

# Business Models for Connecting BC First Nations

Connecting the Disconnected

April 2026



# Agenda Items



## The Connectivity Landscape

Digital divide, current state of BC First Nations access



## Business Model Frameworks

Indigenous ISP, consortium, partnership, and hybrid models



## Financing & Capital Structures

Government programs, loan guarantees, blended capital stacks



## Multi-Stream Revenue Operations

Wholesale, retail, infrastructure leasing, and ancillary services



## Case Studies & Lessons Learned

Connected Coast, K-Net, and emerging BC initiatives

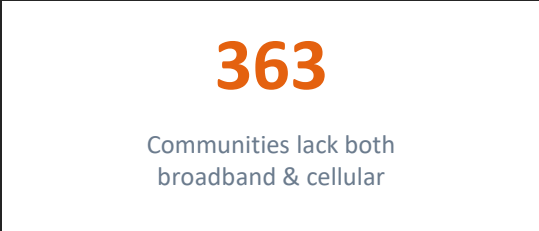
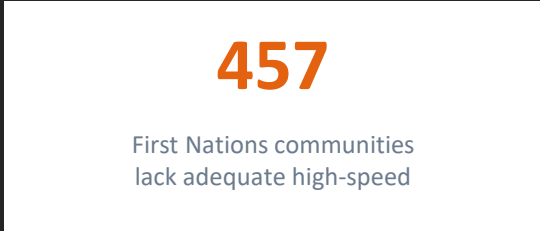
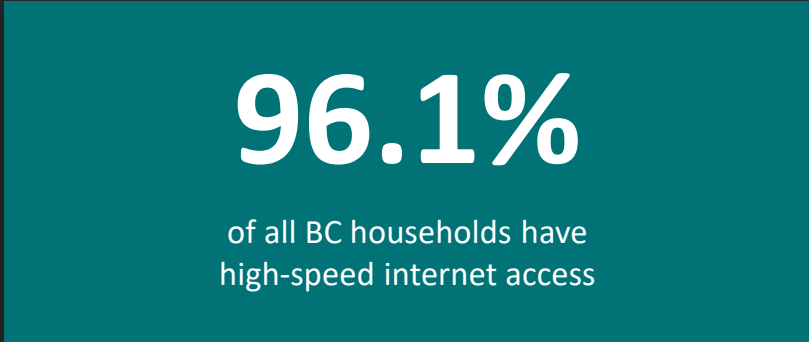


## Implementation & Next Steps

Roadmap, governance, and partnership strategies

# The Digital Divide in BC

*First Nations communities face persistent gaps in connectivity infrastructure*



Source: Assembly of First Nations, Closing the Infrastructure Gap 2030 Report; BC First Nations Technology Council, 2024

# Why Indigenous-Owned Infrastructure Matters



## Revenue Stays in Community

Profits from connectivity services recirculate locally rather than flowing to external shareholders, creating a sustainable economic engine.



## Data Sovereignty & Self-Determination

Community-owned networks ensure First Nations control over data routing, storage, and governance — aligned with UNDRIP and DRIPA.



## Local Employment & Capacity

Operations create technical jobs — network technicians, customer service, and management roles — reducing out-migration.



## Long-Term Economic Multiplier

Reliable connectivity unlocks telehealth, remote education, e-commerce, and digital government services worth multiples of the infrastructure cost.

# Business Model Frameworks

*Four proven approaches for Indigenous telecom infrastructure*



## Community-Owned ISP

Single Nation owns and  
operates the network as a local  
ISP



## Regional Consortium

Multiple Nations pool resources  
through an SPV or co-op



## Public-Private Partnership

Joint venture with a major  
telecom carrier sharing risk and  
revenue



## Hybrid Open- Access Model

A Consortium of Nations owns  
fiber, multiple providers deliver  
services over the network

# Model 1: Community-Owned ISP

## How It Works

A single First Nation establishes a Band-owned enterprise or corporation to build, own, and operate fiber and wireless infrastructure serving the community.

