Ontario

Improving Connectivity for Ontario (ICON) Program

STAGE 2 PROGRAM GUIDELINES

RELEASED: October 16, 2020

For alternate format, please contact ICONprogram@ontario.ca

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1. OVERVIEW

1.1 Background

The Province of Ontario will support the expansion of broadband and cellular infrastructure in Ontario by investing $150 million over four years through the **Improving Connectivity for Ontario ("ICON")** program. The ICON program is part of *Up to Speed: Ontario's Broadband and Cellular Action Plan* ("Action Plan"), which outlines the strategy to expand access to broadband and cellular connectivity in identified areas of need.

The Stage 1 Program Guidelines for ICON were released on July 9, 2020. That document outlines the program's background, objectives, eligibility, and mandatory requirements for participating in the ICON program.

Applicants that successfully meet all Stage 1 eligibility criteria and mandatory requirements are invited to apply under Stage 2 of the ICON program. This stage requires detailed information about the project scope, scale and design, budgets, financial forecasts, and other evidence of the Applicant's ability to deliver the project.

The purpose of the Stage 2 Program Guidelines is to provide more details about cost and financial eligibility, application evaluation criteria and assessment, and the funding agreement process. It also includes detailed instructions on how to complete the Stage 2 Application Form, templates, and other required documentation.

The ICON program is a discretionary, application-based program. Stage 2 applications will be assessed and scored based on the evaluation criteria described in Section 3 below. Applications will be selected for funding based on how well they meet these criteria.

For any funding to be awarded, applications must meet a minimum scoring threshold to be considered as technically, economically, and financially viable for ICON funding. However, there is no guarantee that funding will be awarded even if the minimum scoring threshold is met, and applicants are not entitled to funding as a result of completing and submitting an application.

All capitalized terms in this guide have the meaning that is set out in Appendix 1.

1.2 Key Dates

Applicants must meet all application deadlines in order to be considered for funding. If an applicant fails to meet deadlines for the first intake, they may be deferred to the second intake.

First Intake

- August 21, 2020 – Deadline for Stage 1 applications.

- September 25, 2020 – All Stage 1 assessments complete and applicants notified.

- December 11, 2020 – Deadline to submit Stage 2 application for initial completeness review.

- January 27, 2021 – Deadline to complete Stage 2 application clarifications and updates.

- Early spring 2021 – Stage 2 assessment complete, applicants notified, and funding offers issued to successful applicants.

Second Intake

- January 8, 2021 – Deadline for Stage 1 applications.

- Late winter 2020-2021 – All Stage 1 assessments complete and applicants notified.

- Late summer 2021 – Deadline to submit Stage 2 application for initial completeness review.

- Mid-fall 2021 – Deadline to complete Stage 2 application clarifications and updates.

- Early spring 2022 – Stage 2 assessment complete, applicants notified, and funding offers issued to successful applicants.

1.3 Changes to Project Scope

Change Requests by Applicant

The Ministry acknowledges that applicants may need to change their project proposals after passing to Stage 2. However, given the competitive nature of the ICON program, these changes must reasonably reflect the original project scope that was assessed in Stage 1.

Applicants are required to notify the Ministry of an intent to change the scope of any projects prior to completing the initial Stage 2 application. Notifications must be sent to the Ministry by email to ICONprogram@ontario.ca and must identify any changes to the information included in the Stage 1 application.

The Ministry will determine if the changes in project scope result in a substantially different project. If so, the application will not be considered for funding under Stage 2 of the application process for the first intake. The applicant may re-submit a Stage 1 application for the second intake or, if time permits, re-scope the proposed changes for further consideration by the Ministry.

If proposed changes do not result in a substantially different project (as determined by the Ministry), applicants may complete Stage 2 applications, but must demonstrate that all Stage 1 mandatory requirements are still met to still be considered eligible.

Change Requests by Ministry

As a condition of passing from Stage 1 to Stage 2, applicants may be asked by the Ministry to amend their project proposals in order to be considered eligible.

If an applicant is asked by the Ministry to amend its project proposal as a condition of passing to Stage 2, the applicant must make any such changes necessary to satisfy this condition. The applicant may engage the Ministry prior to the initial Stage 2 submission deadline to determine if the condition has been met. The Ministry will confirm if the condition is met and provide further direction if required.

1.4 Evidence of Local Support

The Ministry acknowledges that some applicants may have been unable to receive local support for improved connectivity because local authorities were not available to consider support within the Stage 1 submission deadline for the first intake. In those cases, applicants were required to provide evidence of the intent to seek local support.

These applicants must provide evidence of local support from every affected local authority (municipal entity, First Nation, and/or regional board that provides services in unorganized areas of the province) prior to submitting the initial Stage 2 application.

If there is no evidence of local support provided by the initial Stage 2 completeness review deadline of December 11, 2020, the application will not be considered for funding during this intake. The application may be deferred to Stage 2 of the second intake so long as the project proposal remains within the original scope per Subsection 1.3.

2. FUNDING AND COST ELIGIBILITY

2.1 Eligible Funding

The ICON program may contribute up to a maximum of 25 per cent of total eligible project costs. Applicants are encouraged to seek other sources of funding when appropriate. This could include financial assistance (grants, forgivable loans, etc.) from all levels of government and private-sector partners.

