



## ENGAGEMENT SESSIONS RECAP

SEPTEMBER 14, 2018

Develop Nova Scotia (previously Waterfront Development Corporation) recently completed eight stakeholder engagement sessions at various locations throughout the province. Our objectives were two-fold: to discuss our new province-wide mandate for strategic economic land and infrastructure, and to provide an update on the rural internet initiative, inviting input to inform our implementation strategy.

These sessions were specifically designed for key business, industry and municipal

stakeholders, and community groups. We want our partners to understand the role we can play to help drive inclusive economic development. As part of this broader goal, we understand the critical importance of high-speed rural internet and the need for quick action to address the gaps in the system.

We committed to reporting back on these sessions, summarizing what we heard and highlighting some of the most common questions and concerns.

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## RURAL INTERNET: RESULTS

### ■ IS MY MUNICIPALITY LAGGING BEHIND?

Municipalities are at various stages of readiness. Regardless of your municipality or county's level of planning to date, we will meet you where you are. No region will be left behind in our planning.

Develop Nova Scotia's job is to design and execute an implementation plan to extend reliable, robust, high-speed internet to as many Nova Scotians as possible, including a minimum of 95% of all rural Nova Scotians.

### ■ WHO ARE THE ELIGIBLE BENEFICIARIES OF THE NOVA SCOTIA INTERNET FUNDING TRUST?

The Nova Scotia Internet Funding Trust has now received \$193 million from the Province of Nova Scotia. Internet Service Providers, municipalities, and successful proponents of the federal Connect to Innovate (CTI) program are eligible beneficiaries of the Trust.

Develop Nova Scotia will design an open, flexible, competitive process to invite project partners to propose solutions to meet or exceed our target objectives, which will inform our recommendations to the Trust for funding.

## ■ HOW WILL THE COMPETITIVE PROCESS WORK?

Our approach to building a competitive process to deliver high-speed rural internet will be based on the following principles:

- » Focus on results, rather than being prescriptive about specific technologies or models
- » Ensure accountability for network build, service, and quality standards by proponents, including Service Level Agreements
- » Meet or exceed minimum speed targets
- » Reach a minimum of 95% of rural Nova Scotians with high-quality, reliable, high-speed internet
- » Ensure solutions include ongoing investment in networks and can evolve to meet new technologies

- » Create a competitive environment that encourages proponent ingenuity
- » Leverage all available funding sources, including substantial private sector investment

Develop Nova Scotia may look at soliciting proposals from a regional perspective to ensure the needs of the entire province are met. The >95% coverage objective will drive our strategy, decision making, and recommendations. No region will be left behind in our planning.

All proponents will be required to demonstrate their ability to deliver on the principles outlined. Our goal is to launch the competitive process before the end of 2018.

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## ■ OUR COMMUNITY RECEIVED CONNECT TO INNOVATE (CTI) FUNDING FOR AN INTERNET PROJECT AND IT'S READY TO GO. WHAT'S THE NEXT STEP?

We are currently meeting with all approved Connect to Innovate (CTI) projects to determine how they fit into the overall provincial strategy and how to build on those projects to reach our goals, while also ensuring those approved projects are not held up in process unnecessarily.

## ■ WHAT ABOUT CELLULAR?

Cellular coverage is not part of the mandate for rural internet, nor is it identified to be expressly funded through the Trust.

Improvements to the middle mile network through the rural internet project may create business opportunities for cellular providers in areas where the absence of fibre currently discourages new investments in infrastructure.

We certainly recognize cellular service as strategic economic infrastructure and will be thinking about cellular as we build our implementation strategy.

## ■ WHO WILL OWN & CONTROL?

The Province has no ambition to own internet infrastructure or to be in the internet business. Rather, Nova Scotia recognizes the importance of high-speed, reliable Internet for inclusive rural economic development and quality of life.

The public investment in rural internet is being made to address the reality that there is often not a viable business case for a private provider to extend coverage to certain areas. The goal is to have ongoing management, maintenance, upgrade, and operation of the network led by the successful project proponents, without the need for further public investment. There will also be clear and enforceable service level agreements, to ensure performance meets targets consistently over time.

- » On community ownership and control, municipalities and communities have expressed different opinions

» Our assessment is that there are underlying concerns that are driving the discussion about ownership. They are based on a desire for the solution provider to:

- Be accountable
- Meet coverage targets
- Provide robust, reliable, high-quality service
- Provide an affordable solution, consistent with urban market pricing
- Adapt to change and adopt new technology

### ■ HOW DO YOU DEFINE “RURAL”, AND DOES MY COMMUNITY FIT?

“Rural”, in this context, is not as much geographic as it is used to describe all those to whom we intend to extend coverage.

