BROADBAND DEPLOYMENT UPDATE



97.8%

of New Zealanders will have access to faster broadband by end 2019 (under phase 1 of UFB and RBI)

UFB

63% of the build in UFB1 areas has been completed. There are 196,609 users connected to UFB, a 21% increase in connected users since end of December 2015.

UFB uptake is 21.3%

→ see page 2

Rural Broadband Initiative (RBI)

The tower programme is 89% completed. The target for fixed copper lines upgrades has been exceeded.

RBI uptake is 37.3%

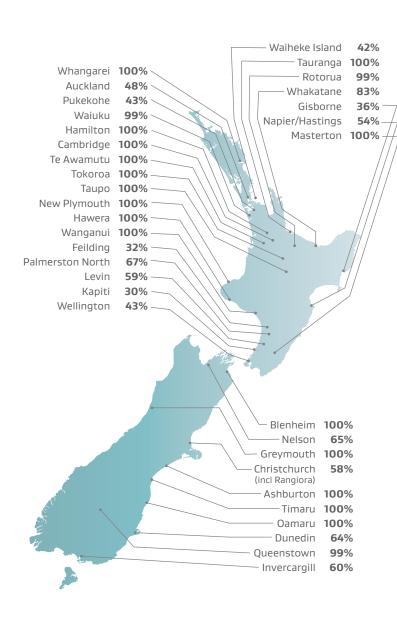
> see page 3

Priority Users

Almost 2,500 schools now have access to faster broadband.

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UFB DEPLOYMENT PROGRESS:



ULTRA-FAST BROADBAND INITIATIVE (UFB) — PHASE 1



UFB phase 1 is 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

- > **92 retail providers** are actively offering UFB services.
- UFB connections are now available in all 33 UFB 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 March Quarter 2016

	End users able to connect	Connected users
Added this quarter	46,418	33,696
Total to date	921,625	196,609

FIGURE 1A: Households and businesses able to connect

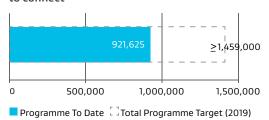
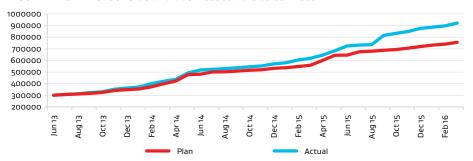


FIGURE 1B: UFB Households and businesses able to connect



→ PRIORITY USER

Priority User - Kura hooks up neighbours

Tolaga Bay Area school and a local business WiFi Connect have paired up to provide the local community with wireless broadband at a reduced cost.

The kura has agreed to share its fibre connection with retail service provider WiFi Connect, who then provides a commercial public internet service to the community.



Ivan Lomax, one of the owners of WiFi Connect said instead of being charged about \$100 a month for an internet service, residents that join the scheme get unlimited data broadband for \$40 a month. He says providing affordable internet has made a real difference to low income families and means cost is no longer a barrier to having internet services.

"It's been really successful. Everyone is rapt with the service. On average we are connecting one family a week, with 32 rural families now connected. Being connected to broadband makes a real difference to people living in a remote areas like Tolaga Bay.

"For example there's no bank in Tolaga Bay. Having an internet service means families can now do their banking online and do business transactions from home. By sharing its fibre connection the kura has extended learning opportunities beyond the school gate to the whole community."

RURAL BROADBAND INITIATIVE (RBI) — PHASE 1



At the end of the first phase of the RBI, 90% of homes and businesses (outside UFB areas) will have access to broadband at peak speeds of at least 5 Mbps. This is through fixed wireless and improved copper services (some rural homes and businesses will be able to choose between the two services). The RBI is also extending mobile coverage to rural areas across New Zealand.

TABLE 2: RBI Progress at March Quarter 2016

	Households and businesses able to connect*	Connections
Total to date	285,489	106,482

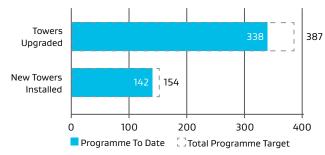
^{*}Households and businesses able to connect to both fixed wireless and enhanced copper have been counted once

Vodafone's role is the provision of fixed wireless broadband capable of peak speeds of at least 5Mbps and improved mobile coverage.

TABLE 3: Vodafone Progress at March Quarter 2016

	Towers Upgraded	New Towers Installed	Households Covered (Approximate)
Added this Quarter	2	7	3,137
Total to Date	338	142	269,477

FIGURE 2: Vodafone RBI



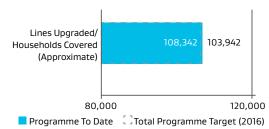
There were 2,062,832 individual mobile devices recorded as active on the new towers in the March 2016 quarter.

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 4: Chorus Progress at March Quarter 2016

	Lines Upgraded (Approximate)	
Added this Quarter	1,462	
Total to Date	108,342	
Total to Date	108,342	

FIGURE 3: Chorus RBI





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→ RBI

Business - Unearthing technology

Today, second and third generations of the Ensor family are running Tirau Earthmovers – a cartage and earthworks contractor working in remote locations across the agriculture sector, and in other major industrial sites across the Waikato region.

With a staff of 30, the new generation Ensors have embraced technology in every aspect of their expanding business, in order to improve efficiency and productivity. But until recently, an old accounting and job management system was slowing the company down.

"It had worked really well for us in the past, but as the business has got bigger and more staff have had to log onto the system all at once, it was working too slowly for our needs," said Karen Ensor, the company's finance manager.

Tirau Earthmovers has now boosted its existing copper ADSL connection with a high-speed rural wireless broadband package from Vodafone - an RBI plan delivering super-fast 4G speeds to its Putaruru base. The improved connectivity has allowed Karen and the company to get the most out of their new cloud accounting and job management software, provided by Xero and Tradify.

"It's definitely quicker to use, and the software has reduced a lot of the data entry and double handling. It's going to improve work flows considerably and allow me to get on with working on the business," Karen said.

"Around here we do things on a handshake, but technology's also become an important tool for us to be able to manage and automate services, and to document jobs as they progress," said Steve Ensor, the company's managing director.



PRIORITY USERS



Schools will have access to 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.

FIGURE 4: Total UFB, RBI and Remote Schools



FIGURE 5: Total rural hospitals ready for service



→ RBI

Grandkids come first

For the past few years Ian Cadwallader has lived with his wife in Rangiora. The couple recently decided to build a new home in rural Fernside to be closer to family.

However, before they could confidently move from Rangiora to Fernside, lan had a rather large problem to solve. The broadband service his family was getting in Fernside was nigh on impossible to use. For his granddaugher to complete her schooling work – she had to travel to her grandparents' home in Rangiora after school most days to use their fibre connection.

Determined to find a solution that would enable his grandchild to stay connected after they move to Fernside, lan approached Vodafone who offered a test run of its wireless broadband solution.

"We couldn't believe the results," said lan.
"We had a great wireless broadband signal
across the entire property and we are getting
a service that is just as strong as the fibre."
lan encourages people other living rurally
who are struggling with their internet
and mobile phone service to double check
they are on the best possible connection.

"It's worth it to at least ask the question of your services provider – switching to wireless broadband has made a huge difference to our family".



■ Website

The quarterly broadband update is available in PDF format through the Ministry's website:

www.mbie.govt.nz/info-services/sectors-industries/technology-communications/ 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 March quarter (1 January - 31 March 2016).

■ Next Release

The next quarterly broadband update is scheduled for release August 2016.

Please forward any enquiries to:

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