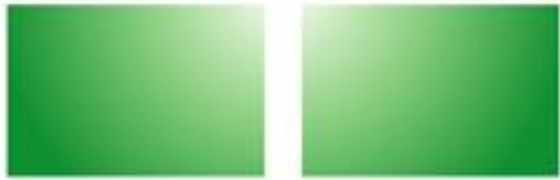


**Olds**



**Institute**

*for Community & Regional Development*

# Historic Timeline

- 2003 – Public consultation
- 2004 – Axia contracted to estimate cost for FTTP
- 2006 – Focused on the Olds community first – identified a preferred partnership between the community (LOB), Gov AB, private investment and major Telcom. Met with Minister Horner and MP Marz
- 2007 – Joined with CLC, CESD, OC, MVC, Towns of Olds and Carstairs, and government agencies in SCRA – successful in getting a \$2.5 million grant from RADF, \$1m to the Olds ECES
- 2007 – Olds Town Council committed in principle to support funding of the FTTP up to \$1.8 million for project management and bond underwriting

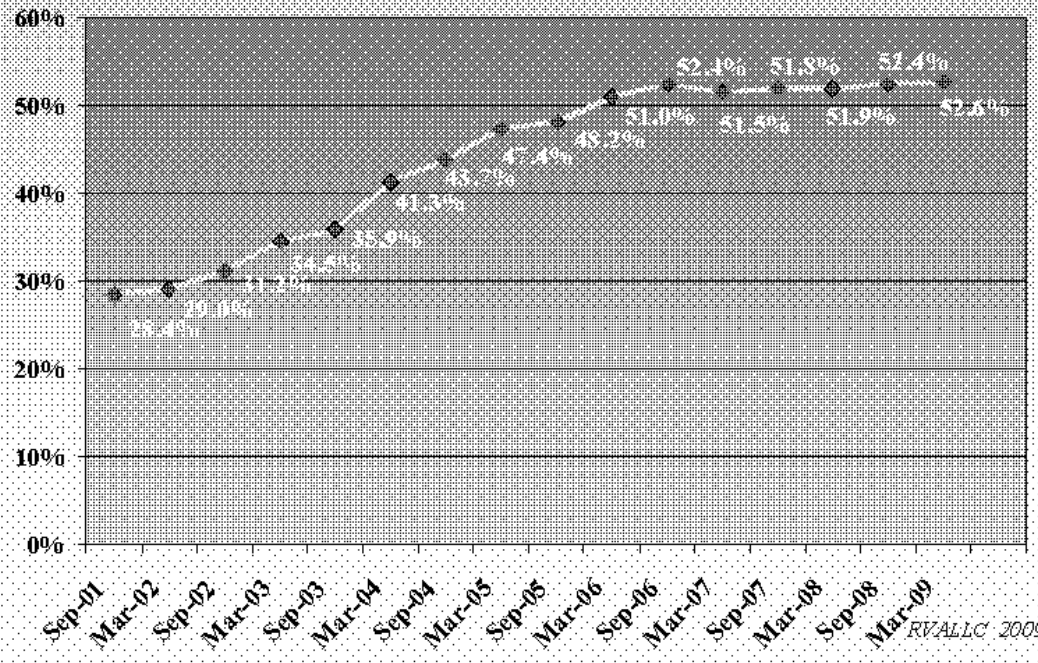
# Historic Timeline (2)

- 2008 – Received \$2.5 million from the MCFP for dark fiber installation
- 2008 & 2009 – Extensive discussions and negotiations with major Telcoms to provide head end technologies and service package.
- 2009 & 2010 – Focused on Olds Connected Community Network
  - provide the total solution of fiber, electronics and service bundle of Internet, TV/video, VOIP, and open access
  - Test installation of approx. 6 km. of conduit
  - Developed financial models for wide range of options for installation methods, corporate structures, partnerships, and service options.

# Assumptions in Model

- CAPEX over first three years (total coverage) to be \$12.5 million
- Fiber installation completed by end of 2011 - home connections into 2012
- 20 year debenture rate 5%, 10 year 4% - funds not required until early 2011
- Residential and Commercial Take rates – 30%
- Graduated service take-up...ex. only half of the 30% would take full triple play

# Overall Take-Rate For FTTH Non RBOC Cumulative – North America By Year



RVALLC 2009

# CAPEX Summary

<b>CAPEX Summary</b>	<b>\$ millions</b>
Research, Design, Consulting, Engineering	0.441
Project Management, Licensing, Permitting	0.565
Structures to house electronics	1.095
Dark fibre including conduit currently in ground	5.801
Drops to businesses and residences	1.456
OptoElectronics	2.300
Services Electronics and Set Top boxes	1.235
<b>Total</b>	<b>12.893</b>

# CAPEX Funding

	\$ millions
Rural Alberta Development Fund	0.441
Major Community Facilities Program	2.540
Axia Media	2.300
Private Investor	1.500
Alberta Capital Funding Authority - Town of Olds	6.000
ATB Line of Credit	0.112
<b>Total</b>	<b>12.893</b>

# Request for Funding Action

***MOTION at May 18, 2010 OICRD Board Meeting:***

*Rob Smith moved that the Olds Institute for Community & Regional Development formally request that the Town of Olds create a borrowing by-law to debenture a \$6 million dollar loan from Alberta Capital Finance Authority and then lend the funds to the Olds Institute for investment in the Fibre to the Premise project with a term as prescribed by the Town of Olds. Carried*