

Media Release

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Western Ontario Wardens' Caucus Takes *SWIFT* Action: Endorses Regional Area Broadband Network Proposal

Western Ontario Wardens' Caucus (WOWC) supports creation of ultra-high speed, high capacity regional broadband network for southwestern Ontario.

A WOWC- commissioned feasibility study has demonstrated the critical need for a regional broadband network in Southwestern Ontario.

The broadband project, named *SWIFT* (South West Integrated Fibre Technology), seeks to bring high capacity, universal fibre optic infrastructure to the entire southwest region – regardless of population density – and promises to level the playing field for service providers, foster competition and drive down the cost to providers and users.

"To attract investment in today's hyper-competitive global economy, communities must have robust fibre optic broadband Internet access to fully support emerging technologies," said WOWC Chair Duncan McKinlay. "There are significant gaps in service availability and access to affordable high speed, high capacity Internet services across the southwest region, which is preventing many communities, both urban and rural, from realizing their full social and economic potential."

"Today, broadband across Southwestern Ontario tends to be high cost, low-functioning and unreliable, with limited availability outside large urban centres. The existing system relies heavily on legacy copper wire infrastructure. The *SWIFT* project is working towards a low cost, readily available, largely fibre-based integrated system that can be upgraded to meet increasing demands without triggering additional large capital investments or provisioning delays," said *SWIFT* project lead Lance Thurston, Chief Administrative Officer for Grey County. "Now that the feasibility study has been completed and endorsed, the next step in the process is to explore suitable operating and governance options and seek financial support from upper levels of government."

What would SWIFT look like?

The proposed *SWIFT* network consists of the following elements:

- 1. Network Design: Once fully established, the network would serve over 300 communities, encompassing 3 million residents including rural areas with population densities as low as 4 persons per square km. Users across the region would be encouraged to connect to partner providers' systems and user fees would sustain the system. The network would have three infrastructural components:
 - a) **Transport fibre optic** a fibre optic transport network inter-connecting all major centres in Western Ontario, operating at 100 gigabits per seconds (Gbps) with additional high capacity facilities to Toronto to connect with other telecommunications carriers and content providers worldwide.
 - b) **Aggregation fibre optic** a fibre optic transport network connecting 40 Gbps aggregation points in each county.
 - c) Access fibre optic each access aggregation point would be connected to 10 Gbps access nodes in over 300 communities in the region, with last mile fibre access to public institutions, private enterprises and residences.
- 2. **Governance:** A not-for-profit corporation governed by both service providers and WOWC members, and possibly other major public and private sector users (e.g. school boards) would be created to operate the SWIFT network. A management team, reporting to a board of directors, would be responsible for the day-to-day management and operation of the system.
- 3. Capital Structure: Funding for SWIFT would come from equity, debt, and grants from county and upper levels of governments. The operating model is premised on securing large commercial users, municipalities, universities/colleges, school boards and health care organizations as early adopters to provide the necessary cash flow and critical mass of activity to sustain the system. Introducing home, small business and farm users with access provider partners will provide the blanket coverage required to achieve our region's economic and social aspirations.
- 4. **Cost:** The capital cost of building the proposed network is estimated at \$234 million, which could be reduced by 20-30% if existing infrastructure in the region can be used as part of the network. Day-one operating expenses for the proposed not-for-profit management function are estimated at \$9.65 million.

More information about can be found at <u>WOWC.ca</u>, including the <u>WOWC Broadband</u> <u>Feasibility Study</u> and details about <u>next steps for the SWIFT project.</u>

For more information, please contact:

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