### **Phase One Broadband Assessment**

# The Corporation of the Municipality of Temagami and Temagami First Nation Broadband Assessment

Monday, November 4, 2019



### Overview

- Amedeo Bernardi Background
- Regional Study Overview
- Current Facilities
- Types of Services
- Gaps & Needs
- Estimates
- Observations
- Recommendations
- Interim Solutions

### **Amedeo Bernardi Consulting Inc.**





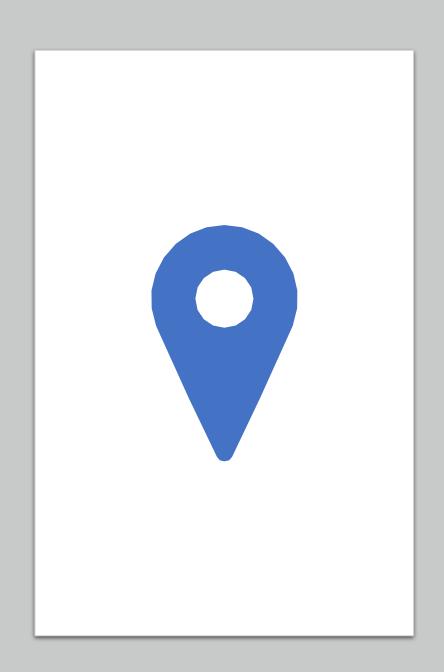




