

RESPONSE TO PETITION

2-17(3)

EXECUTIVE COUNCIL

Petition tabled by Mr. Nadli on October 25, 2012

Response by the Honourable Robert C. McLeod
Minister of Municipal and Community Affairs

Establishment of Cellular Telephone Service in Fort Providence, NT

The Government of the Northwest Territories (GNWT) is working on two fronts to support expansion of cell phone services to Northwest Territories (NWT) communities:

First, by providing funding to Falcon Communications GP Ltd. (Falcon) to support implementation of the NWT Broadband Program; the Department of Finance currently funds Falcon \$100,000 annually (2012-2013 and 2013-2014) and \$50,000 for 2014-2015 through a contribution agreement for the NWT Broadband project. This funding helps Falcon carry on project management and administration activities for their \$29.6 million project, which includes expansion of mobile data services.

On January 15, 2013, Falcon, NorthwesTel, and Infrastructure Canada issued a press release (attached) announcing that mobile data services (3G) will soon be available in all NWT communities. A timeline for implementation was not mentioned, but in recent meetings with Falcon, GNWT officials raised Fort Providence as a community that is interested in receiving service as soon as possible.

Second, over the years, the GNWT has urged the Canadian Radio-television and Telecommunications Commission to open up the north to local competition in telephone services. In early 2012, local competition was permitted. Although we have yet to see many new telecom companies entering the NWT, it is possible that competitive options will increase once NorthwesTel's modernization plan is reviewed. A proceeding to review NorthwesTel's modernization plan and other matters is currently underway. Cell phone service in all NWT communities has been included, and the GNWT will continue to comment on the need for this unregulated service.

The GNWT continues to support a competitive telecom environment within the north and encourages private sector companies to provide telecommunications services that meet the needs of NWT residents.

3G EXPANSION UNDERWAY IN NWT COMMUNITIES

Tuesday, January 15, 2013

Infrastructure Canada, Northwestel and Falcon Communications today announced an additional 25 communities in the NWT will have access to enhanced third generation (3G) mobile internet services. The initiative will also support and enhance broadband Internet service for 31 communities.

The enhanced 3G HSPA wireless service provides higher data transfer speed and capacity, allowing residents and visitors to use the latest wireless devices, tablets and smartphones. The technology allows customers to fully use the capabilities and features of the most modern and popular wireless devices such as mobile Internet, texting, e-mail, music and video streaming, and cellular calling services.

"Having the capacity to use recent technologies contributes to sustainable growth, supports economic prosperity and improves the quality of life of Canadians," said the Honourable Leona Aglukkaq, Minister of Health, Minister of the Canadian Northern Economic Development Agency and Minister for the Arctic Council. "Our Government is proud to invest in network improvements that will deliver numerous benefits to our Northern communities and empower users."

"Together with Falcon, we are able to deliver mobile broadband to homes and businesses in more than 25 communities in the NWT," said Paul Flaherty, President and Chief Executive Officer of Northwestel. "Building on our successes to date, we are confident we can deliver on this ground-breaking initiative."

"When we were expanding broadband services across the NWT last year, we knew this would make a real difference in residents' lives, enhancing communications capacity, and creating educational and economic opportunities," said Darrell Beaulieu, President and CEO of Falcon Communications. "Partnering with Northwestel to deliver 3G Wireless services is building on this success. Falcon and Northwestel have been working to make the NWT a leader in telecommunications and one of the best connected areas in northern Canada, with the same level of services that southern Canadians enjoy."

The initiative includes supporting and enhancing Broadband Internet service for 31 communities in the Northwest Territories and introducing enhanced third generation (3G) mobile Internet services in 25 communities.

In 2012, Norman Wells and Fort Simpson joined the ranks of northern communities served by 3G HSPA. Plans are currently underway to provide the equipment installation and network upgrades to deliver 3G Wireless to other unserved communities.

Since 2005, this initiative has provided Broadband access to more than 43,000 residents and 2,100 businesses in the NWT.

The Government of Canada is contributing up to \$14.8 million through the Canada Strategic Infrastructure Fund (CSIF). This contribution accounts for one half of total eligible project costs. The CSIF supports large-scale infrastructure projects that strengthen areas vital to sustaining economic growth and enhancing Canadians' quality of life.

Northwestel's contribution to this initiative is expected to exceed \$15 million and is part of the company's ongoing commitment to provide advanced services across Canada's north.

Falcon is the General Partner of Broadband Business Alliance Limited Partnership and has acted as the Federal Government's community champion for the NWT Broadband Project since 2005. The Broadband Business Alliance consists of the Akaitcho Regional Investment Corporation, Dehcho Economic Corporation, Denendeh Investments LP, and the Tetlit Gwich'in Council.

Northwestel Inc., (www.nwtel.ca), services the largest operating area of any telecommunications company in the western hemisphere, over the most remote and rugged terrain in Canada. It provides a complete range of voice, video and data solutions to residential and business customers in the Northwest Territories, Nunavut, Yukon, northern British Columbia and High Level, Alberta.

For further information on Canada's infrastructure investments in the Northwest Territories and to stay up-to-date with Infrastructure Canada Web feeds visit infrastructure.gc.ca.

Source: <http://www.nwtel.ca/media-room/current-press-releases/2013/3g-expansion-underway-nwt-communities>