

SPECIAL MEETING AGENDA

Thursday July 28, 2022

9:15 a.m. to 9:45 a.m.

Electronic Meeting via Zoom

Join Zoom Meeting

<https://us02web.zoom.us/j/7217924547?pwd=WHM4NloxSGdpNEF6VEZtOEVjQURrUT09>

Meeting ID: 721 792 4547

Passcode: 555555

1. CALL TO ORDER – WOWC Chair George Cornell
2. APPROVAL OF THE AGENDA AND DECLARATIONS OF PECUNIARY INTEREST

Recommendation: “THAT the agenda be approved as presented.”

3. DELEGATIONS AND PRESENTATIONS
 - a. **Presentation** by Michael Galloway, SWIFT-WOWC Liaison and Barry Field, Executive Director, SWIFT Inc. 15 minutes (verbal)

SWIFT is proposing to complete a study and produce a funding request document for cellular coverage within Southwestern Ontario.

Recommendation: “THAT the presentation be received.”

4. REPORT FOR CONSIDERATION
 - b. **Cellular Service Improvement Project**, by Kate Burns Gallagher, WOWC Executive Director, Michael Galloway, SWIFT-WOWC Liaison and Barry Field, Executive Director, SWIFT Inc.

Recommendation: “THAT the report titled Cellular Service Improvement Project BR-07-22 be received and;”

“THAT the Western Ontario Wardens’ Caucus endorses SWIFT Inc. spending up to \$85,000 on the creation of the Cellular Service Improvement Project funding request utilizing existing SWIFT non-SCF funds.”

5. CONFIRMATION OF NEXT MEETINGS

WOWC (full caucus) – Sunday August 14, 2022 from 2:00 to 4:00 p.m. **in person only** – Provinces 1, The Westin Hotel, in conjunction with the AMO 2022 Conference, Ottawa Ontario

Joint EOWC & WOWC – Sunday August 14, 2022 from 4:00 to 5:00 p.m. **in person only** - Provinces 1, The Westin Hotel, in conjunction with the AMO 2022 Conference, Ottawa Ontario

6. MOTION OF ADJOURNMENT

Recommendation: “THAT the meeting be adjourned.”

Southwestern Integrated Fibre Technology Inc.

Board Meeting BM-02-2022

Closed Session – Confidential

July 22, 2022

Cellular Service Improvement Project BR-07-22

RECOMMENDATIONS

That, the Cellular Service Improvement Project report BR-07-22 dated July 22, 2022 be received;

And further, that staff be directed to undertake completion of a Cellular Service Improvement funding request targeted at both the federal and provincial governments;

And further, that staff be authorized to spend up to \$85,000 on the creation of the Cellular Service Improvement funding request.

REPORT HIGHLIGHTS

Introduction

The purpose of this report is to seek approval to spend \$85,000 of unbudgeted funds to complete a funding request document which will seek federal and provincial funding for a cellular project in Southwestern Ontario aimed at filling the cellular gaps in the region.

Financial Impact

The total estimated financial impact of this report is \$85,000. This amount was previously unbudgeted. The current budget estimates a cash surplus of approximately \$1.8M at the end of the SWIFT program (2030). The funds for this exercise would be drawn from this surplus.

Note that the requested funds are to complete the first step in the funding exercise. If received favourably by the federal and provincial governments, additional effort and funds are likely required to complete further levels of information for actual funding applications. This is not dissimilar to the exercise we completed for the SWIFT broadband funding. However, it is impossible to forecast what this cost may be without input from the federal and provincial governments and without understand their funding application requirements.

Item	Estimated Cost	Notes
Internal Support	\$20,000	Internal staff hours
External Consultant	\$65,000	IBI fixed priced
TOTAL	\$85,000	

Risks/Implications

There are two risks associated with this report.

- 1) No funding is awarded to SWIFT and the funds are spent with no results to show.
- 2) If the funding request is successful, further budget is required to complete actual funding applications at both the federal and provincial levels.

Background

SWIFT is currently completing the implementation phase of our broadband project. Per the current schedule, this activity will be winding down by the middle of 2023 at which time staff will start being released and we will enter the operational (monitoring) phase of the broadband program which ends in 2030.

In 2021, EORN (Eastern Ontario Regional Network) was awarded \$71M funding from each the federal and provincial governments to complete a \$300M 'Cellular Service Improvement' project in their region. That project is currently underway and is expected to complete implementation in 2025.