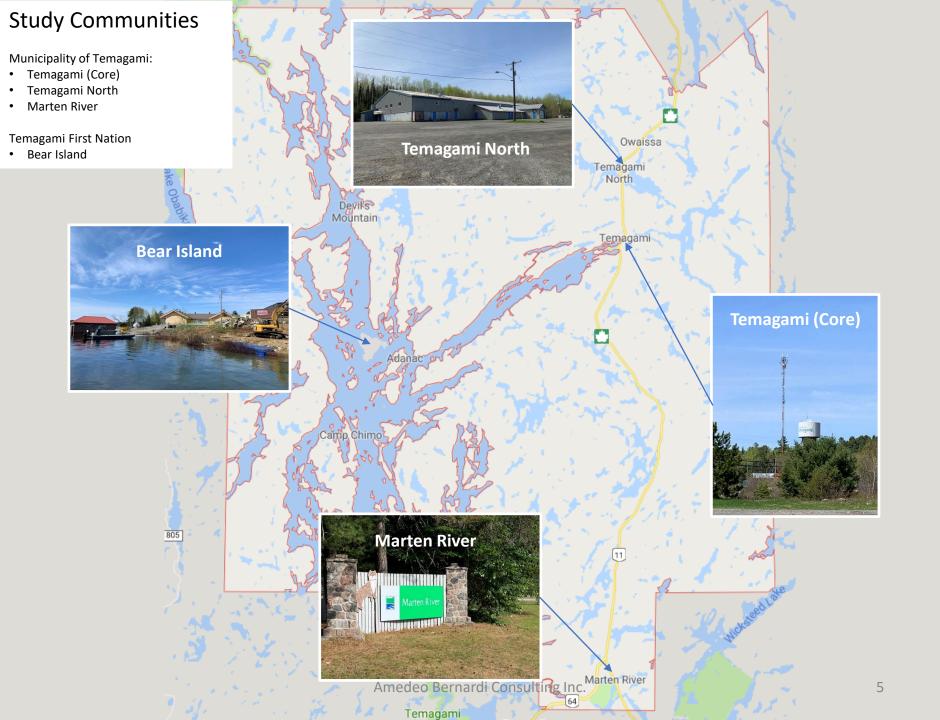


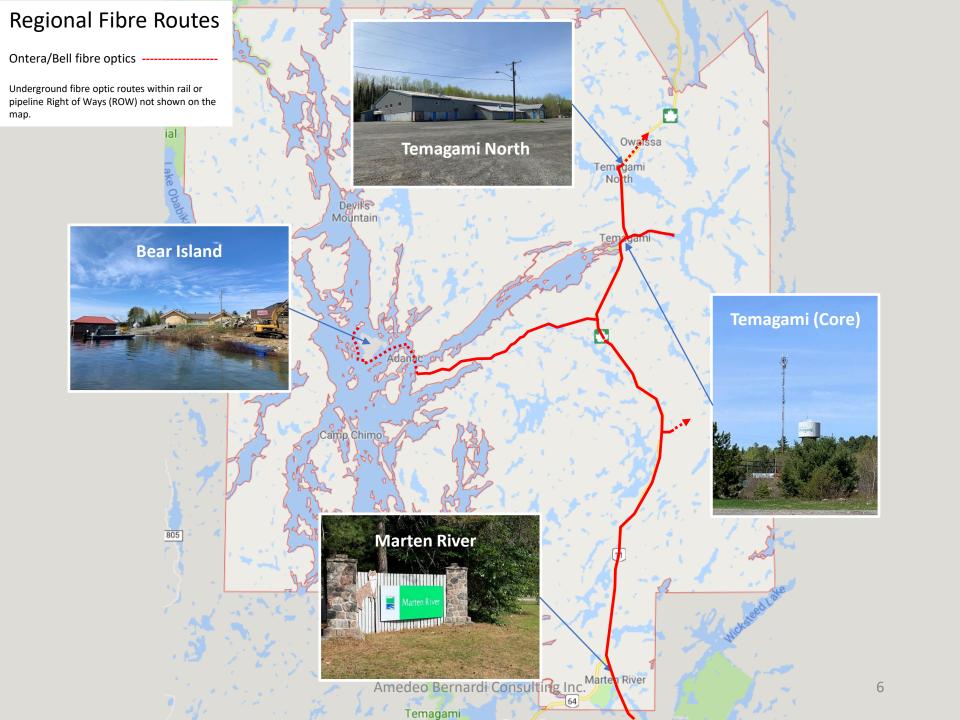


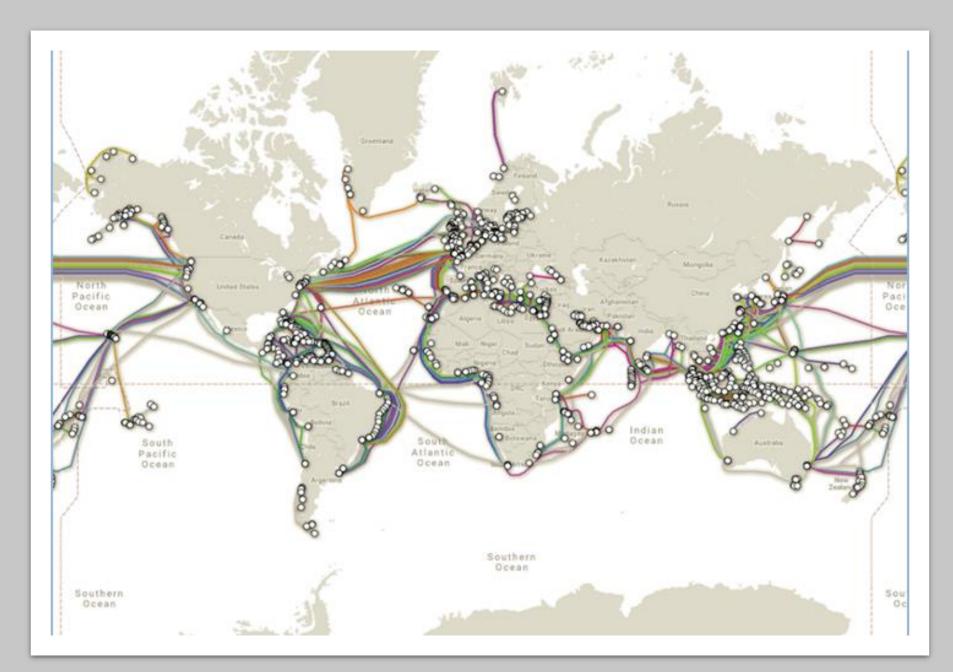


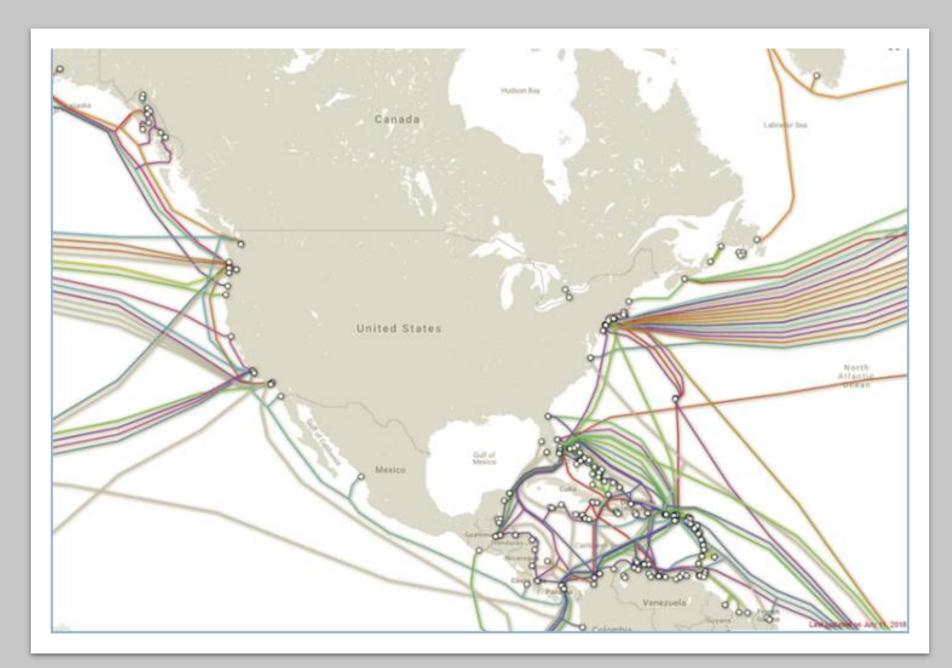


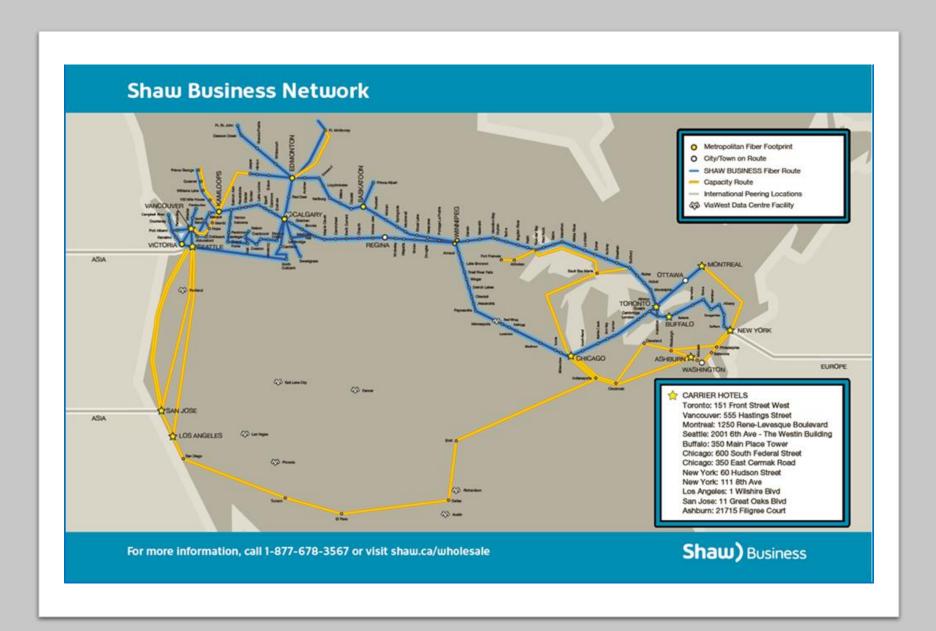
# Regional Study Overview





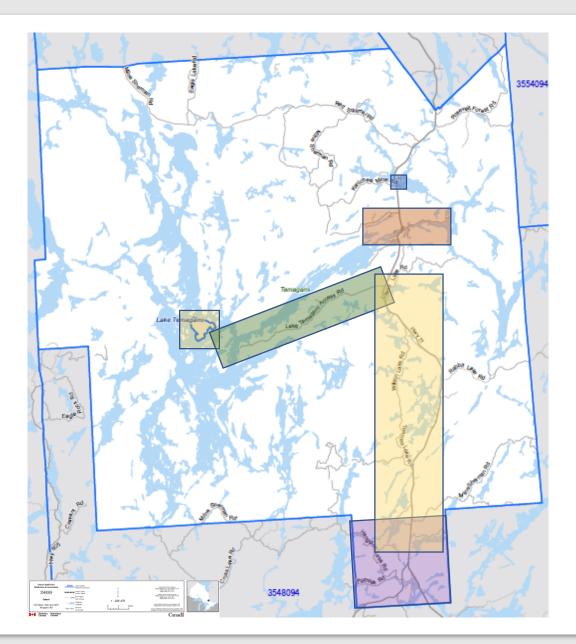


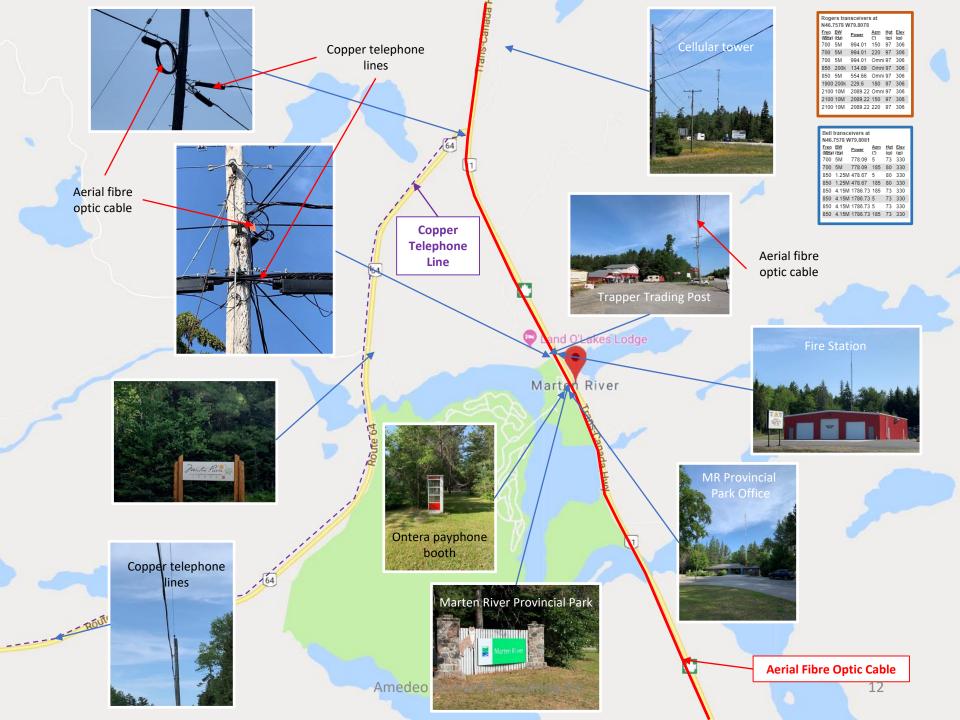


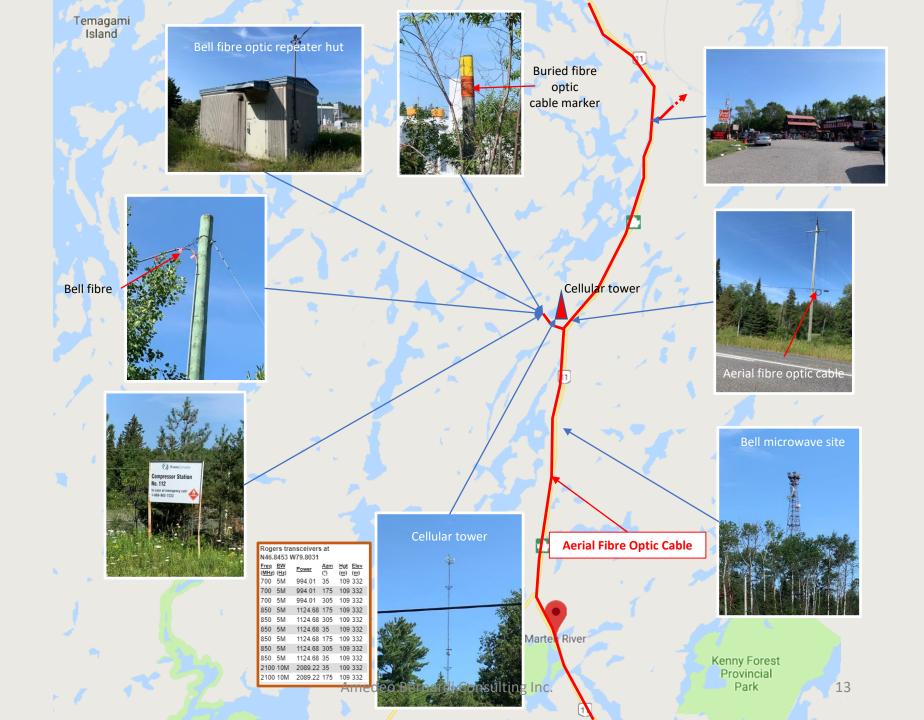


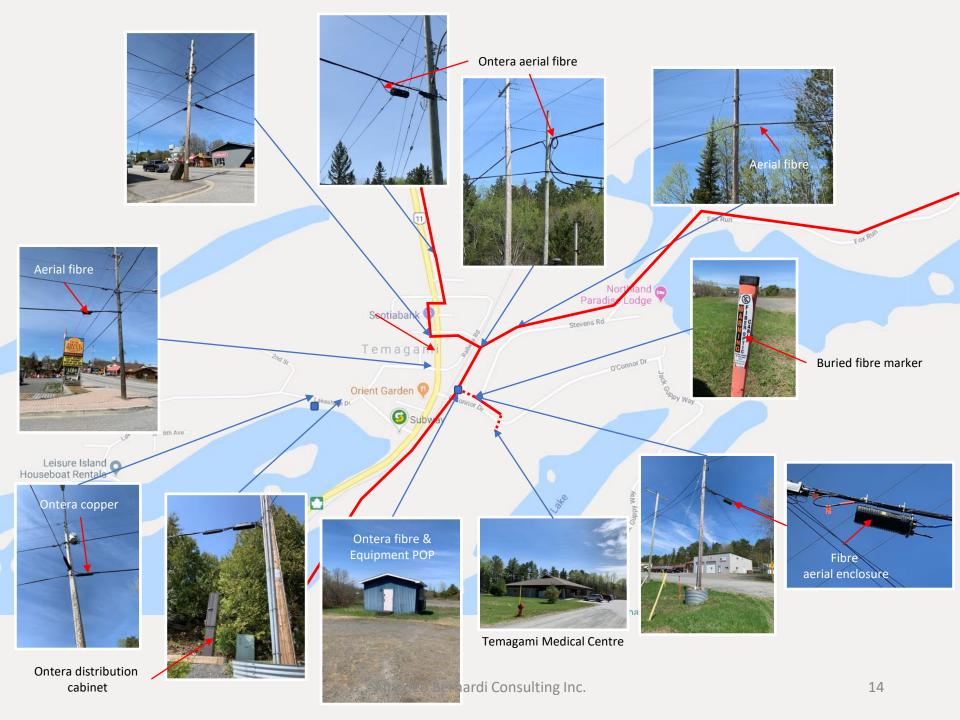
Community visits
May 27 & August 2,
2019

