



## Telecom Decision CRTC 2021-256 encompassing Telecom Decisions CRTC 2021-257, 2021-258, 2021-259, 2021-260, and 2021-261

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 Bell Canada’s access projects in New Brunswick, Newfoundland and Labrador, and Ontario**

The Commission **approves** five funding applications by Bell Canada for a total of up to \$1,512,267 to build and/or upgrade local fixed access infrastructure in a total of 21 communities in New Brunswick, Newfoundland and Labrador, and Ontario. The individual funding awards are set out in the following decisions, which are encompassed by this decision:

- In Telecom Decision 2021-257, the Commission **approves** up to \$549,649 for 16 communities in Newfoundland and Labrador.
- In Telecom Decision 2021-258, the Commission **approves** up to \$465,161 for one community in Newfoundland and Labrador.
- In Telecom Decision 2021-259, the Commission **approves** up to \$35,921 for one community in Newfoundland and Labrador.
- In Telecom Decision 2021-260, the Commission **approves** up to \$214,036 for two communities in New Brunswick.
- In Telecom Decision 2021-261, the Commission **approves** up to \$247,500 for one community in Ontario.

#### **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, Bell Canada filed various applications proposing to use fibre-to-the-home (FTTH) technology to implement projects that will provide broadband Internet access services consistent

with the universal service objective, which the Commission defined in Telecom Regulatory Policy 2016-496.<sup>1</sup>

2. Details for each application are provided in the individual funding decisions included in the Appendix to this decision:<sup>2</sup> Telecom Decision 2021-257, Telecom Decision 2021-258, Telecom Decision 2021-259, Telecom Decision 2021-260, and Telecom Decision 2021-261.

### **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. Bell Canada's applications met each of the relevant eligibility criteria applicable to access projects.<sup>3</sup> First, as a financially solvent and reliable Canadian carrier with more than three years' experience deploying and operating broadband infrastructure in Canada, Bell Canada met each of the criteria for eligible applicants. In addition, Bell Canada 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, Bell Canada 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

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<sup>1</sup> 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 networks. To help achieve this objective, projects funded by the Broadband Fund should enable 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.

<sup>2</sup> 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.

<sup>3</sup> 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; and in sections 6.1.3(d) to (f), applicable to access 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.

geographic areas and will meet the requirements regarding service speeds and pricing for broadband Internet access services.

### **Assessment criteria**

5. On the basis of its evaluation of Bell Canada's projects against the assessment criteria for access projects,<sup>4</sup> 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 speeds and data allowances consistent with the universal service objective. The proposed equipment is capable of delivering the proposed services, and the projects are all scalable and resilient. In addition, the projects will implement widely adopted and supported technologies with good long-term sustainability.
7. Bell Canada proposed residential retail broadband service plans with various data limits, speeds, and prices, including plans targeting low-income households. However, the Commission considers that the prices proposed for the plans that Bell Canada identified as suitable for low-income households are high. Although the Commission concludes that Bell Canada's projects are of high quality based on a balanced application of all the relevant assessment criteria, the Commission encourages Bell Canada to review the prices proposed for its low-income plans prior to submitting its statement of work. The Commission also encourages Bell Canada to consider whether the prices it initially proposed could be lowered in order to enable low-income households to access broadband services at affordable rates, which would promote affordability and consumer interests, and further advance the telecommunications policy objectives set out in paragraph 13 below.
8. The Commission considered various financial indicators to assess the financial viability of Bell Canada's projects and finds them to be financially sound and the proposed project costs to be reasonable. In addition, the Commission considers that Bell Canada 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.
9. The remaining evaluation details and the conclusions specific to each Bell Canada application are set out in the individual funding decisions for the projects, which are included in the Appendix to this decision.

### **Conclusion**

10. As indicated in the funding decisions in the Appendix, the Commission **approves** five funding applications by Bell Canada for a total of up to \$1,512,267 to build and/or upgrade local fixed access infrastructure in a total of 21 communities in New

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<sup>4</sup> 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 (j).

Brunswick, Newfoundland and Labrador, and Ontario. 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

11. The 2006 Policy Direction<sup>5</sup> and the 2019 Policy Direction<sup>6</sup> (collectively, the Policy Directions) state that the Commission, in exercising its powers and performing 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,<sup>7</sup> and should specify how its decisions can, as applicable, promote competition, affordability, consumer interests, and innovation.
12. 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.
13. Specifically, this decision to approve funding for five projects to build and/or upgrade infrastructure in order to introduce or improve fixed broadband Internet access services in eligible areas in 21 communities in New Brunswick, Newfoundland and Labrador, and Ontario 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 1,805 households to access Internet services that meet the universal service objective 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.<sup>8</sup>

Secretary General

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

<sup>6</sup> *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

<sup>7</sup> 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.