The Nation acts as the local Internet Service Provider, controlling pricing, service levels, and network governance.

Revenue from residential and institutional subscribers stays within the community.

## Strengths

- Full local control and sovereignty
- 100% revenue retention
- Community-responsive pricing

## Considerations

- Higher upfront capital requirement
- Need for technical capacity building
- Scale limitations in small communities
- Ongoing maintenance and staffing costs

*Example: Maskwacis community-built wireless network (Alberta) — grassroots ISP serving 150+ households*

# Model 2: Regional Consortium

Multiple Nations form a Special Purpose Vehicle (SPV) or cooperative to share infrastructure costs, aggregate demand, and negotiate collectively with suppliers and government funders.



## Shared Backbone

Common fiber transport network reduces per-community build costs by 40-60%



## Aggregated Capital

Pooled borrowing capacity through FNFA enables lower interest rates



## Risk Isolation

SPV structure protects individual Nations' core community budgets



## Regional Employment

Centralized NOC creates skilled technical positions across the region

*FNFA is advocating for amendments to the FNFMA to allow lending to SPVs — a major enabler for this model.*

# Model 3: Public-Private Partnership



## Partnership Benefits

- ✓ Reduced capital burden — carrier co-invests in infrastructure
- ✓ Accelerated deployment — leveraging existing carrier networks and expertise
- ✓ Revenue sharing — structured returns to the Nation from Day 1
- ✓ Bell Canada / NICI agreement (2025) demonstrates carrier willingness to partner

# Model 4: Hybrid Open-Access Network

## Separation of Infrastructure and Services

The Nation owns the physical fiber network ("dark fiber") and leases capacity to multiple service providers who compete to offer retail services. This creates a utility-like infrastructure asset with diversified revenue while enabling competitive pricing for end users.

NATION-OWNED ASSET

### Layer 3: Retail Services

Multiple ISPs, telehealth, education platforms

### Layer 2: Wholesale Transport

Bandwidth leasing, managed connectivity

### Layer 1: Physical Infrastructure

Fiber backbone, conduit, towers — Nation-owned

*Example: Eeyou Cree Nation (Quebec); Gwaii Tel (BC)*

# Financing Landscape

*We need Multiple government and institutional funding streams to make this happen*

## **BC First Nations Equity Financing Program**

Provincial loan guarantees for equity positions in revenue-generating projects

## **Canada Indigenous Loan Guarantee (ILGP)**

Federal program expanded to cover infrastructure, transportation, and trade

## **CRTC Broadband Fund (Indigenous Stream)**

Dedicated stream launching 2026 — reduced barriers for Indigenous applicants

## **Universal Broadband Fund (UBF)**

Federal-provincial Connecting Communities BC partnership

## **First Nations Finance Authority (FNFA)**

Competitive-rate loans backed by own-source revenue; SPV lending pending

## **First Nations Infrastructure Fund (FNIF)**

ISC funding for connectivity projects on reserves across Canada

# BC First Nations Equity Financing Program

Launching Spring 2026 — A cornerstone of economic reconciliation in British Columbia

<b>Program Type</b>	Provincial loan guarantees
<b>Cumulative Limit</b>	\$1 billion
<b>Purpose</b>	Support equity ownership in revenue-generating projects
<b>Eligibility</b>	First Nations in BC securing equity in projects within traditional territories
<b>Risk Framework</b>	Rigorous due diligence comparable to commercial lending
<b>Default History</b>	Similar programs in AB and ON: no history of default

## Application Process

- 1 Pre-Screen Intake**  
Eligibility, project readiness, alignment check
- 2 Full Application**  
Detailed project and business documentation
- 3 Due Diligence**  
Comprehensive commercial viability assessment