If an applicant is seeking or has acquired provincial funding for the project from sources other than ICON, but the project has been deemed by the Ministry as dependent on funding from ICON in order to proceed, the project will remain eligible under ICON if it meets all other program conditions. However, total provincial funding will not exceed 25 per cent of total eligible costs.

Based on information provided during the Stage 2 application, the Ministry will assess commercial viability of projects described in the applications. If a project is determined to be commercially viable within five years of operation without ICON support, it will be ineligible for funding.

The Ministry may determine that a project should be approved but at a funding level lower than the amount requested in the application. Applicants will be informed of the Ministry's determination at the time of the funding offer.

2.2 Cost Eligibility

Eligible and ineligible costs are listed below for applicants to develop budget materials as part of their Stage 2 applications. The funding agreement will include a final list of all eligible and ineligible costs.

Eligible Costs

- Direct labour costs, meaning the portion of gross wages or salaries incurred for work which can be specified, identified and measured as having been or to be used on the project.

- Direct material costs, meaning those costs of materials which can be specifically identified and measured as having been used or to be used on the implementation of the project.

- Direct equipment costs, meaning the cost of equipment required for the completion of the project, including but not limited to servers, switches, optical fibre cable, repeaters, radio equipment, towers, poles, back-up power supplies, shelters and network broadband connectivity devices including upgrades.

- Direct satellite capacity costs, meaning the portion of the direct purchase or lease of Bandwidth or capacity delivered over the physical medium of satellite which

can be specifically identified and measured as having been used or to be used on the implementation of the project. These costs will be measured in units of Mbps, MHz, or a quantity of satellite transponders.

- Direct labour related travel costs, meaning the cost of travel which is deemed necessary to the performance of the project. To be eligible, travel costs must be clearly documented as to the purpose of each trip. Travel expenses, at economy rates, shall be charged as actual costs.

- Other direct costs, meaning those applicable costs, not falling within the categories of direct labour, direct equipment, direct material, direct satellite capacity, or direct travel costs, but which can be specifically identified and measured as having been incurred or to be incurred to implement the project.

Ineligible Costs

- Customer Premises Equipment.

- Expenditures incurred that are not in compliance with the terms and conditions of the funding agreement, including eligible expenditures incurred prior to the effective date of the executed funding agreement.

- Expenditures related to developing the application or applying to the ICON program.

- Expenditures related to purchasing land, buildings (except for equipment shelters not meant for human occupation) and associated real estate and other fees.

- Leasing land, buildings and other facilities, including permanent shelters for housing network related equipment (except for temporary facilities directly related to the construction of the project).

- General repairs and ongoing maintenance resulting from the project and related structures.

- Legal fees.

- Operational costs to run infrastructure built as a result of the project.

- Taxes for which the applicant is eligible for a tax rebate and all other costs eligible for rebates.

- Contingency provisions.

- Insurance costs.

- Existing capital assets including land, buildings, vehicles and other indirect, fixed, and/or capital costs.

- Cost of any goods and services which are received through donations or in kind.

- Financing or carrying costs, loan and interest payments.

- General office space and equipment i.e. photocopiers, furniture, telephones, computers, printers and office software.

- Training to set up an Internet service provider or on-going training to implement the project.

- Advertising/promotion activities.

- Radio and Spectrum licensing fees.

- Costs that have been paid for or reimbursed by another funder.

2.3 Communication with Applicants

All inquiries during the application intake periods must be sent to ICONprogram@ontario.ca. The Ministry endeavors to respond within 24 hours.

Notwithstanding Subsection 1.3, the Ministry will <u>not</u> provide any advice or feedback on proposed projects or information on the status of individual application assessments. However, it can respond to inquiries that seek clarification on the application form and the overall ICON application process.

2.4 Project Completion Date

Each project will be unique and will have different timelines based on the effective date of the funding agreement, the scope and scale of the infrastructure requirements, any local, provincial, or federal approvals required before beginning construction, availability of resources, and environmental factors.

The goal of the ICON program is for projects to proceed in a timely manner so they can bring adequate levels of connectivity to areas of need across the province. <u>Applicants are expected to reach Project Completion no later than March 31, 2024</u>.

The Ministry will work quickly with successful applicants to execute funding agreements so projects can begin as soon as possible (see Section 4 for more details).

3. EVALUATION, ASSESSMENT, AND APPROVALS

3.1 Evaluation Criteria

Applications will be assessed against value-for-money / project design criteria ("quantitative criteria") and based on how the application aligns with broader public policy objectives ("strategic criteria").

Scoring will focus predominantly on the quantitative criteria, which are:

1. Funding Reach

2. Project Design

3. Project Cost

4. Project Performance

5. Affordability

The strategic criteria are:

1. Anchor Institutions

2. Economic Impact

3. First Nation Communities

4. Multiple Communities

Quantitative criteria are ordered starting with most heavily weighted scoring at the top. Strategic criteria are equally weighted.

Funding Reach

This criterion is based on value-for-money and seeks to score projects that connect more inadequately-served premises at a lower cost, including the ability to leverage funding from other levels of government. The objective is to ensure that the ICON program contributes to the Action Plan commitment of connecting 220,000 households and businesses.