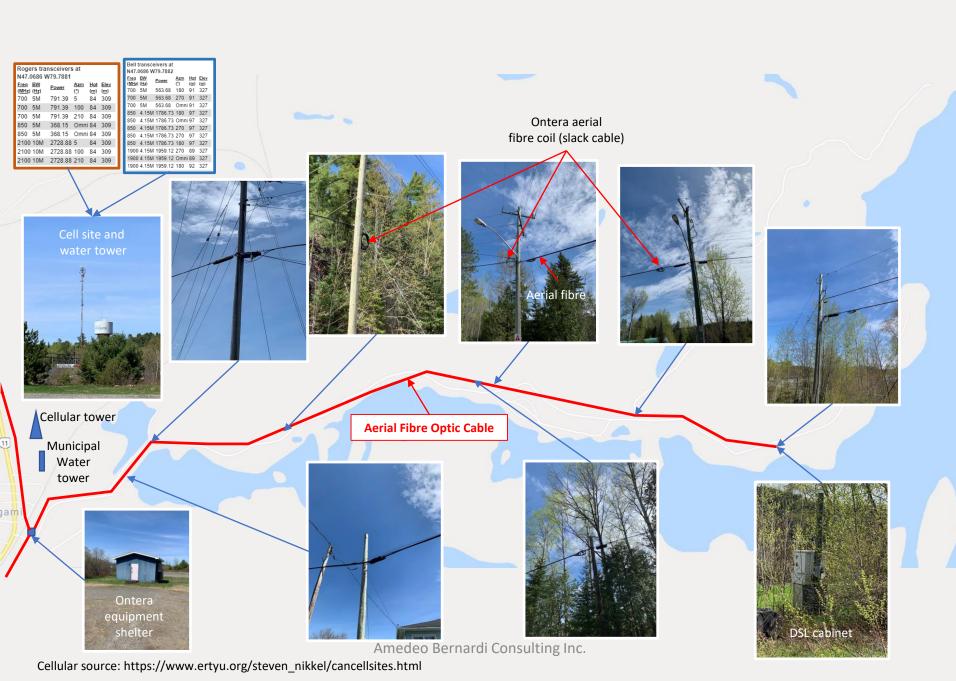
### **Current Facilities**

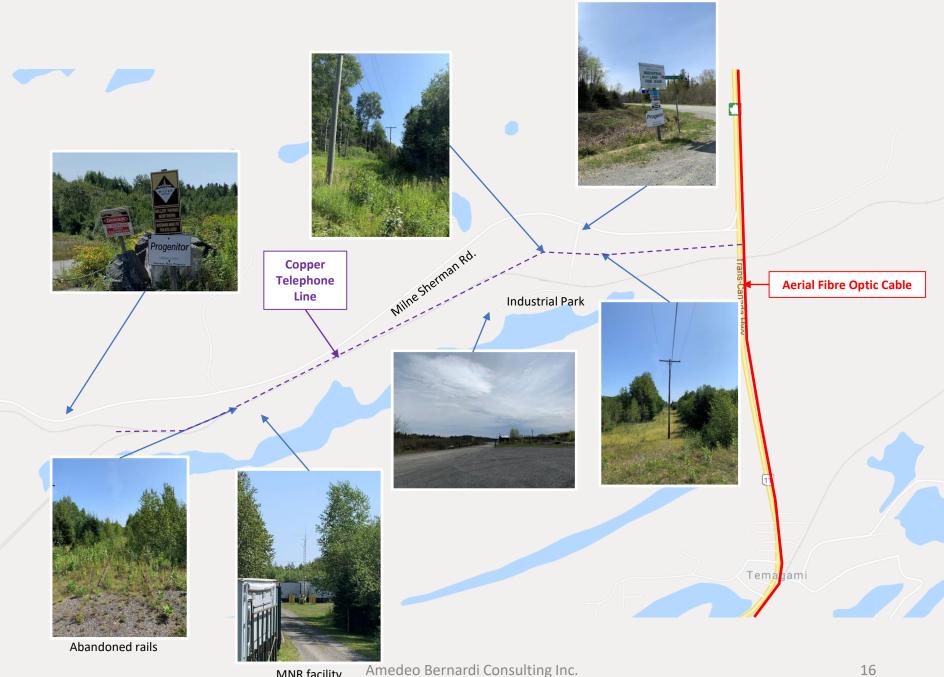




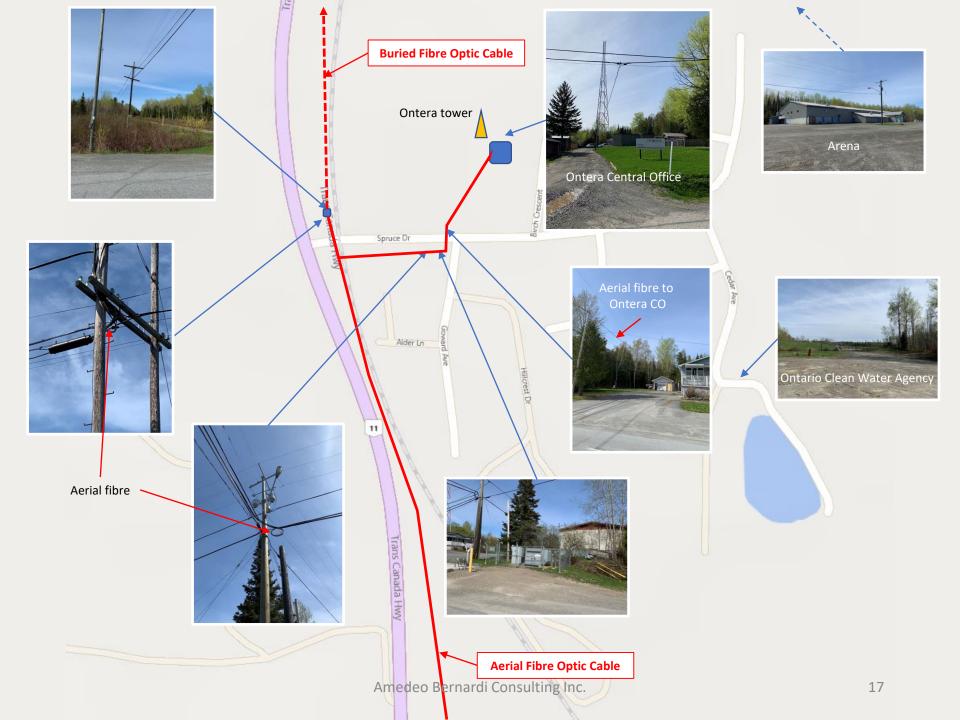


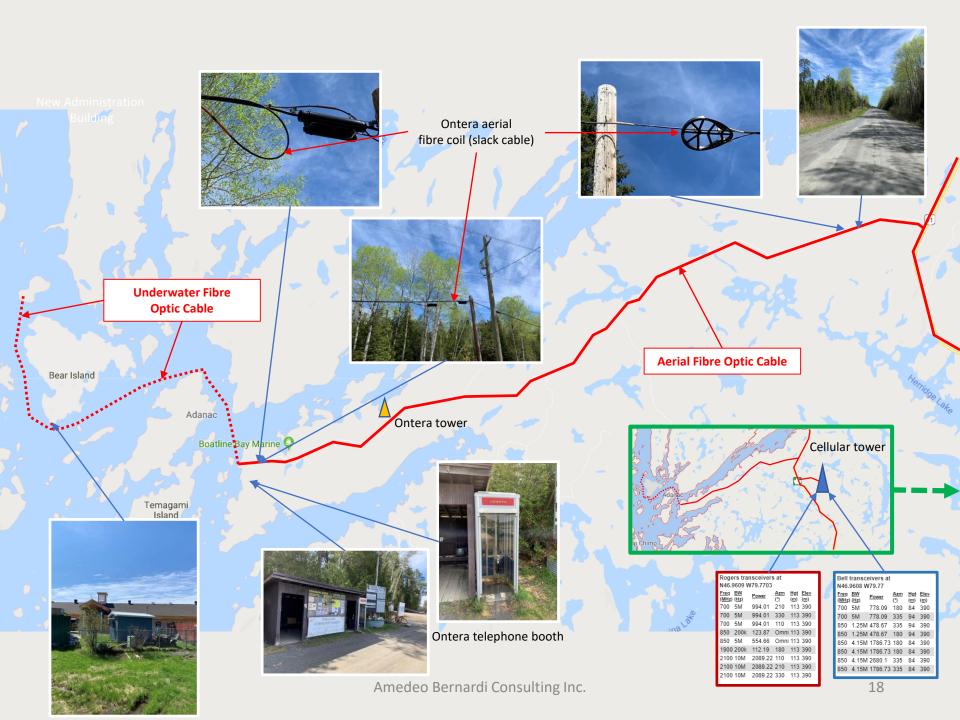






Amedeo Bernardi Consulting Inc. MNR facility







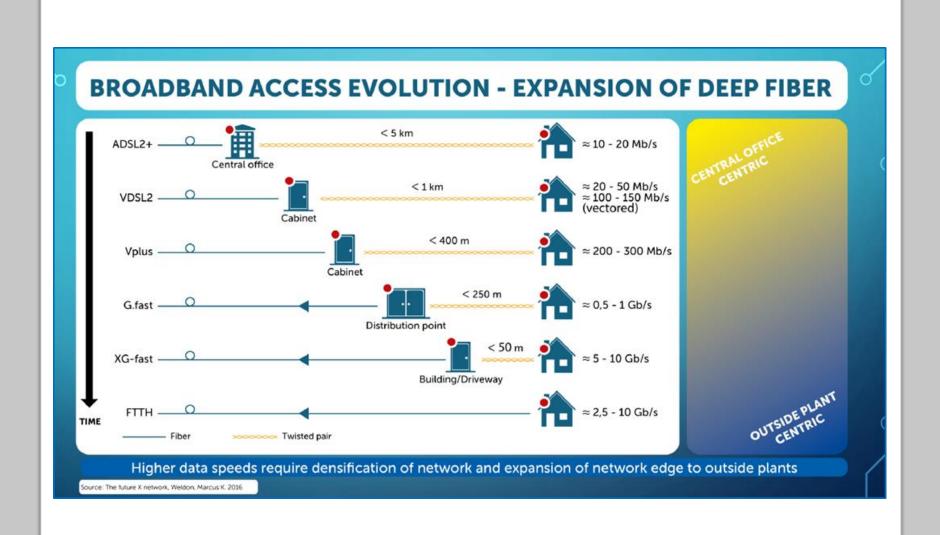


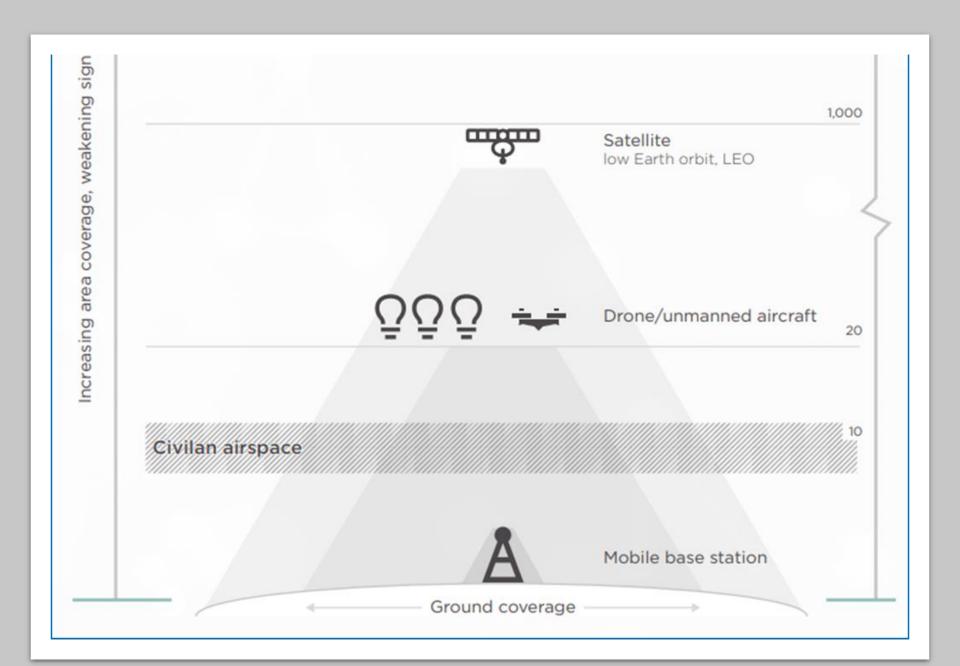
**Service Providers** 

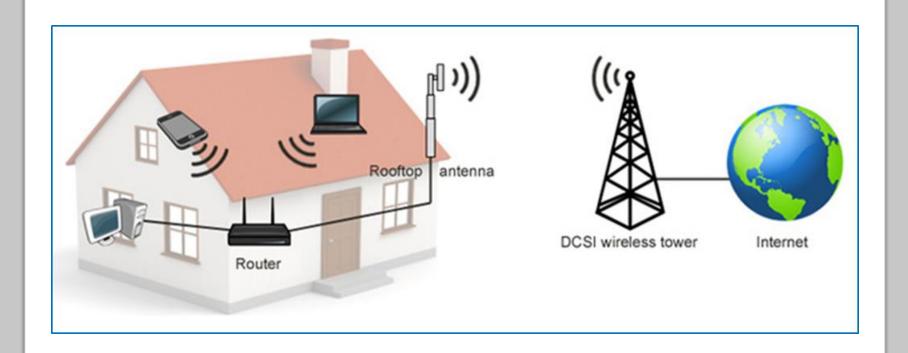
# Types of Services

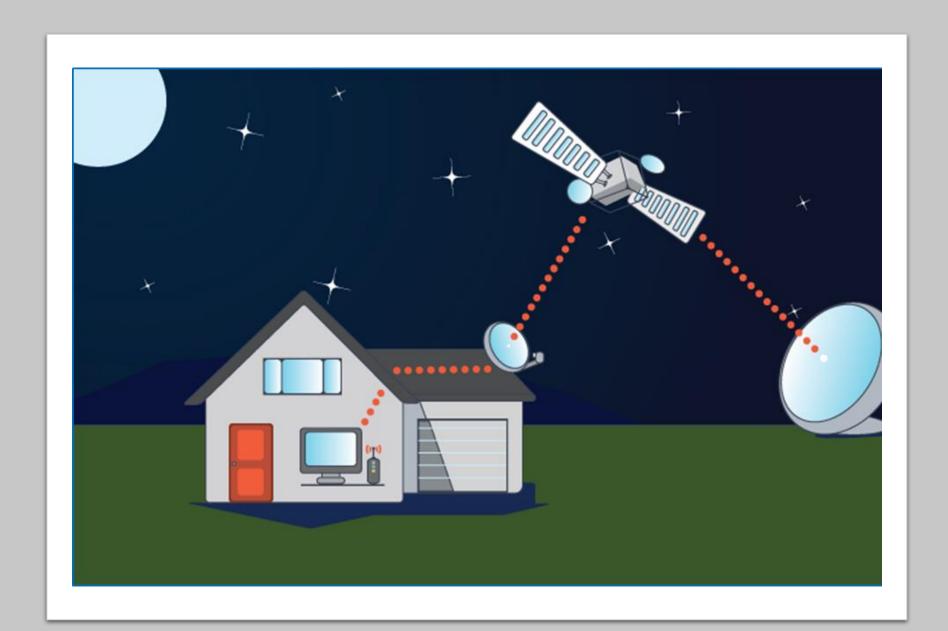
	FTTH	FTTN	DSL	Dial-up	HFC	Coax	4G/LTE	2G/3G	Fixed wireless	satellite
Ontera		Х	Х	Х						
Xplornet									Χ	Х
Galaxy Broadband										Х
Bell Mobility							Х	Х		
Rogers							Χ	Х		

Does not include cellular flanker brands (ie: Virgin, Koodo), satellite TV (ie: ExpressVu), telecom resellers (ie: Distributel)



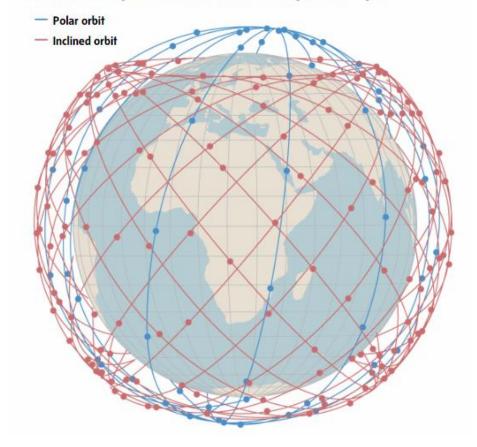






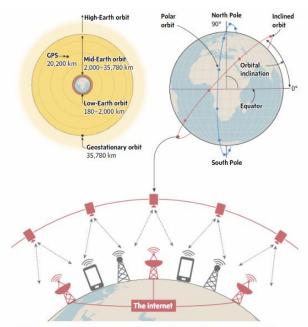
