



FoTTSA Presentation

Southwestern Integrated Fibre Technology Inc.
June 22, 2019

Barry Field – Chief Operating Officer



AGENDA

- The SWIFT Project
- Procurement
- Simcoe County Project



The SWIFT Project



The SWIFT Region

- 15 WOWC Members
- 5 Municipal Capital Contributing Members
 - Caledon, Niagara, Waterloo, London, Windsor
- 221,000 underserved premises
- 41,000 underserved road kilometres
- 504,000 underserved residents



 WOWC Members  Capital Contributing Members



SCF Project Phases

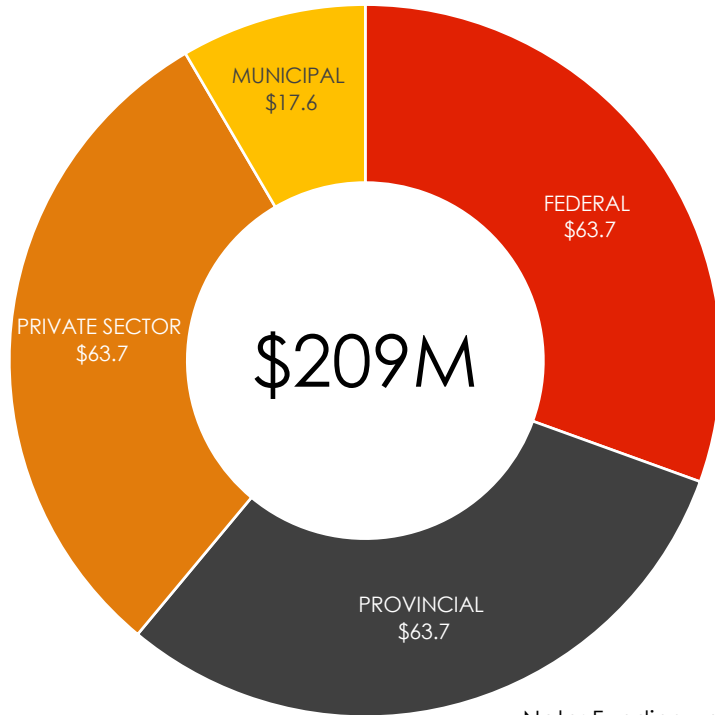
- SWIFT is funded under the Small Communities Fund (SCF)
- 3 Phases have been defined and relate to 3 Contribution Agreements with the province
- 3 Phases
 - Phase 1 (CA1) – Business Case Development
 - Phase 2 (CA2) – Pilot Projects in Norfolk, Wellington and Lambton
 - Phase 3 (CA3) – Remaining SCF and non-SCF Projects



Technology

- Small Communities Fund is focused on 50/10 service, not technology choices
- SWIFT is **technology agnostic** and will allow bids that include any standards based technologies so long as they meet the 50/10 target
- These include
 - FTTH and other fibre based architectures
 - HFC
 - Wireless Broadband
 - DSL*
- Preference given to 'scalable' technologies

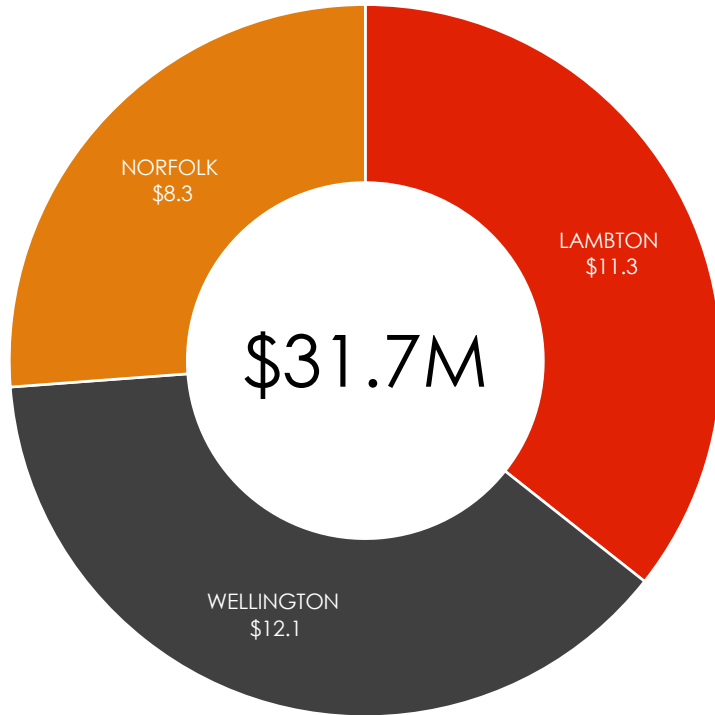
Sources of Funding



- Federal and Provincial matching contributions
- Private Sector – 1/3 of Fed/Prov contribution (minimum)
- Municipal funding covers overheads, admin and non-SCF eligible projects

