Sent via email to <u>laurie.scottco@pc.ola.org</u>



July 24, 2020

Hon. Laurie Scott Minister of Infrastructure 5th Floor, 777 Bay Street Toronto, Ontario M7A 2J3

Dear Minister Scott:

On behalf of the @100,000 waterfront residents of eastern Ontario we are writing to urge you and your government to support the Eastern Ontario Regional Network's (EORN) Gigabyte project proposal.

You may be familiar with the study FOCA published in 2018, Waterfront Property Owners and Rural Economic Development (https://foca.on.ca/waterfront-property-owners-and-rural-economic-development/); this study helped to articulate the significance of waterfront property owners (WPO) as vital economic contributors to our rural communities in Eastern Ontario. The study speaks to the opportunity of having WPO contribute to and support the local economy. It also confirmed the grim reality that access to reliable high-speed Internet is the number one barrier to a greater economic role of these families, many of whom are multi-generational residents who would love to make Eastern Ontario a bigger part of their family's role in the economy as business owners, and entrepreneurs.

COVID-19 has laid bare the huge disparities for our rural residents and businesses when it comes to access to broadband speeds that our urban neighbours enjoy. It is no longer acceptable for rural customers to continue to be disadvantaged by the lack of high speed internet services. Asking rural residents and businesses to settle for the CRTC 50/10 standard is to once again ask them to accept a standard far lower than most urban Canadians currently enjoy.

Likewise, expecting our children to do their eduation through on-line programming when there isn't enough connectivity is not acceptable. Education is a pathway to our childrens' future and we need to give them the same access to broadband speeds as their classmates in towns and cities across Ontario.

We need to fix this situation and do so on an urgent basis.

EORN's Gigabyte project will help solve this problem both for today and long into the future. It will require both Ontario and Canada to move beyond their current funding programs in terms of vision, investment and the speed required to solve this problem now and for the next generation. EORN's proposal, which is highlighted in the attachment to this letter, relies upon both levels of government to commit approximately \$200 million dollars and a financial contribution from the Canada Infrastructure Bank that works with the EORN model. We believe this is exactly the type of project that the Bank

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should support and without it the provincial and federal contributions would have to rise significantly to between \$400 million and \$535 million.

FOCA is anxious to see EORN advance the interests of this region's residents and businesses, through their continued delivery of their broadband and cellular expansion initiatives. EORN can be counted on to execute the Gigabyte project and ensure public funds are used wisely. EORN's model is also one that can be replicated across the country and could support the ambitions and economic contributions of still more of Ontario's 250,000+ rural waterfront residents.

While COVID-19 has exposed the urgent need for connectivity in regions like ours, it also has highlighted the ingenuity, resourcefulness and tenacity of rural residents and businesses. With access to proper broadband there is no doubt that rural areas like eastern Ontario could contribute significantly more to the economy. Broadband is the tool they need to push growth and prosperity in their communities and that will be good for the province and the country as a whole.

Minister we need your support to make the Gigabyte project a reality and fix the rural/urban connectivity divide now and for the future. It's the right thing to do and we hope you will join us in this critical endeavour.

We look forward to hearing from you.

Yours truly,

Terry Rees, Executive Director
On behalf of The Federation of Ontario Cottagers' Associations
#201 – 159 King Street
Peterborough, ON K9J2R8

trees@foca.on.ca 705-749-3622 Cell 705-927-4455

cc. Premier Doug Ford Eastern Ontario MPPs EOWC EORN

EOWC / EORN Gigabyte Broadband Project

\$200 million Investment



Regional broadband project to provide 1Gbps to 95% of residents and businesses

- \$200 \$300 million federal funding
- \$200 \$300 million provincial funding
- \$400 \$500 million loan from CIB* into SPV**
- \$400 \$500 million raised from TSP's competitive RFP process
- \$1.2 billion \$1.6 billion estimated total cost. Range of cost estimates is access to hydro poles and pole replacement costs.



*Canada Infrastructure Bank (CIB) **Special Purpose Vehicle (SPV)