#### THE CONSTELLATION

Telesat's global constellation will consist of 292 satellites, 72 in polar orbit plus 220 in inclined orbit. The mix of different orbits is meant to offer global coverage, with the satellites in polar orbit giving better northern coverage and the inclined-orbit satellites covering mid-latitude regions.



Canada's Telesat takes on U.S. giants in 'low-Earth orbit' internet space race

CHRISTINE DORBYY TILLECOM REPORTER TRENDING
PUBLISHED JANUARY 11, 2019



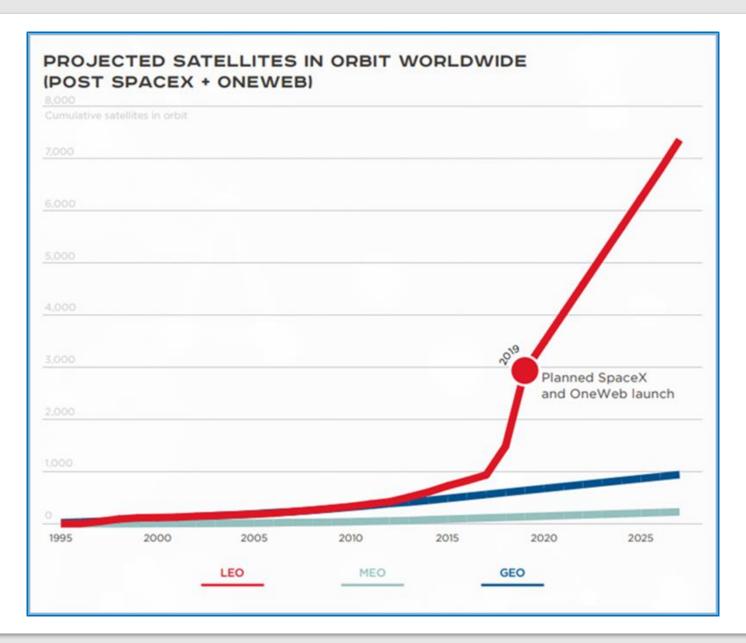
MURAT YUKSELIR / THE GLOBE AND MAIL, SOURCE: NASA; TELESAT; THE ECONOMIST

In its 2018 budget, the Canadian government committed \$100-million over five years to LEO projects, and Telesat has been lobbying for more. The company, along with other players in the acrosspace industry, wrote a letter to Finance Minister Bill Morneau in January urging Ottawa to allocate funding to its LEO project. Telesat argues it will