March 13, 2015

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act. Our File #: BTCRD/2/2015

On February 12th, 2015, the Department of Business, Tourism, Cultural and Rural Development received your request for access to the following records:

I am requesting, under the Access to Information and Protection of Privacy Act, any briefing notes regarding cellular coverage in Newfoundland and Labrador, since January 1, 2014.

Please be advised, that the subject of your request, “cellular coverage in Newfoundland and Labrador”, resides within the purview of the Government of Canada and not that of the Government of Newfoundland and Labrador, Department of Business, Tourism, Culture and Rural Development.

Through our search we have found no responsive records that directly address your request; however two briefing notes prepared regarding the topic of Rural Broadband were obtained in our search, these briefing notes raise the subject of cellular communications in relation to broadband. I am pleased to inform you that your request for access to these records has been granted. In accordance with your request, the appropriate copies have been enclosed.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Office of Public Engagement's website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please contact Jonathan Hammond, ATIPP Coordinator, by

P.O. Box 8700, St. John's, NL, Canada A1B 4J6 t 709.729.4728 f 709.729.0654
telephone at 709-729-6811 or by e-mail at JonathanHammond@gov.nl.ca.

Sincerely,

Alastair O’Rielly
Deputy Minister

Enclosure(s)
Meeting Note
Department of Business, Tourism, Culture and Rural Development
Conference Call with Industry Canada
10:30 a.m., Thursday, November 6, 2014

Dial-In: 1 877-413-4781 / Conference ID 9486091

Attendees:
Kelly Gillis, ADM, Industry Canada           Sean Dutton, MIGA
Susan Hart, Director General, Industry Canada Alastair O’Rielly, BTCRD
Surita Maddox, Director, Industry Canada     Mark Ploughman, BTCRD

Purpose of Meeting:
• This meeting is in response to a letter from GNL to the Federal Minister of Industry seeking more information about how the federal government, through its regulatory, policy and programming tools, may be able to encourage greater cellular access in rural communities and along certain highways that do not currently receive service.

Background:

BTCRD’s Rural Broadband Initiative
• The Rural Broadband Initiative (RBI) is a funding program designed to address gaps and deficiencies in broadband service infrastructure to households and businesses throughout Newfoundland and Labrador. RBI helps facilitate new investments in the Province’s broadband service infrastructure by improving the business case for telecommunications carriers and internet service providers (ISPs) to expand or improve their coverage.

• RBI provides a non-repayable contribution of up to 75 per cent of the eligible costs for projects that deliver service to previously un-served communities and up to 50 per cent for projects that alleviate congestion on existing networks.

• Under RBI, Government seeks innovative and customized broadband service solutions from industry. These solutions involve a range of options, including wireline, satellite, wireless and cellular technologies. BTCRD seeks cost effective technology ‘best fit’ solutions that can be maximized based upon hybrid solutions through carrier partnerships. Collaboration between wireless and terrestrial firms is always strongly encouraged.

• RBI II and III invited proposals from cellular carriers. There were no submissions received under RBI II. Under RBI III, several proposals were put forward by the main cellular carrier, Bell Mobility. RBI guidelines require that cellular proposals be linked to the provision of broadband in unserved communities. As such, the focus is on the provision of wireless services in communities, not on the roads and highways that link communities.

• Thus far under RBI III, the Province has committing $4.84M of its budgeted $6.25M. There will still remain nearly two (2) per cent of the population without access to broadband at the 1.5 MBPS standard.
Industry Canada’s Connecting Canadian Program

- In October 2014, IC issued a call for applications under the $305M Connecting Canadians Program (CCP). Similar to RBI, internet service providers can apply to receive funding to build wireless or wired infrastructure to extend and enhance broadband connectivity.

- The aim is to bring high-speed internet to an additional 280,000 homes in rural and remote regions of the country. The call for applications closes on January 12, 2015, with applications subject to a national competitive process.

- CCP set-aside $50M for satellite lease renewals that northern communities rely on for high-speed internet that would otherwise expire in 2016.

- During this meeting, IC may raise the possibility of a northern broadband solution project currently at the conceptual stage. BTCRD has had a preliminary conversation with IC about a possible multi-stakeholder collaboration that could result in tapping into existing subsea fibre resources to connect the Island, Labrador and Iqaluit. BTCRD queried the possibility of support for such an initiative under the CCP, however IC has indicated that the $50M set-aside for the northern component of the Program would be for license renewals only. IC did indicate that interest remains in a broadband project for the north. BTCRD notes that significant work remains relative to concept feasibility, options, partners and costing.

