Development of the CRTC's Broadband Funding Regime

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Overview

- 1. Background: State of Broadband Internet in Canada
- 2.**The Proceeding:** Telecom Notice of Consultation CRTC 2017-112: Development of the CRTC's Broadband Funding Regime
- 3.Intervention and Campaign: "Community Broadband First" (OpenMedia)
- 4.A Tale of Two Funding Models: What did everyone else say?
- 5. Observations & Takeaways: Looking ahead

Background: Canadian Context

Market Concentration

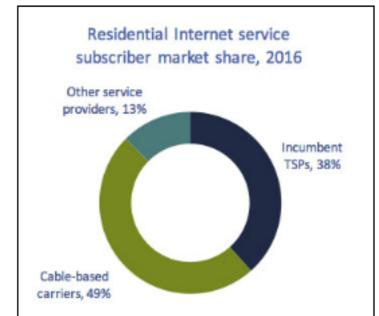
- Vertical and diagonal integration
- Territorial divisions
- Wholesale policies
- Competitor quality of service

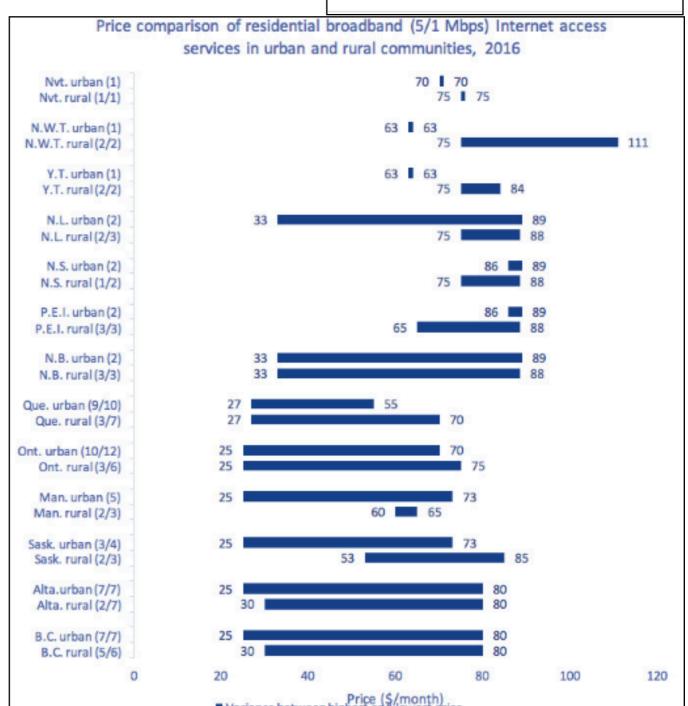
Geography

- Rural and remote communities
- Northern Canada
- "No business case"

National Broadband Strategy

- Still don't have a clear one
- Connecting Canadians and Connect to Innovate
- Federal Budgets





The Proceeding

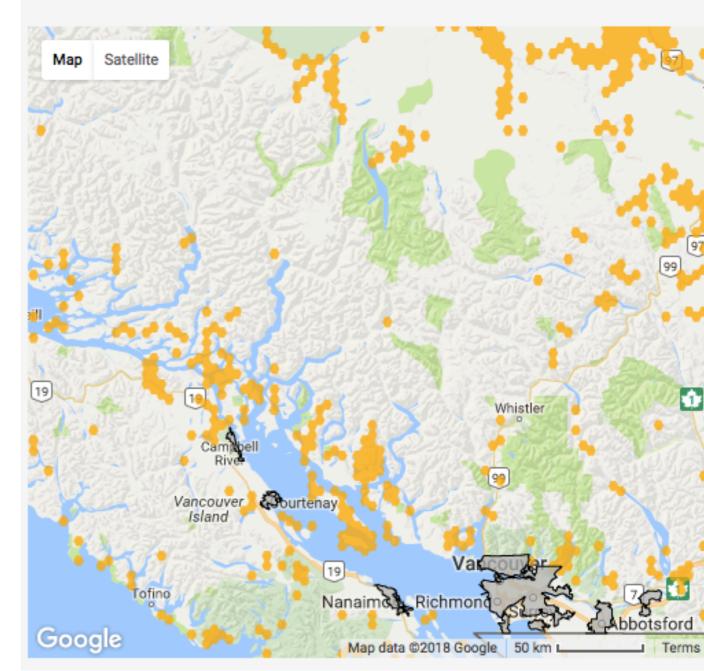
- Telecom Notice of Consultation CRTC 2017-112: Development of the Commission's Broadband Funding Regime
- Result of earlier proceeding on basic telecommunications services
- Objective: design application process, eligibility criteria, and implementing how to allocate \$750 million
- National consultation: 5 months, multiple written rounds, 90 submissions, wide range of stakeholders