help Canada remain a leader in space technology and also "bridge the digital divide" by bringing high-quality internet to an estimated 4.5 million Canadians who do not currently enjoy such access.

Broadband access for rural and remote residents – many of whom are Indigenous – is a key promise found in most of the large LEO constellation proposals, although Mr. del Portillo is skeptical. "They always mention rural internet, but I think it's more like PR [public relations]," he said, adding that enterprise customers are likely to be the primary clients.

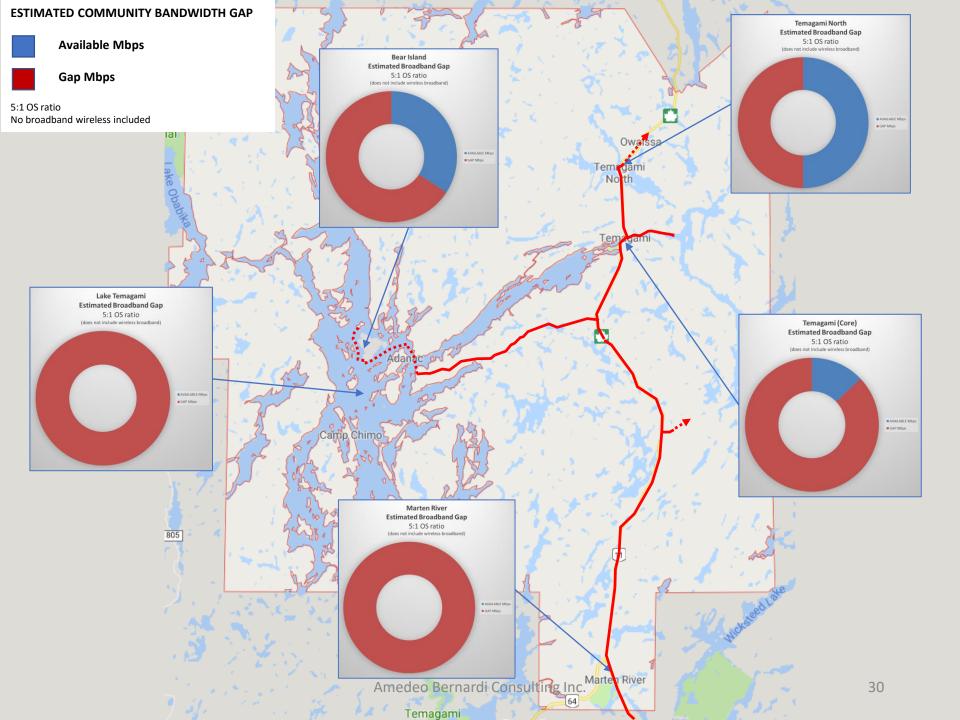
Since the satellites are constantly moving and handing off traffic as they pass over users, on-Earth receivers need multiple antennas controlled by electronics to work. It's expensive technology and Mr. del Portillo added that it likely needs to be cheaper before consumer broadband is a viable LEO market.