Evaluation of funding reach will assess:

- For broadband projects, the number of New Connections that are made relative to the amount of provincial funding requested;

- For cellular projects, the Expanded Coverage that will result from the project relative to the amount of provincial funding requested; and

- The applicant's ability to leverage funding from other levels of government.

The criterion will be assessed using the information provided in Sections E (Technological Solution, under Project Area Connected), H (Budget Forecast), and I (Confirmed Sources of Funding) of the application form, the Detailed Budget Template, and the Socio-economic Impact Template.

Project Design

This criterion will assess how well the proposed project design is aligned to local conditions, including local geography, population density, project scalability, use of existing local assets, and improved reliability. The objective is to ensure that ICON-funded projects will successfully fill service gaps now and into the future.

Evaluation of project design will assess:

- How the proposed network and solution respond to the local conditions described above;

- The capacity of the proposed infrastructure to scale up in order to meet potential future needs, including an increase in number of premises in the project area and other future capacity constraints on the network;

- How quickly the proposed project will complete, and the likelihood that the project can meet its New Connections and / or Expanded Coverage targets by the proposed date of Project Completion; and

- The capacity of the proposed infrastructure and network solution components to manage and recover from failures and degradation and the ability to resolve these issues.

The criterion will be assessed using the information provided in Sections D (Project Overview, E (Technological Solution), F (Deployment and Operating Plan), G (Risk Mitigation), and H (Budget Forecast) of the application form, the Detailed Budget Template, the Financial Forecast Template, the Socio-Economic Impact Template, the List of Last-Mile Service Offering Template, the Mobile and Wireless Addendum Template, and the Logical Network Diagram.

Project Cost

This criterion will consider the overall project cost in relation to the technologies used and their operational plans to make the project more economical and/or to provide better outcomes. The objective is to determine that provincial funding is dedicated to least-cost solutions within the project area that meet the objectives of the Action Plan.

Evaluation of project cost will assess:

- Community density, expected population growth, and local geographic features in relation to the proposed technologies and their costs;

- The presence of other telecommunications service providers in the project area and the availability of existing telecommunications infrastructure that could provide adequate service levels;

- Infrastructure capital and operational costs, including expected operational expenses, expected capital costs in relation to project design, and expected maintenance costs; and

- Anticipated revenues (based on the average revenue per user) and anticipated uptake that results in New Connections, year over year, within five years of Project Completion.

The criterion will be assessed using the information provided in Sections D (Project Overview – Geographic Project Description), and H (Budget Forecast) of the application form, the Detailed Budget Template, the Financial Forecast Template, the Socio-economic Impact Template, the List of Last-Mile Service Offering Template, the Logical Network Diagram, and the Project Area Map.

Project Performance

This criterion will assess the relative improvements to existing broadband and cellular service in the project area. The objective is to support projects in areas with very poor or no service, and that have a greater likelihood of providing continuous service so that current and future premises have adequate access.

Evaluation of project performance will assess:

- For broadband projects, the current broadband connection speeds available in the project area against the connection speeds available at project completion, including consideration of scalability; and

- For cellular projects, the current cellular service level available in the project area against the service level available at project completion, including consideration of scalability.

The criterion will be assessed using the information provided in Sections D (Project Overview, E (Technological Solution), F (Deployment and Operating Plan), and G (Risk Mitigation) of the application form, the List of Last-Mile Service Offering Template, the Mobile and Wireless Addendum Template, and the Logical Network Diagram.

Affordability

This criterion will assess the applicant's commitment to broadband and / or cellular services at prices comparable to the nearest Urban Centre for five years after project

completion. The objective is to direct ICON funding towards projects that help meet affordability goals described in the Action Plan.

Evaluation of affordability will assess:

- The proposed or anticipated service costs against service costs for the same services in the nearest Urban Centre.

The criterion will be assessed using the information provided in Sections E (Technological Solution), F (Deployment and Operating Plan), G (Risk Mitigation), and H (Budget Forecast) of the application form, the Detailed Budget Template, the Financial Forecast Template, and the Project Area Map.

Anchor Institutions

This criterion will assess the number and type of anchor institutions that will benefit from this project, including but not limited to schools, medical facilities, libraries, community centres and facilities, First Nation band-owned buildings, and institutions around which a community is formed. The objective is to support projects that enable connectivity at locations that serve broader provincial policy objectives like e-learning and provide connectivity to members of the community that depend on these institutions for support.

The criterion will be assessed based on the information provided in Sections D (Project Overview) and E (Technological Solution) of the application form, the Socio-economic Impact Template, the List of Last-Mile Service Offering Template, the Mobile and Wireless Addendum Template, and Project Area Map.

Economic Impact

This criterion will assess the potential economic development opportunities within the project area. This will include the number of businesses connected and the number of short-term construction and long-term service provider jobs that result from the project. The objective is to support projects that will likely contribute to economic recovery from the impacts of COVID-19.

The criterion will be assessed using the information provided in Sections D (Project Overview) and E (Technological Solution) of the application form, the Socio-economic Impact Template, and the Project Area Map.

