



Innovation, Science and
Economic Development Canada

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Développement économique Canada



Connect to Innovate Broadband Program

*Presentation to the Alberta Mayor's Caucus
March 8, 2017*

Building a prosperous and innovative Canada

Government of Canada's Commitment to Improving Broadband Access

2009 Broadband Canada:

- \$225 million over three years for the construction and deployment of infrastructure required to extend broadband coverage and connect un-served or under-served Canadian households.

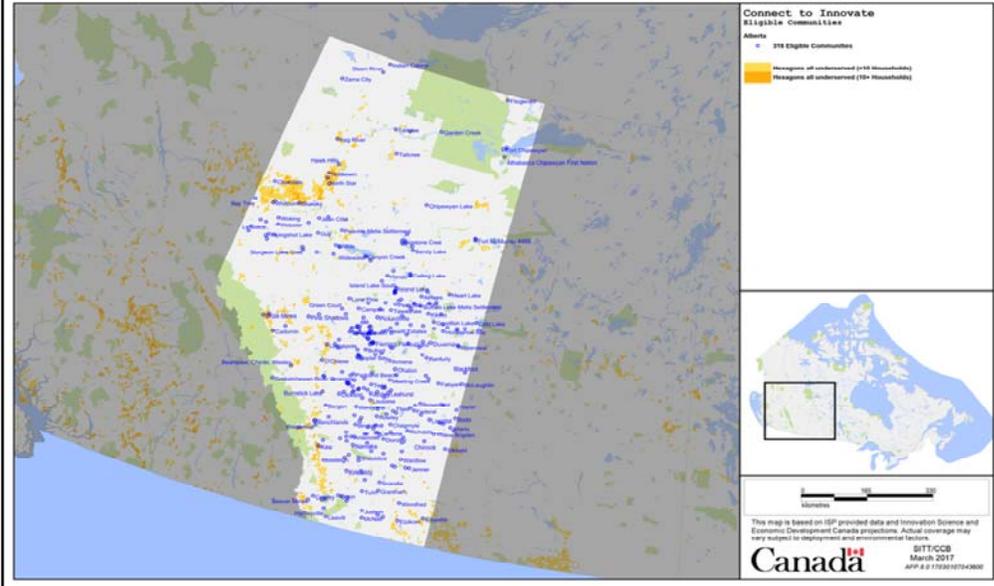
2014 Connecting Canadians:

- \$305 million over three years with a target to connect over 300,000 rural and remote households to high speed internet (5Mbps).
- Alberta: 6 projects; \$8M; 17,000 households

2016 Connect to Innovate:

- \$500 million over five years to extend and enhance broadband service in rural and remote communities
 - Majority of funding to communities identified as lacking a backbone connection of 1 Gigabit per second (Gbps) or more
 - Additional consideration for other types of projects (backbone upgrades, network resiliency and last-mile projects)
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316 Alberta Communities Eligible for new Backbone Projects



Eligibility

Applicants: any incorporated entity or entity established by statute (e.g. non-profits, Band Councils, municipalities, ISPs)

- Applicant must identify who will build own and operate the network as well as who will manage project

Projects: 5 types

- Program funding primarily directed to new backbone infrastructure in rural and remote communities across Canada
- During extensive consultations stakeholders identified additional needs that warrant eligibility:
 - backbone capacity upgrades and resiliency
 - a portion of program funds to new last-mile infrastructure and last mile for areas that do not have access to 5Mbps

Application Deadline: April 20, 2017

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Eligible recipients under the program include entities or groups of entities that are incorporated in Canada, that operate Internet infrastructure, and that meet the assessment criteria. Entities or groups of entities that do not operate Internet infrastructure will be eligible provided that they have identified an entity or group of entities that will build, own and operate the network. These would include private sector companies, provincial, territorial, and municipal entities, and not-for-profit organizations. Individuals and federal entities (including Crown corporations) are not eligible.

Applicants must identify who will build, own and operate the network, as well as who will manage the project. If the entity making an application to the program does not itself have a track record in operating Internet infrastructure, the applicant must demonstrate that appropriate resources with experience deploying and operating Internet infrastructure are part of the project team and or contracted resources.

There are five different types of eligible backbone and last-mile projects, but a variety of possible combinations, including a hybrid of both backbone and last-mile infrastructure projects.

