



Telecom Order CRTC 2024-311

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Broadband Fund – Change requests – TELUS Communications Inc.’s access and mobile project in British Columbia (Central Interior)

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 TELUS Communications Inc.’s requests to receive additional funding and to postpone the completion date of its access and mobile project in British Columbia. Both the additional funding and the revised timeline will support the continued effort 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. TELUS Communications Inc. (TCI) participated in the second call. In Telecom Decision 2021-254, TCI received approval for its application. The approved application supports providing fibre-to-the-home (FTTH) and fixed wireless access services, as well as mobile services, to eligible areas in the Central Interior of British Columbia.
3. The Commission later received written acceptance of the funding award from TCI and approved TCI’s related statement of work in Telecom Order 2023-292, subject to the conditions of funding set out in Telecom Decision 2021-251. As part of the statement of work approval, the Commission approved a funding increase from \$7,351,628 to \$8,770,936. Among the funding conditions is the requirement, set out at paragraph 32 of Telecom Decision 2021-251, that the Commission approve any material changes to the project. An application for material changes is known as a change request.



Change requests

4. The Application Guide appended to Telecom Notice of Consultation 2019-372 stipulated the Commission's expectation that projects be completed within three years of the funding award. Telecom Decision 2021-254 was issued on 4 August 2021, creating an expectation that this project be completed by 4 August 2024.
5. However, on 8 February 2024, TCI submitted a change request, seeking additional time to complete the project before the end of the spring of 2026. TCI stated that additional time is needed due to factors submitted in confidence but relating to delays with site acquisitions.
6. On 26 April 2024, TCI submitted another change request seeking additional funding due to changes in the economic landscape, including declining wireless prices and increasing interest rates. TCI requested an increase of \$900,000 (+10.3%), bringing the funding amount from \$8,770,936 to \$9,670,936.

Commission's analysis

7. The Commission has reviewed the information submitted and the factors described. The Commission underlines the importance of quickly addressing connectivity gaps by completing Broadband Fund projects in a timely manner.¹ However, the Commission considers that, under the circumstances, approving the change requests would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377. In this respect, two details are relevant.
8. First, it is relevant that the delay is due to circumstances beyond TCI's reasonable control and contemplation. The materials TCI provided documented the nature of these circumstances, which have led to the requests for additional time and a funding increase.
9. Second, in Telecom Decision 2021-254 relating to project selection, the Commission applied "the social consideration that the project will benefit Indigenous communities." Granting the present change requests would likewise benefit Indigenous communities and further the Commission's commitment to reconciliation.

Conclusion

10. The Commission therefore approves TCI's change requests and expects that the project be completed before 21 June 2026. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2021-251, continue to apply.

Secretary General

¹ 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 – Acceptance of statement of work for TELUS Communications Inc.’s access and mobile project in British Columbia (Central Interior)*, Telecom Order CRTC 2023-292, 28 August 2023
- *Broadband Fund – Project funding approval for TELUS Communications Inc.’s access and mobile project in British Columbia (Central Interior)*, Telecom Decision CRTC 2021-254, 4 August 2021
- *Broadband Fund – Second call for applications – Introductory decision regarding the third round of project funding approvals*, Telecom Decision CRTC 2021-251, 4 August 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