First Nation Communities

This criterion will award points if the proposed project improves connectivity for one or more First Nation communities in Ontario. The objective is to support projects that serve communities that need adequate connectivity the most.

This criterion will be assessed using the information provided in Section D (Project Overview) of the application form, the Socio-economic Impact Template, the List of

Last-Mile Service Offering Template, the Logical Network Diagram, and the Project Area Map.

Multiple Communities

This criterion will award points if the proposed project improves connectivity for two or more communities, including municipalities, First Nations, and unorganized areas. These projects rely on collaboration across local authority boundaries, which demonstrates a commitment to local residents and businesses to ensure better service. The objective is to support projects that have a greater likelihood of delivering projects successfully and on time.

This criterion will be assessed using the information provided in Section D (Project Overview) of the application form, the Socio-economic Impact Template, the List of Last-Mile Service Offering Template, the Logical Network Diagram, and the Project Area Map.

3.2 Initial Stage 2 Application Completeness Review

Per the key dates in Subsection 1.2, there are two submission deadlines for Stage 2 applications:

- Initial completeness review (December 11, 2020 for first intake and late summer 2021 for second intake); and

- Completing Stage 2 application clarifications and updates (January 27, 2021 for first intake and mid-fall 2021 for second intake).

Applicants may submit their draft Stage 2 applications for initial completeness review by the Ministry. The completeness review provides applicants an opportunity to ensure that all parts of the application are completed, and that information is entered correctly.

Applicants will be notified by email within 15 business days after this submission deadline whether the Ministry considers the application complete. If so, no further action is required by the applicant and the application will be considered final. If not, the Ministry will instruct which parts of the application require clarifications or updates.

Completed applications with all clarifications and updates must be submitted by the next deadline. If this deadline is not met during the first intake, applicants may submit again during the second intake. However, if the deadline is not met during the second intake, the application will no longer be eligible for funding.

For certainty, the completeness review will not assess or provide input on the project proposals. It is the applicant's ultimate responsibility to comply with all the application requirements described in these Program Guidelines.

3.3 Assessment and Project Selection

All applications received by the deadline will be assessed by Ministry staff responsible for delivering ICON. Applications will be scored using the criteria described in Subsection 3.1.

A minimum scoring threshold will be used to ensure that applicants have adequately demonstrated the ability to deliver technically, economically, financially viable projects on time while meeting broader public policy objectives associated with connectivity infrastructure. Applications that do not meet the minimum scoring threshold will not be considered for funding.

Applications that pass the minimum scoring threshold may be selected for conditional funding offers. Funding offers will depend on the application's relative overall score, the funds available for that intake period, and other public policy considerations. Projects selected for funding will ultimately be at the discretion of the Minister of Infrastructure.

3.4 Other Funding Sources

The Ministry encourages applicants to seek other sources of funding to support the project when required.

If a Stage 2 application is successful under ICON but is awaiting a decision from other sources of funding, and the project is dependent on other funding sources, the Ministry may provide a conditional offer of funding. The Ministry will work with applicants and other potential sources of funding to determine timing for funding decisions.

The Ministry has sole discretion in determining limitations to the conditional offer of funding. It will endeavour to enable opportunities for other funding source approval but must do so while ensuring fairness for other applicants and enabling construction of ICON-supported projects as soon as is reasonable.

4. FUNDING AGREEMENT

4.1 Executing a Funding Agreement

General Information

After a conditional funding offer is accepted and the application is not awaiting other funding per Subsection 3.4, the Ministry will provide a draft funding agreement to the lead applicant. The funding agreement will be developed using the information provided in the Stage 2 application, including the budget, project plans and timelines, and risk assessments. The funding agreement will be entered into by the Ministry and the lead applicant only. Project Partners that were identified in the Stage 1 and Stage 2 applications will not be parties to the funding agreement.

The Government of Ontario reserves the right to impose such terms and conditions that it deems advisable in the funding agreement. Once the parties agree to all terms and conditions, the funding agreement will be executed. Recipients of funds will be responsible for satisfying all terms and conditions set out in the funding agreement, including reporting requirements.

No Retroactive Costs

The Ministry will not fund any activities, including activities that would otherwise be considered eligible for ICON funding, if those activities and associated costs are incurred prior to the effective date of the executed funding agreement with the Ministry. Applicants are advised to avoid incurring any costs related to the proposed project until the effective date of the funding agreement.

For greater certainty, the Ministry is not responsible for any costs incurred by applicants to develop and submit applications to the ICON program.

Insurance Coverage

The funding agreement will set out obligations of the funding recipients with respect to insurance including securing at least $2 million commercial general liability insurance coverage on an occurrence basis for third party bodily injury, personal injury and property damages for the duration of the funding agreement. This will also include an obligation to add "Her Majesty the Queen in right of Ontario, her ministers, agents, appointees and employees" as the additional insured on this coverage.

Compliance Audit

The funding agreement will set out terms and conditions related to audits including the requirement for all funding recipients to submit an independent compliance audit that is conducted in accordance with the Canadian Generally Accepted Auditing Standards to ensure that the project is complete and that funds were used in compliance with the funding agreement.