<sup>8</sup> 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.

## 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

## **Appendix to Telecom Decision CRTC 2021-256**

### **Telecom Decision CRTC 2021-257**

Ottawa, 4 August 2021

*Public record: 1011-NOC2019-0372*

#### **Broadband Fund – Project funding approval for Bell Canada’s access project in Newfoundland and Labrador (southeastern coast of Labrador and northwestern coast of Newfoundland)**

##### **Application**

1. In an application submitted 27 April 2020, Bell Canada requested approximately \$550,000 from the Broadband Fund to implement a project that will provide a significant improvement in the broadband Internet access services available to eligible areas in 16 communities in Newfoundland and Labrador. Bell Canada indicated that it will offer services with unlimited data, with speeds ranging from 300 megabits per second (Mbps) download and 300 Mbps upload (300/300 Mbps) to 1,500/940 Mbps, in the communities of Anchor Point, Bear Cove, Black Duck Cove, Capstan Island, Deadmans Cove, English Point, Flower’s Cove, Forrester’s Point, Forteau, L’Anse-au-Clair, L’Anse au Loup, Pidgeon Cove-St. Barbe, Pinware, Shoal Cove, St. Barbe North Sandy Cove, and West St. Modeste.

##### **Commission’s analysis and determinations**

2. As noted in Telecom Decision 2021-256 above, this application to serve eligible areas in 16 communities in Newfoundland and Labrador 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. Bell Canada provided evidence of support for the project from 5 of the targeted communities; however, it provided no evidence of consultation with the other 11 communities that would be affected by the project. The Commission considers that meaningful engagement with affected communities is an important element for a project funded by the Broadband Fund and therefore expects Bell Canada to undertake further community engagement activities prior to submitting its statement of work for this project.

##### **Conclusion**

4. In selecting the project for funding, the Commission concludes that, in providing broadband Internet access services with speeds of up to 1,500/940 Mbps and an unlimited data allowance, the project is consistent with the universal service objective and will have a significant positive impact on the 16 communities to be served, which encompass approximately 1,320 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 \$549,649 from the Broadband Fund to be distributed to Bell Canada for the purpose of the access project described above and as set out in the approved statement of work.

## Telecom Decision CRTC 2021-258

Ottawa, 4 August 2021

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### **Broadband Fund – Project funding approval for Bell Canada’s access project in Newfoundland and Labrador (Port Blandford)**

#### **Application**

1. In an application submitted 16 April 2020, Bell Canada requested approximately \$465,000 from the Broadband Fund to implement a project that will provide a significant improvement in the broadband Internet access services available to eligible areas in one community in Newfoundland and Labrador. Bell Canada indicated that it will offer services with unlimited data, with speeds ranging from 300 megabits per second (Mbps) download and 300 Mbps upload (300/300 Mbps) to 1,500/940 Mbps, in the community of Port Blandford.

#### **Commission’s analysis and determinations**

2. As noted in Telecom Decision 2021-256 above, this application to serve eligible areas in one community in Newfoundland and Labrador 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. Bell Canada provided evidence of support for the project from representatives of the affected community.

#### **Conclusion**

4. In selecting the project for funding, the Commission concludes that, in providing broadband Internet access services with speeds of up to 1,500/940 Mbps and an unlimited data allowance, the project is consistent with the universal service objective and will have a significant positive impact on the community to be served, which encompasses approximately 315 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 \$465,161 from the Broadband Fund to be distributed to Bell Canada for the purpose of the access project described above and as set out in the approved statement of work.



## Telecom Decision CRTC 2021-259

Ottawa, 4 August 2021

*Public record: 1011-NOC2019-0372*

### **Broadband Fund – Project funding approval for Bell Canada’s access project in Newfoundland and Labrador (Sally’s Cove)**

#### **Application**

1. In an application submitted 29 April 2020, Bell Canada requested approximately \$36,000 from the Broadband Fund to implement a project that will introduce terrestrial broadband Internet access services to eligible areas in one community in Newfoundland and Labrador. Bell Canada indicated that it will offer services with unlimited data, with speeds ranging from 300 megabits per second (Mbps) download and 300 Mbps upload (300/300 Mbps) to 1,500/940 Mbps, in the community of Sally’s Cove.

