



Telecom Order CRTC 2026-154

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Gatineau, 30 June 2026

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Broadband Fund – Change request – Kativik Regional Government’s transport fibre project in Kuujjuaq, Quebec – June 2026

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 Kativik Regional Government’s request to extend the completion date and to receive additional funding for its transport fibre project in the Indigenous community of Kuujjuaq, Quebec. The Commission considers that approving the additional funding is justified on an exceptional basis.

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.¹
2. Kativik Regional Government (KRG) participated in the second call for Broadband Fund applications. In Telecom Decision 2021-104, KRG received funding approval for its proposed project. The approved application supports building approximately 440 kilometres of fibre optic

¹ The full definition of a material change is a change in any substantive aspect of the project listed by the Commission in its reasons for selecting the project, including (i) a change in control of the recipient, (ii) a change in the proposed financing of the project, (iii) a change in the nature or location of the project, and (iv) a major change in the cost or scope of the project.

transport network from Kawawachikamach to Kuujjuaq and upgrading a point of presence in the community of Kuujjuaq.

3. The Commission later received written acceptance of the funding award from KRG and approved its related statement of work in Telecom Order 2021-328, subject to the conditions of funding set out in Telecom Decision 2021-104.
4. Among the conditions of funding is the requirement, set out in paragraph 15 of Telecom Decision 2021-104, 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 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 2021-104 was issued on 19 March 2021. This project was therefore expected to be completed by March 2024.
6. In Telecom Order 2023-360, issued on 7 November 2023, the Commission approved a change request from KRG to increase funding and to delay the project's completion date. KRG sought an increase of \$7,665,539, bringing the total funding amount from \$17,130,457 to \$24,795,996 (a 44.7% increase). KRG requested to delay the project's completion to June 2025 due to unforeseen issues with the tendering process, which led to delays.
7. In Telecom Order 2025-42, issued on 7 February 2025, the Commission approved a second change request from KRG to delay the project's completion to July 2026 due to unexpected permitting delays.
8. On 19 November 2025, KRG submitted a third change request, seeking to increase the funding for its project by \$13,375,447, bringing the total funding amount from \$24,795,996 to \$38,171,443 (a 54% increase), or 122.8% more than the originally awarded \$17,130,457. KRG also requested to change the project's completion date from July 2026 to September 2027. It stated that the requested changes are needed because of changing market conditions since the project's approval and seasonal limitations causing delays.

Commission's analysis

9. The Commission has reviewed the documents submitted with the change request, including those treated confidentially.² The Commission underlines the importance of addressing connectivity gaps quickly by completing Broadband Fund projects in a timely manner.

² Detailed operational information in respect of funded Broadband Fund projects is generally treated as confidential. See Telecom Regulatory Policy 2018-377, paragraphs 405 to 408, and section 11 ("Confidentiality") of the Application Guide cited in paragraph 1 of this order.

10. With respect to timing delays, KRG indicated that due to seasonal limitations on fibre installation, remaining work must be spread over two winter seasons, resulting in postponement of the proposed project completion date of September 2027.
11. With respect to cost increases, the Commission acknowledges that the requested funding increases are due to continued changes in market conditions since the project was first approved in 2020. These include inflationary pressures and higher costs for construction, material, labour, and logistics, particularly for projects in very remote areas requiring multiple construction seasons and relating to challenging topographic and climate conditions. The Commission further notes that updated cost estimates filed by KRG reflect recent industry information and broader post-pandemic economic conditions, including supply chain constraints, specialized labour conditions, and exchange rate fluctuations, that have materially increased project costs.
12. The Commission is satisfied that these circumstances are beyond KRG's reasonable contemplation and control. Notwithstanding significantly increased costs, there is a public interest in supporting sustainable, long-term connectivity in Northern communities that supports a range of community needs, including economic development. The Commission considers that approving KRG's change request would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377.

Conclusion

13. The Commission approves, on an exceptional basis, KRG's change request for additional funding and to extend the project completion date to September 2027. The Commission considers that approving the additional funding in this case is warranted due to the exceptional circumstances and does not establish a precedent for similar requests in the future. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2021-104, continue to apply.

Secretary General

Related documents

- *Broadband Fund – Change request – The Kativik Regional Government's transport fibre project in Kuujjuaq, Quebec – February 2025*, Telecom Order CRTC 2025-42, 7 February 2025
- *Broadband Fund – Change requests – the Kativik Regional Government's transport fibre projects in Quebec (Akulivik, Ivujivik, Kangiqsujuaq, Kuujjuaq, and Salluit)*, Telecom Order CRTC 2023-360, 7 November 2023
- *Broadband Fund – Acceptance of statement of work for the Kativik Regional Government's transport fibre project in Quebec (Kuujjuaq)*, Telecom Order CRTC 2021-328, 1 October 2021, as amended by Telecom Order CRTC 2021-328-1, 12 May 2022

- *Broadband Fund – Project funding approval for the Kativik Regional Government’s transport fibre project in Quebec (Kuujjuaq)*, Telecom Decision CRTC 2021-104, 19 March 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