



Telecom Decision CRTC 2021-252 encompassing Telecom Decisions CRTC 2021-253, 2021-254, and 2021-255

PDF version

References: 2019-372, 2019-372-1, and 2019-372-2

Ottawa, 4 August 2021

Public record: 1011-NOC2019-0372

Broadband Fund – Project funding approval for TELUS Communications Inc.’s and TELUS Mobility’s access and mobile projects in Alberta and British Columbia

The Commission **approves** two funding applications by TELUS Communications Inc. and one funding application by TELUS Mobility for a total of up to \$10,726,518 to build and/or upgrade local fixed access and mobile wireless infrastructure in a total of 22 communities in Alberta and British Columbia. The individual funding awards are set out in the following decisions, which are encompassed by this decision:

- In Telecom Decision 2021-253, the Commission **approves** up to \$1,522,352 for one community in British Columbia.
- In Telecom Decision 2021-254, the Commission **approves** up to \$7,351,628 for 19 communities in British Columbia.
- In Telecom Decision 2021-255, the Commission **approves** up to \$1,852,538 for two communities in Alberta.

Applications

1. In response to the Commission’s second call for applications for funding from the Broadband Fund set out in Telecom Notice of Consultation 2019-372, TELUS Communications Inc. (TCI) and its TELUS Mobility division (collectively, TELUS) filed various applications requesting funding for projects combining access and mobile components. In the applications, TELUS proposed to use long-term evolution – advanced (LTE-A) and/or fibre-to-the-home (FTTH) technology to implement projects that will provide fixed broadband Internet access services, fixed wireless access (FWA) services, and/or mobile wireless services consistent with the universal service objective, which the Commission defined in Telecom Regulatory Policy 2016-496.¹

¹ The universal service objective is that Canadians, in urban areas as well as in rural and remote areas, have access to voice services and broadband Internet access services, on both fixed and mobile wireless

2. Details for each application are provided in the individual funding decisions included in the Appendix to this decision:² Telecom Decision 2021-253, Telecom Decision 2021-254, and Telecom Decision 2021-255.

Commission's analysis and determinations

3. In Telecom Regulatory Policy 2018-377, the Commission established the eligibility and assessment criteria for the Broadband Fund. In Telecom Decision 2021-251, the introductory decision accompanying the round of funding decisions issued today (the introductory decision), the Commission provided background information and described the eligibility and assessment process and selection considerations used to evaluate and select projects to be funded. In that decision, the Commission also set out the conditions that funding recipients must meet in order to receive funding for their projects. The introductory decision should be read in conjunction with this decision.

Eligibility criteria

4. TELUS's applications met each of the relevant eligibility criteria applicable to access and mobile projects.³ First, as a financially solvent and reliable Canadian carrier with more than three years' experience deploying and operating broadband infrastructure in Canada, TELUS met each of the criteria for eligible applicants. In addition, TELUS demonstrated that it will invest more than a nominal amount in each project, and that the projects would not be financially viable without funding from the Broadband Fund. Further, TELUS provided evidence that it consulted or attempted to consult with communities affected by the projects, either directly or through community representatives. Finally, the projects will serve eligible geographic areas and will meet the requirements regarding pricing, service speeds (applicable to broadband Internet access services only), and the technology to be used to deliver service (applicable to mobile wireless services only).

networks. To help achieve this objective, projects funded by the Broadband Fund should (i) enable Canadian residential and business fixed broadband Internet access service subscribers to access speeds of at least 50 megabits per second (Mbps) download and 10 Mbps upload, and to subscribe to a service offering with an unlimited data allowance; and (ii) make available the latest generally deployed mobile wireless technology not only in Canadian homes and businesses, but on as many major transportation roads as possible in Canada.

² The content of each of these applications was designated confidential pursuant to section 39 of the *Telecommunications Act*, but certain details are being disclosed in this decision, consistent with section 11 – *Confidentiality* of the Application Guide, set out in the Appendix to Telecom Notice of Consultation 2019-372, and as agreed to by the applicant. Other elements of the applications remain confidential but were considered when the Commission evaluated the applications.

³ Specifically, the Commission used the eligibility criteria set out in sections 6.1.1(a) to (d) of the Application Guide, applicable to applicants; in sections 6.1.2(a) to (c), applicable to all project types; in sections 6.1.3(d) to (f), applicable to access projects; and in sections 6.1.3(g) to (i), applicable to mobile projects. Because the applicant does not comprise a partnership, joint venture, or consortium, the criterion set out in section 6.1.1(e) does not apply.

