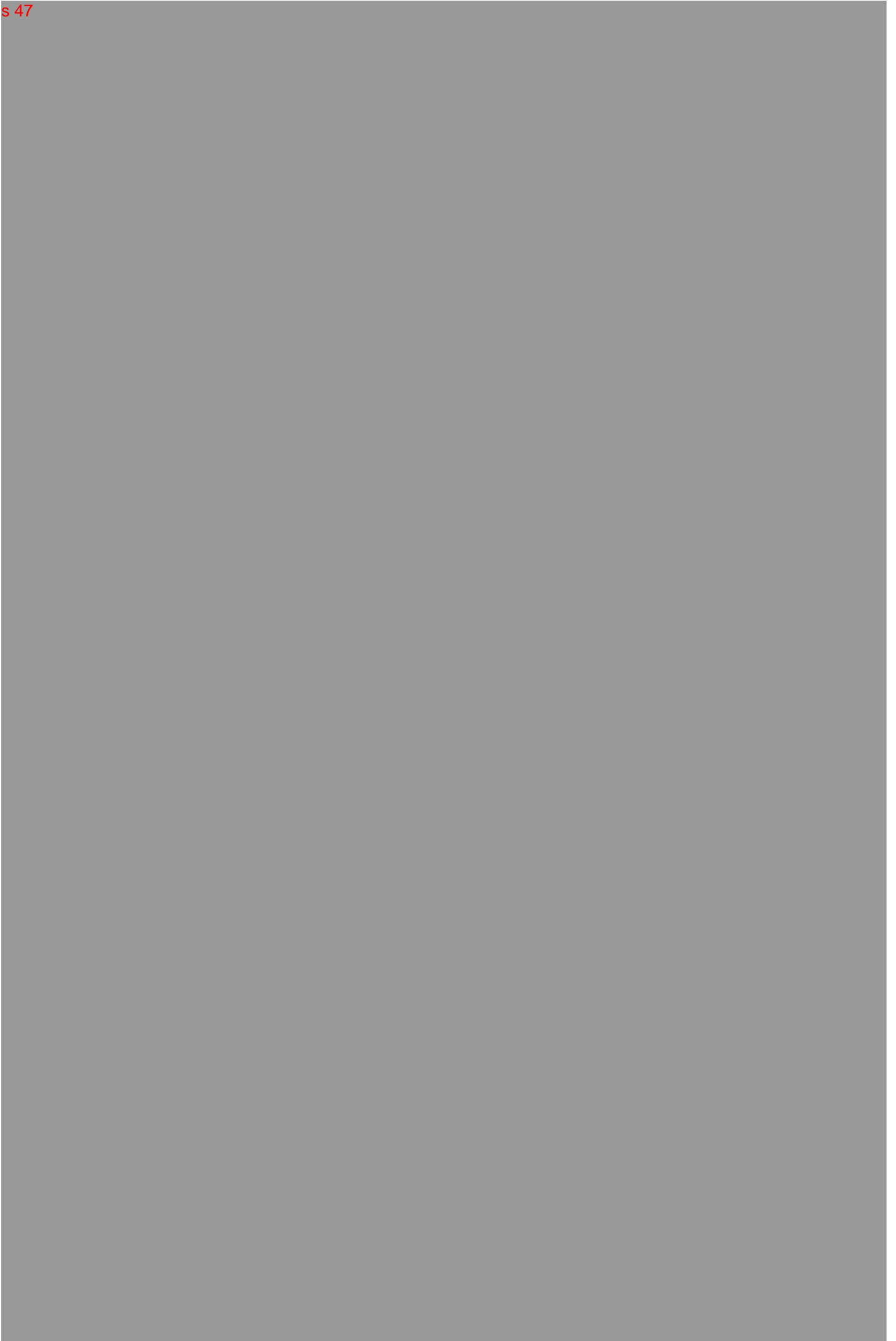




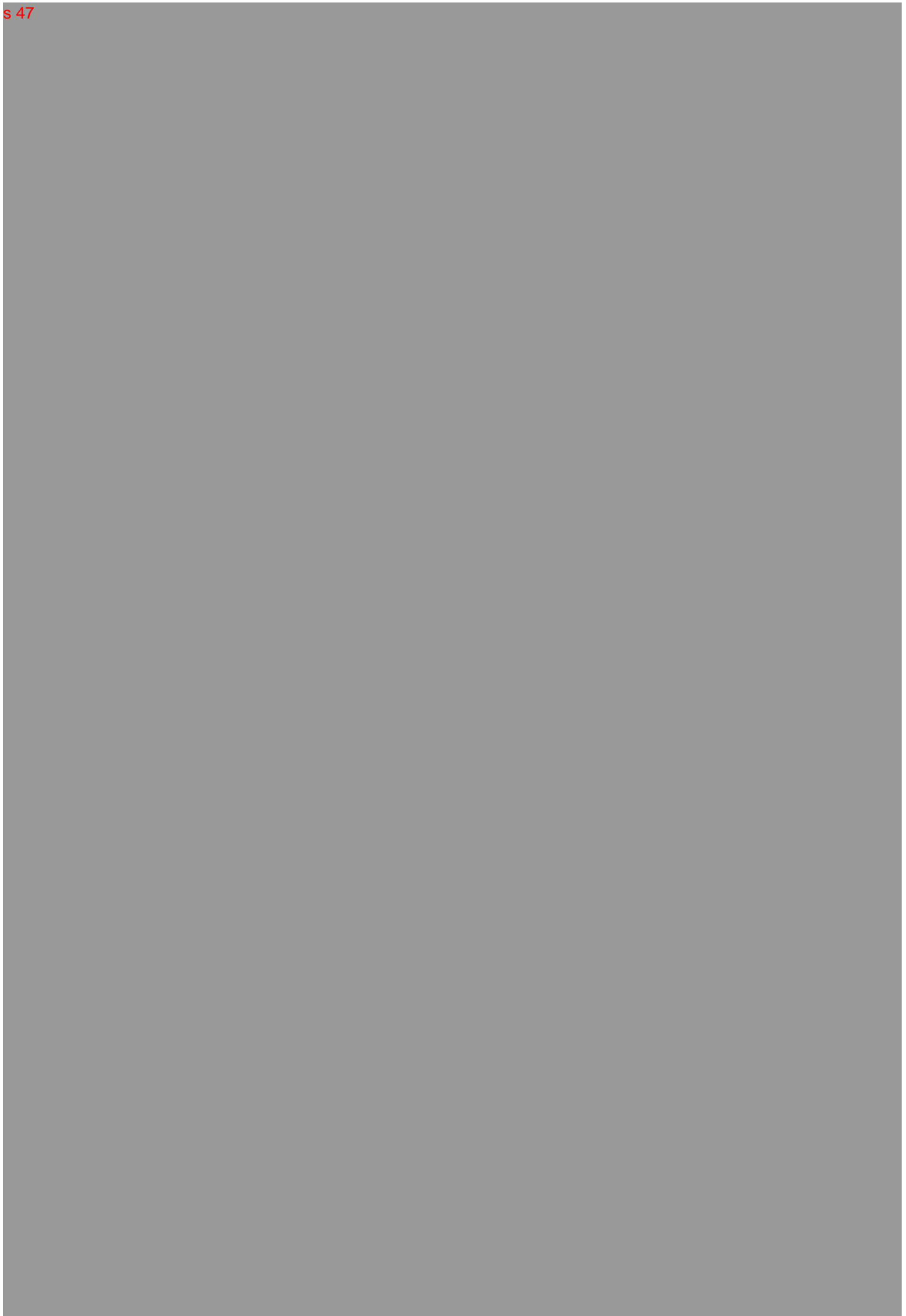










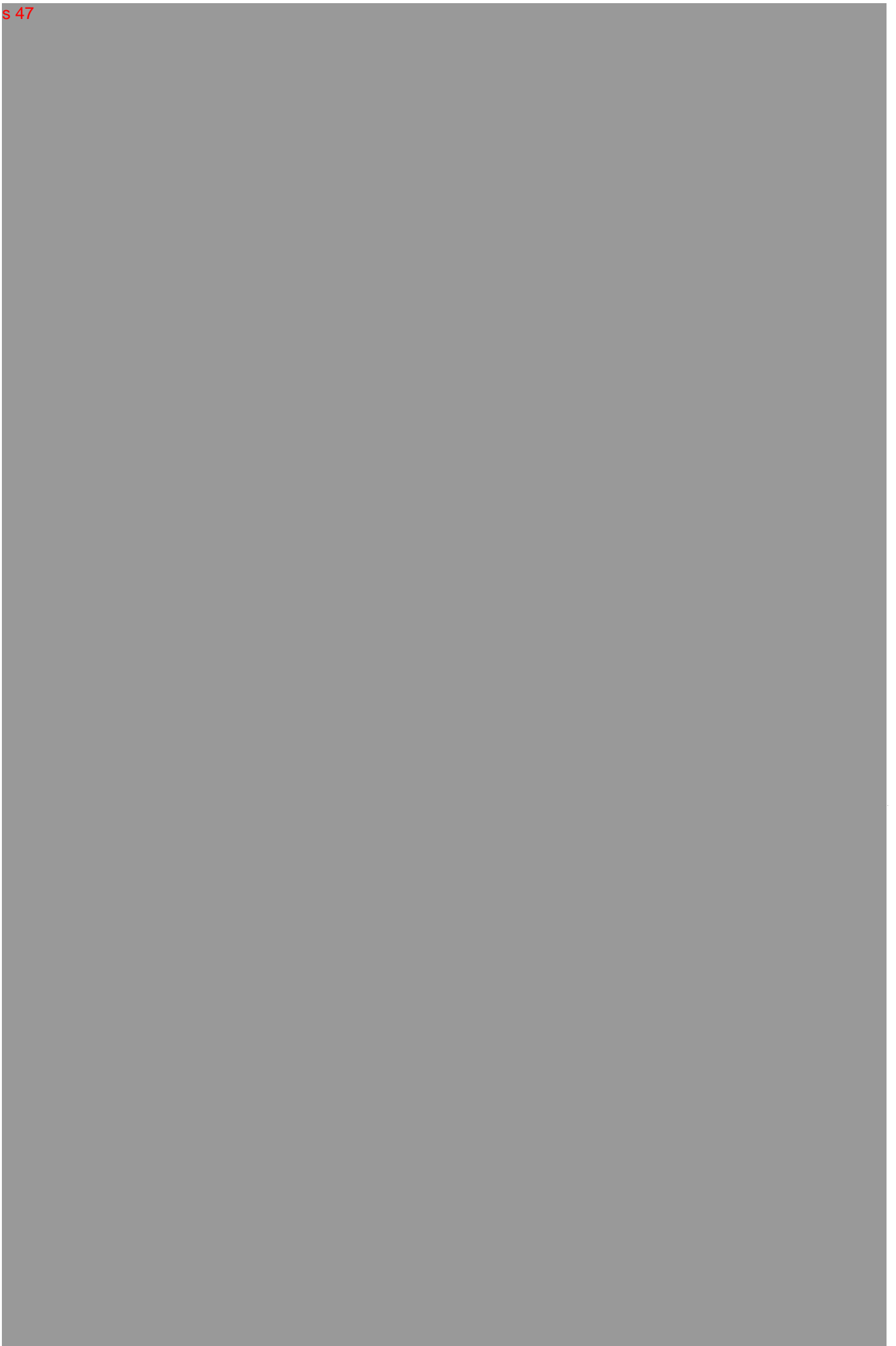




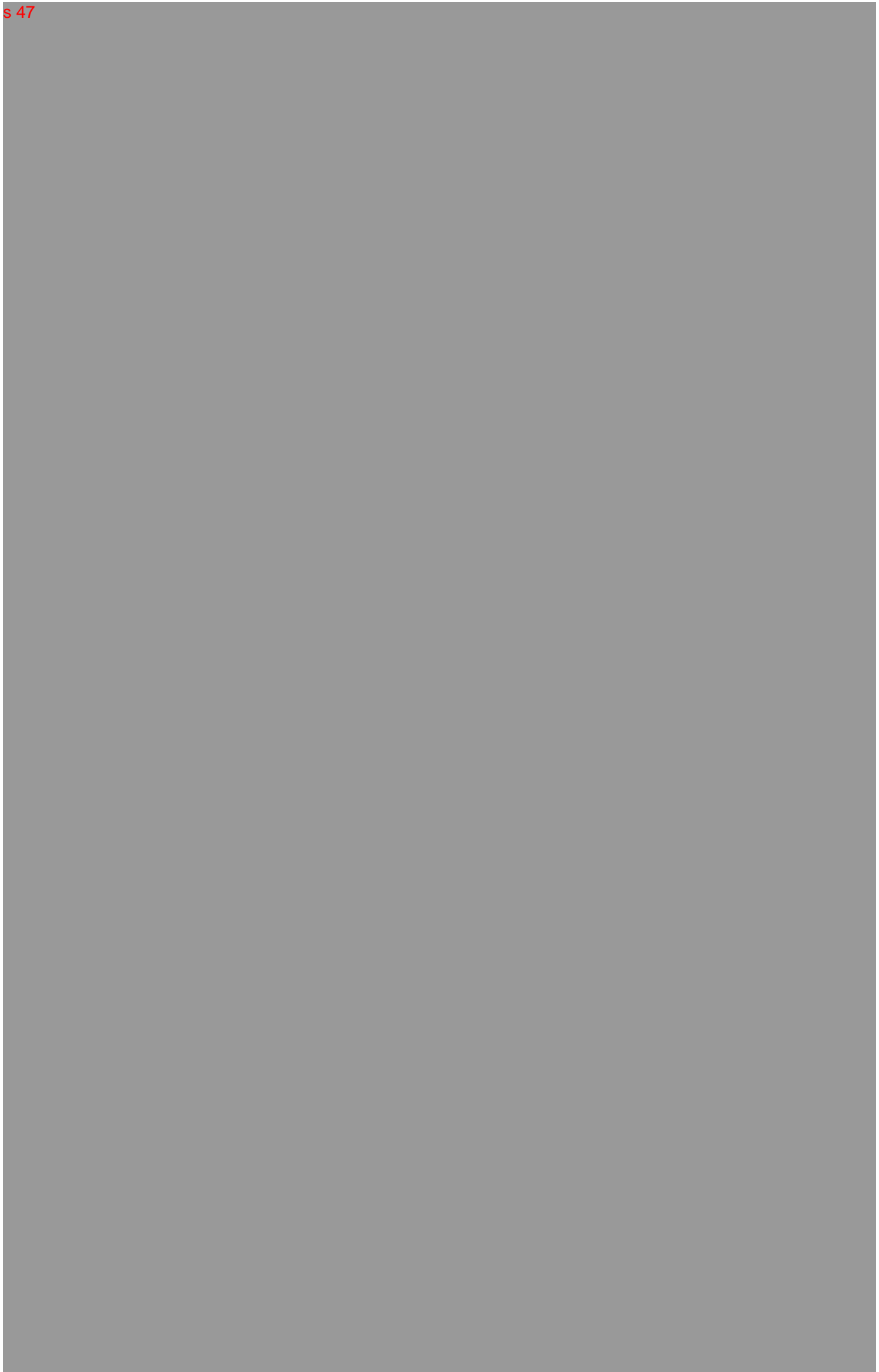










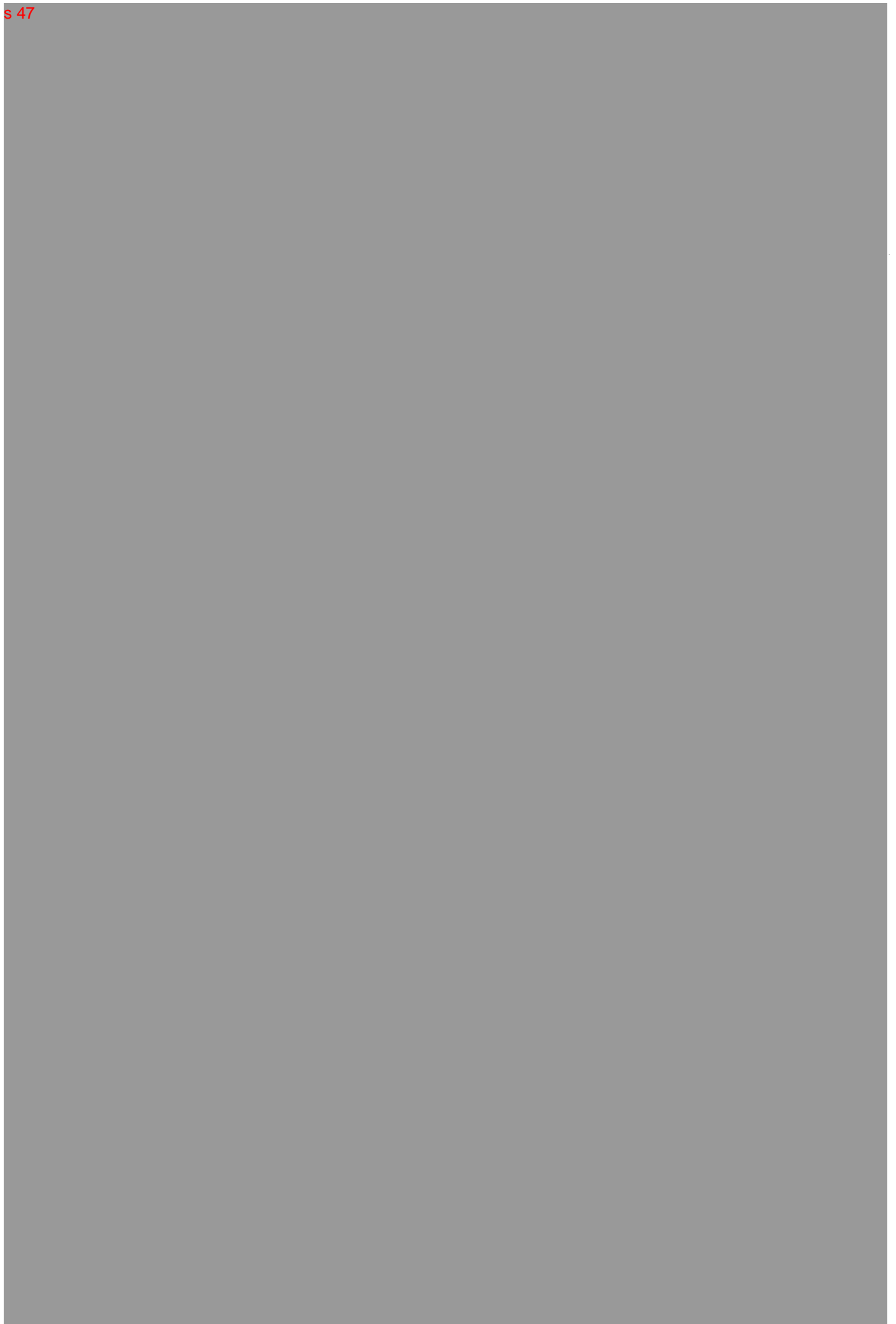




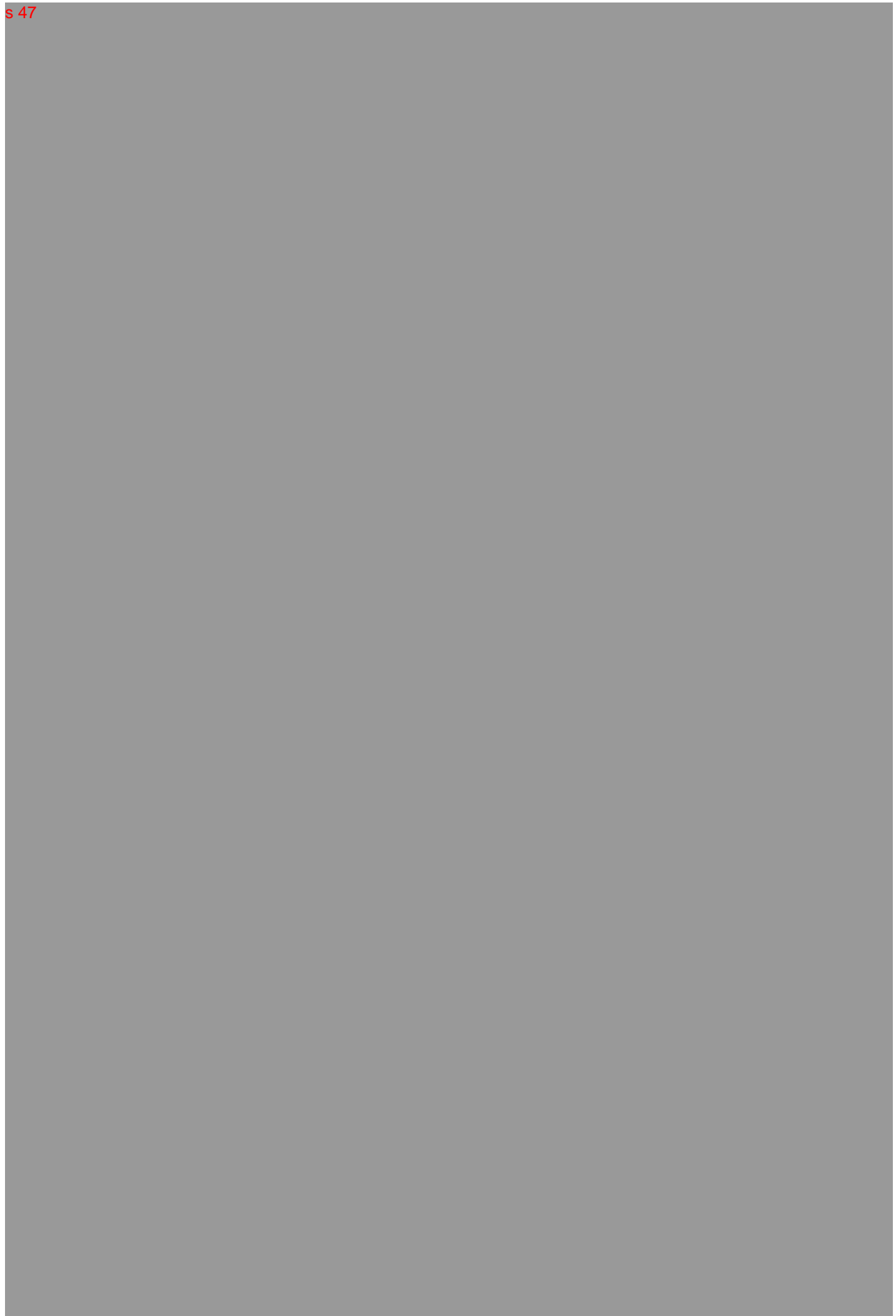








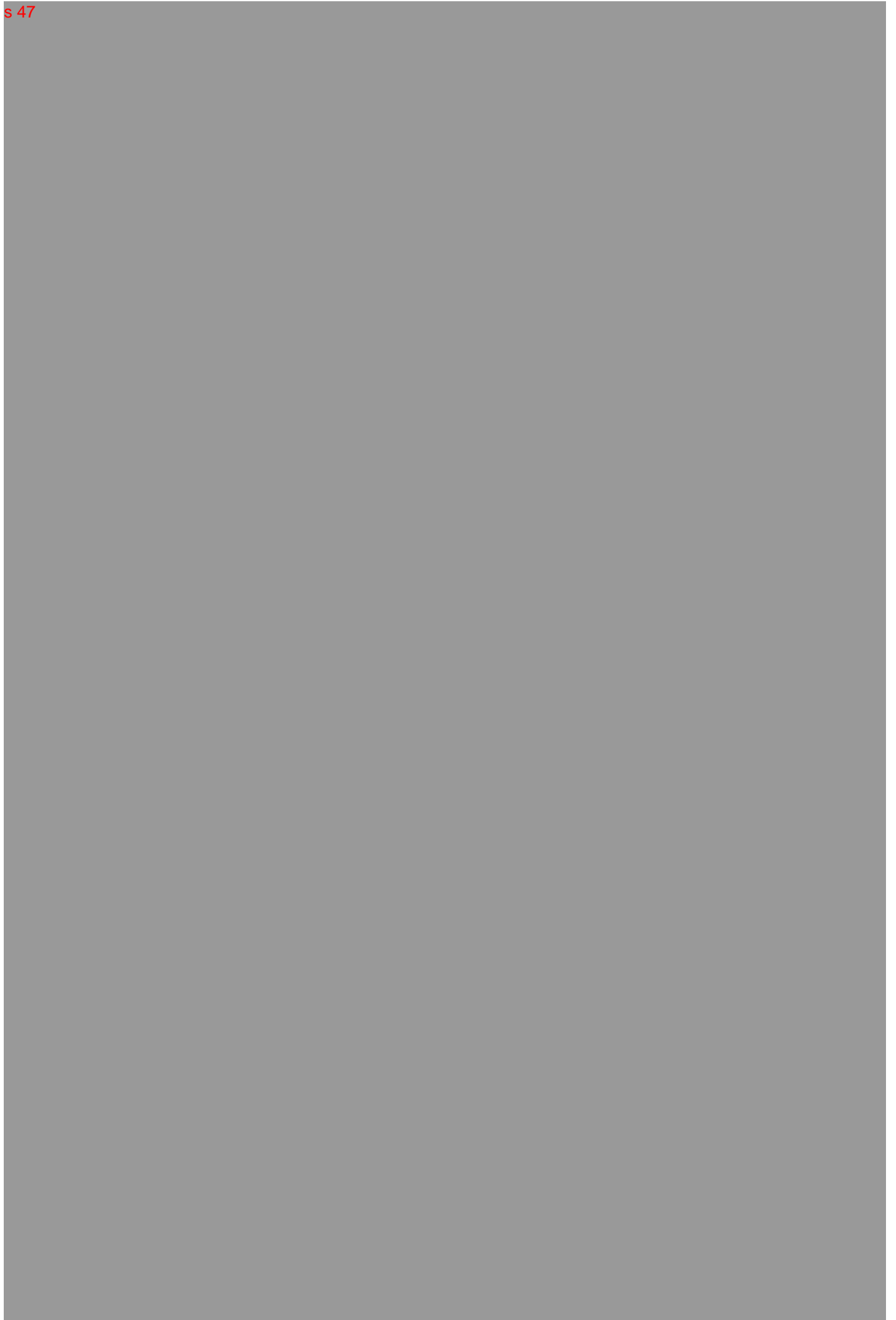




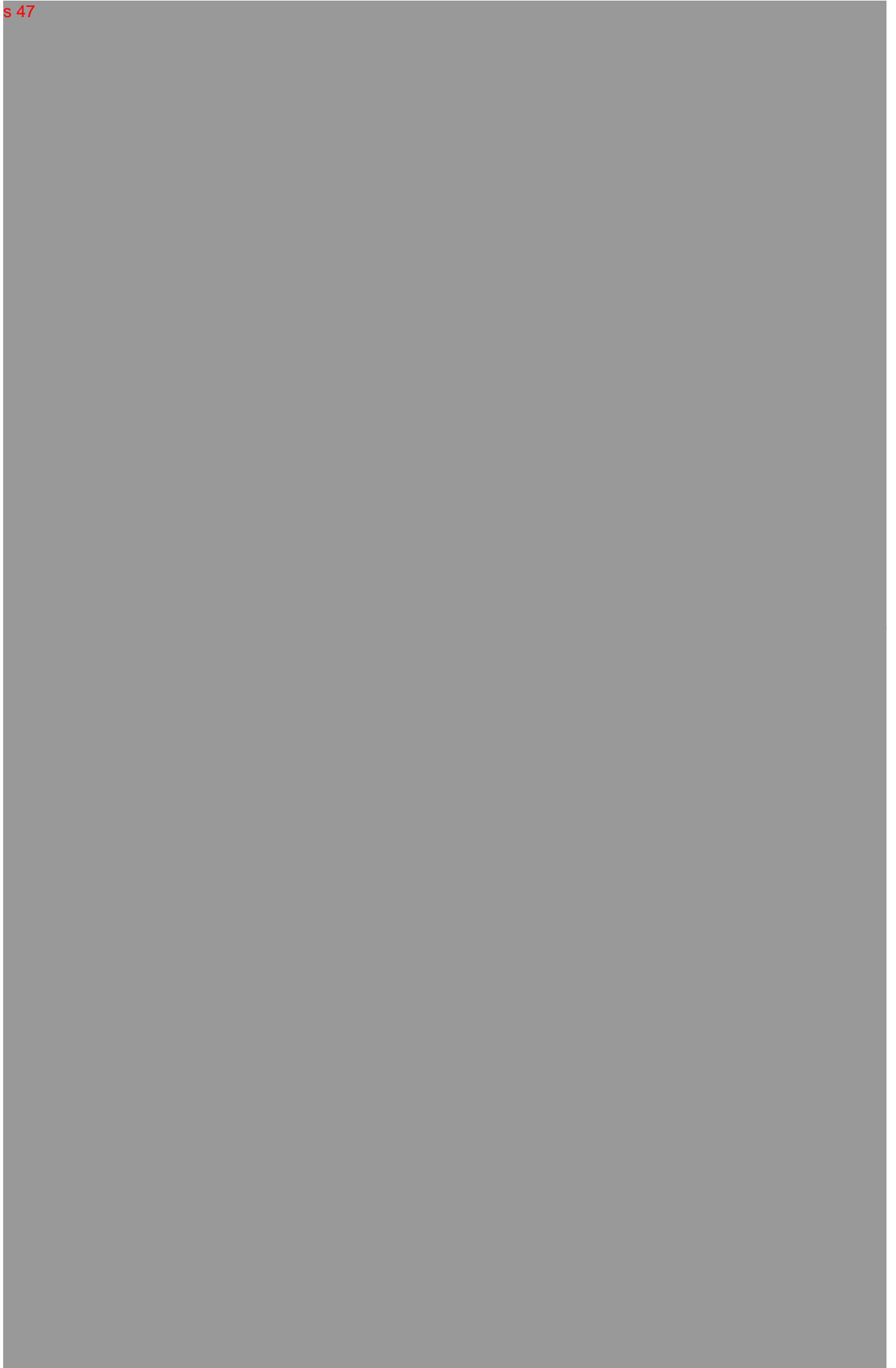










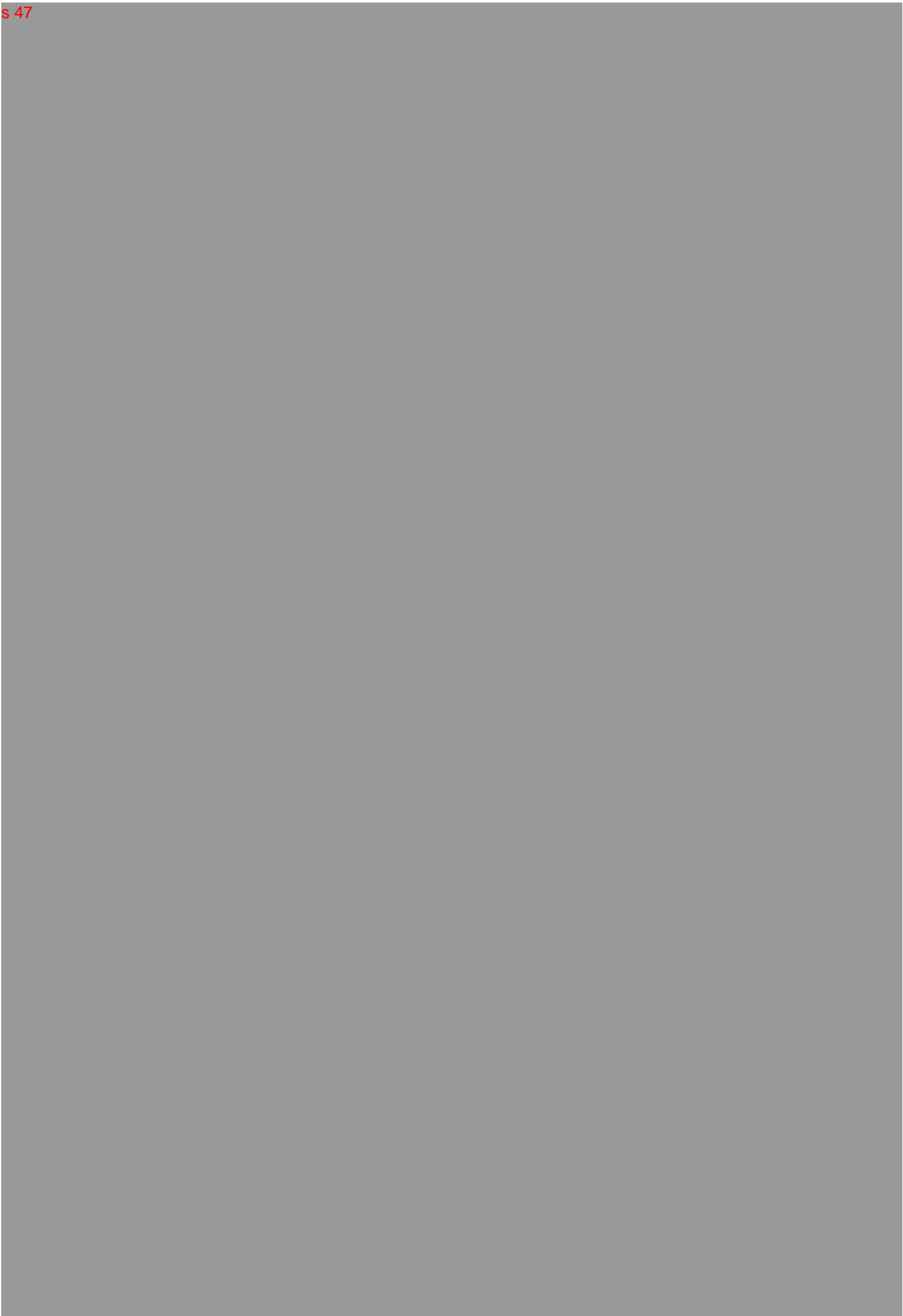