For projects that are offered $5 million or more in ICON funding, funding recipients will also be required to complete a compliance audit at the project mid-point. Projects with funding offers of less than $5 million may be subject to periodic compliance audits on a representative and randomly selected portion of activities and costs. Either the Ministry or a third-party duly authorized by the Ministry will conduct the periodic compliance audits.

If an audit finds that funds were used in a way that does not comply with the terms and conditions of the funding agreement, the Ministry will have the right to require repayment of these funds.

4.2 Reporting

Funding recipients must submit reports in accordance with the funding agreement in order to receive funding.   These reports allow the Ministry to verify that that the project is proceeding on schedule and in compliance with the funding agreement. Failure to comply with the reporting requirements will delay the disbursement of funds and could ultimately result in the termination of the funding agreement.

Reports will include:

- Progress reports: These reports will describe the status of construction activities, any issues related to implementation, potential changes to program design that require Ministry approval, and any changes to expected key performance indicators. Progress reports will be submitted regularly on specified dates. A reporting template will be provided to recipients in the funding agreement.

- Financial reports: These reports must be included with funding requests that are submitted to the Ministry by recipients in order to recover eligible costs. Financial reports must include a summary of all invoices for all costs incurred (delineated by eligible and ineligible costs) for the reporting period, as well as updated forecast spending against the project budget. Funding requests must be submitted regularly on specified dates and will require an attestation of the accuracy and eligibility of incurred costs by a person authorized in the funding agreement. Templates will be provided to recipients in the funding agreement.

- Project completion report: at Project Completion, funding recipients must submit a project completion report. This report will include confirmation that the project construction is complete and that connectivity services are being offered. The report must demonstrate achievement of key performance indicators and outcomes achieved as set out in the funding agreement.

- Other reporting: The Ministry will have discretion to request any additional information it requires to complete its review of reports provided by recipients. This may include, but is not limited to, invoices of costs incurred, independently verifiable evidence of progress, any third-party reports provided to recipients in

respect of the project, and timesheets of employees in relation to eligible labour costs.

4.3 Compliance

Regulatory Approvals

Applicants must ensure that all activities required for the project comply with federal and provincial laws and regulations and municipal by-laws. This includes receiving all necessary regulatory approvals prior to initiating work and receiving funding, such as environmental assessment or environmental compliance approvals (if required).

Duty to Consult and Accommodate

The Government of Ontario may have a duty to consult and, where appropriate, accommodate Indigenous communities (First Nation and Métis peoples) where the Government of Ontario contemplates funding an activity that may adversely impact an established or credibly asserted Aboriginal or treaty right.

Before deciding whether a project should receive funding, the Government of Ontario will assess whether a duty to consult obligation is potentially triggered. Ontario may delegate day-to-day, procedural aspects of consultation to potential grant recipients who may also have their own separate obligations. Ontario's delegation to potential grant recipients of procedural aspects of consultation is a regular practice and the procedural aspects of consultation will be delegated to grant recipients on this initiative. Therefore, it is important that all applicants anticipate this process and appropriately plan for this work (e.g., resources, time, etc.) as part of their funding submission.

Consultation requirements may vary depending on the size and location of the project in question. Further details surrounding specific consultation requirements, including which communities require consultation, will be provided by provincial officials for applications being considered to proceed. Applicants should ensure that Ontario is satisfied that any duty-to-consult requirements are met prior to commencing any site preparation, removal of vegetation or construction in respect of the project. Failure to meet these obligations may result in funding being withheld.

Open Access

Applicants must comply with all Open Access rulings by the Canadian Radio and Telecommunications Commission ("CRTC") and it is the responsibility of applicants to consider future rulings in their ability to fulfill the requirements in their funding agreement.

5. CONFIDENTIALITY AND PUBLIC REPORTING

The Ministry is subject to the *Freedom of Information and Protection of Privacy Act* ("Act"). Any information provided to the Province in connection with the application for funding, the project, or the funding agreement may be subject to disclosure in accordance with the Act.

Approved projects may be the subject of public announcements.

Applications may be shared with third-party due diligence providers, other ministries and/or Provincial third-party service providers as part of the assessment process.

6. STAGE 2 APPLICATION GUIDE

6.1 Managing Applications

Starting a new Application

Eligible applicants who have applied to the ICON program and were invited to apply for Stage 2 through the TPON portal can download the Stage 2 application form using the same ONe-key log in information that was used to retrieve Stage 1 materials. The application form is interactive, and the online system will not allow for discrepancies and incomplete fields in the forms to be submitted. You will not be able to submit the form unless all required fields are completed.

Please ensure you fulfill all requirements before preparing your application for submission:

- Required Fields: For items marked with a red asterix you must provide an answer to these questions in order to submit the application.

- Templates: After you have submitted your completed application form, you will be prompted to submit additional attachments. This is the opportunity for applicants to submit their completed program templates as well as additional documents for the project proposal. All files should be uploaded with clear titles that identify the purpose of the file.

- Maximum character count: Each text box has a maximum character count and you must ensure that you do not surpass this count in order to proceed on the form. Spaces are included in the character count.

- Group Applications: If two or more entities are involved in the application submission, every Project Partner must submit their contact information in Section C on the Stage 2 application. Please note that the application must identify who is the lead applicant when submitting the contact information.

