COGECO COMMUNICATIONS

News release

For immediate release

ISPs ask Bell for real solutions

Rural high-speed Internet access: Telephone pole dispute still unresolved

MONTRÉAL, Nov. 25, 2020 /CNW Telbec/ - Québec Internet Service Providers (ISPs) are demanding that Bell implement real solutions to resolve the major problems with access to its telephone poles, once and for all. Bell's anti-competitive and unfair practices are significantly limiting the ability of ISPs to deliver high-speed Internet expansion projects to rural communities in Québec. Cogeco Connexion, Maskicom and Videotron do not believe the "seven regulatory easements" announced by Bell on October 30 will solve the current problems in any way, as none of them will actually speed up the roll-out of high-speed Internet outside the major urban centres. Of nearly 300 Cogeco, Maskicom and Videotron projects currently awaiting permissions from Bell, only 13% could go ahead with the so-called easements.

The current public health crisis has thrown into sharp relief the important role played by ISPs at a time when the Internet is essential to economic recovery. Telework, online education and online medical consultations will continue to be part of daily life. The federal and provincial governments and regulatory authorities have therefore announced programs and measures to accelerate the roll-out of high-speed Internet and provide universal access as quickly as possible. But regardless of who's asking, access to Bell's poles remains a perennial issue. The contrast with Hydro-Québec, which moved quickly and has taken a flexible approach, is stark. In fact, access to Bell's poles is the main stumbling block to connecting Québec households to high-speed Internet.

It is the unanimous opinion of Cogeco Connexion, Maskicom and Videotron engineers and technical experts that five of the seven proposed regulatory easements were already in place or partially in place well before the announcement, and the other two will do little to reduce the significant delays currently faced by Bell's competitors in accessing Bell's structures to deploy their broadband networks.

"This is another operation orchestrated by Bell for the sole purpose of convincing Quebecers that it is finally prepared to change its ways," says Jean-François Pruneau, President and CEO of Videotron. "Nothing could be further from the truth. On the ground, our people have been coming up against the same unjustified delays for months, despite the urgency of connecting rural areas. It hardly needs to be said that the pandemic has made high-speed Internet access essential to the social and economic well-being of smaller communities. It is high time Bell stopped pretending the matter is settled and offered genuine solutions."

"We have been very patient and have tried many times and in many ways to proactively collaborate and help find solutions to the problems with access to Bell's telephone poles, such as rolling out our networks and upgrading the structures at a later date, when public safety is not at risk, but our efforts have been in vain," says Frédéric Perron, President of Cogeco Connexion. "We're disappointed by Bell's behavior. It is time to resolve this situation, which is hindering regional economic development. At the end of the day, it is consumers in unserved and underserved communities who must pay the price for the lack of true cooperation from Bell."

"Since work began in July 2019 and we filed our requests for permission to use Bell's poles, we have faced persistent foot-dragging by Bell," says Robert Lalonde, President of Maskicom. "The Legault government set up a coordinating committee including Bell and Hydro-Québec to reduce the waiting time for permission. In view of the good results we have achieved with Hydro-Québec through this committee, the easement announced by Bell cannot be considered a major victory that will facilitate the construction of fibre-optic networks by the subsidized companies. We're hoping for real cooperation from Bell at the coordinating committee and support for the government's strategic priority of connecting citizens to the Internet, given the current situation in Québec."

About Cogeco Connexion

Cogeco Connexion is the second largest cable operator in Ontario and Québec in terms of the number of basic cable service customers served. It provides its residential and small business customers with Internet, video and telephony services through its two-way broadband cable networks. Cogeco Communications Inc. is a communications corporation and is the 8th largest hybrid fibre coaxial cable operator in North America operating in Canada under the Cogeco Connexion brand name in Québec and Ontario, and in the United States through its subsidiary Atlantic Broadband in 11 states along the East Coast, from Maine to Florida. Cogeco Communications Inc.'s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

About Maskicom

Maskicom (www.maskicom.net) is a non-profit organization created by 12 municipalities in the Maskinongé regional county municipality to provide Internet service to local residents. Maskicom offers Internet access services at speeds of up to 1,000 mbps, IP telephone service and IP television service.

Its fibre-optic network is being built out with $10.4 million in subsidies from the federal and provincial governments ($5.2 million from each). In addition to helping to create local jobs, subscribers are supporting their municipality's financial health.

About Videotron

Videotron (www.videotron.com), a wholly owned subsidiary of Quebecor Media Inc., is an integrated communications company engaged in cable television, entertainment, Internet access, wireline telephone and mobile telephone services. Videotron is a leader in new technologies with its Helix home entertainment and management platform. As of September 30, 2020, Videotron was serving 1,481,800 cable television customers and 452,900 subscribers to its Club illico video streaming service. Videotron is also the Québec leader in high-speed Internet access, with 1,773,600 subscribers to its cable service as of September 30, 2020. As of the same date, Videotron had 1,452,600 subscriber connections to its mobile telephone service and was providing wireline telephone service to 950,900 Québec households and organizations. Videotron has been recognized as one of Montréal's top employers.

SOURCE Cogeco Connexion