Assessment criteria

5. On the basis of its evaluation of TELUS's projects against the assessment criteria for access and mobile projects,⁴ as set out below and in the Appendix to this decision, the Commission finds that the projects are all of high quality and will assist in achieving the goals of the Broadband Fund.
6. The projects are all technically sound and capable of delivering the speeds and data allowances proposed in the applications. In some cases those speeds and allowances are consistent with the universal service objective, and in other cases they represent a significant step towards attaining that objective. The proposed equipment is capable of delivering the proposed services and could be scaled to provide higher speeds, and the projects are all resilient. In addition, the projects will implement widely adopted and supported technologies with good long-term sustainability.
7. The Commission considered various financial indicators to assess the financial viability of TELUS's projects and finds them to be financially sound and the proposed project costs to be reasonable. In addition, the Commission considers that TELUS has made a significant commitment of its own funds to the projects and finds that the cost per household to the Broadband Fund is reasonable for each project.
8. The remaining evaluation details and the conclusions specific to each TELUS application are set out in the individual funding decisions for the projects, which are included in the Appendix to this decision.

Conclusion

9. As indicated in the funding decisions in the Appendix, the Commission **approves** two funding applications by TELUS Communications Inc. and one funding application by TELUS Mobility for a total of up to \$10,726,518 to build and/or upgrade local fixed access and mobile wireless infrastructure in a total of 22 communities in Alberta and British Columbia. The Commission's approvals in the individual funding decisions are subject to the directions and conditions set out in paragraphs 29 to 39 of the introductory decision (Telecom Decision 2021-251).

Policy Directions

10. The 2006 Policy Direction⁵ and the 2019 Policy Direction⁶ (collectively, the Policy Directions) state that the Commission, in exercising its powers and performing

⁴ Specifically, the assessment criteria set out in the Application Guide in sections 6.2.1(a) to (d) and in sections 6.2.2(f) to (m).

⁵ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006

⁶ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation*, SOR/2019-227, 17 June 2019

its duties under the *Telecommunications Act* (the Act), shall implement the telecommunications policy objectives set out in section 7 of the Act, in accordance with the considerations set out therein,⁷ and should specify how its decisions can, as applicable, promote competition, affordability, consumer interests, and innovation.

11. The Commission considers that its decision to approve funding from the Broadband Fund for the projects described in detail in this decision and in the individual funding decisions encompassed herein is consistent with the Policy Directions.
12. Specifically, this decision to approve funding for three projects to build and/or upgrade infrastructure in order to introduce or improve fixed broadband Internet access services and mobile wireless services in eligible areas in 22 communities in Alberta and British Columbia will help to close the gap in connectivity in underserved areas. There would be no business case for the projects without funding from the Broadband Fund. Funding the projects will enable approximately 1,065 households to access voice services and/or broadband Internet access services that meet or exceed the universal service objective level, or that move those households closer to attaining that level, and thus respond to the social and economic needs of consumers. In doing so, this decision will implement the telecommunications policy objectives, including those set out in paragraphs 7(a), (b), and (h) of the Act.⁸

Secretary General

Related documents

- *Broadband Fund – Second call for applications – Introductory decision regarding the third round of project funding approvals*, Telecom Decision CRTC 2021-251, 4 August 2021
- *Broadband Fund – Second call for applications*, Telecom Notice of Consultation CRTC 2019-372, 13 November 2019; as amended by Telecom Notices of Consultation CRTC 2019-372-1, 20 March 2020; and 2019-372-2, 27 April 2020
- *Development of the Commission’s Broadband Fund*, Telecom Regulatory Policy CRTC 2018-377, 27 September 2018
- *Modern telecommunications services – The path forward for Canada’s digital economy*, Telecom Regulatory Policy CRTC 2016-496, 21 December 2016

⁷ The relevant considerations are subparagraph 1(a)(i) of the 2006 Policy Direction, which states that the Commission should rely on market forces to the maximum extent feasible as the means of achieving the telecommunications policy objectives, and paragraph 1(a) of the 2019 Policy Direction, which states that the Commission should consider how its decisions can promote competition, affordability, consumer interests and innovation.