Submitting Materials

Lead applicants must sign on to the TPON portal to download and complete the Stage 2 fillable form. The completed application and all other required forms must be submitted through the portal. This includes the program templates and additional documents. Materials do not need to be submitted at the same time, but the completed application and all other files must be submitted by 5:00pm on the deadline day for submitting draft applications for completeness review and final applications for assessment.

Similar to Stage 1, Stage 2 applicants can use the ICON Map Tool to navigate the geographic area.

Submitting your Application

Once you have completed the application form, you can submit the form along with the supplementary attachments by uploading the documents on the TPON web portal.

The system will not accept applications that do not have all required attachments uploaded and an error message will emerge prompting you to review your submission. If you do not receive a confirmation email, then your application has not been submitted and you will not be considered for ICON program funding. Please make sure that you receive a confirmation email.

Applicants can resubmit or modify their applications, including to submit additional supporting materials, any time prior to the ICON program intake deadline.

Please refer to the Get Help section of the Ontario.ca page for detailed instructions on how to use the TPON web portal. For a step by step walkthrough, please watch the orientation video.

If any concerns, contact our support team at ICONprogram@ontario.ca.

6.2 Application Form Completion Instructions

Section A: Applicant Profile

- Organization Name:

    o Applicant must identify the organization's operating name. This field will be pre-populated from the information provided when the organization is registered in TPON.

- Organization Legal Name:

    o Applicant must identify the organization's legal name. This field will be pre-populated from the information provided when the organization is registered in TPON.

- Website URL:

    o Applicant to provide the organization's official website URL. This field will be pre-populated from the information provided when the organization is registered in TPON.

- Canada Revenue Agency ("CRA") Business Number:

    o Applicant must provide the 9-digit business identifier provided by the CRA. This field will be pre-populated from the information provided when the organization is registered in TPON.

- Legal Entity:

- Applicant o select from the dropdown menu the type of legal organisation that best describes the organization applying for funding.

- Organization Type:

  - Applicant to select from the dropdown menu the organization type that best describes the organization applying for funding. If "other" is selected, then the applicant will be provided an opportunity to specify the type of organization.

- Date Incorporated:

  - Applicant to identify the date first incorporated.

Section B: Contact Information

- Contact Information:

  - All Project Partners must provide their contact information (e.g. organization name, type, phone number, email) in this section. This includes the lead applicant; however, only the lead applicant should check the "Lead Applicant" box.

  - Under "Contact Type," please indicate whether the contact functions as an applicant, payee, or other.

  - If more than one contributing partner is involved, the form will allow you to add an additional box. Click the "plus/minus" signs to add and remove additional fields.

  - NOTE: The lead applicant must check the "Signing Authority" box and complete the Declaration and Signing Section I.

Section C: Project Overview

- Project Name:

  - Applicant to identify the public name of the project.

- Technical Overview:

  - Using technical language, provide a brief description of the proposed project.

- Geographic Project Description:

- Applicant to provide a brief description of the geographic location of the area of the project. In your answer, include the neighbouring communities and the general area which the project will target.

- Estimated Project Start and End Date:

  - Information provided in this section will be used to determine whether the project meets the ICON timeframe.

  - To fill out this section, the applicant should assume a funding agreement execution date of June 7, 2021. This would be the date at which the applicant can begin to incur eligible costs that it expects to recover through the funding agreement. The end date must be no later than March 31, 2024.

Section D: Technological Solution

- System Design (max. 4,000 characters):

  - Applicant to describe the system design and how it intends to cover all key network components that enable connectivity from beginning to end points. Provide a general description of the responsibilities of each of the network elements and how they interact with one another.

  - In your answer, identify what technologies and architecture will be deployed in the solution. We encourage the applicant to include key details about the forecasted number of subscribers, designed speeds, usage traffic, enhanced services, and estimated quality of service objectives.

  - For broadband-based projects, identify the number of towers proposed and distances of chosen technology required (e.g. 500KM of optical fibre cable deployed).

  - For cellular-based projects, identify the technology type and bandwidth of the proposed project (e.g. LTE, 5G, etc.).

- Network Solution (max. 4,000 characters):

  - Applicant to describe the proposed network solution with respect to initial capacity, resiliency, reliability, and quality of service. Explain at a high level your project's potential points of failure and key remediation plans.

  - In your answer, describe key redundant network elements in your design and your network's ability to maintain an appropriate level of service during cases of network failure and other challenging conditions, including

equipment malfunction, adverse weather, or any unforeseen circumstances.

- Scalability (max. 4,000 characters):

    o Applicant to describe the capability of the chosen network to adapt to future connectivity demands within a five-year period following project completion.

    o Provide examples of how the project will accommodate additional subscribers and usage traffic, enhanced services, the network's ability to support future speed targets, capacity increases, quality of service improvements, and plans to serve a wider eligible geographic area over the five years following project completion.

- Project Area Connected (max. 4,000 characters):

    o Applicant to provide the estimated number of civic addresses, businesses, and Anchor Institutions to be serviced by the proposed network solution.

    o In your answer, identify by region the subscriber areas which the network solution will target.

