

TO: All HQ Directors, Operations, Planning and Major Projects
All Regional Directors
All District Highways Managers

SUBJECT:

Fibre Optic Telecommunications Facilities Policy and Procedures.

PURPOSE:

To clarify policy and procedure with respect to the approvals process for utility companies wishing to construct, maintain and operate fibre optic telecommunications facilities on highways under the jurisdiction and control of the Ministry of Transportation and Highways.

BACKGROUND:

The deregulation of the Telecommunications Industry in Canada has resulted in the entry of a number of new telecommunications carriers in the industry. These carriers are introducing new methods of delivering telecommunications services and proposing new business practices to carry out their projects. The Province, has made a determination that where public lands, including highways, are used by telecommunications companies to build and operate fibre optic telecommunications facilities, that a fee based on market value should be set for this use.

NEW POLICY:

The Ministry and the British Columbia Transportation and Financing Authority (BCTFA) will work together to establish both policy and pricing for fibre optic telecommunications facilities on highway right-of-way. The BCTFA, will aid in providing pricing direction for applications where a fee is to be levied for fibre optic telecommunications facilities.

The following procedures are to be incorporated into the Ministry's Development Approvals process and will apply where a fee is to be levied for a fibre optic telecommunications facility which is to be located on a highway.

- The District will advise the applicant, at the earliest opportunity, that a fee may be levied for the use of highway to construct, operate, and maintain fibre optic telecommunications facilities.
- The Manager, Operations Policy is to be advised of any proposed application to carry out the above noted type of works on a highway.

- If a fee is to be levied for the proposed works, a Project Agreement document will take the place of a Ministry Permit. If there is a determination that there will not be a fee, the existing District development approvals process will continue to be followed.
- Except for the proposed changes in procedures outlined in this circular, the District will continue to be responsible for all aspects of the application to construct works.
- The District will provide project specific clauses for inclusion in the project agreement.
- The Manager, Operations Policy will coordinate negotiations for project agreements including the provision of general terms and conditions for the project agreements, ensure that all District requirements are incorporated into the project agreement, and will coordinate with the BCTFA on proposed pricing to be included in the agreement.
- The BCTFA will work initially with the Ministry in the negotiation of agreements, and will continue to review future pending agreements.
- The project agreement will be signed by the Assistant Deputy Minister, Highways Operations Department.

The Manager, Operations Policy will work with the Director, Land ^{Management, BCTFA} Branch to further develop this policy and related procedures.

CONTACT:

John Shaw, Manager, Operations Policy, Construction and Maintenance Branch



Dan Doyle
Assistant Deputy Minister
Highways Operations Department

Sharon Moysey
Executive Director
Management Services
BC Transportation and Financing Authority
PO Box 9900 Stn Prov Govt
Victoria BC V8W 9R1

June 7, 2000

Re: Fibre Optic Policy and Procedures

Further to our June 1, 2000 meeting, and subsequent email from Phil Christie, I would like to clarify and confirm the Ministry's understanding of the outcome of the meeting.

Firstly, I believe that it is extremely important that we work together to establish both the policy and pricing for fibre optics on highway right-of-way. I think that we both have strengths that we can bring to achieving good agreements for the province on this issue. Our understanding from our discussion was that the TFA would aid in providing the pricing direction and would assist Ministry staff in negotiating all of the initial agreements. This would ensure the development of consistent policies on pricing and on conditions to such agreements. As the Ministry gained experience in negotiating and as policy became more clearly determined, the TFA would back away from being involved in negotiations and be in a position to review any pending agreements.

It is my preference that any of these initial negotiations should be carried out jointly between the Ministry and the TFA and should not be run independently by either party. All that would do would be to confuse any potential applicant. We should sit as one team in these negotiations, albeit with the TFA taking the lead with respect to pricing.

I trust that the above also meets with your recollection of the meeting and I would ask that if it does not, please give me a call and we will arrange to discuss.

Thank you.



Dan Doyle
Assistant Deputy Minister
Highways Operations Department

Attachment

cc: John Shaw, Manager, Operation Policy

Meeting Minutes
Fibre Optic Pricing and Approvals on Highways

Date: June 1/00

Attendees: Dan Doyle, ADM, Highways Operations
Sharon Moysey, Executive Director, Management Services, BCTFA
Phil Christie, Manager, Land Management, BCTFA
John Shaw, Manager, Operation Policy

Purpose of Meeting

Update Executive on fibre applications, pricing and approvals activities.

1. Several fibre applications on hold pending outcome of Hwy 1/15 RFP process. RFP schedule may impact other applications. Proposal to use A/Anderson benchmark pricing as a basis of negotiation.

Action: Continue with, but expedite RFP process. Advise LEDCOR that RFP process to be completed before approvals on other applications. MOTH to review BCTFA draft RFP documents.

2. Fibre applications province wide. Districts receiving instructions from both MOTH and BCTFA.

Action: All applications to be processed by MOTH. BCTFA to provide advise on pricing and content of agreements. Applications to be coordinated through J. Shaw

3. Negotiations with Telecoms proposing to construct fibre facilities.

Action: MOTH to take lead in negotiations assisted by BCTFA.

4. Coordination of fibre policy and procedures.

Action: J. Shaw to coordinate. P. Christie to represent BCTFA.

5. Next Meeting. Try for end of June, 2000.

Mailing Address:
PO Box 9900 Stn Prov Govt
Victoria, BC V8W 9R1
Web Site <http://www.tfa.gov.bc.ca>

Street Address:
300 - 940 Blanshard Street
Victoria, BC
phone: (250) 356-0981 fax: (250) 356-6970

BCTFA
BC Transportation
Financing Authority

MEMORANDUM

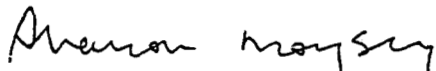
June 8, 2000

Dan Doyle
Assistant Deputy Minister
Highways Operations Department
Ministry of Transportation and Highways

Re: Fibre Optic Policy and Procedures

Thank you for your memo of June 7, 2000. I concur with the joint MoTH and TFA approach you have outlined for the initial negotiations.

We look forward to working with you on these projects.



Sharon Moysey
Executive Director, Management Services & Corporate Secretary

pc: Phil Christie, Director, Land Branch, BCTFA
John Shaw, Manager, Operation Policy, MoTH

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