



Telecom Order CRTC 2023-360

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References: 2021-104 and 2021-105

Ottawa, 7 November 2023

Public record: 1011-NOC2019-0372

Broadband Fund – Change requests – the Kativik Regional Government’s transport fibre projects in Quebec (Akulivik, Ivujivik, Kangiqsujaq, Kuujuaq, and Salluit)

1. In Telecom Decisions 2021-104 and 2021-105, the Commission approved the Kativik Regional Government’s (KRG) funding applications to build and upgrade transport infrastructure to serve the communities of Akulivik, Ivujivik, Kangiqsujaq, Kuujuaq, and Salluit in northern Quebec. The Commission later received written acceptance of these funding awards from the KRG and approved the KRG’s related statements of work in Telecom Orders 2021-328 and 2021-329, subject to the conditions of funding set out in Telecom Decisions 2021-104 and 2021-105.
2. Among the conditions of funding is the requirement, set out at paragraph 15 of Telecom Decisions 2021-104 and 2021-105, that any changes that materially affect the project to be delivered be approved by the Commission. In the Application Guide appended to Telecom Notice of Consultation 2019-372, which initiated the second call for applications (and led to Telecom Decisions 2021-104 and 2021-105 and other decisions introduced in Telecom Decision 2021-103), the Commission defined a change in the proposed financing of a project, or a major change in the cost of a project, as a material change.
3. On 27 March 2023 and 28 June 2023, the KRG submitted change requests for its projects approved in Telecom Decisions 2021-104 and 2021-105, respectively.
4. Specifically, the KRG requested additional funding due to inflation and a general increase in costs from 2020, when the original estimates were submitted in the application. The KRG also requested a delay in project completion dates due to unforeseen issues with the tendering process that have led to delays. The KRG requested the following funding increases and changes to completion dates:
 - For the transport project serving the community of Kuujuaq (Telecom Decision 2021-104), it requested an increase of \$7,665,539 (44.7%), bringing the funding amount from \$17,130,457 to \$24,795,996. The KRG also requested a change in the completion date from the summer of 2023 to an estimated completion date in the summer of 2025.
 - For the transport project serving the communities of Akulivik, Ivujivik, Kangiqsujaq, and Salluit (Telecom Decision 2021-105), it requested an increase

of \$15,998,785 (42.5%), bringing the funding amount from \$37,669,460 to \$53,668,245. The KRG also requested a change in the completion date from the winter of 2023 to an estimated completion date in the summer of 2025.

5. The Commission has reviewed the materials submitted. While mindful of its goal to provide broadband access in a timely manner, the Commission agrees that the factors raised warrant the postponement sought. Accordingly, the Commission considers that approving the KRG's funding increase and completion date change requests would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377.
6. The Commission therefore **approves** the KRG's change requests for both projects listed above. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decisions 2021-104 and 2021-105, continue to apply.

Secretary General

Related documents

- *Broadband Fund – Acceptance of statement of work for the Kativik Regional Government's transport fibre project in northern Quebec*, Telecom Order CRTC 2021-329, 1 October 2021; as amended by Telecom Order CRTC 2021-329-1, 12 May 2022
- *Broadband Fund – Acceptance of statement of work for the Kativik Regional Government's transport fibre project in Quebec (Kuujjuaq)*, Telecom Order CRTC 2021-328, 1 October 2021; as amended by Telecom Order CRTC 2021-328-1, 12 May 2022
- *Broadband Fund – Project funding approval for the Kativik Regional Government's transport fibre project in northern Quebec*, Telecom Decision CRTC 2021-105, 19 March 2021
- *Broadband Fund – Project funding approval for the Kativik Regional Government's transport fibre project in Quebec (Kuujjuaq)*, Telecom Decision CRTC 2021-104, 19 March 2021
- *Broadband Fund – Second call for applications – Introductory decision regarding the second round of project funding approvals*, Telecom Decision CRTC 2021-103, 19 March 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