

## Expression of Interest- Provision of Broadband Services in the Mid North Region



### REQUEST FOR THE EXPRESSION OF INTEREST FOR THE INSTALLATION OF BROADBAND CAPABLE INFRASTRUCTURE AND BROADBAND SERVICES TO THE MID NORTH OF SOUTH AUSTRALIA

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#### EXECUTIVE SUMMARY OF THE REGION

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The Mid North Regional Development Board is a not for profit economic development agency jointly funded by State and Local Government to facilitate economic development in the Clare & Gilbert Valleys Council and Regional Council of Goyder. Our primary function is to facilitate private and public investment which will assist our regional communities to improve its economic, social, cultural and environmental wellbeing.

The majority of the Mid North's 13,000 residents live in the major towns of Auburn, Burra, Clare, Eudunda, Saddleworth and Riverton. The regional centre, Clare, is just two hour's drive north of Adelaide. Further information in relation to the region can be found at [www.mnrdb.com.au](http://www.mnrdb.com.au) or obtained directly from the Mid North Regional Development Board.

#### BROADBAND IN THE REGION

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Residents of Clare & Gilbert Valleys Council and the Regional Council of Goyder experience relatively low ability access to terrestrial broadband. Figures supplied by the South Australia Department of Further Education Employment Science and Training (DFEEST) demonstrate that at January 2009 the population of the Mid North Region experienced the following access to terrestrial broadband:

Council	Population with Terrestrial Broadband Available	Population with Terrestrial Broadband Not Available	Total Council Population	% Council Population Broadband Not Available	% Council Population Broadband Available
Regional Council of Goyder	1762	2429	4191	58%	42%
Clare & Gilbert Valleys Council	4955	3174	8129	39%	61%
<b>TOTAL</b>	<b>6717</b>	<b>5603</b>	<b>12320</b>	<b>45%</b>	<b>55%</b>

The ADSL 2+ enabled exchanges in the region are located at Clare, Auburn & Riverton. The ADSL enabled exchanges in the region are Watervale, Eudunda and Burra. The following exchanges in our region which are not enabled for ADSL are Hilltown, Sevenhill, Mintaro, Manoora, Tothill Creek, Saddleworth, Marrabel, Tarlee, Bower, Bower North, Robertstown, Emu Downs, Farrell Flat, Hanson, Booborowie, Mount Bryan, Hallett and Terowie.

The Mid North region does not currently have a registered terrestrial provider under the Australian Broadband Guarantee guidelines.

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### **BROADBAND SOLUTIONS FOR THE REGION**

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We are currently working through an application to the Broadband Development Fund (BDF) which has been set up by the South Australian Government to assist in the delivery of new broadband telecommunications infrastructure thereby addressing gaps and deficiencies in the community for broadband services. That fund has been set up principally to facilitate investment in last mile infrastructure where a market outcome is not achievable without government facilitation and assistance and will provide up to 50% of the funding.

Ability to register as a terrestrial provider under the current Australian Broadband Guarantee guidelines, whilst not necessary, would be advantageous as this may potentially increase the business case for the region. Any collaborative partnerships or access to other funding (private and/or partnership) would also be advantageous in assessing the expression of interests against key criteria.

### **EXPRESSION OF INTEREST PROCESS**

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The Broadband Steering Committee of the Mid North Regional Development Board will consist of representatives from Clare & Gilbert Valleys Council, Regional Council of Goyder, Central Local Government Region, Department of Further Education Employment Science & Technology and Department of Trade & Economic Development.

The Process will be staged as follows:

#### **Stage 1**

Broad Information from interested providers addressing the Expression of Interest Requirements outlined below to be received by the close of business Friday 7 August 2009.

#### **Stage 2**

Evaluation of Expressions of Interests by the Steering Committee and selection of a shortlist of potential providers, preferably between 1- 3 providers but at the discretion of the Steering Committee.