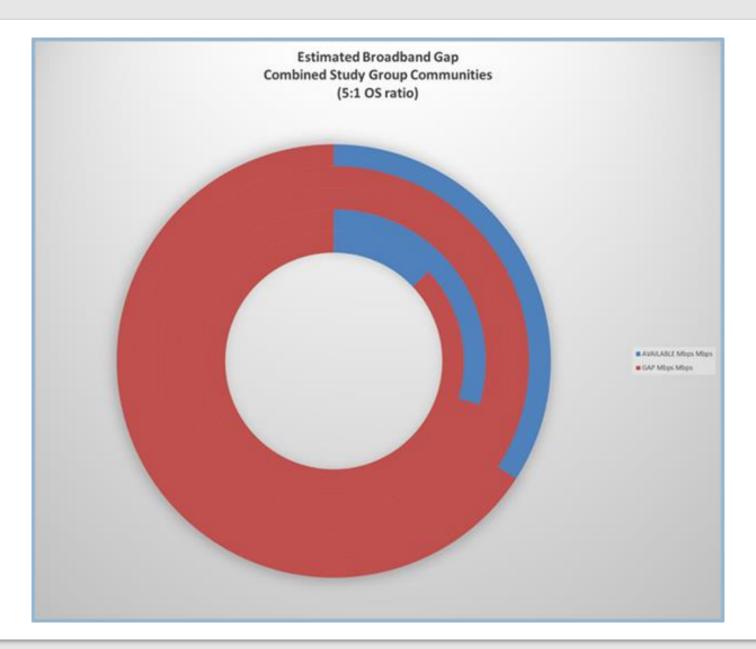
Telesat said a "direct-to-consumer" model will not be its initial focus as it believes further development of low-cost terminals is necessary, but said it plans to offer service from day one that would improve network capacity for less densely populated communities through the use of data centres that would then connect to individual users using existing land-based technology.



Analysis

## Gaps & Needs





Premises Type	Mbps
Dwellings	25
Businesses	100
Hospitals/Clinics	100
Schools	100
Student	1

#### TEMAGAMI MASTER DATA - NEEDS ANALYSIS

Community Broadband Gap Analysis	STATISTICS						DATA (Mbps)						OS ratio	AVAILABLE	
	POP	Dwellings	Businesses	Hospital/ Clinics	Schools	Students	Dwellings	Businesses	Hospital/ Clinics	Schools	Students	NEED	5:1	Mbps	GAP Mbps
							25	100	100	100	1	Mbps		Mbps	Mbps
Temagami (core)	520	220	20	1	1	24	5500	2000	100	100	24	7724	1545	200	1344.8
Temagami North	242	115	5	0	0	0	2875	500	0	0	0	3375	675	200	475.0
Lake Temagami	2100	908	5	0	0	0	22700	500	0	0	0	23200	4640	0	4640.0
Marten River	40	20	5	0	0	0	500	500	0	0	0	1000	200	0	200.0
Bear Island	244	110	14	1	1	44	2750	1400	100	100	44	4394	879	300	578.8
STUDY AREA TOTALS	3146	1373	49	2	2	68	34325	4900	200	200	68	39693	7938.6	700	7238.6

0 0

Assumptions

Temagami (core) base population of 802 taken from 2016 stats can census, then adjusted by approx 2 people per dwelling

Temagami North counted visible dwellings on Google Map - subtracted this from the Tem total and adjusted Temagami core (along with MR estimate)

Lake Temagami population taken from statement in Temagami 2011 EcDev document

Marten River counted visible dwellings on Google Map - subtracted this from the Tem total and adjusted Temagami core (along with MR estimate)

Bear Island taken from 2019 ecdev document

taken from 2019 ecdev document Business counts are estimates

Participation by Premises Type	#	%
Home or primary residence	144	37%
Seasonal residence/cottage	213	55%
Business (not including tourist camp)	10	3%
Tourist camp/resort	11	3%
Other	7	2%
Total	385	100%

Participation by Community (Cumulative)	#	%
Bear Island	49	13%
Temagami North	35	9%
Temagami	63	16%
Lake Temagami	223	58%
Marten River	15	4%
Total	385	100%

Surveys Completed	385
Total Dwellings*	1408
Percentage Completed	27%

\*Total Dwellings based on 2016 Stats Can census, TFN Community Profile Feb 2019 (110), Connected North parcel 2019 information (1298)

### 92% of the respondents were residential/seasonal.

Home or primary residence	144
Seasonal residence/cottage	213
Business (not including tourist	10
Tourist camp/resort (owner, n	11
Other	7



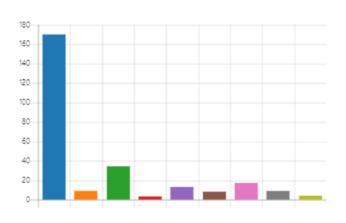
### 69% of all respondents have Internet access from their location.





### The predominant connection type is DSL (44%) followed by satellite (9%)

DSL (Digital Subscriber Line o	170
Fixed Wireless (ie: Xplornet - n	9
Satellite Service	34
Fibre Optic (directly to your pr	3
Cellular Data (ie: Rocket Stick,	13
Cable Modem	8
Dial-Up Connection (over Tele	17
I don't know	9
Other	4



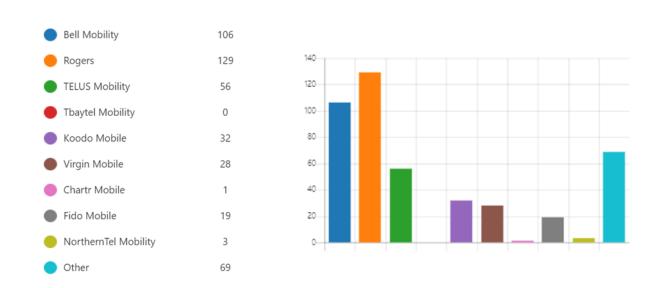
### 72% of respondents are dissatisfied with their current services.



### 95% of households own at least one cellphone



### Rogers et al account for 34% of cellular users and Bell/Telus total 51%



CAPEX

## Estimates

#### Temagami Community Capital Projections

		MARKET PROJECTION		CONNECTED PREMS			TRANSPORT DISTRIBUTION		DROPS	YEAR TWO & THREE		TOTA	L FTTP CO	STS			
Communities	Prems Passed	Target Market Penetration	Project Total	Connected	Year Two Connected Prems	Three			Distribution + Electronics	FTTP Drop + Prem Total Cost	Year Two PREM Capital	Year Three PREM Capital	Total Project Cost	Total Cost Per Prem PASSED PASSED Total Cos Per Per Prem		Notes	
Temagami (Core)	240	80%	192	77	58	58	\$ 111	,948	\$ 560,000	\$ 89,088	\$ 66,816 \$ 66,816		\$ 894,668	\$ 3,500	\$ 4,660	access at Ontera POP c/w upgrades	
Temagami North	120	80%	96	38	29	29	\$ 111	,948	\$ 280,000	\$ 44,544	\$ 33,408 \$ 33,408		\$ 503,308	\$ 4,083	\$ 5,243	access at Ontera CO c/w upgrades	
Lake Temagami	913	30%	274	110	82	82	\$ 559	,741	\$ 1,569,500	\$ 127,090	\$ 95,317	\$ 95,317	\$ 2,446,965	\$ 7,774	\$ 8,934	proxy for two towers on Lake (Bear Island + TBD)	
Marten River	25	80%	20	8	6	6	\$ 559	,741	\$ 237,500	\$ 9,280	\$ 6,960	\$ 6,960	\$ 820,441	\$ 39,862	\$ 41,022	POP undetermined, distances estimated	
Bear Island	125	90%	113	45	34	34	\$ 55	,974	\$ 287,500	\$ 52,200	\$ 39,150	\$ 39,150	\$ 473,974	\$ 3,053	\$ 4,213	fibre available (nodes and transport)	
Total Prems	1423		694	278	208	208	\$ 1,399	,353	\$ 2,934,500	\$ 322,202	\$ 241,651	\$ 241,651	\$ 5,139,357				

