BUILDING A FUTURE ON FIBRE

2018 Strategic Plan

SouthWestern Integrated Fibre Technology Inc.

"Modern telecommunications services are fundamental to Canada's future economic prosperity, global competitiveness, social development, and democratic discourse. In particular, fixed and mobile wireless broadband Internet access services are catalysts for innovation and underpin a vibrant, creative, interactive world that connects Canadians across vast distances and with the rest of the world… In general, fixed and mobile wireless broadband Internet access services improve the quality of life for Canadians and empower them as citizens, creators, and consumers."

-Telecom Regulatory Policy CRTC 2016-496

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A Message from the Chair and CEO

"Building a Future on Fibre" is an ambitious strategic plan to guide us as we fund the construction of a scalable, affordable, open-access, ultra high-speed fibre-optic regional broadband network for everyone in Southwestern Ontario, Caledon and the Niagara Region. This plan provides the framework for our vision and outlines a series of goals, objectives and strategies that will ensure our region continues to keep pace with our everchanging digital world.

As we begin the next phase of our project, we remain anchored by our guiding principles and are motivated by our bold new vision to, "empower communities to access global opportunities through local, ultra-high-speed connections." With strong leadership from our Board Members, Advisory Group and staff, we believe that this plan will foster an environment that is conducive to economic growth and prosperity for all Ontarians.

We would like to thank Pat Morden, Chief Executive Coach at Growing Leadership, for facilitating our two-day strategic planning process and our Board Members and staff for guiding the development and implementation of this plan. We would also like to thank our members and partners for their ongoing support and dedication to the SWIFT initiative. We look forward to working together to "Build Broadband for Everyone."

Sincerely,

Gerry Marshall, Board Chair   **Geoff Hogan, Chief Executive Officer**

Executive Summary

Today, a fast, reliable internet connection serves as more than just a convenience. Broadband connectivity is an essential piece of community infrastructure that is necessary to encourage economic growth and stability, modernize and streamline the delivery of health and social services, provide greater educational opportunities, enhance public safety, increase capacity to administer and govern institutions, and create fairness and opportunity for everyone.

In December 2016, the Canadian Radio-television and Telecommunications Commission (CRTC) recognized the importance of broadband by establishing a universal service objective whereby, all "Canadians, in urban areas as well as in rural and remote areas, have access to voice services and broadband Internet access services, on both fixed and mobile wireless networks."[1] The Commission also established several criteria to measure this objective including the availability of a fixed broadband Internet access service of, "…at least 50 megabits per second (Mbps) download and 10 Mbps upload."[2] While progress has been made towards meeting the CRTC's universal service objective, many Canadians are still being denied access to this vital infrastructure by virtue of geography. According to the CRTC's Communications Monitoring Report 2017, "the availability varies greatly between urban and rural areas, with only 39% of rural households having access to this kind of service, versus 96% in urban areas."[3] To ensure that all Canadians, whether they be in rural or urban areas, are well positioned to take advantage of the opportunities afforded by the digital age, it is important that our federal and provincial governments continue to work together to invest in connecting everyone to an ultra-high speed, fibre optic broadband network.

This strategic plan provides SWIFT with a path to support the CRTC's universal service objective and promote broadband as a basic telecommunications service that is fundamental to the future prosperity of the entire province and in turn, the country. "Building a Future on Fibre" reiterates our ongoing commitment to funding the construction of a scalable, affordable, open-access, ultra high-speed fibre-optic regional broadband network for everyone in Southwestern Ontario, Caledon and the Niagara Region.

This strategic plan has been developed with a view to achieving the four goals:

- Build Broadband for Everyone
- Collaborate and Advocate with one Voice
- Develop a Strong Profile and Brand
- Create a Sustainable System

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1 https://www.crtc.gc.ca/eng/archive/2016/2016-496.htm
2 https://www.crtc.gc.ca/eng/archive/2016/2016-496.htm
3 https://crtc.gc.ca/eng/publications/reports/PolicyMonitoring/2017/cmr2017.pdf

Introduction

In 2011, all 15 members of the Western Ontario Wardens' Caucus (WOWC) identified the need for a collective broadband strategy that enabled all Ontarians, whether they be in rural or urban areas, to overcome existing broadband barriers and take advantage of the opportunities afforded by the digital age. The 15 members include Brant, Bruce, Chatham-Kent, Elgin, Dufferin, Essex, Grey, Huron, Lambton, Middlesex, Norfolk, Oxford, Perth, Simcoe, and Wellington County. In 2016, WOWC received over $180 million in combined investments by the federal and provincial governments to launch the SouthWestern Integrated Fibre Technology Inc. (SWIFT) initiative.

