

Addendum # 1
RFP DNS-1920-0001
Proponent Conference - Questions
May 14, 2019

Technology

1. Would wireline outweigh wireless if both technologies meet the same speed requirements of 50/10.
Speed is but one component of the evaluation criteria. The proposed solution will be evaluated on all criteria as outlined in the RFP.
2. Will value add be given to speeds higher than the targets in the RFP?
Speeds that exceed DNS requirements will be considered as additional value during the evaluation process.
3. How important is evolution?
As part of the business plan, proponents are to describe network and service evolution over the Agreement life to meet changing customer needs consistent with large urban markets.
4. How will Develop NS address (evaluate) a hybrid (wireline & fixed wireless) solution? Do we need to breakdown by technology?
DNS will evaluate a hybrid (wireline & wireless) solution based on the overall project. Yes, hybrid proposals should be broken down by technology so zone aggregate scores may be calculated.
5. Wireline can provide 50 now, do we stay at 50 for the length of the agreement? Wireline provide higher speeds than fixed wireless thus is there a preference for wireline?
Proposed technologies will be rated against initial speed objectives and service evolution.

Zones/Maps

1. Would a bid that covers a portion of a zone win if it scores higher than a bid that covers an entire zone?
Proposals will be evaluated on technical solution, solution value, proponent capability, and project cost.
2. How accurate is the map data? Also, could Develop NS provide the information of the % of served within a hexagon.
The underserved housing unit counts are an estimate; thus, proponents are advised to conduct their own due diligence on Underserved housing unit counts.
3. For Partially Served Hexagons, what evidence would you accept in support of the proposed coverage (not overlapping existing coverage) in a given hexagon?
Proponents are to supply updated map data in support of proposed coverage.
4. Do we have to supply a separate response per zone?
Yes, each project proposal shall be contained within the boundaries of a single Zone.
5. Can (and should) one proponent submit multiple bids in one zone?
Proponent are to submit one proposal per zone.
6. Is the number of housing units indicated in each zone on the map the total number or those that are unserved?
The number of housing units indicated in each zone on the map is the total number of housing units.

7. What is the significance of zones? Can there be multiple winners per zone?
Develop NS has implemented zones in an effort to streamline the bid and evaluation process. The zones used for the INSI project are aligned with the Province's economic zones. Yes, there can be multiple winners per zone if they are covering different hexagons.

Bid Security

1. I understand the Bid bond. I do not understand why Develop NS needs a Performance Bond and a Material and Labour Bond. Why do the ISPs need to provide Bonds for a network we build (and finance the construction, re-imbursement follows payment) and own? Increases the overall project admin costs. Performance Bond and a Material and Labour Bond are required to protect the investment of the Nova Scotia Internet Funding Trust. The bond obligations are a percentage of the contribution requested amount.
2. Please explain the bond process and obligations.
The Successful Proponent shall be required to provide agreement security within ten (10) days after execution of a Contribution Agreement. The agreement security shall be in the form of:
 - a) A performance bond or equivalent, and
 - b) A labour and material bond or equivalent.Each of the bonds (or equivalent security) shall be in the amount of 50% of the Contribution Eligible Project Costs and in a form acceptable to Develop NS and the NSIFT. Refer to RFP Section D.3.2

Strategy

1. Is there a minimum number of connections required for 2019 and Q1/Q2 of 2020?
There is no minimum target however establishing early and continuous connection momentum is a Develop NS and the NSIFT priority.
2. If we are to align our pricing strategy with prices offered in Urban Halifax, how will fixed wireless be compared and with whom?
Proponents shall propose service and pricing packages that are priced equal to or lower than those offered by facilities-based service providers in urban Halifax Nova Scotia. A project will be considered to be of higher quality based on how low the monthly prices would be for subscribers and how varied (e.g. speed, services) the high-speed Internet service package options would be in the project geographic area(s) compared to those offered in urban Halifax, Nova Scotia.
3. Will DNS be having similar meetings with municipalities and other stakeholders?
The proponent conference is for proponents qualified through the recent RFSQ. Develop NS are conducting stakeholder engagement sessions and meetings.
4. What aspects of this project can we share with our end customers?
Proponents are free to share any information contained within the RFP posted on the Government of Nova Scotia Procurement website or any information posted on the Develop NS website. Refer to RFP Section 3.5. Regarding information sharing – specific questions should be directed to Develop NS. Develop NS will look at what tools they can provide to proponents for use with their stakeholders.
5. Does DNS have to spend all the Trust funds?
We anticipate the cost of building this infrastructure to be in the range of \$300-\$500M and therefore expect that the Trust funds will be fully invested.