Capacity upgrades are needed in some communities that already have access to fibre optics but the network is particularly old when less scalable designs were common, and becoming congested. Resiliency projects will also be eligible to include the construction of

fibre loop extensions to help mitigate the impact of accidental fibre cuts in rural and remote areas.

A small portion of Connect to Innovate program funds will also support "last-mile" connectivity projects to households, at speeds of at least 5 Megabits per second (Mbps), where gaps continue to persist. Last-mile infrastructure brings Internet access from the backbone to end users like households or small businesses through familiar wired or wireless technologies, such as cable, digital subscriber line (DSL), fixed wireless or satellite. Without adequate last-mile infrastructure, Canadian consumers and businesses are not able to take advantage of the backbone infrastructure that may already exist in a community.

New backbone: Program funding will be primarily directed to communities identified by Innovation Science and Economic Development Canada as lacking a backbone connection of 1 Gigabit per second (Gbps) or more, as identified on the [Eligibility Maps](#).

Backbone upgrade: Communities which have at least a 1 Gbps backbone connection and are not identified on the [Eligibility Maps](#) will be considered eligible for upgrades if the applicant can clearly demonstrate a capacity constraint.

Network resiliency: Network resiliency projects are projects where a new fibre backbone route is deployed to provide an alternate data path, increasing network reliability and resiliency for all users.

New last-mile: Projects proposing to connect households or businesses that lack service at speeds of 5 Mbps download and 1 Mbps upload are eligible in completely underserved areas. Innovation Science and Economic Development has identified these areas on the [Eligibility Maps](#).

Partially served last-mile: Areas not identified by coloured hexagons on the [Eligibility Maps](#) are considered partially or completely served at speeds of 5 Mbps download and 1 Mbps upload. Projects proposing to connect households or businesses that remain underserved in these areas are eligible if the applicant can clearly demonstrate these households or businesses do not have access to speeds of 5 Mbps download and 1 Mbps upload.

Assessment Process

- Applications will undergo an eligibility screening, followed by assessments on essential and comparative criteria.

Essential

✓ Technology solution*

✓ Project management*

*Including sustainability for both

Comparative

❖ Community Benefits

❖ Partnerships

❖ Level of service improvement

❖ Scalability

❖ Price/Affordability

❖ # of communities

- Applications assessed with a view to minimizing, when possible, overlap of multiple applications and overbuild of existing coverage.

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Applications will first be screened to ensure they meet the program requirements. The assessment will determine whether:

- the applicant is a legal entity eligible for funding;
- eligible activities related to backbone (new, upgrade or resiliency) and last-mile (new or partially served) are proposed;
- applications identify eligible communities that have a population of less than 30,000 (backbone projects);
- applications identify at least one anchor institution per project to be connected (backbone, new or upgrade);
- applications propose to improve access for households with speeds of at least 5/1 Mbps (last-mile);
- evidence has been provided to support justification for partially served last-mile;
- eligible costs and a funding plan have been identified and funding request does not exceed amounts identified by the program; and
- applications identify a commitment to provide open access to infrastructure funded in whole or in part by the program.

CTI Funding Share

Costs sharing:

- The maximum level of total government assistance (federal, provincial/territorial and municipal) will be up to 100 percent for the same eligible expenditures.

Project	CTI Funding Share		Total federal funding		Total of all government funding	
	Rural	Remote	Rural	Remote	Rural	Remote
Backbone (New)	75%	90%	100%	100%	100%	100%
Backbone (Upgrade/Resiliency)	50%	50%	75%	75%	100%	100%
Last-mile (New)	75%	75%	100%	100%	100%	100%
Last-mile (partially-served)	50%	50%	75%	75%	100%	100%

CRTC 'Basic Service' Decision

In December 2016, the Canadian Radio-television and Telecommunications Commission (CRTC) announced a new objective for broadband:

- 50 Mbps down / 10 Mbps up to homes and businesses;
- Access to mobile wireless services where people live and along major roadways.

The CRTC intends to create a fund of up to \$750M to support the rollout to rural and remote households with the emphasis on last-mile.

Proceedings will begin in 2017 to consult and determine implementation details for the new fund.

QUESTIONS?

Additional Information:

Connect to Innovate Program

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