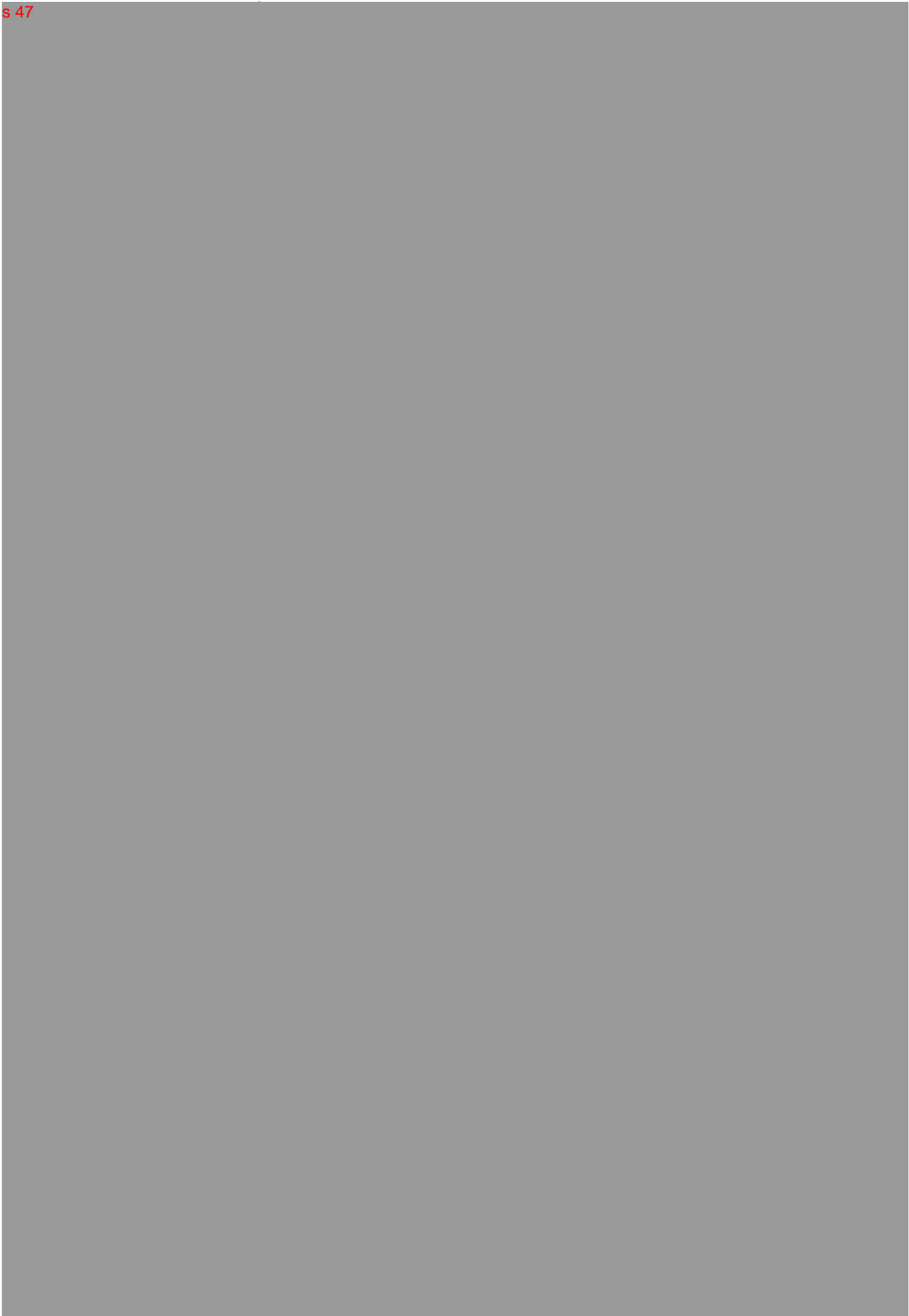


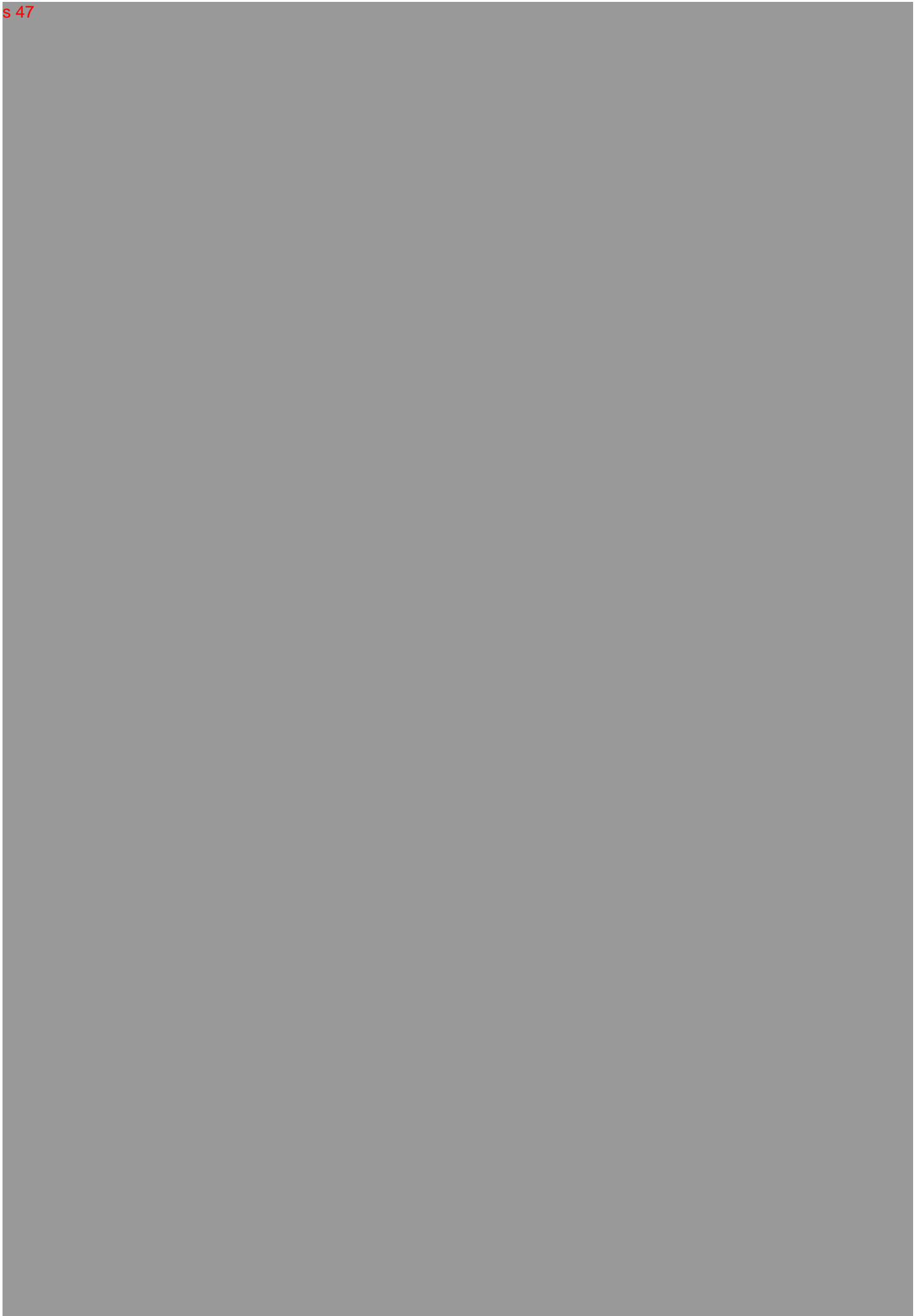


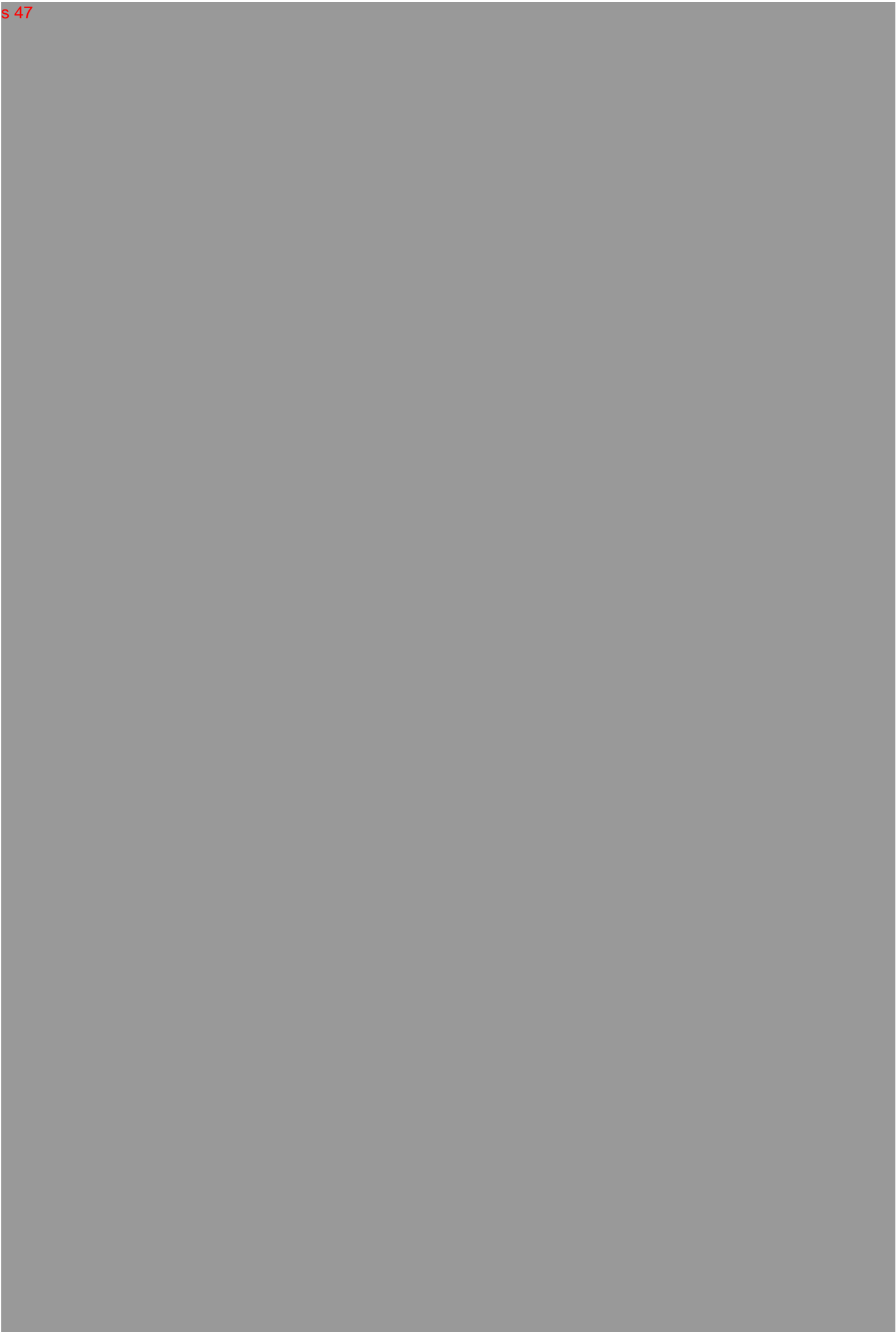








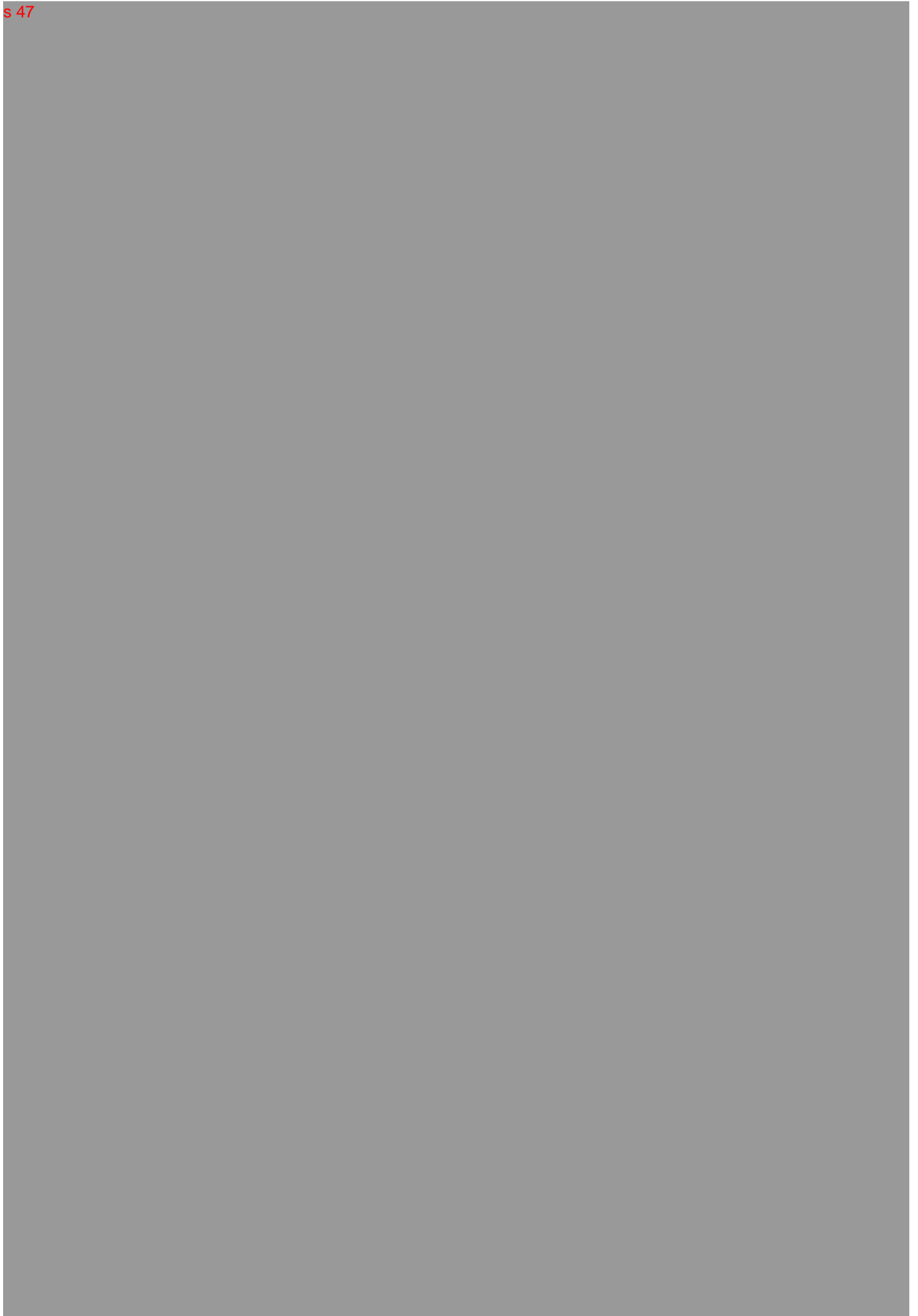












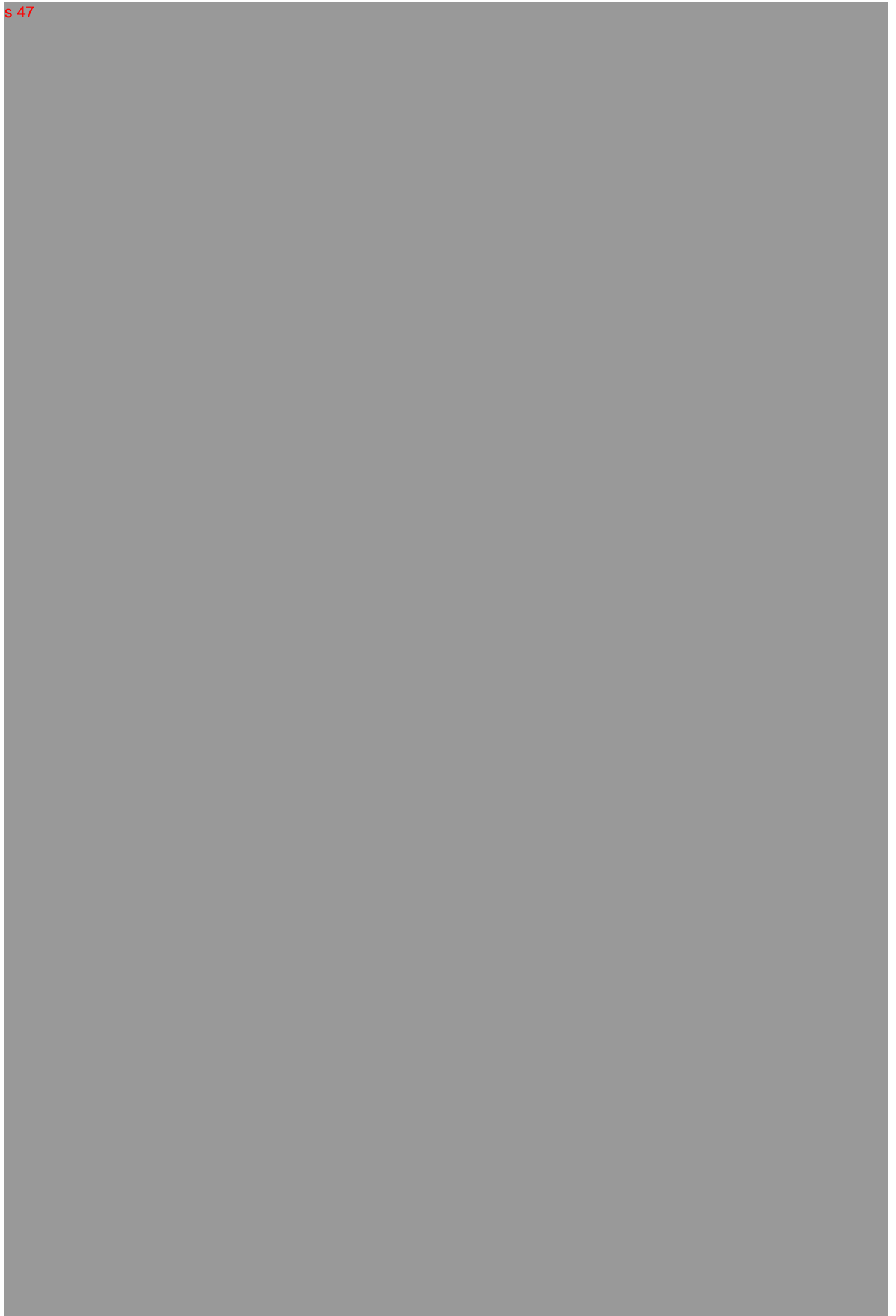


















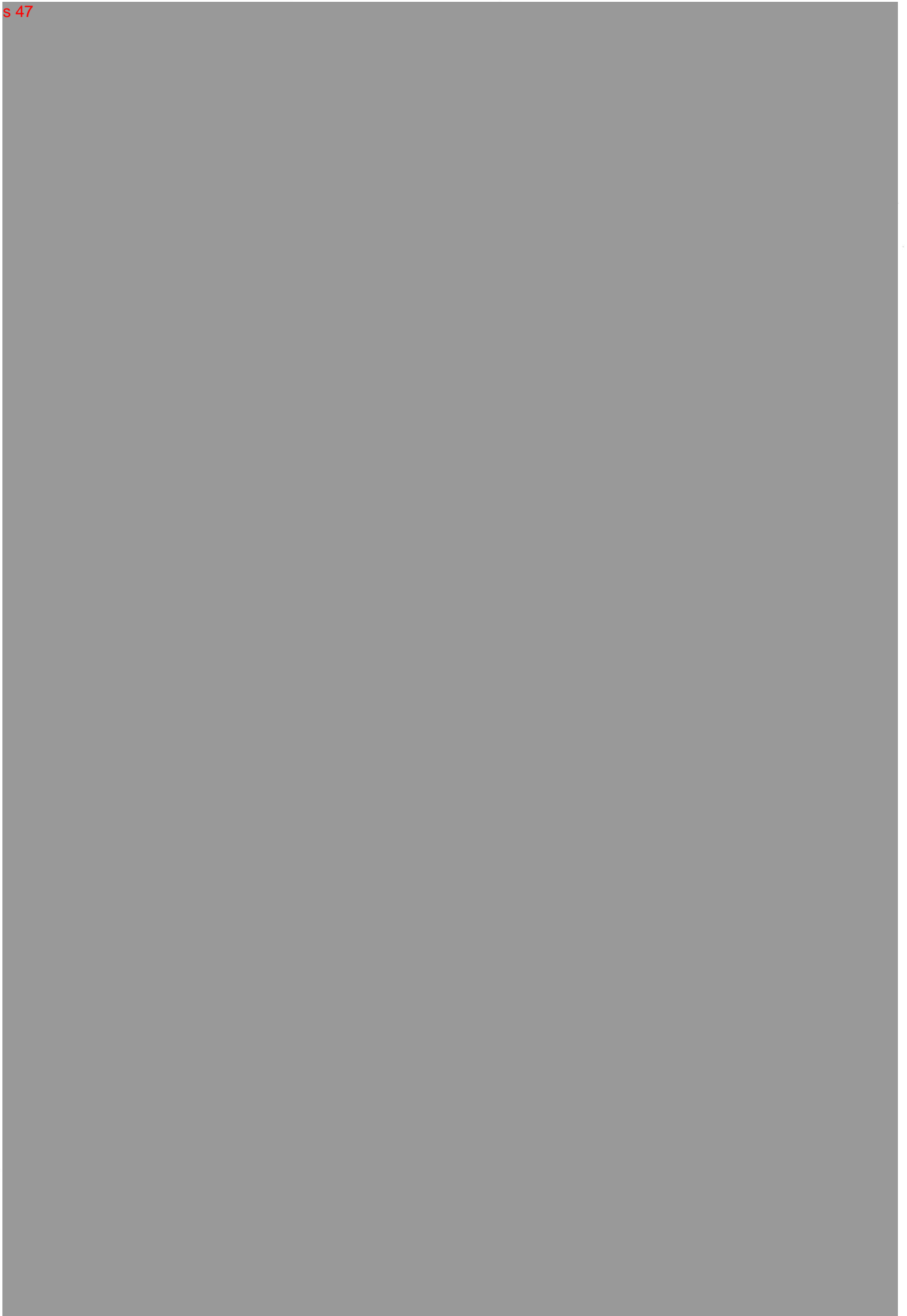




















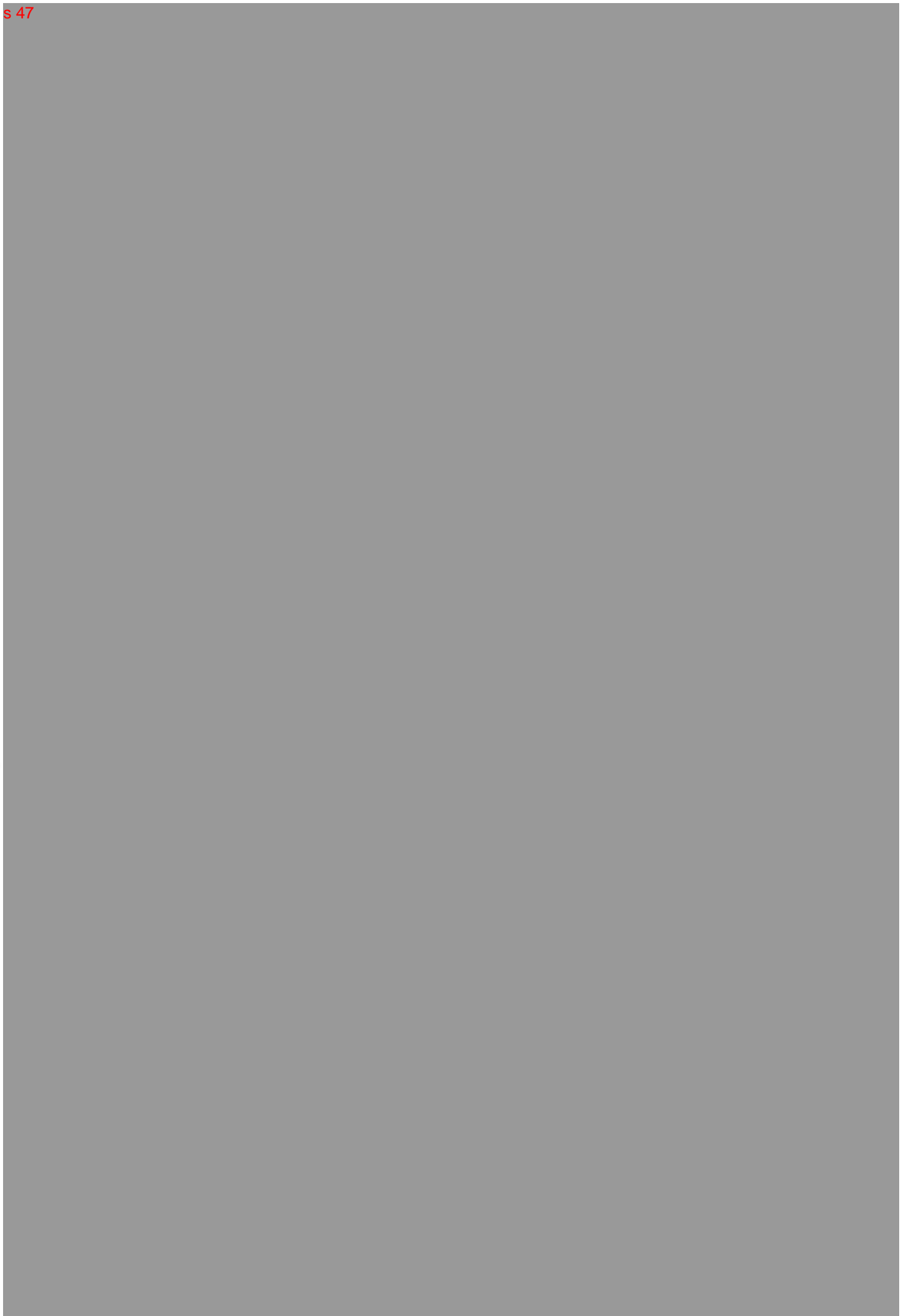








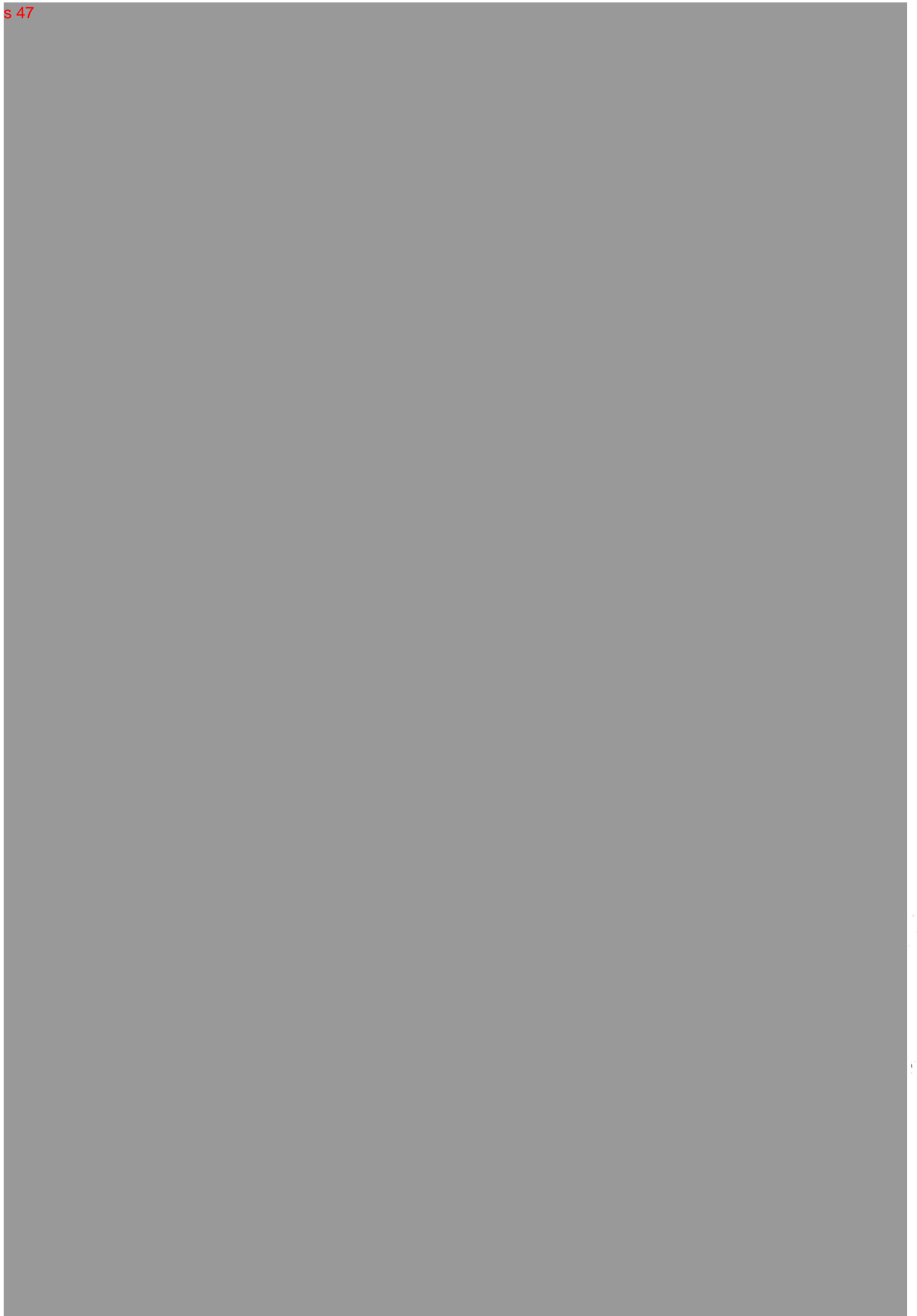




















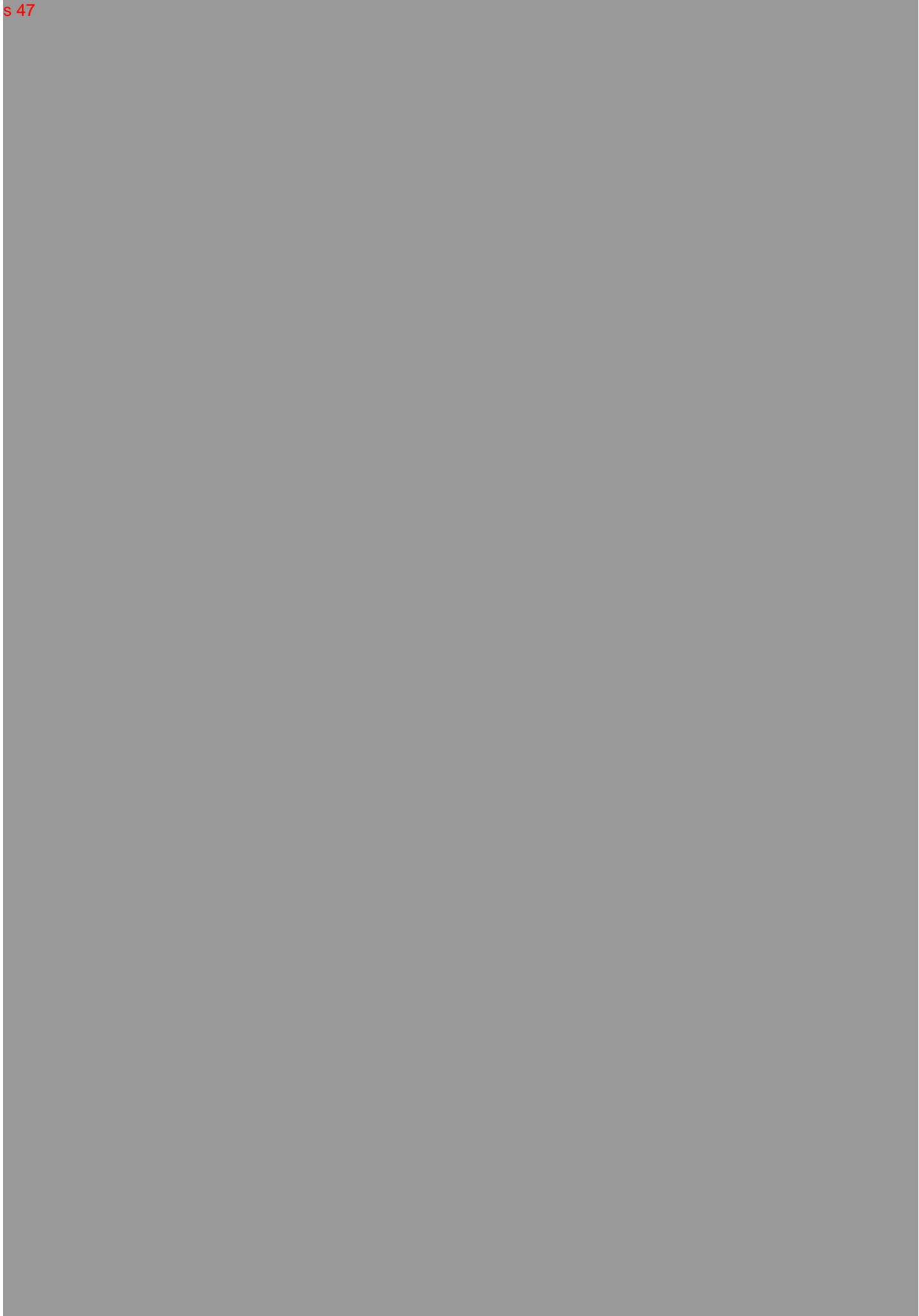