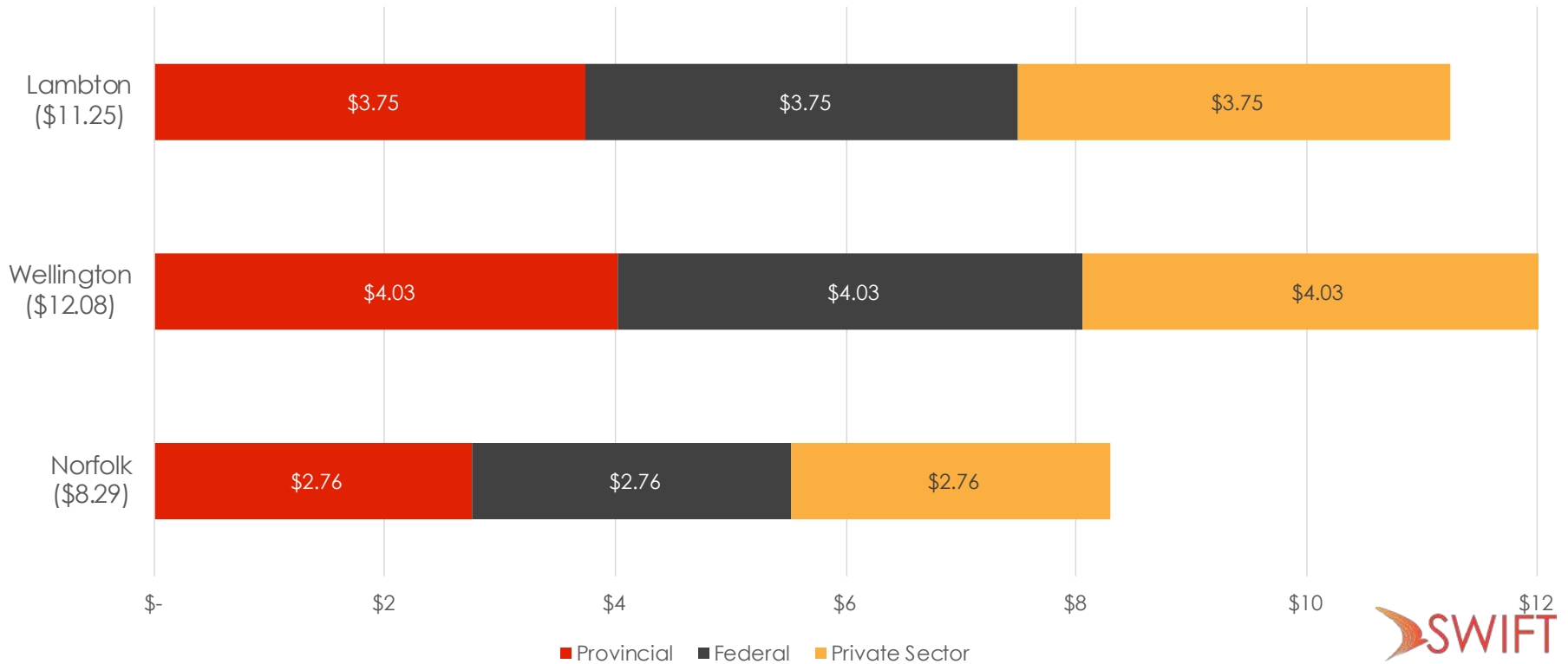
Note: Funding values represent maximum funding available and assumes successful Pilot Project.

Pilot Projects



- 3 pilot projects approved to date
- Remaining projects to be approved based on success of pilots
- Procurement to start no later than the fall of 2019
- Construction expected in 2020
- Participation open to all VORs

Pilot Projects



Vendors of Record (VORs)

- Prequalified Vendors of Record (27 current VORs)

Bell Canada	BH Telecom Corp.	Bluewater Regional Networks Inc.	Brant Municipal Enterprises Inc.
Brooke Telecom Co-operative Limited	Bruce Telecom	Cogeco Connexion Inc.	Distributel Communications Limited
Eastlink	Entegrus	Execulink Telecom Inc.	Frontline 360 Inc.
GB TEL Incorporated	HCE Telecom	Hydro One Telecom Inc.	Lakeland Energy Ltd.
Nexicom Inc.	Niagara Regional Broadband Network Limited	North Frontenac Telephone Company, Elgin Corp.	Rogers Communications Canada Inc.
Silo Wireless Inc.	TekSavvy Solutions Inc.	TeraGo Networks Inc.	The North Frontenac Telephone Company Corp.
Vianet Inc.	Xplornet Communications Inc.	Zayo Group LLC	

- 8-10 more VORs expected through current round of RFPQ



Procurement



Service Areas



- Anonymized 50/10 service coverage provided by SWIFT
- Areas with current 50/10 service are ineligible for funding
- SWIFT will fund projects in eligible (underserved) areas only
- ISPs are drawn to areas with some reasonable business case