Our goal is to extend high-speed internet to a minimum of 95% of those households that are currently served below the minimum speed targets (50 Mbps wired & 25 Mbps wireless), or do not have service at all.

We know where those households are and we know where the gaps in services are. No region will be left behind in our planning.

### ■ DO WE NEED TO GATHER INTERNET SPEED OR COVERAGE DATA FOR OUR COMMUNITY TO INFORM THE PROCESS?

We believe we have all the information and data needed to move forward with the competitive process.

If we detect a gap in required data, we will be responsible to collect that data and incorporate it into the provincial implementation strategy.

We are confident in the information and data gathered to date, and have engaged additional expertise to review that data to ensure its accuracy. The only way to further refine this data is to go to market and ask proponents to respond with specific solutions.

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### ■ AFFORDABILITY

We recognize that delivering high-speed reliable internet to enhance and support inclusive economic growth and quality of life across rural Nova Scotia will not be achieved if the price of that service is unaffordable.

This is something we will address through the competitive process and in contracts with successful proponents.

### ■ TRANSPARENCY OF PROCESS

The competitive process will be a public, transparent process with well-defined and communicated requirements and selection criteria.

The call for proposals will be extended widely and available publicly, as will the results of that process

Given the magnitude of public investment, we will ensure that the entire process is transparent, well-documented, measured, reported, and communicated.

### ■ OPEN ACCESS

Some stakeholders expressed the desire to allow open access to the resulting networks. The significant level of public investment being put into rural internet in Nova Scotia certainly indicates a need for a level of open access to ensure the infrastructure can be used to enhance competitiveness and encourage economic growth.

We also intent to leverage all available existing private and public infrastructure in the solution to this complex issue. We cannot afford to build an entirely new network.

We will be seeking to achieve open access to a level that remains attractive to the private sector to encourage them to leverage existing infrastructure and make further investments in building and maintaining these networks over time, while still achieving a competitive environment.

## DEVELOP NOVA SCOTIA'S NEW MANDATE

In terms of our new province-wide mandate, our objective in engaging key stakeholders was really to begin the conversation that will inform our 5-year strategic plan. We'll be back for further consultation soon, including public consultation, to continue these conversations and identify opportunities where Develop Nova Scotia might have a constructive role to play in your community.

Our new mandate is to lead sustainable development of high-potential property and infrastructure to drive inclusive economic growth in Nova Scotia. Our mission is to create sustainable places that attract and inspire people and investment.

We heard lots of ideas and also fielded some great questions, including:

### ■ WILL THERE BE PROVINCIAL REPRESENTATION ON THE BOARD OF DIRECTORS FROM OUTSIDE HALIFAX?

Yes, the expectation is that our Board will grow to 15 Directors and will include regional representation.

### ■ WILL DEVELOP NS HAVE RESOURCES ON THE GROUND AROUND THE PROVINCE?

Yes, we are currently looking at a variety of options for ensuring we are resourced around the province, including discussions with our partners at NSBI, ACOA, Municipal Affairs, the Cape Breton Partnership, and the Regional Enterprise Networks (RENS).

### ■ ARE WE PLANNING TO WORK CLOSELY WITH THE RENS, MUNICIPAL REPRESENTATIVES, AND OTHER ECONOMIC DEVELOPMENT ORGANIZATIONS?

Absolutely. The most important aspect of this first tour was to introduce ourselves and get to know the key stakeholders across Nova Scotia working in this space. We firmly believe that great places can only be created with communities on the ground. We feel very lucky to have such a talented, committed network to work with to achieve our goals for Nova Scotia.

### ■ HAVE WE IDENTIFIED SPECIFIC INFRASTRUCTURE PROJECTS?

We are beginning to identify projects that have the potential to be differentiators for Nova Scotia—to attract people and to contribute to growth in strategic sectors.

Most recently, it was announced that Develop Nova Scotia will lead the master plan for Peggy's Cove, working closely with the community and key stakeholders. That work will get underway soon.

There is much more work to do with regional stakeholders to identify and scope key projects and our 5-year plan.

We look forward to advancing those discussions over the coming months, and to contributing to the creation of great places across Nova Scotia.