\$ 3,740,004 includes Years 1-3 (if applicable)

AVG AVG \$ 11,654 \$ 12,814

Prems Passed = # of premises that distribution cabling passes along a street, but not connecting to the premises (drop)

Target Market Penetration = estimate of how many customers would use the new service

 $\textbf{Transport} + \textbf{Electronics} = \textbf{cost} \ of \ construction \ backbone \ fibre \ to \ community + \ electronics, or \ electronics \ if \ transport \ fibre \ in \ place$ 

Distribution + Electronics = cost of constructing last mile distribution fibre + electronics within the community

VDSL Per Connected Prem = cost of installing the node divided by the number of total subscribers

LOW (VDSL) = estimated lower end of providing a degree of broadband in the community

HIGH (FTTP) = estimated upper end of providing a degree of broadband in the community

#### Overall Assumptions:

pole make ready costs not included

% of prems connected varies, max 80% where no competitor to Ontera/Bell, max 60% where a facilities based competitor exists VDSL will not require distribution copper upgrades

all values are estimates, additional accuracy requires market design and pricing exercise

WIRELESS AND FIXED WIRELESS SOLUTIONS NOT INCLUDED EXCEPT FOR LAKE TEMAGAMI

#### Temagami Community Capital Projections - Estimated High - Low Ranges

		Trans	:	Distribution				Total Deployment					
		Low		High (+30%)		Low		High		Low		High	
Te magami (Core)	\$	111,948	\$	145,533	\$	351,948	\$	894,668	\$	463,896	\$	1,040,201	
Temagami North	\$	111,948	\$	145,533	\$	351,948	\$	503,308	\$	463,896	\$	648,841	
Lake Temagami	\$	559,741	\$	727,663	\$	799,741	\$	2,446,965	\$	1,359,482	\$	3,174,628	
Marten River	\$	559,741	\$	727,663	\$	799,741	\$	820,441	\$	1,359,482	\$	1,548,104	
Bear Island	\$	55,974	\$	72,766	\$	295,974	\$	473,974	\$	351,948	\$	546,740	
Community Totals		1.399.353	Ś:	1.819.158	Ś	2.599.353	Ś	5.139.357	Ś	3.998.705	Ś	6.958.515	

Deployment "Low" includes only 1 DSLAM c/w cabinet, power, installation allowance Deployment "High" includes full FTTP system and fibre transport (where needed) These estimated ranges are provided solely for planning and require detailed analysis if used for other uses.

#### CRTC funding is delayed

- Have not announced the application process yet
- If funding approved in 2020, won't be building until 2021

### Observations

- Provincial broadband funding parameters (ie: NOHFC or MOI?) have yet to be determined
  - Focus areas?
  - Totals?
  - Timing?
- Alternate funding
- Funding delay impacts the Community

Funding Program	Owner	Funding	Description						
randing riogram	Canadian Radio-	- runung	To build or upgrade access and transport infrastructure in						
	television and		underserved areas.						
Closing the Broadband Gap	Telecommunications	\$750M fund over 5 years	underserved areas.						
	(CRTC)								
	(CRIC)		https://crtc.gc.ca/eng/internet/internet.htm  Municipalities, municipal organizations, First Nations,						
	N II O I I		Community Based Networks or ICT community champions (non-						
Strategic Economic	Northern Ontario	The I	profit economic development / innovation						
Infrastructure Program	Heritage Fund	The lesser of 50% or \$1 million	centres) in Northern Ontario.						
	Corporation (NOHFC)		h						
			https://nohfc.ca/en/pages/programs/strategic-economic-						
	Ontario Ministry of		infrastructure-program Funding . Activities that grow the local economy and remove						
Rural Economic Development	Agriculture, Food and	Up to 50% of the project costs or a	barriers to economic development.						
Program (RED)	Rural Affairs	maximum \$100,000	barriers to economic development.						
Flogram (NLD)	(OMAFRA)	maximum \$100,000	www.ontario.ca/page/rural-economic-development-program						
	(OMALIVA)		The IEDF has 3 funding programs: The Business and Community						
		\$70 million over the next seven	Fund Program, Economic Diversification Grants Program,						
Indigenous Economic	Ontario Ministry of	years to extend the fund, originally	Regional Partnership Grants Program.						
Development Fund (IEDF)	Indigenous Affairs	launched in 2014, for a total	0						
Development and (1251)	(OMIA)	combined investment of \$95	www.grants.gov.on.ca/GrantsPortal/en/OntarioGrants/GrantO						
		million over 10 years.	pportunities/PRDR012765						
			The FNIF was created as a complementary source of funding to						
	Indigenous Services	The amount of money planned	the Capital Facilities and Maintenance Program and includes						
First Nation Infrastructure		under FNIIP varies from year-to-	eight categories of eligible infrastructure projects including						
Fund	Canada (ISC)	year because of time-limited,	connectivity.						
	, ,	targeted funding programs.	,						
			www.sac-isc.gc.ca/eng/1100100010656/1533645154710						
			CIRA funds innovative community projects to build a stronger,						
	Canadian Internet	To date CIRA has contributed \$6.7	safer and more accessible internet for all Canadians - improving						
Community Investment		'	digital literacy, internet infrastructure, access and online						
Program	Registration Authority	· ·	services.						
	(CIRA)	Program grants.							
			www.cengn.ca/ontario-broadband-program						
		This intake has already passed;							
		however CENGN noted that there	Their mission is to accelerate the growth of the Canadian						
		will be future applications. In this	Information and Communications Technology (ICT) sector,						
Next Generation Network	Centre of Excellence	previous intake, CENGN	enabling economic strength and prosperity, as well as						
Program (NGNP)	in Next Generation	contributed 50 percent of eligible	innovation and competitiveness.						
Trogram (Nom)	Networks (CENGN)	project costs for an approved	and talled and competitiveness.						
			www.cengn.ca/ontario-broadband-program						
		of \$500,000 per project.							
		5. \$500,000 per project.							
			Investments in rural and northern infrastructure will help grow						
			local economies, build stronger, more inclusive communities,						
		The Government will invest	and help safeguard the environment and the health of						
Rural and Northern	Infrastructure Canada	\$2 billion over the next decade to	Canadians. Because rural and northern communities have						
Communities Infrastructure		support a broad range of	unique infrastructure needs that require a more targeted						
		infrastructure projects.	approach.						
			www.infrastructure.gc.ca/plan/rnc-crn-eng.html						

### **CRTC Broadband Fund**

- \$750 Million over 5 years starting in 2019,
- Revised target of 25Mbps download and 5Mbps upload (vs 50/10),
- Three stages: 1) eligibility, 2) assessment and 3) selection,
- Build/upgrade access and transport infrastructure for fixed and wireless broadband; however, preference for fixed,
- Project must show that it would not be viable without Commission funding,
- Applicants can be established carriers, new entrants, and community organizations, and
- Preference to multi-regional proposals "as well as any affected Indigenous and official language minority communities".

