Ministry of Technology, Innovation and Citizens' Services
BRITISH COLUMBIA

2014 Meeting Note
Advice to Minister

Meeting Date: January 10, 2014   **Cliff #: 100571**
**Attendees: Mr. Dan Ashton MLA (Penticton), Mr. Ron Shongruden and Mr. Doug McDonald
           (School District 67).**

Issue: City of Penticton fibre-optic cable network and School District 67

Conclusion / Next Steps (if any):

- The Province's goal is for every citizen and business to have affordable access to telecommunications services, no matter where in B.C. they reside.
- The Province views the role of technology as very important in furthering regional economic development opportunities and in providing government electronic service delivery especially in the areas of education and health care.
- The Province takes a strategic approach to encourage private sector investment, utilizing the scale of government's telecommunications business to leverage benefits for rural citizens. This approach has raised the number of citizens with access to 93% of the population, one of the highest rates for any jurisdiction in North America.
- The Province encourages local connectivity solutions whenever possible. It works with both small and large telecommunications providers, local and regional governments and First Nations to address rural and remote telecommunications needs.
- The Province, through Network BC, continues to advocate for federal-level policies and funding programs to address telecommunication challenges in British Columbia.
- The Ministry has telecommunication services agreements in place with the City of Penticton and School District 67 and has been supportive of past local connectivity initiatives throughout the province.
- Staff in Network BC and Shared Services are available to facilitate the relationship between the School District, PLNet, the Ministry of Education, and other government stakeholders.

Background / Facts:

- The City of Penticton built and made operational its own fibre-optic cable network in 2002.
- The network was primarily designed to serve the schools of School District 67, and was built in proximity to B.C. government buildings, in the hope that revenues from the Province purchasing the access to the network would offset the cost of the infrastructure build.
- Revenues from Provincial sources do not reach operational cost recovery levels.
- The Province and School District 67 signed an agreement in 2004 bringing the District onto the Provincial Learning Network (PLNet) which connects all schools in B.C. with broadband Internet service. The Ministry of Education funds the District approximately $12,000 per month.
- The City of Penticton network has steadily grown. Through the School District, which acts as an Internet service provider, a broader range of data services in addition to fibre-optic cable access

is now available in the Penticton area. The Province includes the School District on its list of alternate service vendors.

Analysis:

- Mr. Shongruden forwarded a document containing a number of comments and general questions regarding Provincial telecommunications policies, included as Attachment ATT-1 School District 67 Incoming Summary and Questions
- Responses to Mr. Shongruden's questions have been interpolated in the attachment for reference during the meeting.
- Mr. Wilf Bangert, Executive Lead responsible for Network BC, is available to attend the meeting with the Minister to answer specific questions in detail.

Options:

- N/A

Attachment(s): ATT-1 School District 67 Incoming Summary and Questions

Contact: Mr. Wilf Bangert, Executive Lead responsible for Network BC (250) 387-3083

ATT-1 School District 67 Incoming Summary and Questions

[Note: Responses, in blue font, to Mr. Shongruden's questions have been added to this document for ease of reference.]

It would be difficult to find any research that does not suggest that technology will be experiencing huge growth in the coming years. For instance, Forbes suggests that in the future 99% of what we make will connect to the internet

Connectivity and bandwidth are keys to this future

> Even in times of reduced enrolment school districts are transforming to personalized learning powered by technology which will increase technology demands substantially

Oligopolies (Telcos, Cellcos, Cablecos, etc.) do not provide the competitive pricing or services required to meet current demands, let alone future demands – Of the top 34 industrialized countries in the world – "Canadians do indeed pay some of the highest prices for some of the worst service in the industrialized world" (data from OECD – 2013 Communications Outlook)

Organizations (Lower Mainland, Okanagan, Kootenay) are recognizing oligopoly limitations and are actively providing and exploring alternatives

Connectivity and bandwidth affects all of government and "true" shared services should involve everyone

The existing government network is saturated and the message is "there is "no new money"

Oligopoly solutions may not be the best or only solutions. Currently the education sector has been given solutions that seem to be very costly for the benefit provided

At this critical time government should be providing key leadership

We would like to explore the following topics with you:

> What is government's role in the information network? - is it similar to the transportation network? Should it be?

