

# BCBA Regulatory Focus 2019

BC Broadband Conference

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Presented by:

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British Columbia  
Broadband Association

# BCBA Regulatory Focus

- CRTC Fibre to the Home Proceeding
- CRTC Broadband Fund
- ISED Backhaul Licensing Fees
- ISED Tier 5 Auction Consultation
- CRTC Fair Play Proceeding
- New CRTC Policy Direction



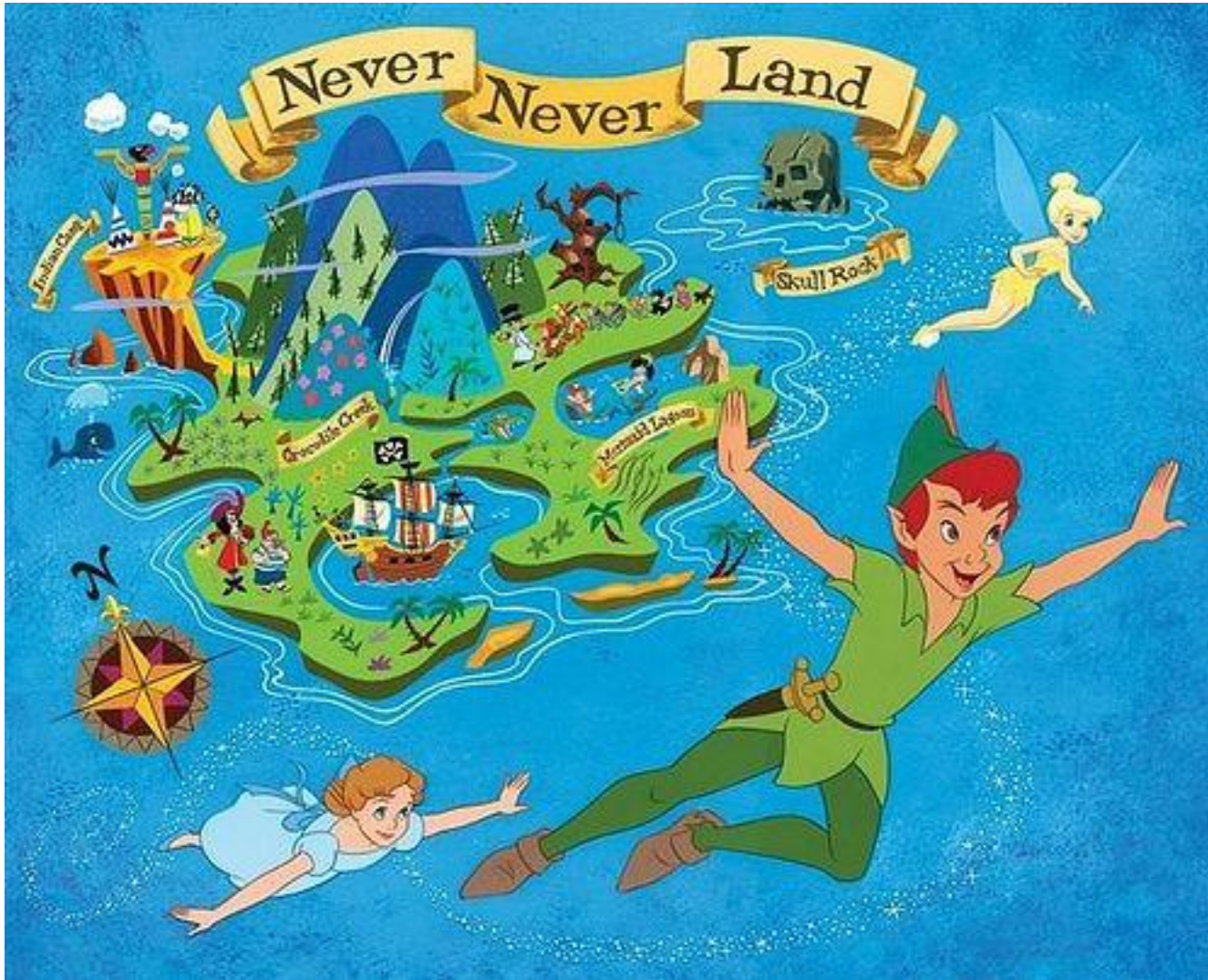
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# FTTH?

- Fibre
- To
- The
- Home?



# Keep Dreaming?



# Wholesale Access to Fibre to Home

- Six years on, any sign of access? Original proceeding CRTC 2013-551 started this.
- Last year at this time Ontario and Quebec incumbents provided tariffs for comment. Business models did not exist under that frame work.
- CNOOC asked for CRTC to look at an interim aggregated product which was denied, tariffs were not approved however.
- TELUS and Shaw were finally asked to produce their network architecture to start the process of their disaggregated product becoming available.





- Produced a disaggregated model that would allow ISPs to connect to Routed Edge devices in their network with 3<sup>rd</sup> party or TELUS access.
- Key challenge in the architecture was the number of Routed Edge devices one would have to connect to for Provincial Service.
- Some COs have more than 1 RE = hundreds of RE to connect to for providing service just in BC



# Shaw)

- Indicated that their current model with a small number of POI was preferable and that creating disaggregated would produce 170 POI type interconnection points.
- As Shaw's network is evolving it felt that creating these 170 points would leave them stranded as they transition to Distributed Access Architecture.
- Proposal #1 would create 15 POIs where ISPs could build infrastructure to connect or purchase from carriers.
- Proposal #2 would turn existing 170 CMTS/CCAP into connection points. Problems include high costs to serve, network routing inefficiencies and stranded infrastructure as network migrates to DAA



# Recent Developments

- CNOOC asks for a review and vary of the proceeding as it has become clear that the disaggregated model has no hope of being financially viable to ISPs or being practically implemented any time soon.
- CNOOC also asks that 100Mbps speed cap over aggregated that would have been imposed on ISPs once tariffs were approved be removed.
- Incumbents write to say that this far into the proceeding disaggregated is the only way to proceed.
- CRTC rules that the 100Mbps cap will not be imposed for now.
- Awaiting ruling on ask regarding bringing higher degree of aggregation into the model.





