

Telecom Order CRTC 2023-361

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Ottawa, 7 November 2023

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Broadband Fund – Change request – BH Telecom Corp.'s Saskatchewan transport fibre project

- 1. In Telecom Decision 2021-45, the Commission approved BH Telecom Corp.'s (BH Telecom) funding application to construct and upgrade transport infrastructure in 26 communities in Saskatchewan. The Commission later received written acceptance of this funding award from BH Telecom and approved BH Telecom's related statement of work in Telecom Order 2021-388, subject to the conditions of funding set out in Telecom Decision 2021-45.
- 2. Among the conditions of funding is the requirement, set out at paragraph 15 of Telecom Decision 2021-45, that any material changes to the project 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 Decision 2021-45 and other decisions introduced in Telecom Decision 2021-43), the Commission defined a material change as including a major change in the cost or scope of a project.
- 3. On 1 March 2023, BH Telecom submitted a change request for its project approved in Telecom Decision 2021-45.
- 4. Specifically, BH Telecom requested additional funding due primarily to an unforeseen need for costlier techniques to install transport fibre cables in some of the project's geographic area. BH Telecom requested an increase in funding of \$2,761,342 (29%), bringing the funded amount from \$9,516,877 to \$12,278,219.
- 5. BH Telecom also requested an additional 10 months to complete the project, indicating that it expected the project to be complete by the spring of 2024. This would exceed the Commission's expectation set out in Telecom Decision 2021-45 that the project be completed within three years of the date of that decision. BH Telecom stated that the additional time was needed due to unforeseen factors that impacted the original project schedule, including a review and vary application that was later withdrawn in May 2021.¹

¹ See Commission <u>letter</u> dated 5 May 2021, in which the Commission accepted a request from Saskatchewan Telecommunications to withdraw the company's application to review and vary Telecom Decision 2021-45 and closed the file.



- 6. The Commission has reviewed the materials submitted and unforeseen factors described. The Commission underlines the importance of addressing connectivity gaps quickly by completing Broadband Fund projects in a timely manner.² However, the Commission considers that, under the circumstances, approving the change request would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377.
- 7. The Commission therefore **approves** BH Telecom's change request. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2021-45, continue to apply.

Secretary General

Related documents

- Broadband Fund Acceptance of statement of work for BH Telecom Corp.'s Saskatchewan transport fibre project, Telecom Order CRTC 2021-388, 19 November 2021
- Broadband Fund Project funding approval for BH Telecom Corp.'s Saskatchewan transport fibre project, Telecom Decision CRTC 2021-45, 4 February 2021
- Broadband Fund Second call for applications Introductory decision regarding project funding approvals, Telecom Decision CRTC 2021-43, 4 February 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

² Detailed operational information in respect of funded Broadband Fund projects is generally treated in confidence. See Telecom Regulatory Policy 2018-377, paragraphs 405–408, and section 11 ("Confidentiality") of the Application Guide cited in paragraph 2 of this order.