Areas eligible for funding to enhance broadband access

► Third-party information liability disclaimer

Please enter a location to determine project eligibility and to find providers operating in this vicinity

Legend: O Eligible for new backbone Bligible for last-mile Included areas



Community Broadband First

- Campaign and intervention by OpenMedia Engagement Network ("OpenMedia")
- Objective: Ensure that funding process prioritized non-profit, local, independent, community-driven broadband initiatives

Main Points:

- 1. Prioritize the public interest and Internet access as a public good
- 2. Cannot rely on market forces & large commercial players
- 3. Benefits of community broadband: civic accountability, responsiveness to citizens, competition
- 4. Procedural inclusion of small, community, non-profit ISPs
- 5. Representative, consultative governance model
- 6. Mandated open access, subscriber privacy, knowledge sharing



Community Broadband First

Last December, the CRTC ruled that **high-quality Internet should be a basic service for all Canadians** and created a \$750 million fund to support broadband projects in rural, underserved, and unserved areas.¹

Now, the CRTC is asking Canadians how that \$750 million should be spent: should we invest it in innovative community-driven initiatives, or just hand it to Big Telecom giants who have failed time and time again to deliver affordable, reliable Internet to Canadians who need it?

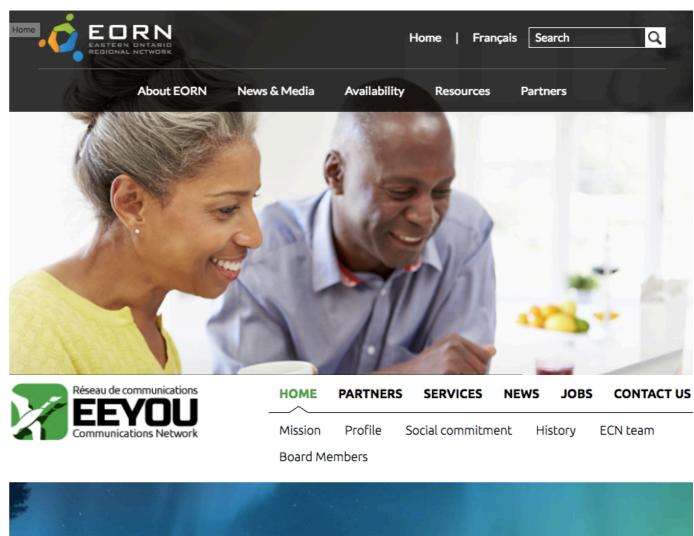
If enough of us show there is real desire for community, municipal, and non-profit broadband — for the public, by the public — we can convince the CRTC to make this new fund a game-changer.

Tell the CRTC: Ensure broadband funding goes to community-driven initiatives instead of filling Big Telecom's deep pockets.

First Name Last Name

A Tale of Two Funding Models

- Wide range of stakeholders: municipal, provincial, territorial, Indigenous governments; civil society organizations; community ISPs; academics
- Many of the largest and most involved non-profit organizations submitted a joint statement of principles for the broadband funding regime, calling for: affordability, open access, community consultation
- Only a handful of telecommunications companies, and one non-profit, called for a reverse auction model based on FCC: strict criteria, no community consultation
- Vast majority of interveners, including governments, emphasized importance of community involvement and consultation
- Still waiting for decision--expected in next 1-2 months







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Observations & Takeaways

- Most effective solutions we've seen have been at a regional or local level, with communities taking matters into own hands, or more attuned governments
- Still necessary to keep up pressure on federal government and push for more aggressive action in rolling out connectivity
- May not mean one-size-fits-all, across-the-board solution, but across-the-board funding and enabling communities and local governments to build networks that meet their specific needs and local contexts