# CRTC Broadband Fund

- 750 Million over 5 years for Rural Connectivity
- Accepting Applications 2019
- Hexagon Map of eligibility released
- 25Mbps download minimum delivery with 50Mbps preference.
- Application Guide Released.
- Concerns:
  - Backhaul and Last Mile together in application favours large carriers.
  - Urban retail pricing expected for these networks which damages the ongoing business model for which there is no funding. Also drives people improve semi-rural/denser areas rather than true rural.
  - Securing a Funding partner before submitting is recommended and that funding may be deducted from any award the CRTC delivers.



# ISED Licensed P2P Backhaul Review

- After years of asking a new pricing model is proposed
- Pricing based on Mbps rather than number of voice channels
- Nearly everyone writing in was happy with this concept. BCBA and CanWISP ask for further reductions for rural operations
- Decision Pending

Speed	Spectrum (18 GHz)	Current Monthly *	Proposed Monthly *
150 Mbps	20 MHz	\$240	\$80
250 Mbps	30 MHz	\$340	\$120
350 Mbps	40 MHz	\$450	\$160
450 Mbps	50 MHz	\$580	\$200

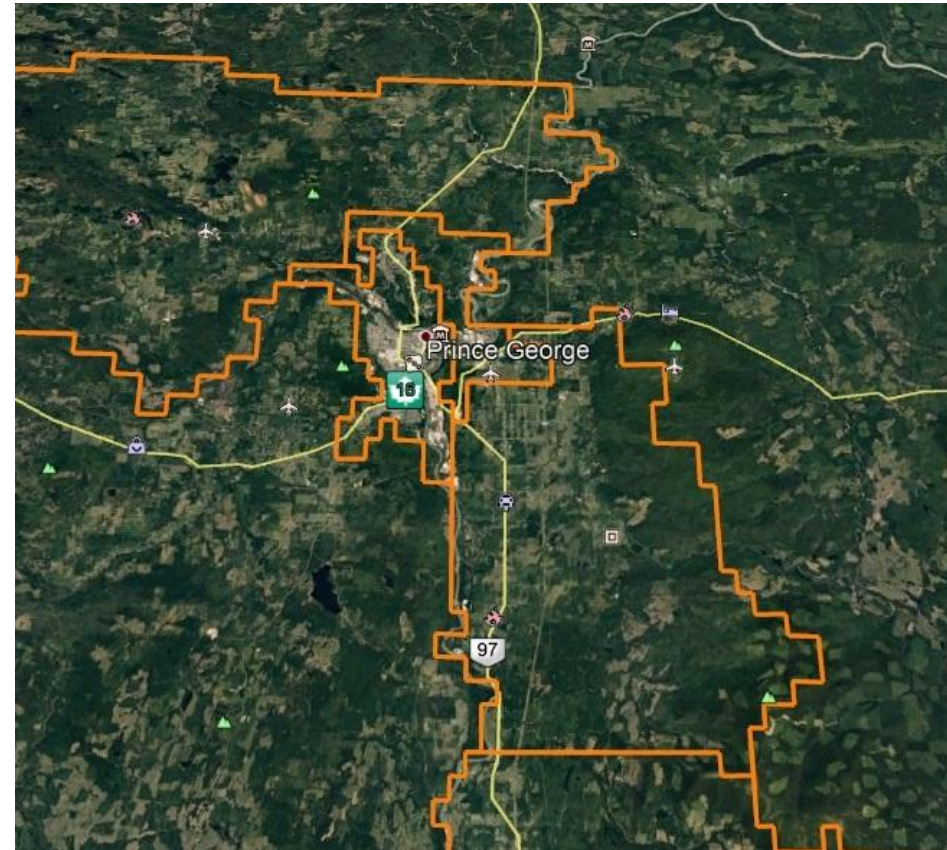
\*All dollar figures approximate.



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# ISED Tier 5 Spectrum

- ISED Release Tier 5 consultation to look at much smaller block sizes for future auctions than have been used.
- BCBA, CanWISP, Cogeco combine forces to submit a proposal to modify initial tier 5 proposal to better split urban and rural and to use natural boundaries such as mountains to separate blocks.
- Hope is the upcoming 3.5 GHz auction will make use of this block size.



# CRTC Fairplay Proceeding

- Group of Media content owners ask CRTC to implement a website blocking system to prevent copyright infringement.
- BCBA and many others wrote in to say this was counter to an open internet and would add burden to smaller operators to comply with.
- CRTC rules this will not be implemented at this time.



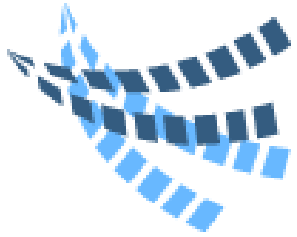
# New CRTC Policy Directive

issued by Governor in Council

- *“The Commission, when relying on regulation, should consider how the measures used can promote competition, affordability, consumer interests and innovation”*



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