SWIFT is a not-for-profit, collective broadband initiative that is funding the construction of a scalable, affordable, open-access, ultra high-speed fibre-optic regional broadband network for everyone in Southwestern Ontario, Caledon and the Niagara Region. By developing a long-term infrastructure plan, SWIFT is helping more than 3.5 million Ontarians, or 25% of Ontario's population, across 350 communities, connect and keep pace in a changing digital world.

SWIFT membership is open to any community or organization in Southwestern Ontario that needs connectivity to any of its locations. Members benefit from SWIFT's significant procurement expertise, including aggregated demand, negotiated rates, and support in preparing RFPs for broadband services. As a buying group, SWIFT also ensures greater competition between telecom service providers which will lead to better services at lower prices in member communities. In addition to the 15 members of the WOWC, Barrie, Caledon, Mulmer, Orillia, Stratford, Windsor and the Niagara and Waterloo Regions are also supporting the project. Non-municipal members include Beausoleil First Nation, Connecting Windsor-Essex (CWE), Chatham Kent Lambton Administrators Group (CKLAG), Georgian College, Grey Bruce Health Services, InterMarket Inc., Kettle and Stony Point First Nation, Niagara CIO Consortium (NCC), Saugeen First Nation, Simcoe County Access Network (SCAN), Six Nations of the Grand River, and the Stratford Economic Enterprise Development Corporation.

In January 2018, SWIFT released our first in a series of Request for Proposals (RFPs) to our pre-qualified Telecom Service Providers (TSPs). During this phase of the project, the TSPs will be able to build on the network construction which will take place mid-2018.

The infrastructure will be built, owned and maintained by the TSPs. The location and amount of fibre-optic infrastructure built in each community will be determined by the final overall design of the project, as informed by the RFP process. Once the network is operational, SWIFT will collect a small residual from the successful TSPs. The residuals will be allocated to a Broadband Development Fund (BDF), along with sponsorship funds, more upper level government funding and membership fees. Every SWIFT network user will effectively result in increased contributions to the BDF which will accelerate broadband connections across the region and ensure that SWIFT becomes self-sustainable. The board will also use the BDF to continue to build out more infrastructure until #BroadbandForEveryone becomes a reality.

Vision, Mission and Guiding Principles

Vision

SWIFT will empower communities to access global opportunities through local, ultra-high-speed connections.

Mission

SWIFT is drawing on the strength of our membership and the collective voice of 3.5 million Ontarians to fund the construction of a scalable, affordable, open-access, ultra high-speed fibre-optic regional broadband network for everyone in Southwestern Ontario, Caledon and the Niagara Region. By improving access, we are fostering economic growth and empowering our region to compete, connect and keep pace in a changing digital world.

Guiding Principles

As we begin the next phase of our project, we remain anchored by our guiding principles:

Standards-based architecture	The SWIFT network will interoperate with all other systems and will be easy to support.
High availability and scalability	The SWIFT network will be available at any moment in time, whenever users need it and it will scale to tens of millions of user connections and applications dynamically without requiring any additional capital outlays or causing system delays.
Neutrality and open access	There will be no barriers to entry for users and providers to access the network, levelling the playing field and ensuring that contractual mechanisms and oversight are in place to ensure the network is open and accessible to all.
Ubiquity and equitability	The network will be physically accessible to everyone and everyone will face the same costs to provide applications and services over the system or use applications and services on the system, regardless of geographic point of ingress/egress.
Competition and affordability	SWIFT will promote competition in services and applications by providing open access, flat-rates, high-availability, and a differentiated system that is affordable to users regardless of population density.
Broad public-sector user participation	SWIFT has received broad public-sector support from county level and municipal governments, post-secondary educational institutions, health care institutions, broadband networks, and other 'MUSH' sector organizations. The support of all OPS/BPS users is critical, as these organizations are 'anchor tenants' to the system and create the underlying foundation that makes it feasible to extend service to private enterprises, small and medium sized business, farmers and residents.
Sustainability	All users will pay fees to access the network, which will be published and publicly available to ensure transparency. These fees will provide the cash flow sustainability required to support ongoing operating and capital costs, and ensure that the network will not be dependent on taxpayer subsidies in the future.

