



2015 06 05

(SENT BY EMAIL)

Town of Newmarket
395 Mulock Drive
P. O. Box 328
Station Main
Newmarket, ON L3Y 4X7

Attn: Bob Shelton

Dear Bob,

It is the understanding of the Newmarket Chamber of Commerce that the Town of Newmarket is negotiating a potential gigabit broadband solution with one of the two bidders from the public RFP, to provide and operate an open Internet Services Provider (ISP) network through which other service providers can also provide competitive services. We commend the Town for also being prepared to invest into the solution if necessary.

This open network architecture is one of a number of models available to the Town, as other North American municipalities have demonstrated. We are very excited to see the progress being made in this area of economic development.

One of the most successful models is to have the local hydro utility become the ISP, as evident in Chattanooga TN, Lafayette LA, and Bristol TN. The empirical evidence proves that these communities are leaders offering low-cost gigabit broadband at the \$70 range, which is sustainable by additional triple play services such as retail telephone, TV, and other business telecommunications services. These are the communities experiencing the highest increasing GDP levels, attracting leading companies and high paying jobs. The evidence indicates that an open third party ISP model may be inferior to the local utility ISP model for increasing municipal GDP.

Our Advocacy committee has a few questions for you to consider.

1. Has the Town considered using Newmarket Hydro as the potential ISP? We are concerned that we may end up with an open network solution that may be inferior to using our local utility as the ISP provider.
2. How can we ensure that we are selecting the best possible solution for our community, if we do not consider the local utility option?
3. Would the Town consider doing a Hydro ISP due diligence viability study while at the same time negotiating with the public bidder?

We look forward to your response. Thank you.

Regards,



Debra Scott
President & CEO
Newmarket Chamber of Commerce

cc. Mayor of Newmarket, Ian McDougall, Susan Chase, & Chris Kallio