



Telecom Order CRTC 2023-254

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Broadband Fund – Acceptance of statement of work for Sichuun Inc. and Naskapi Imuun Inc.’s mobile project in northeastern Quebec and Newfoundland and Labrador

Background

1. In Telecom Decision 2022-205, the Commission approved an application from Sichuun Inc., in a joint venture with Naskapi Imuun Inc. and Redline Communications Inc.,¹ for up to \$297,332 from the Broadband Fund to implement a project to build and/or upgrade mobile wireless infrastructure in four communities in northeastern Quebec, with some coverage extending into Newfoundland and Labrador. The Commission received written acceptance of this funding award from Sichuun Inc. and Naskapi Imuun Inc. (collectively, Sichuun).
2. The Commission also received a completed statement of work package for the project from Sichuun (the project).

Commission’s analysis

3. The statement of work package included detailed information related to implementing the project as it was described in the application and as the Commission approved it for funding in Telecom Decision 2022-205. Once complete, the project will provide long-term evolution (LTE) technology to offer voice and text services through a customized over-the-top Voice over Internet Protocol (VoIP) application, with unlimited data limits, in Kawawachikamach, Lac John, Matimekosh 3 (Matimekush), and Schefferville, all in Quebec, encompassing approximately 640 households.
4. Sichuun submitted a request for an \$84,274 increase in funding for the project. Sichuun submitted that this request was a result of (i) building an additional tower to connect 43 households in the eligible neighbouring subdivision of Ste-Anne, Newfoundland and Labrador; and (ii) an increase in the costs of equipment and labour that the company had not anticipated when it submitted its application.

¹ In Telecom Decision 2022-205, the Commission identified Redline Communications Inc. (Redline) as a member of this consortium based on the application as filed. Sichuun clarified during the development of its statement of work that Redline’s role in the project is as a vendor, and it should not be considered part of the recipient group. This change does not affect control over the project or the ownership or operations of the infrastructure to be built. The title of this order has been updated accordingly, as will the titles of future decisions and orders relating to this project.

5. The Commission is satisfied that this request is well supported in the particular circumstances of this project. Accordingly, the Commission **approves** funding for up to \$381,606 for the project.
6. Having reviewed the documents submitted, the Commission **approves** the finalized statement of work and will provide it separately and in confidence to Sichuun.
7. Provided that Sichuun complies with all conditions of funding set out in Telecom Decision 2022-204, 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 Sichuun in respect of the project. Failure to comply with these conditions and requirements could result in funding being delayed or not being disbursed.
8. Sichuun is required to submit, quarterly, a progress report and expense claim no later than **16 October 2023**, or as otherwise agreed to with the Commission, and every **three months** thereafter until the project is completed.
9. The project has taken longer than normal to reach this stage. The Commission wishes to ensure that there are no further delays and that the project is able to meet the expected three-year timeline set out in Telecom Decision 2022-204. As a result, Sichuun may, notwithstanding the funding condition set out at paragraph 36(d) of Telecom Decision 2022-204, claim more than 25% of the approved amount for eligible costs incurred after the date of the funding decision but prior to the approval of the statement of work. Therefore, Sichuun is permitted to include with its first expense claim the full amount of any eligible costs incurred after the date of Telecom Decision 2022-204. The holdback provisions as described in Telecom Decision 2022-204 will still apply to this claim.
10. Furthermore, in accordance with the Commission's determinations in Telecom Decision 2022-204, Sichuun must offer and provide mobile wireless service packages to customers residing in eligible hexagons served by the funded infrastructure, as committed to in its application and approved in Schedule B: Project Services.

Secretary General

Related documents

- *Broadband Fund – Project funding approval for Sichuun Inc., Naskapi Imuun Inc., and Redline Communications Inc.'s mobile project in northeastern Quebec and Newfoundland and Labrador*, Telecom Decision CRTC 2022-205, 4 August 2022
- *Broadband Fund – Second call for applications – Introductory decision regarding the August 2022 round of project funding approvals*, Telecom Decision CRTC 2022-204, 4 August 2022