

Something as important as Internet connectivity, and who provides it, should be easy to understand. Unfortunately, that isn't often the case. Even after the recent Canadian Radio-television and Telecommunications Commission (CRTC) ruling that broadband is a basic telecommunications service, it can be difficult to follow a straight line between who builds, owns, maintains, and/or delivers Internet services. We want to help.

## Understanding Internet Services in Ontario

Most markets in Ontario are serviced by one or two big phone or cable providers. Smaller independent Internet Service Providers (ISPs) operate as alternatives, but are often limited in scope or geography and/or limited by the costs and constraints of purchasing wholesale access to large networks (some smaller ISPs are essentially resellers who differentiate themselves by geographic regions covered or the type of retail packages they offer consumers). Throughout much of the region, many communities are connected through old copper-based technology, satellite, or wireless, which severely limits the capabilities of the network and limits what service providers can offer consumers.

## What does the CRTC do?

Residential Internet users are retail customers who buy Internet services from an independent service provider or large cable or telephone company. The CRTC regulates radio, television and telecommunications services in Canada – but does not regulate the prices or the way Internet services are billed to retail customers.

At the wholesale level, the CRTC requires that large companies sell access to their networks under specific terms and conditions. Service providers also use this access, in conjunction with their own networks, to offer Internet and other services to their own retail customers.

You can learn more about how the CRTC sets wholesale rates at:

<http://www.crtc.gc.ca/eng/internet/facbill.htm>

## What is Connect to Innovate?

On December 15, 2016, the Hon. Navdeep Bains, Minister of Innovation, Science and Economic Development, [announced the Connect to Innovate program](#) (CTI). CTI is a \$500 million fund designed to support new backbone infrastructure and some last-mile connectivity. The funding program was announced just *before* the December 21, 2016 CRTC ruling on broadband as a basic telecommunications service, which set new targets for broadband speeds in Canada at 50 Mbps down/10 up. This means that any last-mile funding in the first phase of this program is meant to bring communities up to the previous Government of Canada target which is much lower: 5Mbps down/1 up.

The current round of CTI funding focuses on new backbone infrastructure and only partially on last-mile service where it doesn't currently exist. Areas eligible for new backbone infrastructure are identified as blue circles [this map](#). Most communities eligible for last-mile funding (regions coded as orange hexes on the map) are communities where the federal government has identified significant barriers for consumers to get service that meets the Government of Canada's pre-CRTC ruling speed target of 5 Mbps down/1 up.

Read more about the criteria for these distinctions and eligibility for funding by [clicking here](#). Learn more about the CTI program and related initiatives at the links below:

- [General information about the Connect to Innovate Program](#)
- [Map of Eligible Areas](#)
- [Connect to Innovate Funding Application Toolkit](#)
- [Connect to Innovate FAQ](#)
- [Budget 2016](#)
- [Canada's Innovation Agenda](#)

Will receiving CTI funding affect my community's participation in SWIFT?

**Applying for and receiving CTI funding or other broadband funding supports will not jeopardize your community's ability to participate in the SWIFT initiative.**

CTI funding allows "stacking" – or combining multiple streams of funding toward the same initiative – but SWIFT's SCF funding does not allow stacking. Because SWIFT is funded based on a public-private partnership structure, with one third funding coming from each the federal government, provincial government, and the private sector, SWIFT as an organization cannot use any other federal programs to stack dollars on infrastructure investments in communities already covered through the SCF funding we have already received for project, and cannot 'top-up' projects that have been partially funded by CTI.

However, it is important that service providers continue with their planned investments in infrastructure and leverage every existing avenue of funding to connect our communities – and SWIFT can leverage CTI funding and other funding programs to support infrastructure investments in communities not covered by SCF funding.

Through Phase I of the project, SWIFT will leverage SCF funding, municipal contributions, and private sector investments to build approximately \$300 million in fibre-optic infrastructure. We estimate that the total, long-term cost of connecting everyone in the region will cost approximately \$4 billion. To accelerate the process of building #broadbandforeveryone, we are strongly encouraging our member communities and service providers within our region to apply for CTI funding and to align any planned investments with SWIFT's long-term plan.