# Federal Financing & Funding Programs

## Canada Indigenous Loan Guarantee

**Funding Authority:** Increased from \$5B to \$10B

**Expanded Scope:** Now covers infrastructure, transportation, and trade — not just natural resources

**Key Benefit:** Reduces borrowing costs by providing government guarantee to lenders

**Impact:** Similar provincial programs in AB and ON have generated \$1.5B in economic benefit with zero defaults

## CRTC & Universal Broadband Fund

**CRTC Broadband Fund:** 135 Indigenous communities connected to date; Indigenous stream launching 2026

**UBF in BC:** \$830M federal-provincial partnership through Connecting Communities BC

**Recent BC Funding:** \$77M announced July 2025 for 15 projects reaching 6,900+ households including 1,200 Indigenous

**Key Change:** Upfront funding now available for Indigenous-led projects; proof of community consent required

## First Nations Finance Authority (FNFA)

Over \$3 billion in financing issued | Self-sufficient under FNFMA | Contributed \$7B+ to Canada's economy | Advocating for SPV lending authority

# Building the Capital Stack

*We need to Blend public grants, loan guarantees, and private capital to finance this infrastructure project*

## Government Grants (UBF, CRTC, FNIF)

70%

## Loan Guarantee-Backed Debt (FNEFP, ILGP)

10%

## FNFA / Commercial Debt

10%

## First Nation & Partner Equity / In-Kind

10%

## Key Principles

- ✓ Maximize non-repayable grants as the base layer
- ✓ Use loan guarantees to unlock favorable debt terms
- ✓ FNFA lending at below-market rates reduces overall cost of capital
- ✓ In-kind contributions (land, rights-of-way, labor) count as equity
- ✓ Revenue-sharing agreements can serve as equity substitute

# Multi-Stream Revenue Operations

*We need to Diversify income beyond residential subscriptions for long-term sustainability*



## Residential ISP

Home internet, phone, and streaming bundles for community members



## Wholesale & Backhaul

Selling transport capacity to other carriers and ISPs



## Infrastructure Leasing

Dark fiber, tower co-location, and conduit access fees



## Enterprise & Institutional

Managed services for band offices, health centers, schools



## Wireless & Mobile

Community cellular sites, fixed wireless for rural areas



## Ancillary Services

IT support, cloud hosting, digital literacy training

# Revenue Stream: Wholesale & Backbone

## The Backbone Opportunity

First Nations territories often sit between population centers, making Nation-owned fiber a strategic backbone asset.

### Wholesale revenue comes from:

- Selling lit or dark fiber capacity to carriers
- Providing backhaul for cellular towers
- Peering and transit agreements
- Government anchor tenant contracts

This revenue stream provides steady, contractual income that supports debt service and de-risks the overall business model.

## Typical Revenue Mix (Mature Network)

### Residential ISP



### Wholesale/Backhaul



### Enterprise/Institutional



### Infrastructure Leasing



### Ancillary Services



# Revenue Stream: Enterprise & Institutional



## Telehealth

Managed connectivity for nursing stations, health centers, and virtual care platforms. Government health contracts provide stable anchor revenue.



## Education

High-bandwidth connections for schools, distance learning platforms, and language revitalization programs. Federal/provincial education funding backstops.



## Government Services

Band administration, service delivery, and e-governance platforms. Reliable demand from institutional operations.



## Emergency & Public Safety

Mission-critical communications for emergency services, wildfire monitoring, and community alert systems.

# Case Study: Connected Coast

*Bringing high-speed internet to 97 rural, remote, and Indigenous communities across coastal BC*

**Coverage** 97 communities from Prince Rupert & Haida Gwaii to Vancouver Island

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**Infrastructure** Subsea and terrestrial fiber backbone, thousands of km

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**Funding** Federal (UBF) and Provincial investment partnership

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**Timeline** Construction substantially complete

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**First Nations** Deep engagement with coastal First Nations throughout project

## Key Lessons

- ✓ Multi-government funding partnerships accelerate scale
- ✓ Community engagement from design phase builds lasting trust
- ✓ Backbone infrastructure enables future local ISP buildout
- ✓ Long-term economic impact extends far beyond connectivity

