

Briefing Note



Wireless Network on the TTC

May 8, 2023

Background

This Briefing Note is provided to the City of Toronto in response to Administrative Inquiry IA6.2 – Sale of BAI Subway Telecom Infrastructure to Rogers Communications.

Introduction

In December 2012, the TTC, as part of a public procurement, entered into an agreement with BAI Communications (BAI) that would see the development of a wireless network in the subway system for a fixed fee payable of \$25 million to the TTC over a 20-year term (plus extensions). While BAI has advanced the build-out of the wireless network to all subway stations and portions of the tunnel, they have been unable to onboard the major Canadian carriers that would result in TTC customers having access to wireless service in the subway system (with the exception of Freedom Mobile).

Response

Please find below responses to each of the questions submitted.

1. When will the sale of BAI Canada to Rogers Communications be finalized?

On April 11, 2023 Rogers Communications announced that it was in the process of purchasing BAI Communications' Canadian operations. This transaction (sale) officially closed on April 24, 2023.

On April 24, 2023, the TTC also finalized some amendments to its contract with BAI (now owned by Rogers), which included a 10-year extension resulting in a further guaranteed payment of \$24 million. For the remaining 20-year term (December 2022–December 2042), the total guaranteed revenue is \$41.7 million, inclusive of the 10-year guarantee.

2. What guarantees has the Toronto Transit Commission and/or the City received that network access will be available to customers on all cell service providers, not just Rogers Communications, and what mechanisms does the City have to ensure this happens?

The contract amendment provides that Rogers agrees to use commercially reasonable efforts to onboard other interested mobile wireless licensed operators. Access is based on each operator paying its proportional share of capital investment together with on-going operational costs relating to the network. The TTC has also included its objective that negotiations with other carriers be finalized within 18 months of the date that Rogers makes its services available. This is the outside date, and Rogers has committed to working with the other Canadian telecommunications companies to provide access for everyone. This is

already done in multiple other transit agencies and other public places (office towers, shopping centres, etc.) across Canada and we don't see the TTC as being any different.

3. What timelines have been provided for the full expansion of cell service across the subway system?

As noted in the May 2023 TTC CEO Report, based on information provided by Rogers during the April TTC Board meeting, the Rogers preliminary plan is to equip the entire TTC subway system with a modern 5G network and full 9-1-1 access, regardless of mobile carrier, in approximately two years. The TTC awaits the completed designs and once all technical designs are finalized, a detailed, joint project schedule will be assembled that outlines implementation deadlines.

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