

## Telecom Order CRTC 2024-140

PDF version

Reference: 2021-48

Ottawa, 27 June 2024

Public record: 1011-NOC2019-0372

# Broadband Fund – Change request – Rogers Communications Canada Inc.'s Ontario transport fibre project – June 2024

#### **Summary**

Canadians need reliable, affordable, and high-quality Internet and cellphone services for every part of their daily lives.

Through its Broadband Fund, the Commission contributes to a broad effort by federal, provincial, and territorial governments to address the gap in connectivity in underserved rural, remote, and Indigenous communities across Canada.

With this order, the Commission approves Rogers Communications Canada Inc.'s request to postpone the completion date for its transport fibre project in Bruce Station, Ontario by ten and a half months. This revised timeline is reasonable, necessary, and will support the continued efforts to complete this project and ensure connectivity.

### **Background**

- 1. In Telecom Regulatory Policy 2018-377, the Commission set out objectives and governing frameworks for the Broadband Fund. In the Application Guide appended to Telecom Notice of Consultation 2019-372, which initiated the second call for Broadband Fund applications, the Commission defined a material change as including a major change in the cost or scope of a project.
- 2. Rogers Communications Canada Inc. (RCCI) participated in the second call. In Telecom Decision 2021-48, RCCI received approval for its funding application. The approved application supports a project to construct and upgrade transport infrastructure in Bruce Station, Ontario.
- 3. The Commission later received written acceptance of the funding award from RCCI and approved RCCI's related statement of work in Telecom Order 2021-401, subject to the conditions of funding set out in Telecom Decision 2021-48. Among the conditions of funding is the requirement, set out at paragraph 13 of Telecom Decision 2021-48, that any material changes to the project be approved by the Commission. An application for material changes is known as a change request.



4. In Telecom Order 2024-16, the Commission approved a change request from RCCI for an additional six months to complete the project. The additional time was needed to mitigate the discovery of asbestos at one of the project sites.

## **Change request**

- 5. On 2 February 2024, RCCI submitted a second change request, seeking an additional ten and a half months to complete the project before the end of the fall of 2024.
- 6. RCCI stated that, while the asbestos-related issues noted in Telecom Order 2024-16 have been rectified, it has encountered additional issues during the implementation phase of the project. They are due to unforeseen infrastructure upgrade requirements and other factors. Information about the other factors, which relate to commercial negotiations with third parties, was submitted in confidence.
- 7. With the additional time requested, RCCI would not meet the Commission's expectation, set out in Telecom Decision 2021-48, that the project be completed within three years of the date of that decision.

## **Commission's analysis**

- 8. The Commission has reviewed the materials submitted with the change request, including factors submitted in confidence.<sup>1</sup>
- 9. The Commission underlines the importance of addressing connectivity gaps quickly by completing Broadband Fund projects in a timely manner. However, the Commission is satisfied that, under the circumstances and based on analysis of the materials submitted, the revised timeline is reasonable and necessary due to circumstances beyond the full control of RCCI.
- 10. Accordingly, the Commission considers that approving the change request would satisfy the objectives set out in Telecom Regulatory Policy 2018-377, and expects RCCI to complete the project before the end of the fall of 2024.

#### Conclusion

11. In light of the above, the Commission **approves** RCCI's change request. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2021-48, continue to apply.

Secretary General

<sup>&</sup>lt;sup>1</sup> 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 1 of this order.

#### Related documents

- Broadband Fund Change request Rogers Communications Canada Inc.'s Ontario transport fibre project, Telecom Order CRTC 2024-16, 17 January 2024
- Broadband Fund Acceptance of statement of work for Rogers Communications Canada Inc.'s Ontario transport fibre project, Telecom Order CRTC 2021-401, 8 December 2021
- Broadband Fund Project funding approval for Rogers Communications Canada Inc.'s Ontario transport fibre project, Telecom Decision CRTC 2021-48, 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