# Case Study: Kuhkenah Network (K-Net)

*North America's largest First Nations-owned broadband network*

**100+**

Ontario First Nations  
connected

**25**

3G cellular sites  
in First Nations

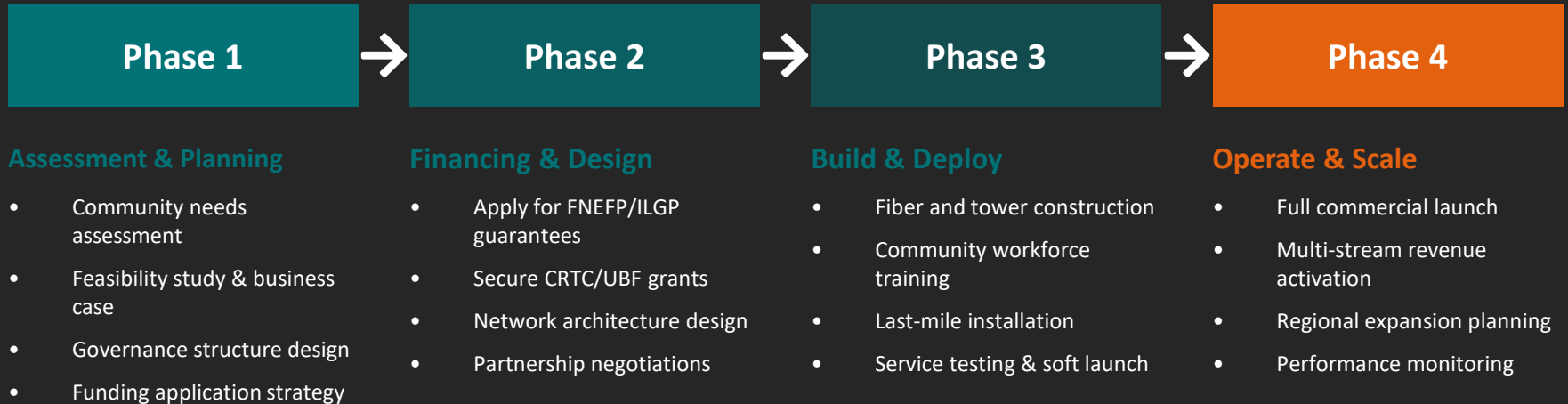
**100%**

Indigenous-owned  
& operated

## Model Highlights

- ✓ **Community Ownership**  
Each First Nation owns and controls their local network infrastructure and acts as their own ISP
- ✓ **Diverse Infrastructure**  
Satellite, wireless, and fiber optic technologies — adapted to each community's geography and needs
- ✓ **Multi-Service Platform**  
Combines video, voice, and data services — supports telehealth, distance education, and government services
- ✓ **Scalable Model**  
Started with a few communities, expanded to 100+ through proven partnership and governance frameworks

# Implementation Roadmap



# Governance & Partnership Considerations

## Corporate Structure

- Band-owned corporation or LP
- Multi-Nation SPV or cooperative
- Separate operating entity from Band council

## Board & Oversight

- Independent board with technical expertise
- Community representation requirements
- Annual reporting to membership
- Conflict of interest policies

## Partnership Principles

- Align with UNDRIP & DRIPA
- Ensure meaningful consent (FPIC)
- Revenue-sharing transparency
- Skills transfer commitments

# Key Takeaways

1 The financing environment has never been more favorable

2 Multi-stream revenue models are essential

3 Indigenous ownership and engagement is the multiplier

4 Proven business and operating models exist

5 Start with governance and community engagement

# Next Steps & Discussion

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- ✔ Conduct community connectivity assessment and needs analysis
- ✔ Evaluate business model fit based on community size and geography
- ✔ Engage with FNEFP, CRTC Indigenous stream, and FNFA for financing
- ✔ Explore regional consortium opportunities with neighboring Nations
- ✔ Build technical capacity through training and strategic hiring

## *Questions & Discussion*

# Thank you!



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