

**ECN Presentation to the CRTC**

Public Hearing June 17, 2013

Inuvik, NWT and Whitehorse, Yukon

*Reference Documents: Telecom Notices of Consultation CRTC 2-12-669*

Intervention 273

Presentation:

Hyman Glustein, Telecom Advisor to the Cree Regional Authority

Cédric Melançon, Director General, Eeyou Communications Network

Alfred Loon, President, Eeyou Communications Network

Mr. Chairman, Members of the Commission. My name is Hyman Glustein. With me today are Cedric Melancon, the director general of the Eeyou Communications Network, Réseau de Communications Eeyou and its president, Alfred Loon.

Our intervention in this application pertains to the issues raised by the First Mile Consortium on CRTC policy regarding community networks in outlying areas, specifically in High-Cost Service Areas. Our concern is that the Commission should consider overall service improvement for broadband delivery as a policy issue and that telecommunications policy should encourage the promotion of digital literacy.

Different parts of northern Canada such as the areas served by Northwestel and James Bay in northern Quebec have remarkable similarities: the social impact of the resource sector, high food prices, distance from the closest supply centre, and – in many cases -- a locally managed fibre telecom network requiring a costly feed to reach even the next community. For the southern based telcos, serving the north is a low-priority issue -- except when the location is considered as a supply centre for natural resources.

Most of all, the region is Aboriginal, has a very high percentage of young people, and overall it is poorly served by the licensed dominant carrier.

Mr. Melancon will provide you with a brief overview of the ECN and Mr. Loon will explain our proposal for service improvement.

I am Cédric Melançon, Director General of the Eeyou Communications Network - ECN. First I'd like to thank the Commission for giving us the opportunity to speak today.

ECN is a not-for-profit organization operating a 1500 km fiber optic transport network in the James-Bay/Eeyou Istchee region, serving a population of over 15,000 Crees and 15,000 non-Aboriginal residents, over an area 50% larger than the Dehcho lands of the Dene – even larger than the UK. ECN is also a wholesaler of data and Internet transit services through this fiber-optic network.

ECN's mission is to eliminate the digital divide in our region and it started March 2012 by providing broadband services to various ISPs and organizations at unprecedentedly low tariffs. This enables local organizations to reap the benefits of the evolving digital economy, with cloud computing as an example. Our network also decreases the isolation of our region by making available alternative means of communications such as videoconferencing over the internet.

Finally, as a non-profit, our revenues reflect our expenses. Although our tariffs are a significant improvement over what was previously available, they are still not at par with what could be expected in high population density areas.

For this reason, we ask this commission to consider developing policies to allow alternative networks in remote regions such as ours to provide contemporary telecommunications services at rates comparable to what is available to most Canadians.

My name is Alfred Loon and I am the President of the Eeyou Communications Network,

Let me begin by thanking the Commission for its fine work in reporting that every year more and more Canadians are adopting broadband Internet services. We've read it in CRTC annual reports, we've read the studies – and as operators of the Eeyou Communications Network, we know it first hand. What you have said is what we experienced.

In our remote communities -- landline services are becoming less important every year. Even Northwestel has confirmed in its comments that it agrees with this assessment.

In big cities and in High cost service Areas, wherever broadband service is available, people and businesses alike use Skype, Facebook, and IP phone services, -- they text their information and email data. Landline telephones, like the overnight letter courier and the fax machine, are no longer their first choice.

Networks like ours, the ECN Eeyou Communications Network, are the digital highways – and, in our area, for the Cree School Board and the Commission Scolaire de la Baie James, with their Smart Boards, Teleconference facilities, distance learning and Digital Literacy classes, ECN is the backbone for communications and for education.

For years, the CRTC has supported landline services for rural and remote communities with the National Contribution Fund. When this policy was introduced, it was aimed to reduce the disparities in pricing and in service – and it was before IP and broadband became part of the telecom delivery system. It is now time that this type of support is adapted to the modern telecommunications services that also aim to address the same disparities.

As the First Mile group stated in their intervention, other countries have weighed the merits of support and reacted positively. They note that the FCC has had programs to support regional broadband networks – even specific programs to support Aboriginal networks, such as ours.

And from past experience, we know policies to support community and cultural advancements are not beyond the normal reach of the CRTC.

This Commission has supported significant Canadian cultural endeavours such as community radio stations with subsidies from a Tangible Benefits fund. In that particular example, the Commission set out a policy to support communities, provided a funding formula and licensed an independent body to manage the fund – and we believe that is a very good model.

The Commission has also promoted and advanced the Canadian music industry substantially with subsidy policies. And the Commission has supported a set aside policy to insure that small cellular companies can continue to exist in Canada

The time for allowing phone companies alone to benefit from HCSA subsidies has passed. Service improvement should apply to everyone in Canada. And that benchmark should be well beyond landline services. Consider this: in our James Bay area, the ILEC— in our case it's Telebec – apportsions its services unfairly. It sells

- in Chibougamau, a residential combination of landline telephone, 5 megs of Internet and a multi-channel TV service in one highly populated community for about \$140 a month and one meg of commercial Internet for \$65;
- to the James Bay Cree communities, it does not offer bundled packages, and up until recently, it has sold one Meg of commercial Internet for between \$1,750 to up to \$2,200.

As Canadians, we deserve better.

But we are not here today to seek government intervention against Telebec. We are here

- to stress that local networks can provide the same services, often more reliably, more efficiently, at less cost and more capable of creating jobs in the local environment; and
- to ask that local networks and Canadian consumers be treated in a fair and equitable manner no matter what their location.

The Telecommunications act says that all Canadians should be treated fairly – quote -- *to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada* – unquote.

And this Commission has endorsed that view repeatedly in its decisions.

Even so, the Crees of Eeyou Istchee have not waited for others to improve our situation. Together with our neighbours in non-Aboriginal communities, we have partnered to build a new transport network, one linked with other telecom providers. But unlike many telcos, even though we have a quality of service that surpasses standards, we have no subsidies for operational costs. Now, we are in the final steps of reaching every home and business in our area to access our network for service. At the moment, we deliver a reliable and secure service.

To serve all Canadians fairly with high quality services, our suggestions are:

- That the CRTC, as it has between large and small cellular companies, encourage broadband competition between independent networks and telcos by sharing fairly available infrastructure resources and subsidies;
- That the CRTC, as it has done in the past with radio and the Canadian music industry, consider a policy to support an independent fund for broadband services in Aboriginal, rural and isolated communities; and
- That the CRTC, as it has already done in licensing the Community Radio Fund of Canada, consider calling for an independent licensee to review and fund non-profit broadband projects based on quality of service and on serving residents.

We ask that this Commission consider

- that the telcos network is not more important than ours;
- that we merit fair consideration as a provider of service to a high-cost area;
- that a policy to promote these services be considered – just as it was in place for the monopoly providers for years – and
- that an independent agency be licensed to provide funds to Aboriginal and community networks.

Members of the Commission, thank you for hearing us today. We would be pleased to answer your questions.

Graphic 1: Geographical Overview

Comparison of Dehcho and Eeyou Istchee lands



Map of the Eeyou Communications Network

