PEACE RIVER REGIONAL DISTRICT

REPORT

To: Broadband Internet and Mobility Committee   Report Number: ADM-BIMC-003

From: Crystal Brown, Electoral Area Manager   Date: October 20, 2021

Subject: **Broadband Internet and Mobility Service Function Establishment**

RECOMMENDATION:

That the Broadband Internet and Mobility Committee recommend that the Regional Board authorize that a report be prepared outlining options for the establishment of a service function for connectivity, further, that the report be provided to a future Broadband Internet and Mobility Committee meeting.

BACKGROUND/RATIONALE:

Over the past 25 years, demand for broadband internet services has grown exponentially. As internet technologies improved, new services were created, and the internet speeds required to support these services grew far beyond what the existing broadband infrastructure could provide.

Broadband infrastructure is very expensive to build and access. While privately owned internet service providers invested millions into upgrading their private networks in densely populated municipalities and communities, they could not justify the same investment in more sparsely populated rural and remote communities. As a result, rural and regional communities across Canada have been under-served in terms of the availability of high-speed broadband internet.

There are two broad sources of funding to build new broadband internet infrastructure – private capital and public capital. Given the dramatic growth in broadband internet service demand, the private sector will continue to invest private capital into building new broadband infrastructure and services. The challenge for the PRRD is that the regional district has little influence over where and when such private capital is deployed, and due to the return-on-investment requirements for most private capital, without government support, capital will continue to be deployed in densely populated communities where it can earn the highest possible returns.

In areas of the PRRD that are sparsely populated, it is likely that public capital, or a combination of private and public capital, will be necessary to build new broadband internet infrastructure. Public capital typically does not have the same return-on-investment requirements as private capital. Quite often, public capital contribution to infrastructure projects is structured as a grant that does not have to be paid back.

In British Columbia, the sources of public capital available to the PRRD include:

Government of Canada	Via programs such as those managed through either Innovation, Science and Economic Development, CRTC and/or Infrastructure Canada (i.e. CRTC Broadband Fund and the Universal Broadband Fund)
BC Government	Via programs such as Connecting BC managed by NDIT

Regional Districts	Via Gas Tax funds, Taxation, Broadband Levy Funds, Grants
Municipalities	Via individual programs within any given municipality
All Nations Trust Company (ANTCO)	Indigenous owned Trust Company with various investment programs (e.g. Pathways to Technology)

Through the establishment of a connectivity service function, participating members will have the option to:

- Contribute funding towards the capital costs of broadband internet and mobility infrastructure;
- Develop shovel ready grant proposals for provincial and federal grant funding programs;
- Develop resources for connectivity initiatives and campaigns;
- Conduct feasibility studies and assessments;
- Pursue partnership opportunities;
- Procure technical expertise; and
- Procure third-party design or cost estimates.

ALTERNATIVE OPTIONS:

1. That the Broadband Internet and Mobility Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

☒   Partnerships

   ☒ Collaboration with Local and First Nations governments

☒   Advocacy

   ☒ Increased broadband connectivity for rural communities - Situational/Gap Analysis and Investment

☒   New and Emerging Issues

   ☒ New Financial Contribution Services

FINANCIAL CONSIDERATION(S):

None at this time.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

None at this time.