#### **Stage 3**

Provision by the shortlisted providers of financial information upon which an independent financial due diligence is undertaken. The provision of detailed information from the Mid North Regional Development Board in relation to demand, existence of infrastructure and potential sites, potential major users and other relevant information. At the completion of this stage the shortlisted potential providers will be able to produce detailed specifications and costings to the Steering Committee.

#### **Stage 4**

Evaluation of final specifications and costings by the Steering Committee and selection of preferred broadband provider for the Mid North region.

### **EXPRESSION OF INTEREST REQUIREMENTS FOR STAGE 1**

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For the purposes of this Expression of Interest, the Mid North Regional Development Board invites providers who can offer next-generation services with upgrade paths offering services over and above the 12 megabits per second benchmark.

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Whole of region, strategic solutions are strongly preferred but carriers are invited to also consider deployments to specific areas of the region that may be in line with their network design and business plans.

Acknowledging the complexity of the region, the steering committee will consider proposals that use a range of technological platforms to deliver reliable, and sustainable broadband services across the region. A terrestrial based solution for the region is the preferred option of the steering committee.

The steering committee would also consider a consortium of service providers presenting a solution.

### **Key Criteria**

The key criteria against which your Expression of Interest will be evaluated are:

- Proven technology or technologies will be used to deliver broadband services to the region including:
  - Networks statistics (including latency);
  - Redundancy;
  - Scalable technology (robust technology that demonstrates a capacity to be used into the future) and can offer next-generation services with upgrade paths offering services over and above the 12 megabits per second benchmark;
  - Standards;
  - Quality of Service.
- Broadband services that should be capable of delivering the following in addition to broadband internet e.g.:
  - High Capacity Data;
  - VoIP;
  - Video on Demand.
- Demonstrated ability to commence projects in a timely manner.
- Cost to procure a service from you? (E.g. will pricing be specific to the region, or will metro parity pricing occur?). An outline of services and plans available as part of your solution.
- A broad indication of the costs to deploy your solution (i.e. range for construction of wireless towers etc.). These costings should ideally provide an indication of the costs for stand-alone broadband last mile access, and costs if backbone access by proposed fibre optic backhaul route from Broken Hill to Adelaide was constructed. The Mid North Regional Development Board understands that these will not be detailed costings and will be treated in confidence and as an indicative range only in Stage 1 of the Expression of Interest evaluation.
- The technical and customer services that will be available during and following deployment of the solution.
- The experience that your company has in providing a reliable broadband service and examples where you have successfully provided services elsewhere.

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### INSTRUCTIONS FOR TENDER

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In considering this Expression of Interest carriers should:

- Assess the feasibility of this Expression of Interest against your business, commercial and strategic objectives.
- Contact the Mid North Regional Development Board on 08 8642 3115 to indicate your interest and, if necessary, seek clarification and further information.
- Prepare a written response to the criteria below. This document should be marked CONFIDENTIAL and will be available to the members of the Mid North Regional Development Board Steering Committee on Broadband.
- The written response should be received by email on [ceo@mnrdb.com.au](mailto:ceo@mnrdb.com.au) by close of business on Friday 7 August 2009 or posted or hand delivered to:

Mid North Regional Development Board  
2/17 Lennon St  
CLARE SA 5453

### IMPORTANT INFORMATION IN RELATION TO THIS EXPRESSION OF INTEREST

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You should not act, or fail to act, on the basis of the information in this document. You should seek professional advice and are encouraged to undertake investigations to confirm the viability of commercial investment in relation to a particular location. The Mid North Regional Development Board accept no responsibility for any commercial loss that may occur as a result of the information presented in this document.

Following the evaluation of all responses to the EXPRESSION OF INTEREST, the Steering Committee, may, at its discretion, seek further clarification and explore particular solutions further with a view to selecting one or more preferred solutions.

Negotiations will then proceed with the preferred service provider(s) with a view to contracting the agreed solutions for the region.

Eventual contracts, when negotiated, will be based upon a financial plan and a viable and sustainable business case for the project.



