



## **Improving Mobile Broadband in Eastern Ontario Council Resolution of Support**

### **Project Overview**

For Eastern Ontario to work and grow, people need high-speed internet access at home, work or on the road. The current gap in cellular coverage and capacity is hindering economic growth, quality of life and public safety in the region.

Working with the governments of Canada and Ontario, along with private sector cellular companies, the Eastern Ontario Regional Network (EORN) is proposing a \$213 million project to improve cell coverage and mobile broadband services to grow the regional economy. The project also proposes to build a public safety broadband network for first responders. The total cost of both projects is \$299 million, saving nearly \$50 million through a combined build.

The proposal was delivered to the federal government on May 1 and will be officially submitted to the Minister of Rural Affairs Jeff Leal and Minister of Infrastructure Bob Chiarelli on May 29. Provincial support is the first step to achieving federal funding commitments.

When Eastern Ontario demonstrated strong municipal support for the first EORN broadband project, the federal and provincial governments responded with funding. Passing a Council Resolution of Support will again demonstrate that Eastern Ontario municipalities are unified in their call to improve cellular connectivity across our region.

### **Is this a priority for Eastern Ontario?**

- Yes. The Eastern Ontario Wardens' Caucus (EOWC) deems this project the number one economic development priority for the region. People and businesses across Eastern Ontario increasingly rely on connecting to broadband services through their smart phones or tablets. Mobile broadband is an essential tool to grow local businesses and generate jobs.
- The EOWC also recognizes the critical need for a dependable and secure communications network for emergency services, usually called a public safety broadband network (PSBN).

### **What could the project do for Eastern Ontario?**

- We know that broadband connectivity – including cellular data connections – are critical to creating jobs, business growth and economic development.
- Economic analysis suggests that the project would create more than 3,000 full-time job equivalents over 10 years and more than \$420 million in private sector business revenues.
- It would also help improve online access to public services, improve public safety and help people stay connected socially.

- The CRTC has said that both fixed and mobile broadband should be a basic telecom service available to all Canadians. The EORN project would be a major step forward in making this a reality for people in Eastern Ontario.

#### **What is a public safety broadband network?**

- EORN's design could also support the proposed public safety broadband network. This would be a dedicated, secure network for first responders to communicate seamlessly and share information in real-time.
- Canada has set aside 20 MHz of 700 MHz spectrum for such a national network. EORN's design builds on its proposed cellular improvements to reduce the overall costs of the public safety network, saving nearly \$50 million.

#### **What is the scale of Eastern Ontario's cell gap?**

- About one quarter of rural Eastern Ontario, where there are homes, businesses, or major roadways, cannot access mobile data services.
- There are also many areas with poor service that can't handle current demand for data. With demand for data growing rapidly, that capacity gap that will grow to 65% by 2018.

#### **Why isn't Eastern Ontario better served?**

- Rural communities simply don't generate enough revenue for cell carriers to spend on expanded services across a large, sparsely populated area. The result is market failure.

#### **What would the project involve?**

- Building on its extensive fibre optic backbone network, the Eastern Ontario Regional Network (EORN) has developed a plan to improve the reach and quality of cellular coverage across the region.
- This plan would involve creating new connectivity points to the fibre backhaul network, building new cell towers and installing new equipment on existing infrastructure.

#### **How did EORN develop the plan and costing?**

- The EORN proposal is based on a thorough analysis of current services from the two major telecomm providers, and projections about growing needs.
- The work included an engineering cell gap analysis, costing study, cell market analysis and economic impact study. We have taken into account the expansion of the 700 MHz spectrum, and tested our model against input from mobile providers through a Request for Information.

#### **What will it cost municipalities?**

- Work is underway to look at a variety of cost-sharing formulas, as was the case in the first EORN project
- In that project the EOWC members and six separated municipalities contributed a total of \$10 million.
- Current discussions revolve around a range of \$10.1 to \$14.2 million but a final decision will depend a number of variables including final project design and funding support from other levels of government.

**What kind of coverage would the project achieve?**

- EORN's project is being designed to cover 99% of the region where there are homes, businesses or major roads, and will increase capacity to handle growing mobile data demand.
- The project also takes into account that in rural areas, unlike urban centres, cellular data services may be the only internet access available. This means that an even more robust network is needed.

**About EORN**

EORN was created by the EOWC to expand high-speed internet access across the region through a public-private partnership. EORN improved broadband access to about 90% of rural Eastern Ontario, and more than 120,000 households are new broadband subscribers.

EORN has demonstrated success in managing projects of this scale and delivering value for dollar. The original \$170 million broadband project is now valued at \$260 million, when you include additional private sector in-kind contributions.

EORN continues to advocate with ISPs and work on innovative ways to improve connectivity. Mobile broadband may be a solution in some areas which have been difficult to serve with other technologies.