



NEWS RELEASE

Eastern Ontario Regional Network Submits Proposal for Ultra-Fast Gig Internet Project

Long-Term Solution for Rural Connectivity Key to Economic Recovery

(March 1, 2021) – The Eastern Ontario Regional Network (EORN) has made a formal submission to the federal and provincial governments seeking support to deliver ultra-fast Gig internet to homes and businesses across the region. The submission has been sent to federal Minister Maryam Monsef, who has responsibility for rural economic development, and Ontario’s Minister of Infrastructure Laurie Scott, who is tasked with rural broadband matters for the province.

The COVID-19 pandemic has highlighted the crisis in rural internet access. It has impacted businesses, education, healthcare and government services. The EORN Gig Project offers a comprehensive, long-term solution that ensures the region recovers from the pandemic, supports economic growth and improves quality of life.

“Rural areas are constantly falling behind as demand for broadband grows exponentially. It’s time we fix it for good by building the Gig Project,” said EORN Chair J. Murray Jones, Warden of the County of Peterborough. “It’s a lasting investment in our prosperity.”

The project would use a competitive process to choose a telecommunications partner and maximize coverage across the region. EORN seeks to fund the \$1.2 to \$1.6 billion project through a combination of funding, with \$200 million each from the federal and provincial governments and the remainder from the Canada Infrastructure Bank and the private sector.

Both the federal and provincial governments are investing in broadband. The federal government established the Universal Broadband Fund (UBF) and the Government of Ontario created the Improving Connectivity in Ontario (ICON) fund. Both funds focus on local projects. EORN is seeking support through a flexible use of these programs, or any other appropriate funding streams.

“We appreciate how committed both governments have been to improving broadband access,” said Debbie Robinson, Chair of the Eastern Ontario Wardens’ Caucus (EOWC) and Warden of Renfrew County. “We all share the same goals, and we look forward to working together on a solution that is both comprehensive and cost-effective.”

“The Eastern Ontario Mayors’ Caucus is pleased to join the EOWC in supporting this project, which would serve more than one million residents in 113 municipalities,” said Diane Therrien, Chair of the EOMC and Mayor of the City of Peterborough. “Collectively, we will be well served by EORN’s comprehensive solution, rather than searching for our own private sector partners.”

Delivering Gig service generally involves a fibre optic or cable connection to the home or business. The EORN Gig Project leverages previous investments in infrastructure and services. This includes a fibre

optic backbone and other infrastructure across the region built to handle the speed and capacity of the Gig project. EORN anticipates it could provide up to 95% of the region or more than 550,000 premises with Gig service by 2025-6 if fully funded.

An internet speed of 1 gigabit per second (1 Gbps or 1,000 Mbps) would provide seamless, reliable connectivity to support and meet growing demand over the long run. It also supports real-time data sharing needed for smart technologies.

It is about 20 times faster than the objectives set by the Canada Radio-television and Telecommunications Commission (CRTC). It declared 50 Mbps download and 10 Mbps upload internet speeds as a minimum basic service level. Without additional public investment, it is unlikely that parts of eastern Ontario would reach these service levels before 2030.

“Given the pace of technological change, this service level is likely to be out of date by the time it arrives,” Jones added.

About EORN

EORN, a non-profit created by the Eastern Ontario Wardens’ Caucus (EOWC), works with governments and community organizations to improve and leverage broadband access to fuel economic development and growth.

EORN is currently working on a \$213 million project, funded by public and private sector partners, to improve and expand cellular services across the region. Building on that project will begin during 2021.

From 2010 to 2014, EORN helped to improve broadband access to nearly 90 per cent of eastern Ontario through a \$175 million public-private partnership. The network was funded by federal, provincial and municipal governments and private sector service providers. As a result of the project, 423,000 homes and businesses are now able to access services of up to 10 Mbps download. It also spurred more than \$100 million in additional private sector investment in the region, over and above their initial commitments.

About the EOWC

Since its inception, the Eastern Ontario Wardens' Caucus (EOWC) has worked to support and advocate on behalf of the 750,000 property taxpayers across rural eastern Ontario. The EOWC covers an area of 45,000 square kilometres from Cobourg to the Quebec border, and includes 13 upper-tier and single-tier municipalities as well as 90 local municipalities. All members work together as a team, striving to ensure that conditions are in place to make Eastern Ontario the greatest place in the world to reside and do business.

About the EOMC

The Eastern Ontario Mayors’ Caucus (EOMC) is made up of the Mayors of the 11 urban municipalities (separated, single-tier) of Eastern Ontario. The committee meets quarterly as a group with the municipal CAOs in attendance to discuss common issues relevant to municipalities in eastern Ontario.

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For more information, contact:

Lisa Severson, Director of Communications

Tel: 613-213-8520, Email: Lseverson@eorn.ca

Connecting Eastern Ontario

The EORN Gig Project aims to deliver ultra-fast internet to homes and businesses to meet the needs of the region for a generation. EORN is seeking federal and provincial support for the project, which takes a regional approach to help maximize coverage and stretch tax dollars further.

Both governments have stepped up with important broadband funding programs. The EORN project would work in tandem with local broadband initiatives to achieve this shared goal. It will take a range of solutions to fix rural broadband.

The EORN Gig Project would support the region's COVID-19 recovery, economic growth and help provide more equitable access to education and health care:

- Increase regional GDP by \$300 million.
- Create more than 9,700 new jobs.
- Increase home values by 3 per cent.
- Increase property tax revenue by \$20 million.
- Lower health care delivery costs by 4 per cent.
- Reduce greenhouse gas emissions (telecommuting).

The EORN Gig Project leverages previous investments and projects by building on the fibre optic backbone and other infrastructure across the region. Taking a regional approach avoids having a patchwork of connectivity that could leave some communities behind.

EORN proven model:

- **Coordinated and comprehensive.** Coordinating at a regional scale helps ensure widespread coverage and provides administrative efficiencies to stretch public investments further.
- **Partnership that multiplies private investment.** EORN's first project generated private sector investment that was more than three times the initial ask, including more than \$100 million in expansions after the project finished.
- **Experience and expertise.** EORN's team knows the region and its broadband needs best. Detailed engineering work for the Gig Project is completed. Long-term contract oversight ensures accountability for public funds.
- **Cost effective.** EORN's project management and overhead costs are low, in the 6% range, for managing and delivering regional projects.

Quick Facts:

- EORN is seeking \$200 million each from the federal and provincial governments, with the balance of the \$1.2 to \$1.6 billion project coming from the private sector and Canada Infrastructure Bank.
- Currently only 63 per cent of homes and businesses in rural eastern Ontario can access speeds of 50 Mbps download and 10 Mbps upload. The Canada Radio-television and Telecommunications Commission (CRTC) declared that the minimum basic service objective, with a goal of ensuring 90 per cent of all Canadians have this access by December 2021.
- EORN's approach has the unanimous support of the Eastern Ontario Wardens' Caucus and Eastern Ontario Mayors' Caucus, who have sent letters of support. They represent local governments across the region including every town and city, representing 1.1 million citizens.
- EORN anticipates it could provide up to 95 per cent of the region or more than 550,000 premises with Gig service by 2025-6 if fully funded.

Gig: Internet speed of 1,000 Mbps or 1 Gbps (gigabit per second). Provides seamless, reliable connectivity for business, healthcare, education and other services. Smart technologies that depend on reliable, continuous high-speed connectivity for real-time data sharing also need gigabit speeds.