Goals and Objectives

Goals/Objectives

SWIFT has developed the following goals and objectives to ensure that our organizational efforts are both strategic and focused:

- **Build Broadband for Everyone**
  Strategically invest in building an ultra-high-speed fibre optic broadband network that fosters economic growth and improved quality of life for all Ontarians

- **Collaborate and Advocate with one Voice**
  Develop strategic and collaborative partnerships with all levels of government, the public, and the private sector to ensure ongoing investment in improved broadband access

- **Develop a Strong Profile and Brand**
  Improve communications, awareness, credibility and trust by promoting SWIFT as a well-managed organization that adheres to best practices and ongoing improvement

- **Create a Sustainable System**
  Inspire all levels of government to create a foundation for economic success by continuing to support SWIFT as the most effective model to overcome Ontario's connectivity barriers

Implementing and Interpreting the Strategic Plan

The following pages outline an implementation strategy complete with strategic objectives, a series of actions and expected timelines. Some actions are one-time events while others include ongoing activates aimed at continuous improvement. The timeframes are defined as follows:

- **S** – Short term action (2018)

- **M** - Medium term action (2018-2019)

- **L** - Long term action (2018 – 2023)

Build Broadband for Everyone

Objective #1:

Strategically invest in building an ultra-high-speed fibre optic broadband network that fosters economic growth and improved quality of life for all Ontarians

#	Action	Timeline		
1.	**Leverage existing infrastructure, partnerships and contributions**	**S**	**M**	**L**
	• Encourage all members to submit a broadband infrastructure assessment to leverage strong local knowledge	■		
	• Continue to collaborate with Board Members, Advisory Committee, SWIFT members and Telecom Service Providers (TSPs)	■	■	■
2.	**Build a scalable, ultra-high-speed fibre optic broadband network**	**S**	**M**	**L**
	• Use data and strong local knowledge collected from TSPs, SWIFT surveys, and members to strategically invest in building as much new fibre as possible	■	■	■
	• Release a series of NetCo and OpCo RFPs that incent TSPs to build the SWIFT network for all Ontarians	■	■	■
3.	**Foster economic growth and improved quality of life**	**S**	**M**	**L**
	• Continue to work closely with the University of Guelph's R2B2 team to develop a solid baseline and benchmarks to validate the long-term impact of SWIFT	■	■	■

Collaborate and Advocate with one Voice

Objective #2:

Develop strategic and collaborative partnerships with all levels of government, the public, and the private sector to ensure ongoing investment in improved broadband access

#	Action	Timeline		
1.	**Provide regional leadership in improving broadband access**	**S**	**M**	**L**
	• Draw on the strength of our membership to advocate for evidence-based, non-partisan, broadband initiatives that achieve common goals and priorities (e.g. the creation of a fully integrated Provincial and Federal broadband plan, ubiquity of services, virtual access to government and social services)	■		
	• Leverage the upcoming municipal, provincial and federal elections to break down budget silos and shape inclusive government policies	■	■	
	• Establish meetings with key decision makers/influencers including Ministry staff and bureaucrats	■	■	
	• Generate opportunities to showcase SWIFT as an advocate for fairness and opportunity (e.g. speaking engagements, news releases, position papers, pre-budget submissions)	■	■	
	• Create advocacy kits for municipal and provincial candidates	■	■	
2.	**Develop strategic, collaborative partnerships**	**S**	**M**	**L**
	• Create a plan to fully engage new and existing members while continuing to grow the SWIFT membership base	■		
	• Develop new relationships by becoming a member of local organizations (e.g. Ontario Chamber of Commerce, Canadian Advanced Technology Alliance)	■		
	• Leverage the expertise, knowledge and connections of Board Members and Advisory Committee to build relationships with municipal, provincial and federal influencers	■		
	• Convene regular networking events/skype meetings to support ongoing communication and collaboration between members	■	■	
	• Align with a wide range of government programs and initiatives (health, education, environment, economic development etc.) by showing the broader implications of SWIFT	■	■	■