> **Response:**
>
> - The Province's goal is for every citizen and business is to have affordable access to telecommunications services, no matter where in B.C. they reside.
> - The Province takes a strategic approach to encourage private sector investment, utilizing the scale of government's telecommunications business to leverage benefits for rural citizens. This approach has raised the number of citizens with access to 93% of the population, one of the highest rates for any jurisdiction in North America.

- The Province encourages local connectivity solutions whenever possible. It works with both small and large telecommunications providers, local and regional governments and First Nations to address rural and remote telecommunications needs.
- In the past, to spur development, the Province has offered small grants to Internet service providers to acquire the infrastructure needed to expand their networks. From time to time, the Province makes strategic infrastructure investments in conjunction with other levels of government and the private sector.

Long term vision - Multi-level technology strategy(s) - who is providing the vision and what is it?

Response:

- The Province's approach to expanded connectivity is in recognition of the role this technology plays in regional economic development and in affording every citizen with access to modern e-government services, especially in the areas of education and health. It is important to ensure that telecommunications services are equitably delivered and affordably priced for all British Columbians.
- Government's Information Management and Information Technology (IM/IT) vision is articulated in such publicly available documents as the *B.C Technology Strategy* (http://www.bcjobsplan.ca/wp-content/uploads/TechnologyStrategy2012.pdf) and the *IM/IT Enablers Strategy* (http://www.gov.bc.ca/citz/citizens_engagement/it_strategy.pdf). The Office of the Government Chief Information Officer within the Ministry of Technology, Innovation and Citizens' Services is responsible for government's IM/IT vision and for ensuring that it remains current with respect to technology trends, practices, and standards.

Do "true" shared services really work? Can Correctional Facilities, School Districts, Regional Districts, Municipalities, Oligopolies, etc. coexist?

Response:

- The shared services model has been successfully employed by the Province since the 1980's and is the basis for delivering cost-effective services to all government clients.
- The current shared services model has multiple stakeholders such as ministries, broader public sector entities, school districts, local governments and a multitude of service providers co-existing.

What are some alternatives to the existing model? - is there potential for pilot programs?

Network BC Response: the Province currently employs many different service delivery models and is open to considering new ideas with the potential of delivering truly cost effective solutions for its clients.

Is "new money" necessary?

Response:
- Reallocation of existing capital and operating budgets would only be based on a proven model that aligns with Government's core-review cost savings targets.
- The Province is always interested in exploring cost savings ideas.

Are there federal components to examine? Who should be lobbying on which issue?

Response:

- The Province, through Network BC, continues to advocate for federal-level policies and funding programs to address telecommunication challenges in British Columbia.
- The Province, through Network BC, monitors federal telecommunications regulatory proceedings and takes every opportunity to advocate for programs, policies and funding that will benefit B.C.'s communities.
- Currently, we are encouraging local governments to write letters to the federal Minister of Industry requesting that at least some of the funds derived from the upcoming 700 MHz spectrum auction be reinvested in connectivity for rural and remote communities. It is expected, based on past experience, to generate several billion dollars for the federal government (the 2008 auction generated $4B and analysts predict an even higher return this time around).

How are new and disruptive technologies going to affect the landscape?

Response:

- The Province currently employs many different service delivery models and is open to considering new ideas with the potential of delivering truly cost effective solutions for its clients.
- The Province generally takes a "slow adaptor" rather than a "leading edge" approach to unproven technologies and service delivery models.

Is there economic development potential?

Response:

- Regional economic development is a major driver underlying the Province's connectivity initiatives. The availability of advanced data networks is a recognized factor (among others) in attracting new businesses and citizens.

- The Province is always looking for opportunities to support local economic development initiatives.

What process can we use to work together on these issues?

Response:

- Ministry staff in Network BC and Shared Services BC are available to discuss information technology and connectivity opportunities. Please feel free to contact Mr. Wilf Bangert Executive Lead responsible for Network BC in the Strategic Initiatives and Partnerships Division of the Office of the Chief Information Officer at 250 952-6455 or wilf.r.bangert@gov.bc.ca