Procurement Methodology

- Request for Proposal (RFPs) based on upper tier municipal boundaries (Simcoe)
- Maximum funding bucket provided per region
- Pre-negotiated Project Agreement (based on Connect to Innovate (CTI))
- Mandatory criteria (e.g. open access)
- Evaluated criteria (e.g. # of premises passed)
- Maximum bid (to allow smaller players to compete)
- Multiple bids per ISP allowed
- Staggered RFP release schedule
- Focused on best outcomes

Pilot Timeline

- Pilot projects approved in Norfolk, Wellington and Lambton counties
- Commitment to province: RFPs in Fall 2019
- Construction start dependent on ISP proposals and resource availability
- Remaining project timelines dependent on pilot outcomes but targeted to start early 2020

Procurement Example

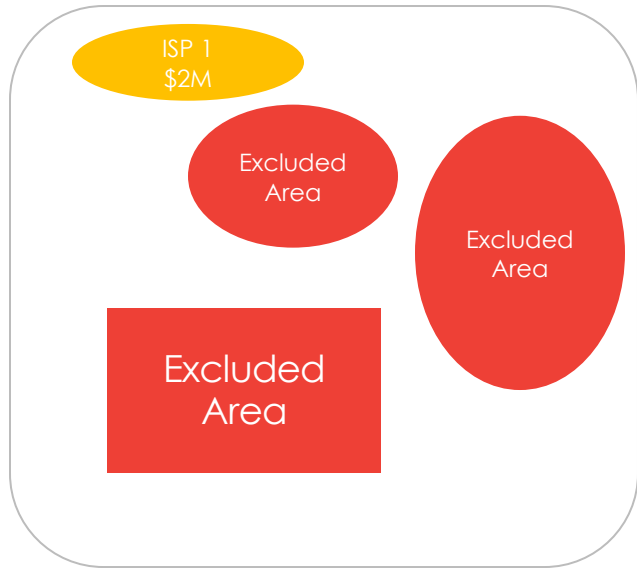
County A (\$10M)



- 3 ISPs bid
- In Round 1, we choose ISP 2 and 3
- \$2M budget remains
- 2nd Round of procurement would address remaining budget

Procurement Example

County A (\$2M)



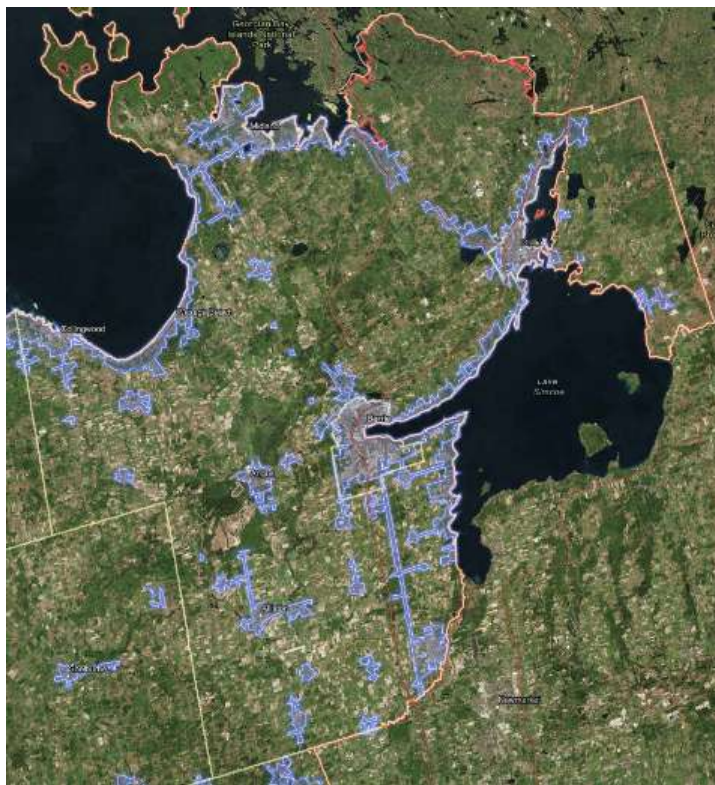
- Build areas from procurement round 1 are added as exclusion areas
- Procurement round 2 is run with remaining budget
- Best bid from round 2 is built



Simcoe County



Determining Need



Simcoe	Total	Underserved	% Underserved
Road Metres	6,997,825	4,597,699	65.7%
Parcels	136,804	36,373	26.6%

Tiny	Total	Underserved	% Underserved
Road Metres	541,700	413,700	76.4%
Parcels	9,993	6,010	60.1%

'Need' calculation based on combination of underserved Road Metres and underserved Parcels as a percentage of the total SWIFT Region

Simcoe Project

- Simcoe County Contribution to SWIFT \$2,457,275
- SWIFT Project Size in Simcoe* TBD
- Simcoe is currently #1 priority after the pilots
- Targeting start of procurement in Q1 2020 (pending successful pilot)
- Expect multiple procurement cycles due to the large budget (Simcoe has the largest budget in the SWIFT region due to...
 - Amount of Capital Contribution
 - 'Need' Calculation

*Final project budgets to be determined after pilot complete



QUESTIONS