## Eligibility (Geographic)

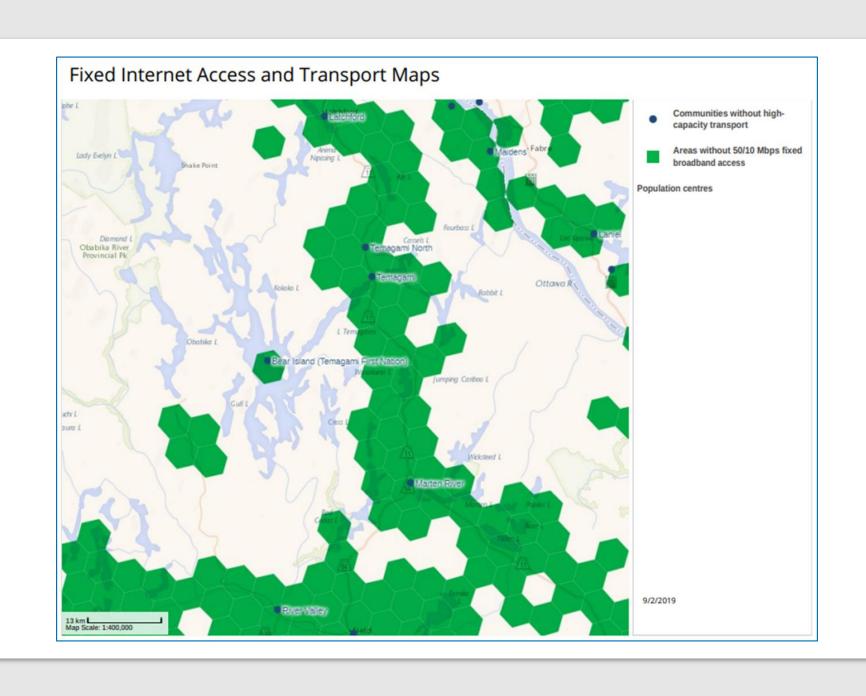
#### Based on 25 km2 hexagons:

- fixed broadband Internet access service projects:
  - at least one household, but where no household has access to broadband Internet access service (i.e. 50/10 Mbps).
- transport projects:
  - build or upgrade infrastructure to an eligible community, defined as a small population centre with a population of fewer than 30,000 residents;
  - located at least 2 km away from a PoP; and
  - with a minimum capacity of 1 Gbps.
- mobile wireless service projects:
  - at least one household but no access to coverage by the latest generally deployed mobile wireless technology (currently LTE), or
  - part of a major transportation road that does not have access to coverage by the latest generally deployed mobile wireless technology (currently LTE).

## Eligibility (Project Types)

Projects to build or upgrade fixed access infrastructure, transport infrastructure, mobile wireless infrastructure, or any combination of these:

- Fixed broadband Internet access service projects:
  - capable of providing a minimum download speed of 25 Mbps and a minimum upload speed of 5 Mbps.
- Transport projects:
  - new builds must offer a minimum capacity of 1 Gbps, and
  - proposed projects that would upgrade transport infrastructure must offer a minimum capacity of 10 Gbps.
- Mobile wireless service projects:
  - at a minimum the latest generally deployed mobile wireless technology, currently LTE, will be eligible for funding.



## Recommendations

- Discuss local distribution upgrades with Ontera
- Take the lead on any future funding applications, but attempt to broaden participation
  - Expand to include other communities (NSRBN, EORN)
  - Seek service provider partners
  - Review wireless (Radio Frequency) options to optimize coverage
- Consider creating a regional ISP or partnering
- Secure a resource to monitor regulatory and service providers

## Interim Solutions

There are many independent service providers seeking to implement solutions such as Fixed Wireless ISP services to communities.

Typically they cannot yet meet the CRTC 50/10 bandwidth targets (technology selection, available backhaul), but can greatly provide improved service ie: up to 25Mbps (depending on distance from tower, number of users and line of sight).

Some considerations if they are looking to partner and/or seek financial contribution:

- Do they have a documented and/or planned technology path towards greater bandwidth?
- •If they are not local, how will they provide technical service?
- •Where are they getting their backhaul bandwidth from (ie: Bell)?
- •Are they registered with the CRTC (all ISPs must now be)?
- •Can they provide any other services on their network (ie: local telephone vs nomadic VoIP)?
- Are they asking or inferring any kind of exclusivity with you?

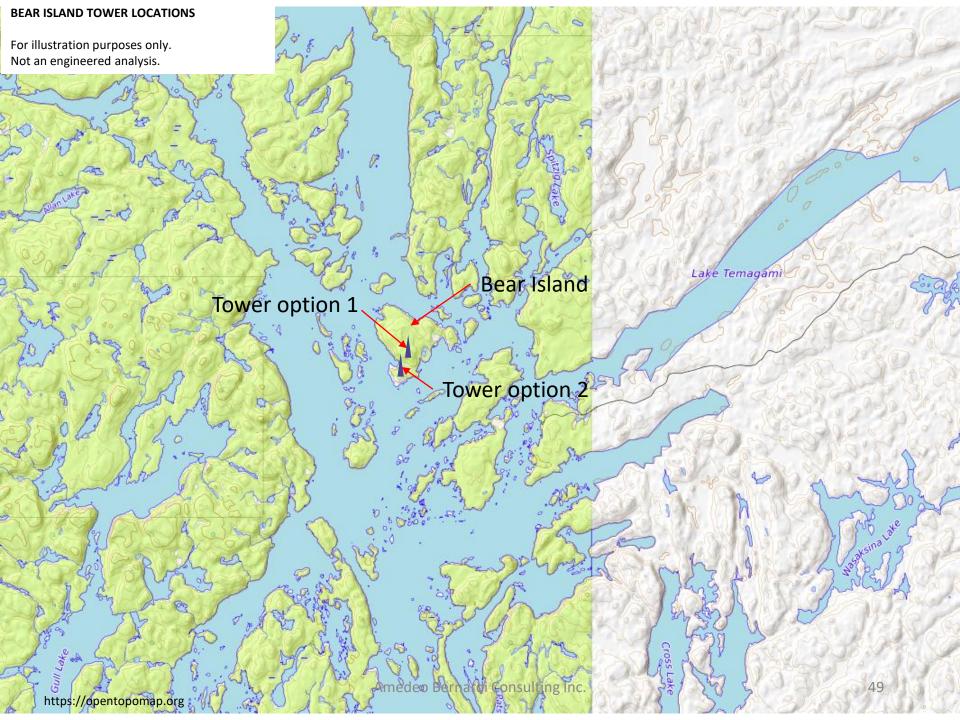
If they are not seeking to partner with you, then they are private enterprises with their own ROI and risk to consider. Other than ensuring they conform to local bylaws and/or planning requirements and Federal tower siting rules, these companies are seeking to create viable competition in the local market.

# Miigwetch! Thank you!

Amedeo Bernardi Consulting Inc.

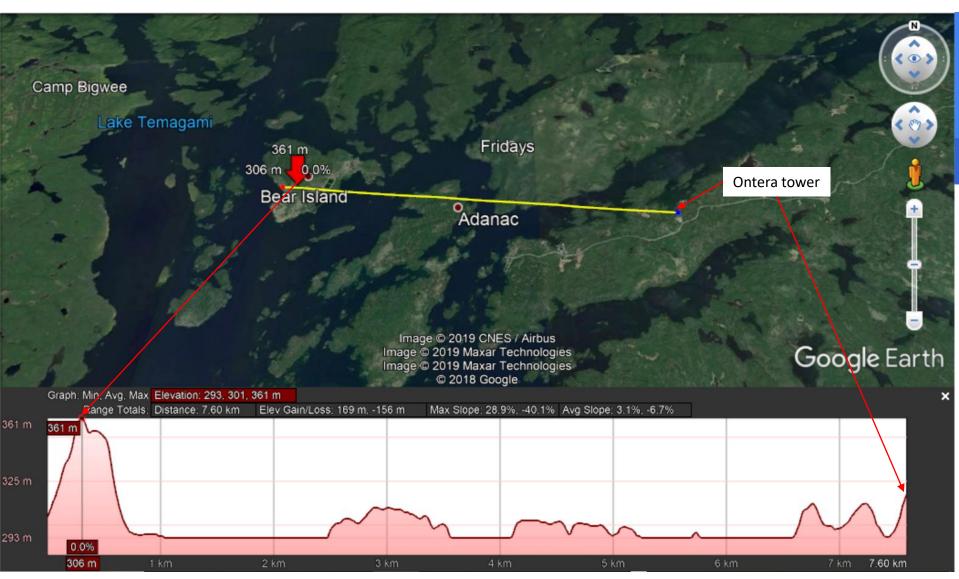
www.amedeobernardi.ca amedeo@amedeobernardi.ca 705-845-1005





#### **ELEVATIONS**

For illustration purposes only. Not an engineered analysis.



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For illustration purposes only. Not an engineered analysis.