6. Are early connections more important than long term projects?
Establishing early and continuous connection momentum is a Develop NS and the NSIFT priority. Where best value can be established through this RFP evaluation process, Develop NS and the NSIFT retain the sole and absolute discretion to consider and potentially approve Project plans that include the establishment of connection opportunities that extend into the second half of 2020 and beyond.
7. Has DNS been in contact with NSP to help speed up the make ready process?
Develop NS is in discussion with NS Power to assist them in understanding the full scope of the Internet for Nova Scotia Initiative and the potential of make ready requests.
8. Concern about approval times for water crossing (especially navigable waters – Fed rules).
Develop NS is working with our Provincial government partners to identify all provincially run processes that can impact project implementation to raise awareness of the importance of efficient timelines for assessments. We will work to identify federal partners to engage in similar dialogue where possible.
9. What happens if there is a tie?
In its assessment of proposals Develop NS will give due consideration to the efficient use of available funds, the level of service improvement proposed, and maximization of coverage within zones and across the entire province. Develop NS reserves the right to award each segment within an Eligible Geographic Area (Hexagons and Zones) of this RFP on a separate basis. Such awards may be made to one or more Proponents. In cases where the awarded proposals of different Proponents overlap, and/or there are Underserved areas within a zone that are not provided coverage, Develop NS reserves the right to request a Proponent to modify its proposal to address overlap and/or areas not provided coverage. In the case of a “true tie” Develop NS will declare the Proponent with the lowest INSI contribution request as the Successful Proponent.
10. What if we have more questions?
The deadline for questions in June 11, 2019. Please forward any additional questions to Todd Brayman, Procurement Manager (todd.brayman@developns.ca)

Response, Eligible Costs, etc.

1. If my upstream provider insists that they build the middle mile to my PoP, will that cost be eligible?
Costs of goods or services (including labour) acquired from parties related to the Proponent, including intermediate third parties, must be valued at the cost to the supplying entity and shall not include any mark up for profit or return on investment and shall not exceed fair market value. The NSIFT might not consider the eligibility of any of these costs unless access is provided to the relevant records of the supplying entity. Refer to RFP Section D.2.14.7.
2. In which part of the rated criteria will evolution be considered? Need to know which section to focus on for evolution.
Evolution will be evaluated and rated in the appropriate quadrant of the Rated Criteria.
3. What format is acceptable for the project Gantt chart/project plan?
Proponent(s) are to provide a work plan for the proposed project(s) in the form of a Gantt chart using industry standard tools/software which would include Microsoft Project, Merlin Project, Excel, etc.
4. How does housing units covered fit into the rated criteria?
Housing units covered will be evaluated and rated in the appropriate quadrant of the Rated Criteria.

5. Would we contribute to situations where an overbuild occurs? Please clarify how overlap and overbuild situations will be addressed.

To maximize the efficiency of available funding, Develop NS is seeking to minimize duplication and overbuild of existing broadband network infrastructure. Prequalified Proponents, and or other service providers, are highly encouraged to identify areas where overbuild concerns may exist to Develop NS.

6. How will we evaluate cost per housing unit when it will change with evolution?

Project financial viability and the reasonableness of the INSI Contribution toward funding the Contribution Eligible Project Costs of project proposals will be assessed utilizing Comparison of proposal Contribution Eligible Project Costs per Housing Unit (\$/per Housing Unit) to consultant benchmarks by Middle Mile and/or Last Mile Technology (wireline, fixed wireless and satellite).

7. If a project chooses to proceed prior to approval will the costs incurred be eligible for funding?

Work beginning prior to a commitment letter being signed by the Trust is not eligible for funding.