- Last-mile technology type:

    o Select all that apply to specify the last-mile technology type (optical fibre cable, coaxial, DSL, mobile wireless, fixed wireless, satellite, others (specify)).

    o NOTE: if you selected mobile wireless or fixed wireless, you must complete the ICON Mobile and Wireless Addendum program template.

- Backbone technology type:

    o Select all that apply to specify the backbone technology type (optical fibre cable, satellite, microwave).

Section E: Deployment and Operating Plan

- Operating Model (max. 4,000 characters):

    o Describe the operational model which will be implemented to support the proposed solution.

    o In your answer, identify the components, if any, of the network which will be outsourced. How will service response times be impacted? Identify what are the operational procedures to provide customer support in case

of unforeseen circumstance such as outages or cut fiber and expected complaint resolving timelines.

Section F: Risk Mitigation

- Operational Risks (max. 4,000 characters):

  o Operational risks describe the likelihood and impact of events occurring that would adversely impact the applicant's ability to deliver on the operational components of the project, such as site access, acquisition of goods and services, and construction.

  o Describe the operational risks posed by the proposed project and the mitigation strategies that have been considered to address potential operating disturbances.

- Financial Risks (max. 4,000 characters):

  o Financial risks describe the likelihood and impact of events occurring that would adversely impact the applicant's ability to finance the project, such as acquisition of loans to finance capital costs, solvency of the lead applicant or Project Partners contributing financial support, and issues with other funding sources.

  o Describe the financial risks posed by the proposed project and the mitigation strategies that have been considered to address potential financial issues.

- Reputational Risks (max. 4,000 characters):

  o Reputational risks describe the likelihood and impact of events occurring that would adversely impact public perception of the project, such as anticipated local opposition, use of technologies and / or suppliers that have negative public perceptions, and project plans near areas that are environmentally sensitive.

  o Describe the reputational risks posed by the proposed project and the mitigation strategies that have been considered to address potential reputational concerns.

Section G: Budget Forecast / Confirmed Sources of Funding

Information provided in Section G should be consistent with information submitted in ICON's Detailed Budget template.

- Total Project Cost

  o Provide the total cost of project including eligible and ineligible costs.

- Total Eligible Costs

    o Provide the total eligible costs of the project. Applicant's should consult with eligible funding criteria set out in Chapter 2 of the Stage 2 Program Guidelines.

- Amount Requested under ICON

    o Provide the amount the project proposal is requesting under the ICON funding program.

- Lead Applicant Contribution

    o Provide the total financial contribution from the lead applicant.

- Project Partner(s) Contribution

    o Provide the total financial contribution from Project Partner(s), if applicable.

- Other Government Contribution

    o Provide the total contribution from other levels of government to the project proposal, if applicable.

Confirmed Sources of Funding

- Description and Status of Funding

    o Provide the name of the project's funding partner.

    o Identify the status of the funding from the funding partner. Indicate whether funding has been approved, received, or pending transaction.

    o Identify the name of the program or fund that the funding partner is deriving its financial contribution from, if applicable.

- Total Funding Amount

    o Identify the total funding amount provided by the funding partner.

Section H: Grant Payment Information

The lead applicant must provide information to be used to make payments if the project is selected for funding (payment organization name, address and method of payment).

Section I: Declaration and Signing

The lead applicant must read and complete the declaration and signing of the application.

6.3 Program Templates and Additional Documents Information

During the Stage 2 application process, the applicant will be required to download and submit *five* program templates and up to *six* types of additional documentation.

If any of these files are not completed and included in your final submission, your application will not proceed. There is no limit to the size of the attachments; however, be advised that the larger the attachment file size, the longer they will take to upload.

Applicants can remove and add attachments until the application form is fully submitted. In Step three of the four-step application submission wizard, simply click the "New" button to upload and "Delete" to delete uploaded files.

6.4 ICON Templates

Applicants will be required to complete and submit the following five templates as part of their applications:

- Detailed Budget Template;

- Financial Forecast Template;

- Socio-economic Impact Template;

- List of Last-Mile Service Offering Template; and

- Mobile and Wireless Addendum Template.

Each template is available on the TPON web portal. Detailed instructions are provided within each template to guide you through the completion.

6.5 Additional Documents

In addition to the templates in Subsection 6.4, applicants must also submit the six additional documents described below in their application.

Logical Network Diagram

The logical network diagram must include all the key network elements, including both new and / or upgrade portions of the network and existing portions of the network. This includes indicating: towers (if wireless), central offices (COs), digital subscriber lines (DSL) remotes, remote digital subscriber line access multiplex (DSLAM) units, cable head-ends, optical fibre line terminals, hybrid optical fibre nodes, etc.

Applicants must submit a comprehensive network diagram that:

- Shows how the traffic flows through the network and include all physical locations where the major network elements are or will be located;

- Displays the route miles between each network element, the bandwidth capacity between the network elements, including fiber or pair counts, and the types of facilities (fiber, copper, microwave, etc.) that are used for connection between network elements;

- Includes leased facilities and the providers from which the facilities are being leased, and connections to those facilities;

- Provides information about basic equipment and the nodes of the proposed network design (e.g. routers, switches, ONTs, gateways, etc.); and

- Indicates significant clusters of premises impacted by/adjacent to the project (schools, hospitals, office buildings, major farms, etc.).

