

October 2, 2017

VIA Email: ic.spectrumauctions-encheresduspectre.ic@canada.ca

Senior Director
Spectrum Licensing and Auction Operations
Innovation, Science and Economic Development Canada
235 Queen Street, 6th Floor
Ottawa, Ontario
K1A 0H5

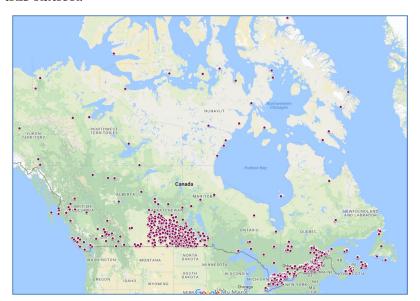
Subject: Canada Gazette Notice No. SLPB-005-17 - Consultation on a Technical, Policy and Licensing Framework for spectrum in the 600 MHz Band

- 1. Pursuant to the procedures established in *Consultation on a Technical, Policy and Licensing Framework for spectrum in the 600 MHz Band,* Canada Gazette Notice No. SLPB-005-17 ("the consultation document") the Canadian Cable Systems Alliance, Inc. ("CCSA") hereby submits its comments.
- 2. CCSA has had the opportunity to review, in draft, the comments of the Independent Telecommunications Providers Association ("the ITPA") in response to this consultation. All but one of the ITPA's members are also members of CCSA.
- 3. CCSA agrees with and supports the ITPA's comments with respect to both the SILECs that ITPA represents and the many other communication service providers that CCSA represents.
- 4. Regardless of the particular distribution technology that each of CCSA's members uses, the ITPA's comments regarding the unique geographical, economic and competitive challenges that such companies face reflect the experience of CCSA's broader membership.
- 5. Like the SILECs, many of CCSA's other members are pushing fibre out through their networks and are offering customers in rural and remote areas high-quality telephone, broadcasting and Internet services. They are keenly interested in finding economical ways to improve and extend their networks.



CCSA's Member Companies

- 6. CCSA is an industry association and buying group created by its members, in 1993, to represent small and independent communications companies in Canada. It has grown from a dozen founding members to about 125 companies today.
- 7. CCSA's members are locally-based, independent ISPs, cable operators and telephone companies that deliver Internet, television and voice services to residents and businesses primarily in secondary markets, small towns and rural and remote areas of the country.
- 8. CCSA's members include municipalities, community-owned cooperatives and First Nations bands. A fair number are actually volunteer organizations. As such, profit is often not their primary objective.
- 9. Rather, many such organizations have been created by their communities for the express purpose of delivering new or better television and communications services to those communities. That is, they were created to respond to a need shared by the community. Their mission is to meet that need.
- 10. Canadians in remote and low-density areas generally have fewer providers of telecommunications and broadcasting services. Where CCSA members provide services, often they are the only alternative to the big, vertically-integrated incumbent operators like Bell, Rogers, Shaw, TELUS and Videotron.
- 11. CCSA members serve more than 1,200 communities across Canada. The graphic below illustrates that CCSA member companies' systems operate from sea to sea across this nation.



Communities Served by CCSA Members



The Spectrum Challenge and Opportunity

- 12. A number of CCSA's members are using wireless technology, today, to extend service beyond their existing copper and hybrid fibre-coax plants to reach farther out in the rural and remote areas they serve.
- 13. The fixed wireless solution is a highly cost-effective alternative to laying out physical wire in the spread-out, low population-density and often rough terrain areas that these companies serve. However, in some areas, unlicensed spectrum is not adequate to support consistently high-quality, reliable service.
- 14. In response to the CRTC's current public proceeding on development of a broadband funding regime, the British Columbia Broadband Association ("BCBA") raised the matter of access to wireless spectrum for smaller operators.
- 15. As the BCBA put it, "Many parts of rural Canada could have access to 50 Mbps services without funding support if small, local providers had access to mobile spectrum."
- 16. That point should not be missed as a critically important element of a national strategy for allocation and deployment of spectrum.

17. The BCBA continued:

If spectrum auctions were designed to enable small providers to win rural spectrum, and if spectrum holders were encouraged to sub-divide and sublicense their spectrum holdings in rural and remote areas, then more rural Canadians would gain access to the service objectives envisioned by the Commission.

In addition to bringing 50 Mbps services to rural communities, many rural service providers are deploying fixed LTE networks that are mobile-ready. These networks could provide mobile services if affordable and reasonable roaming agreements, and mobile spectrum access, were available to small companies.²

18. It is worth noting that, as matters stand today, very few CCSA members are able to offer mobile wireless services at all. The lack of a "quad play" service option is a

¹ British Columbia Broadband Association, "Re: BC Broadband Association's Comments on Telecom Notice of Consultation CRTC 2017-112 – Call for comments: Development of Commission's broadband funding regime (File No. 1011-NOC2017-0112)", June 28, 2017 [hereinafter BCBA] at para. 32.

² *Ibid.* at paras. 33-34.



significant competitive disadvantage to them and represents a lack of choice for their customers.

- 19. CCSA Member Commstream Gigalinks, Inc., based in Winnipeg, is an excellent example of a small ISP that is investing aggressively in LTE technology to improve service to existing customers and to extend high-quality data services to new rural communities including a number of Manitoba First Nations.
- 20. For Commstream, a significant challenge is to access high-quality spectrum that is capable of supporting the necessary service standards in its "last mile" networks.
- 21. CCSA endorses the BCBA's recommendation that government should consider very seriously how spectrum might be made more readily available to smaller, independent ISPs, be deployed to accelerate achievement of the objectives of a national broadband strategy and contribute to reducing the costs of implementing that strategy.
- 22. CCSA emphasizes that its recommendation has two elements:
 - as ITPA recommends, recognition, in spectrum auction design, of the need for "smaller service areas than even Tier 4 areas" such that affordable blocks of spectrum are available to smaller operators; and
 - as BCBA recommends, encouragement of spectrum licence holders to "subdivide and sublicense their spectrum holdings in rural and remote areas".

Conclusion

- 23. Independent ISP, cable and telco operators operate networks in all parts of this country and, often, are vital network providers in Canada's rural and remote communities.
- 24. Those companies are a critical resource that should be leveraged to meet the daunting challenge of extending high-quality broadband service to all Canadians such that those Canadians can participate fully in the digital economy and society.
- 25. Implementation of mechanisms to facilitate affordable access by such companies to wireless spectrum can greatly reduce the cost of meeting that national objective and greatly accelerate progress toward its achievement.



26. CCSA thanks the department for the opportunity to make these comments.

Sincerely,

Christopher J. Edwards

Vice-President, Regulatory Affairs