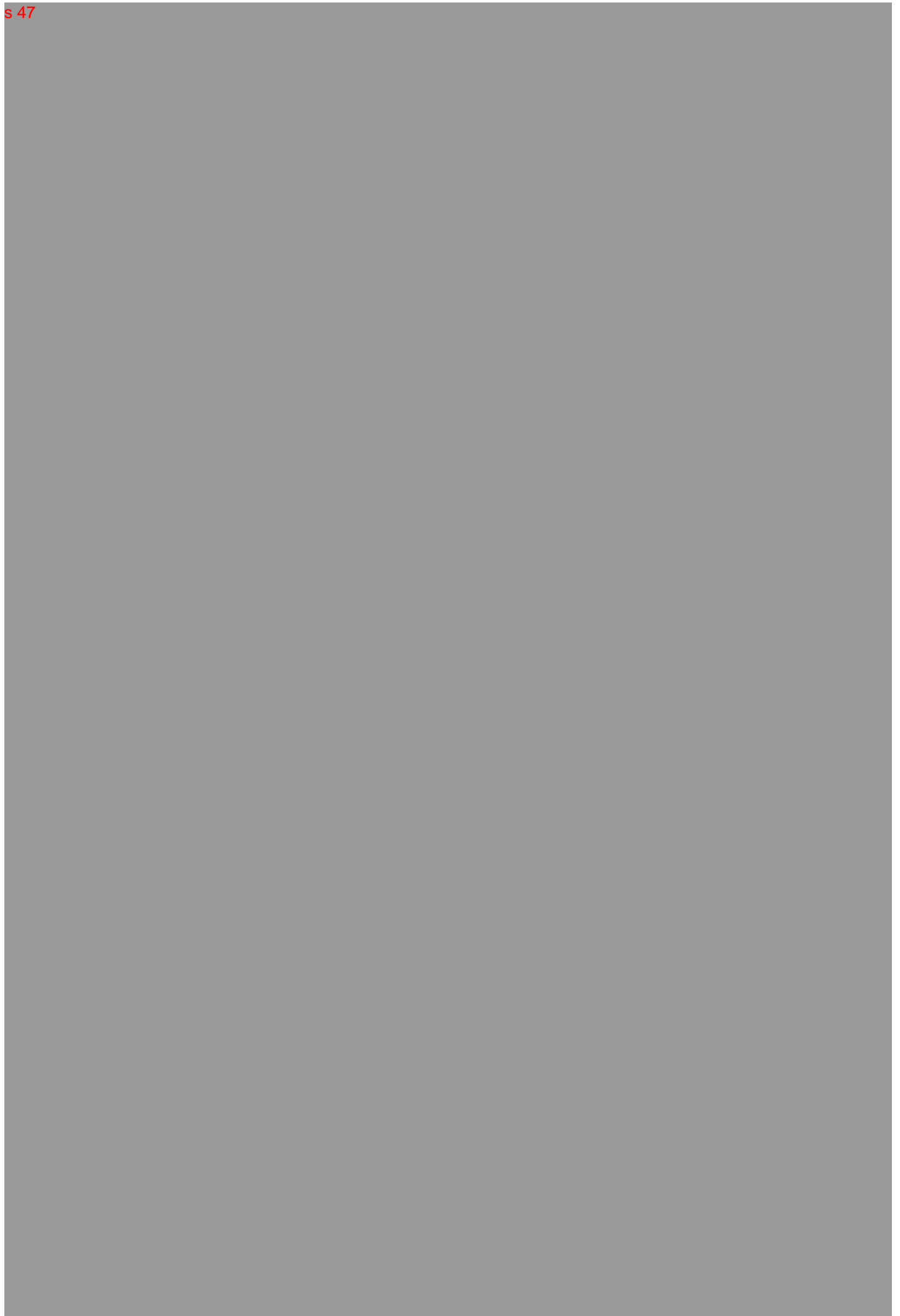


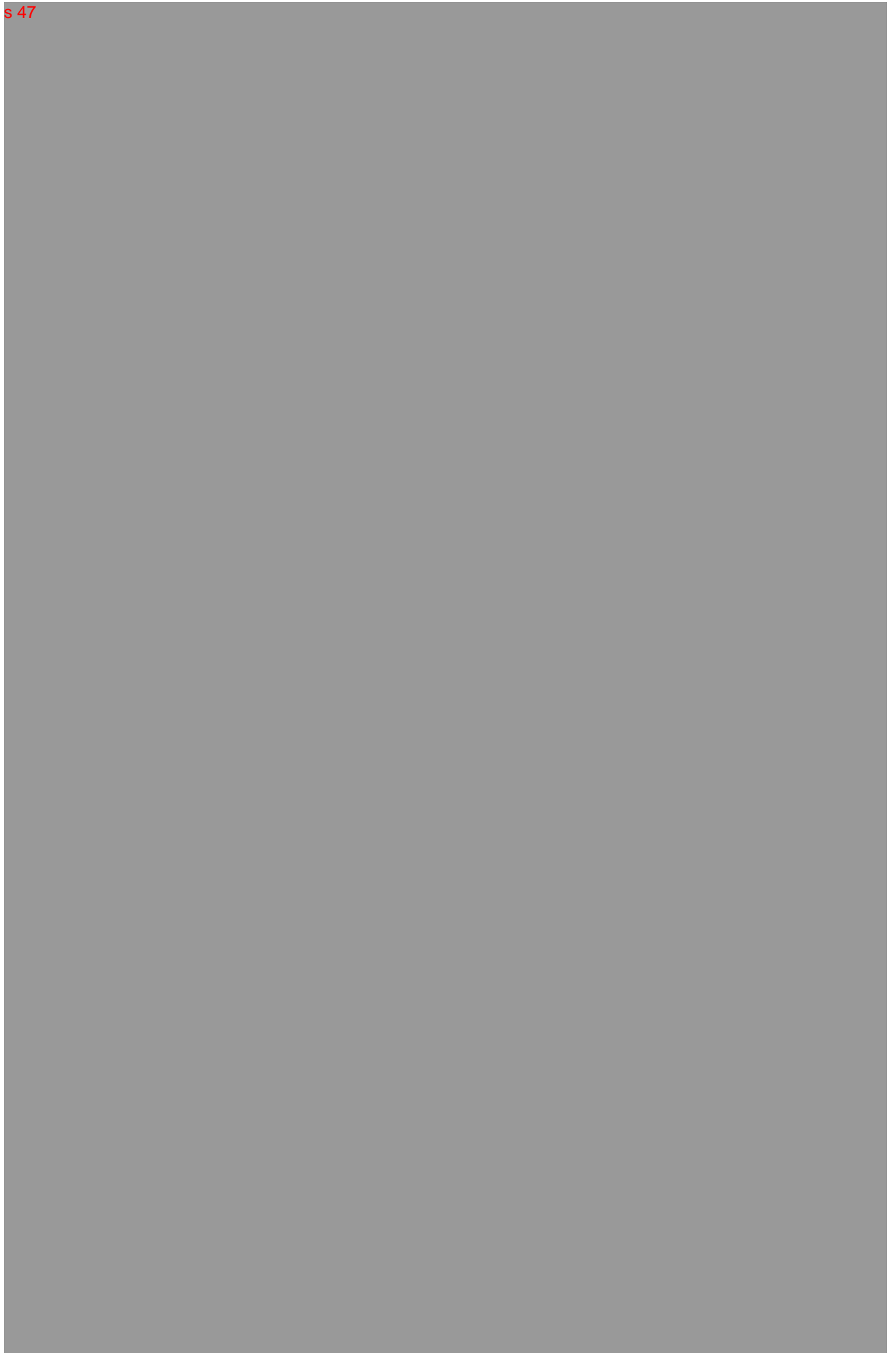




































~~PROTECTED: Sensitive~~

Killcare, NSW

## Priority locations round proposed solution and assessment summary

Killcare, NSW

The following proposed solutions were submitted by program applicants for consideration under the Priority Locations Round of the Mobile Black Spot Program:

s 47 [Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

s 47 [Redacted]

s 47 [Redacted]

s 47 [Redacted]

|                               |
|-------------------------------|
| s 47 [Redacted]<br>[Redacted] |
|-------------------------------|

Proposed solution 2 – Telstra

Eligible (Y/N): Yes

(Refer attachment *Overall Eligibility and Completeness Assessment*)

Coverage/Quality of Service/Both?: Both

Proposed solution description:

s 47

| Proposed Solution - Costs and Metrics         |      |                                       |                      |
|---|------|---------------------------------------|----------------------|
| Cost to Commonwealth                          |      | s 47                                  |                      |
| Applicant/third party contribution            |      | s 47                                  |                      |
| Total cost of solution                        |      | s 47                                  |                      |
| Coverage metrics                              | BSAT | Assessed<br>New (UNQ) / Overlap (OVR) | Combined<br>assessed |
| Proposed HH coverage (km <sup>2</sup> )       | s 47 |                                       |                      |
| Proposed External coverage (km <sup>2</sup> ) | s 47 |                                       |                      |
| Number of premises (new HH)                   | s    |                                       |                      |
| Length of coverage - transport routes (kms)   | s    |                                       |                      |

Expected benefit for Priority Location:

The proposed solution will provide improved mobile coverage to Killcare around Fraser Road and Wards Hill Road, as identified in the Grant Guidelines, as well as to Killcare Heights, Hardys Bay and Wagstaffe.

Assessment summary:

**Solution(s) recommended for funding:**

**Telstra** – as the proposed solution is expected to addresses identified coverage issues in Killcare, represents better value for money than s 47 proposal and does not exceed the funding cap.

**Rationale:**

s 47 [Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

**Sufficient funding available? (Y/N):** Yes