All file formats are accepted, including: PDF, PNG JPEG, VSD/VSDX, DOC/DOCX, and PPT/PPTX.

Evidence of Local Support

If an applicant to the first intake was unable to obtain local support from all affected municipal entities, First Nations, and/or unorganized areas at Stage 1, the applicant is required to obtain and submit evidence of support from all local authorities in the project area by December 11, 2020.

Evidence of local support must be submitted in .pdf format and can take one of the following forms:

- Formal letter of support from every municipal entity, Band Council, or regional board that provides services in unrecognized areas of the province, including Local Road Boards, Local Service Boards, or District Social Service Administration Boards where the project will be deployed;

- Municipal council or Band Council resolution; or

- Other types of formal communication to the applicant that demonstrates support for improved connectivity.

Project Schedule

The project schedule should preferably be provided as a **Gantt chart**. The project schedule should demonstrate the tasks, timelines, dependencies, scheduling, workloads and project phases of the proposed project. Applicants can submit a project Gantt chart using any file format they so choose; however, .XLSX format is preferred.

Project Area Map

Applicants are required to submit a mappable file of the geographic area of their project. Files must be in a known format such as KML, Shapefile, or GeoJSON. Screenshots or PDF files or images of the project area are not acceptable in Stage 2.

Financial Statements

Applicants are required to submit a minimum of three years of annual financial statements from the lead applicant or Project Partner has a minimum of three years of experience building, owning, servicing and/or operating broadband or cellular infrastructure, if this partner is not the applicant. Financial statements must be submitted in PDF format.

Confirmation Letters

Notwithstanding Subsection 3.4, applicants must submit confirmation letters from all Project Partners and other providers of financial or in-kind support to the project, including other levels of government. The letter must be issued by a duly authorized representative of the organization who can attest to and confirm the provision of financial or in-kind support as described in the Stage 2 application. Confirmation letters must be submitted in PDF format.

APPENDIX 1 – DEFINITIONS

Affordability means rates that are comparable to those offered by a facilities-based service provider to the nearest major urban centres or community.

Anchor Institution means facilities that provide a public service (e.g. schools, medical facilities, libraries, community halls, First Nations band offices, or other institutions around which a community is formed) and capacity for other uses (including residential, business, and/or mobile services) for which broadband services would benefit the community as a whole.

Backbone means a network connection that transports data traffic from one PoP to another or from a PoP, to a location that contains the Internet Gateway and which enable internet connectivity for fixed infrastructure in areas of need.

Band Council means a council of the band, as defined in section 2 of the *Indian Act*, RSC, 1985, c. I-5.

Bandwidth means the capacity for transferring data over a network as measured in bits per second (bps), kilobits per second (Kbps) or megabits per second (Mbps).

Broadband Projects mean any project with the objective and outcome to provide improved or new connectivity to a household or business.

Cellular Projects mean any project with the objective and outcome to provide improved and new connectivity to a mobile or cellular device.

Customer Premises Equipment means any equipment on the customer side of the demarcation point where the telecommunication service provider's network ends and the customer's private network begins. This includes, but is not limited to, MODEMs, access gateways, home networking adapters, mobile phone, routers, firewalls, network switches and Customer Subscriber Units.

Expanded Coverage means the projected growth of cellular connectivity at LTE speeds or greater in the all affected municipalities, First Nation communities, and/or unorganized areas, reported as a percentage of geographic area, and the additional number of kilometres of Major Transportation Roads that will have cellular access at LTE speeds or greater as a result of the project.

Household means a person or group of persons who occupy the same dwelling.

Internet Gateway means a piece of network hardware that allows data to flow from one discrete network to another.

Major Transportation Roads means a road classified by Statistics Canada in its Road Network File as having a street rank code of 1 (the Trans-Canada Highway), 2 (a national highway system not under rank 1), or 3 (a major highway not under rank 1 or 2).

Ministry means the Ministry of Infrastructure.

New Connections means the total number of potential premises that will have access to 50/10 broadband connectivity speeds or greater as a result of the project.

Open Access means open to third parties for dedicated capacity purchases on a wholesale or retail basis and adheres to CRTC regulations.

Point-of-Presence or PoP means a site in a transport network that marks the end of the network and that connects to access infrastructure.

Project Completion means the completion of the installation of all infrastructure and the commencement of service delivery in compliance with the conditions of service established in the funding agreement. For example:

- projects with a last-mile component only: proof of residential broadband service availability and press release or media release that service is available for premises in the project area;

- projects with a new backbone component: proof of provisioning or proof that an Anchor Institution has been made aware of the availability of service; and

- projects with an upgrade backbone component: proof of provisioning service to an Anchor Institution and evidence that the capacity available has improved as a result of the Project, or proof that the Anchor Institution has been made aware of the availability of service.

Project Partner means any entities that are directly involved in the design, implementation and consultation of a project.

Scalable means sustainability of chosen technology over both the short- and long-term to meets needs of end-users.

Transfer Payment Ontario or TPON means the online portal where applicants will submit an application for funding their project.

Urban Centre means population centres as defined using Statistics Canada's census metropolitan area and census agglomeration definitions.