⁸ The cited policy objectives of the Act are 7(a) to facilitate the orderly development throughout Canada of a telecommunications system that serves to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions; (b) to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada; and (h) to respond to the economic and social requirements of users of telecommunications services.

Appendix to Telecom Decision CRTC 2021-252

Telecom Decision CRTC 2021-253

Ottawa, 4 August 2021

Public record: 1011-NOC2019-0372

Broadband Fund – Project funding approval for TELUS Communications Inc.’s access and mobile project in British Columbia (Xeni Gwet’in)

Application

1. In an application submitted 30 May 2020, TELUS Communications Inc. (TCI) requested approximately \$1.52 million from the Broadband Fund to implement a combination access and mobile project that will introduce fixed wireless access (FWA) and mobile wireless services to eligible areas in one community in British Columbia: Xeni Gwet’in. For the access component of the project, TCI indicated that it will offer FWA services with data limits ranging from 100 to 500 gigabytes (GB) per month, with speeds of 25 megabits per second (Mbps) download and 10 Mbps upload (25/10 Mbps). For the mobile component, TCI indicated that it will offer long-term evolution – advanced (LTE-A) services with voice and text, with data limits ranging from 1 GB per month to unlimited.

Commission’s analysis and determinations

2. As noted in Telecom Decision 2021-252 above, this application to serve eligible areas in one community in British Columbia has met all the relevant eligibility criteria, and the Commission has found it to be of high quality based on an evaluation of the project against the relevant assessment criteria.
3. TCI provided evidence of support for the project from the Xeni Gwet’in First Nations Government, which represents the Indigenous community that would receive service as a result of the project. TCI also secured third-party funding for the project.

Conclusion

4. In selecting the project for funding, the Commission applied the social consideration that the project will benefit an Indigenous community. Further, the Commission concludes that, in providing mobile wireless services using an LTE-A network, the project exceeds the universal service objective criterion of implementing the latest generally deployed mobile wireless technology, which is currently LTE. In providing fixed broadband Internet access services with speeds of 25/10 Mbps and data allowances of 100 to 500 GB per month in a community that currently has no broadband service, the project will move the affected community closer to attaining universal service objective levels for access speeds and data allowances. The project will therefore have a significant positive impact on the community to be served, which encompasses approximately 50 households. In addition, the Commission

concludes that supporting this project represents an efficient use of the funding available from the main component of the Broadband Fund.

5. In light of the above, the Commission **approves**, to the extent and subject to the directions and conditions set out in paragraphs 29 to 39 of the introductory decision (Telecom Decision 2021-251), up to a maximum of \$1,522,352 from the Broadband Fund to be distributed to TCI for the purpose of the access and mobile project described above and as set out in the approved statement of work.

Telecom Decision CRTC 2021-254

Ottawa, 4 August 2021

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Broadband Fund – Project funding approval for TELUS Communications Inc.’s access and mobile project in British Columbia (Central Interior)

Application

1. In an application submitted 1 June 2020, TELUS Communications Inc. (TCI) requested approximately \$7.35 million from the Broadband Fund to implement a combination access and mobile project that will provide a significant improvement in the broadband Internet access services available and/or introduce fixed wireless access (FWA) and mobile wireless services to a total of 21 affected communities in British Columbia. The project will serve eligible areas in 19 communities and approximately 120 kilometres of eligible roads, and will provide infrastructure that will serve an additional two communities that are in ineligible areas but that will also benefit from the project.⁹
2. For the access component of the project, TCI indicated that it will offer fibre-to-the-home (FTTH) and/or FWA services with data limits ranging from 100 gigabytes (GB) per month to unlimited and speeds ranging from 25 megabits per second (Mbps) download and 10 Mbps upload (25/10 Mbps) to 75/75 Mbps to the communities of Canim Lake 1, Canim Lake 2, Chilanko Forks, Hanceville, Kleena Kleene, Nimpo Lake, Puntzi Lake 2, Redstone Flat 1, Riske Creek, Squinas 2, Stone 1, Tatla Lake, and Toosey 1. For the mobile component, TCI indicated that it will offer long-term evolution – advanced (LTE-A) services with voice and text, with data limits ranging from 1 GB per month to unlimited, along Highway 20 and in the communities of Alexis Creek, Anahim Lake, Anahim’s Flat 1, Chilanko Forks, Fishtrap 19, Hanceville, Kleena Kleene, Nimpo Lake, Redstone Flat 1, Riske Creek, Squinas 2, Stone 1, Tatla Lake, Thomas Squinas Ranch 2A, Toosey 1, and Towdystan Lake 3.

