



Telecom Order CRTC 2025-45

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Broadband Fund – Change requests – Northwestel Inc.’s Yukon fibre project – February 2025

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 Northwestel Inc.’s requests to postpone the completion dates of both the Atlin, British Columbia and Daylu Dena First Nation community of Lower Post (Daylu), British Columbia portions of its Yukon fibre project. Due to construction delays outside of Northwestel’s reasonable control, these communities are now scheduled to be connected in 2025.

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. Northwestel Inc. (Northwestel) participated in the first call. In Telecom Decision 2020-260, Northwestel received approval for its application. The approved application supports building fibre transport to Faro, Mayo, and Ross River, Yukon. The project intended to serve three anchor institutions, each a campus of Yukon University, located in these communities.

It also intended to provide fibre-to-the-home service that meets the universal service objective¹ in these communities, along with 16 other communities.²

3. The Commission later received written acceptance of the funding award from Northwestel and approved Northwestel's related statement of work in Telecom Order 2021-137, subject to the conditions of funding set out in Telecom Decision 2020-260.
4. Among the conditions of funding is the requirement, set out in paragraph 17 of Telecom Decision 2020-260, that any material changes to the project be approved by the Commission. An application for a material change is known as a change request.

Change requests

5. The project approved in Telecom Decision 2020-260 has been modified by six change requests to date:
 - First, in Telecom Order 2022-118, the Commission approved an increase of \$1,070,383 (2.8%) in funding to build fibre access facilities to three additional communities in Yukon: Canyon Creek, Mendenhall, and Takhini River.
 - Second, in Telecom Order 2022-278, the Commission approved an increase of \$777,570 (2%) in funding to build fibre access facilities to two additional Yukon communities, Marshall Creek and Nygren.
 - Third, in Telecom Order 2023-224, the Commission approved an increase of \$12,705,609 (31.5%) in funding due to inflation and other factors that had substantially increased project costs.
 - Fourth, in Telecom Order 2023-420, the Commission approved (i) an increase of \$4,749,948 (8.9%) in funding to add fibre Internet access services and fibre transport in the community of Atlin, British Columbia; (ii) an additional 12 months to complete the project, which extends the overall project's completion date to the end of 2024; and (iii) a modification to the holdback for the project so that it would be extended for Atlin, and so that the release of funds would be based on the original project timeline for the original communities.
 - Fifth, in Telecom Order 2024-53, the Commission approved (i) an increase of \$750,365 (1.3%) in funding to add fibre Internet access services in the Daylu Dena First Nation community of Lower Post (Daylu), British Columbia, adding approximately 64 households; (ii) additional time to complete the project; and (iii) a modification to the project holdback for this change in scope similar to the change made in Telecom Order 2023-420.

¹ In Telecom Regulatory Policy 2016-496, the Commission established the universal service objective, namely that Canadians, in urban areas as well as in rural and remote areas, have access to voice services and broadband Internet access services, on both fixed and mobile wireless networks.

² The 16 communities in addition to Faro, Mayo, and Ross River are Beaver Creek, Burwash Landing, Carcross, Carmacks, Champagne, Dawson City, Destruction Bay, Haines Junction, Judas Creek/Marsh Lake, Pelly Crossing, Stewart Crossing, Tagish, Teslin, Upper Liard, Watson Lake, and underserved areas surrounding Whitehorse.

- Sixth, in Telecom Order 2024-156, the Commission approved an increase of \$4,144,490 (7.1%) of additional funding to add fibre for Internet access services in the Whitehorse rural areas of Deep Creek, Golden Horn, and Takhini River Road (the Whitehorse rural areas), adding approximately 250 households. Northwestel also sought (i) additional time to complete the project, and (ii) a modification to the project holdback for this change in scope, similar to the changes made in Telecom Orders 2023-420 and 2024-53.
6. On 7 November 2024, Northwestel submitted two additional change requests for this project. The company sought an additional six months to complete the Atlin portion of the project, from December 2024 to June 2025, due to delays in third-party make-ready work being completed. The company also sought an additional 12 months to complete the Lower Post portion of the project, from December 2024 to December 2025, due to two factors: delays in the start of construction, given the short construction season; and the seven-month interval between Northwestel’s request and the Commission’s approval of additional funding for this portion of the project under Telecom Order 2024-53.

Commission’s analysis

7. The Commission has reviewed the materials submitted and factors described. The Commission underlines the importance of addressing connectivity gaps quickly by completing Broadband Fund projects in a timely manner.³
8. The Commission recognizes the unique circumstances that Northwestel faces while building in the North. In this respect, it is relevant that the delays are due to circumstances that, in the Commission’s view and based on the facts provided by Northwestel, were beyond its reasonable control.
9. The Commission considers that, given the unanticipated third-party delays cited by Northwestel, approving the change requests would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377. Northwestel also indicated that it would align its timelines for the Whitehorse rural area portion of the project with those of the Lower Post portion given their shared use of equipment and resources. Since Telecom Order 2024-156 does not specify a completion date and given the expectation that Northwestel would reassess its timelines for the Whitehorse rural area portion of the project, the Commission considers Northwestel’s proposed timeline for that portion to be appropriate, without requiring Northwestel to submit a change request.

Conclusion

10. The Commission therefore approves Northwestel’s change requests. The Commission expects the company to complete the Atlin portion of the project by June 2025, and both the Whitehorse rural areas and Lower Post portions of the project by December 2025. All

³ 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.

funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2020-260, continue to apply.

Secretary General

Related documents

- *Broadband Fund – Change request – Northwestel Inc.’s Yukon fibre project*, Telecom Order CRTC 2024-156, 9 July 2024
- *Broadband Fund – Change request – Northwestel Inc.’s Yukon fibre project*, Telecom Order CRTC 2024-53, 13 March 2024
- *Broadband Fund – Change request – Northwestel Inc.’s Yukon fibre project*, Telecom Order CRTC 2023-420, 20 December 2023
- *Broadband Fund – Change requests – Northwestel Inc.’s Northwest Territories and Yukon fibre projects*, Telecom Order CRTC 2023-224, 27 July 2023
- *Broadband Fund – Change request – Northwestel Inc.’s Yukon fibre project – October 2022*, Telecom Order CRTC 2022-278, 12 October 2022
- *Broadband Fund – Change request – Northwestel Inc.’s Yukon fibre project – May 2022*, Telecom Order CRTC 2022-118, 5 May 2022
- *Broadband Fund – Acceptance of statement of work for Northwestel Inc.’s Yukon fibre project*, Telecom Order CRTC 2021-137, 16 April 2021
- *Broadband Fund – Project funding approval for Northwestel Inc.’s Yukon fibre project*, Telecom Decision CRTC 2020-260, 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
- *Modern telecommunications services – The path forward for Canada’s digital economy*, Telecom Regulatory Policy CRTC 2016-496, 21 December 2016