Fire and Emergency Services - 911

- While telecommunications is an area of exclusive federal jurisdiction, the principal concern related to cellular coverage from the province's perspective is access to the 911 service.

- By January 1, 2015, Basic 911 services on landline telephones, and cell phones where a cell phone signal is available, will be expanded throughout the province.

- The Province recently wrote to the Federal Minister of Industry Canada seeking more information about how the federal government, through its regulatory, policy and programming tools, may be able to encourage greater cellular access in rural communities and along certain highways that do not currently receive service.

- According to Bell Mobility, recent statistics show that approximately 75 per cent of the roads on the island portion of the province have cell phone coverage and 25 per cent of roads in Labrador have cell phone coverage.

Key Messages:
Connecting Canadians

- GNL wishes to partner with the federal government to virtually close the access gap and help IC meet its goal of getting the country up to the minimum 5Mbps standard by 2015. According to IC officials, 79 per cent of broadband users in NL are presently at this standard.

- Nowhere in the Connecting Canadians guidelines does it mention cell as a broadband alternative. There will be undoubtedly be some projects considered that may include a cell
component, however, BTCRD is unaware of Industry Canada’s rating guidelines - how these types of projects will be interpreted and how many will be excluded for reasons unbeknownst to BTCRD.

- BTCRD is interested to learn how the Connecting Canadian Program will address proposals that offer cellular broadband solutions and how NL will be engaged for potential collaboration on projects being considered by IC under this Program.

- It is possible that a portion of any remaining uncommitted funds associated with RBI III could be used to support a “last mile” partnership with IC. However, further discussion and consideration by BTCRD is necessary to ensure best use of funds.

- BTCRD is considering a cellular pilot project to provide coverage to a community or communities under RBI. Is this something that IC would also be interested in?

911 Service
- Fire and Emergency Services-NL has a 911 Implementation Team in place to establish a Basic 911 service for the province. This team is working with telecommunications service providers regarding the ability of customers throughout the Province to access 911 services on all landline phones and cell phones where there is a cell phone signal.

- GNL is aware that the lack of cellular telephone signal is a concern in certain areas of the province. While recognizing that there are some communities without a cellphone telephone signal, these areas will have access to Basic 911 service on landlines, once the service is expanded.

- There is still some work to be done to provide service to a select number of communities and also to provide complete coverage along all of the major highways.

Cellular General:
- Cellular service is driven by private sector enterprises that make decisions based on the business case and maximizing the return on their investments.

- Cellular (mobile broadband) and broadband as it relates to RBI is confusing to the general public as mobile broadband is fast becoming synonymous and ubiquitous when considering any broadband initiative. We need to force or cajole the cellular companies and to some degree the ISPs, to think differently as they build new infrastructure.

- In NL we have just one carrier that covers the majority of the populated areas of the province and along major routes. We need competition and we need for carriers to think differently about allowing small cell providers and independents to ride over their infrastructure.

- As communities demand new or improved wireless service, local carriers respond to this need by installing new network equipment. Often this requires building a wireless antenna structure, commonly called a tower.
• Industry Canada is responsible for regulating radio communication in Canada, including authorizing the installation of radio communication towers and sites.

• As with all wireless technologies, there are drawbacks to complete coverage for reasons of population densities, tower costs, terrain or aging equipment (congestion and dropped calls). Coverage will be partially addressed by the federal government’s recent spectrum auction (2500 Mhz bands). Currently there are no plans from the carriers to roll out this service, even though all of the major carriers have purchased this spectrum in the province.

Prepared/reviewed by: H. Keats/D. Coombs
Approved by:

November 5, 2014
Meeting Note
Department of Innovation, Business and Rural Development

Title: Discussion Points for meeting with Industry Canada Deputy John Knubley

Issue: Potential suggestions for Industry Canada (IC) to consider concerning IBRD and IC cooperation on broadband funding for Newfoundland and Labrador regarding federal funding for broadband announced in the 2014 federal budget.

Background and Current Status:

- Officials from IC and ACOA met with IBRD officials on March 24, 2014 to provide information on funding announced in the 2014 federal budget to provide or improve high-speed internet access to Canadians in rural and remote areas.

