



Telecom Order CRTC 2024-145

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Reference: 2020-256

Ottawa, 28 June 2024

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Broadband Fund – Change request – Broadband Communications North Inc.’s Manitoba satellite project

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 Broadband Communications North Inc.’s request for additional funding to continue subsidizing satellite operational costs until the fall of 2025 for improved Internet services in five Indigenous communities: Barren Lands, Lac Brochet, Pukatawagan, Shamattawa First Nation, and Tadoule Lake.

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 2019-191, which initiated the first 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. Broadband Communications North Inc. (BCN) participated in the first call. In Telecom Decision 2020-256, BCN received approval for that application. The approved application supports improving and operating satellite capacity for several Indigenous communities in northern Manitoba.
3. The Commission later received written acceptance of this funding award from BCN and approved BCN’s related statement of work in Telecom Order 2021-133, subject to the conditions of funding set out in Telecom Decision 2020-256. Among the conditions of funding is the requirement, set out at paragraph 13 of Telecom Decision 2020-256, that any material changes to the project be approved by the Commission. An application for material changes is known as a change request.

Change request

4. On 16 February 2024, BCN submitted a change request for a material change in its project approved in Telecom Decision 2020-256. Specifically, BCN requested additional funding to continue subsidising operational costs for satellite capacity in the five Indigenous communities of Barren Lands, Lac Brochet, Pukatawagan, Shamattawa First Nation, and Tadoule Lake. BCN requested an increase of \$2,433,700 (+42%), bringing the funding amount from \$5,790,447 to \$8,224,147. BCN explained that the additional funding is needed to maintain service continuity until the fall of 2025. BCN expects that at the end of that period, it will transition to upgraded satellite services, whose availability was delayed due to factors well outside of its control.

Commission's analysis

5. The Commission has reviewed the materials submitted, including detailed financial information and information relating to other third-party funding commitments. The Commission is satisfied, based on analysis of the materials submitted, that the revised costs that BCN's change request proposes the Broadband Fund contribute are reasonable. It considers that approving the change request would satisfy the objectives set out in Telecom Regulatory Policy 2018-377.
6. The Commission therefore approves BCN's change request. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2020-256, continue to apply.

Secretary General

Related documents

- *Broadband Fund – Acceptance of statement of work for Broadband Communications North Inc.'s Manitoba satellite project*, Telecom Order CRTC 2021-133, 16 April 2021
- *Broadband Fund – Project funding approval for Broadband Communications North Inc.'s Manitoba satellite project*, Telecom Decision CRTC 2020-256, 12 August 2020
- *Broadband Fund – Call for applications*, Telecom Notice of Consultation CRTC 2019-191, 3 June 2019
- *Development of the Commission's Broadband Fund*, Telecom Regulatory Policy CRTC 2018-377, 27 September 2018