Develop a Strong Profile and Brand

Objective #3:

Improve communications, awareness, credibility and trust by promoting SWIFT as a well-managed organization that adheres to best practices and ongoing improvement

#	Action	Timeline		
1.	**Develop a strong profile and brand**	**S**	**M**	**L**
	• Develop and implement a powerful Communications Plan that aligns with major project milestones, builds awareness, focuses on the benefits, and reveals a 'SWIFT Story'	■		
	• Incorporate a regular stream of social media and print based materials into the plan	■		
	• Ensure the Plan proactively answers questions about the SWIFT initiative	■		
	• Use data and strong local knowledge to create a series of infographics that highlight the impact of SWIFT	■	■	
2.	**Build awareness, credibility and trust**	**S**	**M**	**L**
	• Promote a collective understanding of the positive economic and social impacts of broadband infrastructure investments	■	■	
	• Balance different stakeholder needs by generating opportunities to encourage public participation and build wide support for SWIFT	■		■
	• Create awareness campaigns and/or events to share research results, local impact statements and other information about the positive impact of high-speed broadband on economic development across the region	■	■	■

Create a Sustainable System

Objective #4:

Inspire all levels of government to create a foundation for economic success by continuing to support SWIFT as the most effective model to overcome Ontario's connectivity barriers

#	Action	Timeline		
1.	**Build a case surrounding the need for an annual contribution**	**S**	**M**	**L**
	• Develop a plan to achieve an annual contribution and gain access to the resources needed to overcome our region's $4 billion broadband infrastructure deficit	■		
	• Present broadband infrastructure investment as a government priority in policy and funding activities	■		
2.	**Promote SWIFT as a self-sustainable model**	**S**	**M**	**L**
	• Use the Broadband Development Fund to maximize the long-term return on investment in the form of expanded and upgraded infrastructure, scalable connectivity, and lower rates	■	■	■

Conclusion

Many Ontarians, particularly in rural and remote areas, are faced with social and economic disadvantages due to inadequate and unreliable access to Internet services. These communities encounter substantial barriers to building and expanding broadband infrastructure networks because there are significant up-front costs and little ability to inspire Telecom Service Providers (TSPs) to extend service into these areas. As a result, much of rural Ontario's current internet infrastructure networks are sparse, ineffective, and built on outdated technology. This severely limits the capabilities of the network and what service providers can offer consumers. Businesses and farms located in these unsupported areas of Ontario are limited by the technology they can use to maintain or grow their business, isolated from their potential customer base, and unable to access the government programs and services that have been established to help support them. Unemployed and underemployed individuals lack the technology to access relevant employment opportunities and the ability to participate in virtual training sessions that are required for obtaining high-quality, well-paying jobs. Rural youth are forced to travel to locations with sufficient internet speeds and bandwidth to complete daily homework assignments and access the cloud-based systems which have become integral to the Ontario high school curriculum. In addition, rural youth are not able to virtually access higher education which forces them to shoulder additional expense and travel to further their education. Seniors, without reliable internet, also have limited access to the healthcare providers and social services they require to enable them to age in place. They are isolated from their friends and family and suffer a lower quality of life.

To ensure that all Ontarians, whether they be in rural or urban areas, are well positioned to take advantage of the opportunities afforded by the digital age, the federal and provincial governments must continue to work together to break down budget silos, shape inclusive government policies and create a fully integrated Provincial and Federal broadband plan that achieves the CRTC's universal service objective. By working together, we can "Build Broadband for Everyone" and create a system that will enable all Ontarians to access global opportunities through local, ultra-high-speed connections.