#### **Commission’s analysis and determinations**

2. As noted in Telecom Decision 2021-256 above, this application to serve eligible areas in one community in Newfoundland and Labrador 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. Bell Canada provided evidence of support for the project from members of the affected community, on behalf of various residents and businesses.

#### **Conclusion**

4. In selecting the project for funding, the Commission concludes that, in providing broadband Internet access services with speeds of up to 1,500/940 Mbps and an unlimited data allowance, the project is consistent with the universal service objective and will have a significant positive impact on the community to be served, which encompasses approximately 25 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 \$35,921 from the Broadband Fund to be distributed to Bell Canada for the purpose of the access project described above and as set out in the approved statement of work.

## Telecom Decision CRTC 2021-260

Ottawa, 4 August 2021

*Public record: 1011-NOC2019-0372*

### **Broadband Fund – Project funding approval for Bell Canada’s access project in New Brunswick (Beaver Brook Station, Bellefond)**

#### **Application**

1. In an application submitted 23 May 2020, Bell Canada requested approximately \$214,000 from the Broadband Fund to implement a project that will provide a significant improvement in the broadband Internet access services available to eligible areas in two communities in New Brunswick. Bell Canada indicated that it will offer services with unlimited data, with speeds ranging from 300 megabits per second (Mbps) download and 300 Mbps upload (300/300 Mbps) to 1,500/940 Mbps, in the communities of Beaver Brook Station and Bellefond.

#### **Commission’s analysis and determinations**

2. As noted in Telecom Decision 2021-256 above, this application to serve eligible areas in two communities in New Brunswick 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. Bell Canada provided evidence of support for the project from the Greater Miramichi Regional Service Commission, which represents both of the affected communities.

#### **Conclusion**

4. In selecting the project for funding, the Commission concludes that, in providing broadband Internet access services with speeds of up to 1,500/940 Mbps and an unlimited data allowance, the project is consistent with the universal service objective and will have a significant positive impact on the two communities to be served, which encompass approximately 120 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 \$214,036 from the Broadband Fund to be distributed to Bell Canada for the purpose of the access project described above and as set out in the approved statement of work.

## **Telecom Decision CRTC 2021-261**

Ottawa, 4 August 2021

*Public record: 1011-NOC2019-0372*

### **Broadband Fund – Project funding approval for Bell Canada’s access project in Ontario (Magnetawan First Nation)**

#### **Application**

1. In an application submitted 22 May 2020, Bell Canada requested \$247,500 from the Broadband Fund to implement a project that will provide a significant improvement in the broadband Internet access services available to eligible areas in one community in Ontario. Bell Canada indicated that it will offer services with data limits ranging from 100 gigabytes (GB) per month to unlimited, with speeds ranging from 15 megabits per second (Mbps) download and 15 Mbps upload (15/15 Mbps) to 1,500/940 Mbps, in the community of Magnetawan First Nation.

#### **Commission’s analysis and determinations**

2. As noted in Telecom Decision 2021-256 above, this application to serve eligible areas in one community in Ontario 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. Bell Canada provided minimal evidence of its attempt to consult with the affected community, which is Indigenous. In addition, Bell Canada indicated that established or asserted Aboriginal or treaty rights for Magnetawan First Nation may exist in the geographic region of this project, and committed to undertaking any appropriate consultation that may be necessary with regard to any such rights, whether those rights and the project’s impact on them are known now or become known in the future.
4. The Commission considers that meaningful engagement with affected communities is an important element for a project funded by the Broadband Fund and therefore expects Bell Canada to undertake further community engagement activities prior to submitting its statement of work for this project.
5. With regard to Aboriginal or treaty rights, consistent with Commission policy, any existing constitutional duty to consult, including for the approval of any permits required, must be fulfilled, either during the statement of work approval process or consistent with the general funding condition set out in paragraph 35(f) of the introductory decision (Telecom Decision 2021-251). If the duty to consult is triggered, Bell Canada’s plan to fulfill the duty must be submitted to the Commission either before the statement of work is approved or within **20 days** after a risk of adverse impact on an Aboriginal or treaty right becomes known following the approval of the statement of work.

**Conclusion**

6. 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 broadband Internet access services with speeds of up to 1,500/940 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 community to be served, which encompasses approximately 25 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.
7. 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 \$247,500 from the Broadband Fund to be distributed to Bell Canada for the purpose of the access project described above and as set out in the approved statement of work.