



## Telecom Order CRTC 2021-331

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### **Broadband Fund – Acceptance of statement of work for Nexicom Inc.’s Ontario transport fibre project**

#### **Background**

1. In *Broadband Fund – Project funding approval for Nexicom Inc.’s Ontario transport fibre project*, Telecom Decision CRTC 2021-106, 19 March 2021 (Telecom Decision 2021-106), the Commission awarded up to \$1,251,719 to Nexicom Inc. (Nexicom) for the project proposed in its application filed in response to the second call for applications for funding from the Broadband Fund. On 24 March 2021, the Commission received written acceptance of this funding award from Nexicom.
2. On 19 May 2021, the Commission received Nexicom’s proposed statement of work, including the information package regarding its Ontario transport fibre project (the project).

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

3. Having reviewed the documents submitted, the Commission approves the finalized statement of work and will provide it separately and in confidence to Nexicom.
4. Provided that Nexicom complies with all conditions of funding set out in Telecom Decision 2021-106, constructs the project as described in Schedule A: Statement of Work, and complies with all procedural requirements to submit reports, invoices, and requests for funding, the Commission will direct the Central Fund Administrator to make payments to Nexicom in respect of the project. Failure to comply with these conditions and requirements could result in funding being delayed or not being disbursed.
5. Nexicom is required to submit, quarterly, a progress report and expense claim beginning no later than **17 January 2022** or as otherwise agreed to with the Commission, and every **three months** thereafter until the project is completed.
6. Further, in accordance with the Commission’s determinations in Telecom Decision 2021-106, Nexicom must offer and provide broadband services using facilities funded through the Broadband Fund once the infrastructure is built, as committed to in its application and approved in Schedule B: Project Services.

## Policy Directions

7. The 2006 Policy Direction<sup>1</sup> and the 2019 Policy Direction<sup>2</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>3</sup> and should specify how its decisions can, as applicable, promote competition, affordability, consumer interests, and innovation.
8. The Commission considers that its approval of funding from the Broadband Fund for the project described in this order is consistent with the Policy Directions. Specifically, the decision to allocate funding towards improving broadband services in Ontario will help to close the gap in connectivity in underserved areas and will respond to the social and economic needs of consumers. In doing so, this order will implement the telecommunications policy objectives, including those set out in paragraphs 7(a), (b), and (h) of the Act.<sup>4</sup>

Secretary General

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<sup>1</sup> *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006

<sup>2</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>3</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>4</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.