Commission’s analysis and determinations

3. As noted in Telecom Decision 2021-252 above, this application to serve eligible roads and eligible areas in 19 communities in British Columbia, plus an additional 2 communities that will also be affected, has met all the relevant eligibility criteria, and the Commission has found it to be of high quality based on an evaluation of the project against the relevant assessment criteria.
4. TCI provided evidence of support for the project from a number of relevant entities, including six different Indigenous government organizations. TCI also secured third-party funding for the project.

⁹ The communities that are in ineligible areas are Alkali Lake and Baptiste Meadow 2.

Conclusion

5. In selecting the project for funding, the Commission applied the social consideration that the project will benefit Indigenous communities. Further, the Commission concludes that, in providing mobile wireless services using an LTE-A network, the project exceeds the universal service objective criterion of implementing the latest generally deployed mobile wireless technology, which is currently LTE. In providing fixed broadband Internet access services with speeds of up to 75/75 Mbps and up to unlimited data allowances, the project is consistent with the universal service objective and will have a significant positive impact on the communities to be served, which encompass approximately 885 households. In addition, the Commission concludes that supporting this project represents an efficient use of the funding available from the main component of the Broadband Fund.
6. In light of the above, the Commission **approves**, to the extent and subject to the directions and conditions set out in paragraphs 29 to 39 of the introductory decision (Telecom Decision 2021-251), up to a maximum of \$7,351,628 from the Broadband Fund to be distributed to TCI for the purpose of the access and mobile project described above and as set out in the approved statement of work.

Telecom Decision CRTC 2021-255

Ottawa, 4 August 2021

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Broadband Fund – Project funding approval for TELUS Mobility’s access and mobile project in northern Alberta

Application

1. In an application submitted 29 May 2020, TELUS Mobility requested approximately \$1.85 million from the Broadband Fund to implement a combination access and mobile project that will provide a significant improvement in the fixed wireless access (FWA) services available and/or introduce mobile wireless services to eligible areas in two communities and along approximately 12 kilometres of eligible roads in Alberta. For the access component of the project, TELUS Mobility indicated that it will offer FWA services with data limits ranging from 100 to 500 gigabytes (GB) per month, with speeds of 25 megabits per second (Mbps) download and 10 Mbps upload (25/10 Mbps), in the communities of Tallcree 173 (South Tallcree) and Tallcree 173A (North Tallcree). For the mobile component, TELUS Mobility indicated that it will offer long-term evolution – advanced (LTE-A) services with voice and text, with data limits ranging from 1 GB per month to unlimited, along Highway 88 and in the community of Tallcree 173 (South Tallcree).

Commission’s analysis and determinations

2. As noted in Telecom Decision 2021-252 above, this application to serve eligible areas in two communities in Alberta has met all the relevant eligibility criteria, and the Commission has found it to be of high quality based on an evaluation of the project against the relevant assessment criteria.
3. TELUS Mobility provided evidence of support for the project from the Tallcree Tribal Government, which represents the two Indigenous communities that would receive service as a result of the project.

Conclusion

4. In selecting the project for funding, the Commission applied the social consideration that the project will benefit Indigenous communities. Further, the Commission concludes that, in providing mobile wireless services using an LTE-A network, the project exceeds the universal service objective criterion of implementing the latest generally deployed mobile wireless technology, which is currently LTE. In providing fixed broadband Internet access services with speeds of 25/10 Mbps and data allowances of 100 to 500 GB per month, the project will move the affected communities closer to attaining universal service objective levels for access speeds and data allowances. The project will therefore have a significant positive impact on the communities to be served, which encompass approximately 130 households. In

addition, the Commission concludes that supporting this project represents an efficient use of the funding available from the main component of the Broadband Fund.

5. In light of the above, the Commission **approves**, to the extent and subject to the directions and conditions set out in paragraphs 29 to 39 of the introductory decision (Telecom Decision 2021-251), up to a maximum of \$1,852,538 from the Broadband Fund to be distributed to TELUS Mobility for the purpose of the access and mobile project described above and as set out in the approved statement of work.