***NOTE: Any fibre-optic asset built after July 11, 2016 that is not covered by CTI funding or any other federal funding program may be considered an eligible cost toward SWIFT if it is included in submissions to SWIFT's RFPQ/RFP procurement process.***

## Why can't my municipality connect me?

In Ontario, very few municipalities have undertaken owning and operating community broadband networks (for example: Kingston and Stratford). Even though the CRTC issued a ruling in December 2016 that broadband access is a basic telecommunications service, broadband access is not considered a core service for local governments (or governments at any level), so there is no mandate and limited resources for municipalities to own and operate a broadband network. Most municipalities face the same pressures as consumers when it comes to choosing affordable broadband – including lack of choice and lack of influence in the market.

There is also a significant lack of information about where existing infrastructure exists and about the powers of municipalities to compel broadband network construction – leading to some myths and misunderstandings. Before and without SWIFT, municipalities are limited in their ability to influence service providers to build fibre-optic infrastructure and there is little incentive for service providers to build where they do not perceive a significant return on investment. This is the key reason that the original Western Ontario Wardens' Caucus members and additional municipal partners have joined SWIFT – to increase local government influence and ensure broadband networks are built and services are extended to communities that need them.

## How will SWIFT help?

As a buying group, SWIFT will ensure greater competition between telecom service providers. More competition gives consumers more choices, which leads to better services and lower prices. By working together, municipalities, First Nations, health care organizations, schools and school boards, colleges and universities, our members will benefit from the significant influence that comes from their collective buying power – and SWIFT's principles of open access and transparency will help increase competition and lead to better services at lower prices for organizations, businesses, and residents alike.

It's a big deal that SWIFT is undertaking this project regionally and to address backbone, middle-mile, and last mile challenges as part of the same network design. SWIFT's model means our region is not just going to receive faster Internet, but better Internet. No one else can deliver services with these kinds of guarantees, because no one else will have this kind of coverage. SWIFT's principles mean that every community will benefit from faster, more reliable, more affordable, and completely future-proofed infrastructure.

After Phase 1 is complete and the network is operational SWIFT will collect a small residual from the successful Telecom Service Providers. The residuals will be added to the Broadband Development Fund (BDF) along with sponsorship funds, more upper level government funding and membership fees. Periodically the board will use the BDF to continue to build out more infrastructure until #broadbandforeveryone becomes a reality. The more organizations using SWIFT infrastructure, the greater the BDF will be – every SWIFT network user will effectively result in increased contributions to the BDF, which means future investments will be self-sustaining and accelerate broadband connections across the entire region.

## Will SWIFT be a service provider?

The short answer: no. You won't be signing contracts or receiving bills from SWIFT Inc. for Internet services. We'll be subsidizing service providers to build fibre-optic infrastructure across Southwestern Ontario, Caledon, and Niagara Region. SWIFT will be a silent owner (51%) of the network for the first

phase of the project, but the infrastructure will be built, managed, serviced, and partially owned (49%) by service providers following an open procurement process.

## What can I do if I'm unsatisfied with my Internet service?

If you are unsatisfied with your Internet service, we suggest raising these issues with your Internet service provider first to see if they can be resolved. ISPs are ultimately responsible for the equipment they offer, their billing and marketing practices, their quality of service and customer relations. If you have issues with your ISP, you should contact their customer service lines and escalate your concerns up to the manager level (if necessary). If your issues cannot be resolved or your Internet service does not improve, there are at least two courses of action you can take:

### *Switch Internet Service Providers:*

You are free to switch Internet service providers. To see which ISPs currently provide service in your area, enter your address in our [Eligibility Map](#).

### *Make a complaint:*

You may wish to bring your concerns to the attention of the Commissioner for Complaints for Telecommunications Services (CCTS), an independent organization that has been established to provide consumers and small businesses with recourse when they are unable to resolve disagreements with their telecommunications service providers. For more information concerning the CCTS, including how to file a complaint, please visit the CCTS website at [www.ccts-cprst.ca/en/complaints/guide](http://www.ccts-cprst.ca/en/complaints/guide).

The CCTS can also be reached toll-free at 1-888-221-1687, or by mail at P.O. Box 81088, Ottawa, Ontario K1P 1B1.

If your issue falls outside of the mandate of the CCTS, you may wish to contact the Canadian Radio-television and Telecommunications Commission (CRTC): Canada toll-free: [1-877-249-CRTC](tel:1-877-249-CRTC) (2782) or toll-free TTY line: [1-877-909-CRTC](tel:1-877-909-CRTC) (2782).