Like broadband companies, wireless carriers typically invest in areas where they can realize the highest return on investment. While their frequency licenses 'force' them to provide some level of cellular service in the rural areas, they typically focus their rural efforts on major corridors (highways and major roads) and areas with small pockets of population density. While this strategy addresses service for most of the population, it leaves most of the geography with poor or no cellular coverage. This is especially true of 5G services where carriers are currently focussed on urban areas.

With the advent of the Internet of Things (IoT). More and more devices, machines, and tools are reliant on strong 5G networks. This is especially true of autonomous farming and self-driving vehicles. The strategy of serving only major population centres and major roadways fails to address the needs of rural communities in the future.

The two main reasons why ubiquitous cellular coverage is of benefit to our communities are;

- 1) Public Safety – Having access to cellular coverage in cases of emergency is key to being able to access emergency services for the general public. In addition to this, the Public Safety networks rely more and more on access to private 5G networks for a number of data-driven applications for police and emergency services.
- 2) Economic Development – As mentioned above, as more and more devices are being connected to the internet, many of which require mobility, a ubiquitous 5G network will facilitate the economic expansion of the region.

Included in the funding request document will be a full socio-economic assessment of the proposed project.

Note that, unlike the broadband project, there are only two wireless carriers that build infrastructure throughout Southwestern Ontario, Bell and Rogers. As such, competition for funding will be limited to these two carriers.

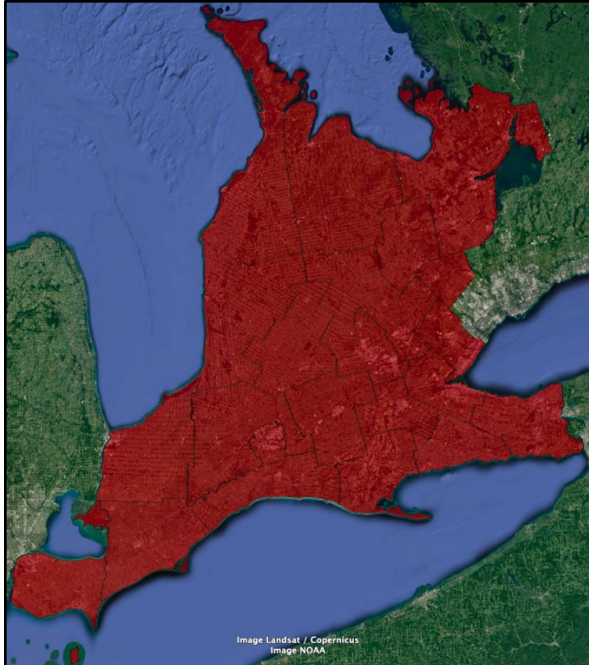
Comments

Funding Amount

Staff have been working with Bell and Rogers to collect preliminary information on the magnitude of the gap in Southwestern Ontario as well as the potential cost to correct the issue. While this work is still on-going it is expected that the total cost to fix the problem in the region is somewhere between \$400-500M. The expectation is that the ISPs would cover approximately 50% of this cost and we would require funding for the remaining \$200-250M. Both companies continue to provide input to staff which will be used in the proposed funding request document.

Funding Area

The SWIFT broadband program excluded certain municipalities within the geography given that those municipalities either had excellent broadband coverage already or else were undertaking their own broadband programs. For the cellular project, we would need to relook at which municipalities would benefit from the program. For the purposes of the funding request document, SWIFT will include the entire geography of Southwestern Ontario including Halton Region, Hamilton, Norfolk, Pelee Island, and other municipalities previously excluded from the broadband project. Note that the urban areas of these municipalities, as well as the areas that already have 5G services will be excluded. Also note that, prior to submitting the funding request document to any federal or provincial agencies, each municipality need to be contacted and will need to provide their approval to participate.



Proposed Cellular Project Area

Timing

Upon receiving budget approval, it is estimated that it will take approximately two months to produce a funding request document for review by the board (late September / early October).

General

While funding for such a large project is far from guaranteed, the social and economic benefits of such a project are hard to ignore. Also, both levels of government have set a precedent by funding the EORN project and it will be difficult to ignore a similar request for the area, which has a bigger gap and contains a larger underserved population. In addition to this, the provincial government is believed to have saved a considerable amount of money on their broadband funding reverse auction (AHSIP). Their \$4B commitment to broadband was touted as 'broadband and cellular' and not just broadband. Presumably, this leaves them with excess funds for cellular coverage in the province.

CONCLUSIONS

Given the need for such a project in the region as well as the strong possibility of receiving federal and provincial funding, it is recommended that the Board approve the recommendations of this report and that staff start to prepare a funding request document.

SIGNATURE

Approved for submission:

Original signed by: _____

Barry Field, Executive Director