

Broadband Internet for The Municipality of the District of Shelburne

The vast majority of the residents in the Municipality have poor to non-existent internet service. The MDS is fully aware of the impact that the lack of this essential service has on residents and businesses and we have partnered with Bell Aliant on a comprehensive Fiber to the Home (FTTH) Broadband Project. The Project, which is aimed at providing high-speed internet service to at least 95% of our rural household, consists of the following four interdependent phases:

The first phase of the Broadband Project commenced in the fall of 2016 with financial support from the MDS (\$247,500), Bell Aliant (\$107,500) and the Provincial Government (\$75,000). This funding allowed Bell to connect 343 premises (approximately 10% of residents) with fiber broadband in the areas of Highway 203, Ohio; Sandy Point and Jordan Falls, together with the Shelburne Marine Industrial Park.

The second phase of the Project included a successful application by Bell Aliant (supported by the MDS) to the Connect to Innovate program which will provide 36.9 kms of backbone fiber from Gunning Cove through to Northeast Harbour. This phase will be funded with contributions from the MDS (\$50,000), Bell Aliant (\$51,000) and the Federal Government (\$300,000). Although confirmation that the application was successful was received in May 2018, the contract between the Federal Government and Bell Aliant for the funding award has not yet been finalized and, therefore, the work has not yet commenced.

The third phase of the Project consists of a plan to provide fiber internet coverage to approximately 2,473 premises (70% of our residents) at a total cost of approximately \$3,609,240, with Bell Aliant contributing \$1,605,886 and the MDS being responsible for the balance of \$2,003,354. The MDS currently has \$890,030 budgeted for phase 3 and will be seeking federal and provincial funding for the remaining \$1,113,324.

The fourth phase of the Project involves the expansion of the fiber internet coverage proposed in phase 3 to at least 95% of our residents (which would be the remaining 15% of residents at a minimum). We are currently working with Bell Aliant to establish the total cost of the expanded deployment, the amount of the expected contribution from Bell and the amount of the subsidy required by Bell Aliant, which will be funded through a variety of sources including the Nova Scotia Internet Funding Trust.

The Province has tasked Develop Nova Scotia (DNS) with designing and managing the implementation strategy for rural high-speed internet across the province in connection with the Nova Scotia Internet Funding Trust (\$194 million).

The mandate of DNS is to provide high-speed internet coverage to at least 95% of rural households and it is currently developing a transparent and competitive bid process. It anticipates that it will be in market by late fall 2018.

DNS expects project proponents to suggest technologies and solutions needed to reach the coverage targets (95% of rural households) as well as comprehensive speed and reliability targets. DNS has also advised that it will put in place measures to ensure that networks are built so they can evolve to meet future technologies.

An independent IT Consultant, retained by the MDS, has reviewed the Bell Proposal and confirmed that the fiber internet services offered by Bell Aliant would meet or exceed the anticipated requirements of DNS and that the service would put the MDS on a communications “level playing field” with urban areas worldwide.

Once the competitive process is released by DNS, MDS will be submitting a fully costed funding application for the provision of Bell Aliant’s “Fiber to the Home” internet service to at least 95% of the rural households in the Municipality.

Once the funds from DNS are confirmed, we will be in a position to initiate the broadband internet implementation immediately; while planning to raise any shortfall in required funding, but this will not delay the start of the implementation.

The MDS is committed to providing high-speed internet service to a minimum of 95% of our residents while being fiscally responsible with public funds. All possible funding sources are being explored. To date, we received funding from the Provincial Government (\$75,000) for the first phase of the Project and we secured funding from the Federal Government (\$300,000) for the second phase. We are applying for funding from the Nova Scotia Internet Funding Trust to help offset the costs of phases three and four and if additional money is required to complete the Project then we will consider other funding options including borrowing to complete the build.