- The $305 million in funding over five years will extend high-speed broadband to about 280,000 households and businesses in areas of Canada that are underserved. The federal government announced that the funding is part of its Economic Action Plan to promote better connection and economic growth in small communities, particularly those in the Far North.

- The federal broadband program will provide funding to two components. The first component will dedicate funding to northern and aboriginal areas of Canada. The second will fund unserved and underserved areas in the remainder of the country. At present, the definition of “northern and aboriginal” does not include Labrador.

- The Connecting Canadians pillar of the program is directed towards getting the country up to the minimum standard by 2017, defined by Industry Canada, of 5Mbps download per second. According to IC officials, 79% of broadband users in NL are presently at this 5Mbps standard. NS has a similar penetration, PEI is at 71% and NB is at 89%. It is unknown if areas that are not currently at the present 1.5Mbps standard will be addressed first.

- IC is undertaking consultations with provinces to ask for input into the development of guidelines for the broadband program. The consultations will take place until mid-summer, with Newfoundland and Labrador having being the first, likely because there is a current broadband program in this province. IC officials are aware of RBI. IC staff has been involved in evaluations of rounds one and two proposals. Senior IC staff seems to like the approach that RBI has taken and the partnerships that have been precipitated among the carriers to broaden broadband access.

- Tentative timelines included a call for proposals being issued in October 2014, with proposals due in December. Projects will be awarded before the end of fiscal year 2014-15.

- As presently envisioned, these timelines will not align well, from the perspective of leveraging funding, with the third round of the Rural Broadband Initiative, as this Call for Proposals closed on February 28. Industry Canada officials indicated that NL should raise the possibility, during the consultations, of a carve-out of funding for the program to support the current round of RBI.
- Deputy Minister Alastair O'Rielly and Assistant Deputy Minister Mark Ploughman met with Iain Stewart and Patricia Hearn on March 28, 2014 and reviewed Industry Canada’s commitment for broadband funding for Newfoundland and Labrador.

- Deputy Minister John Knubley is scheduled to meet with IBRD executive on May 16, 2014 and it is likely more information on the federal broadband program will be provided.

Discussion Points:

- The IC guidelines for the broadband program have not been drafted. Consultations are continuing with other provinces. This meeting provides an opportunity to put forward a vision to ensure provincial concerns and recommendations are taken under consideration.

- Upon completion of RBI III and negotiations with the carriers and the province can clearly see committing $5.25 million of its budgeted $6.25 million there will still remain nearly 4% of the population without access to broadband.

- Government of Newfoundland and Labrador wishes to partner with Industry Canada to virtually close the access gap and help Industry Canada meet its goal of getting the country up to the minimum 5Mbps standard by 2015, 5Mbps download per second. According to IC officials, 79% of broadband users in NL are presently at this standard.

- The Rural Broadband Initiative can set aside $1 million for this partnership and wishes to set an innovative vision for Industry Canada to consider.

- Convergence of digital media is occurring at a rapid pace in an ever changing society which demands broadband access in mobile and un-tethered environment. 4G LTE cellular communications and fixed wireless are poised to fill this demand.

- Wireless (fixed, cell, and Satellite) will play an integral role in closing the access gap and will require the attention of Industry Canada in order to achieve its goal.

- In the RBI III proposals all wireless (fixed, cell, and satellite) proponents have proposed 4G networks which will deliver 5Mbs speeds.

- The fixed wireless field will see improvements when access to the 2500 MHz spectrum is available. This technology is more localized and cost effective, and is readily accepted. It will, in our vision, accelerate closing the access gap in an all-inclusive broadband solution.

- Whilst cellular will see vast improvements with the awarding of the 700 MHz spectrum and provides mobile communications, it will still require a stimulus to make it affordable as a broadband alternative

- Satellite will address the needs of our most remote communities and households.
• We see the opportunity to work with Industry Canada in any or all of these network environment to make broadband available province-wide and to allow Industry Canada to further its goal of 5Mbs download speed to 98% of all Canadians

Action Being Taken:

• The IC guidelines for broadband have not been drafted. Consultations are about to be undertaken with provinces in an effort to ensure provincial concerns and recommendations are taken under consideration.

• Deputy Minister John Hubley is scheduled to meet with IBRD executive on May 16, 2014 and it is likely more information on the federal broadband program will be provided.

Prepared / Reviewed by:  H. Keats/
May 15, 2014