



CMD 10 07 001

28 May 2010

The Minister of Economic Development
Ministry of Economic Development
33 Bowen Street
WELLINGTON
New Zealand

Attention: Chris Bishop

Dear Minister

Tairāwhiti Region Rural Fast Broadband Expression of Interest

This proposal covers all the rural areas of the Gisborne and Wairoa District Councils, making up more than one twentieth of the total NZ land mass.

It is a Local Solution: The applicants are a consortium of five organisations comprising Gisborne District Council, Eastland Infrastructure Ltd, Colvins Ltd, Gisborne.net, and Te Runanga o Ngati Porou. It includes letters of support from Wairoa District Council, Federated Farmers, Tairāwhiti District Health, Tairāwhiti Polytechnic, the local Principals' Association, and several other groups which service our communities. We are all acutely aware that Tairāwhiti is a relatively deprived area, as well as being a sparsely populated area, and that left to purely commercial interests, it would never be economical to provide broadband services by conventional means. We therefore have developed a proposal which will not only be economical, but will provide a very fast roll out of service to all the schools as well as primary health providers and principal social establishments throughout the two districts.

We believe a full fibre solution is uneconomic for the region. Therefore our proposal is based on a fibre and microwave solution. The proposal is staged. Tairāwhiti rural area is already partly served by an Internet Service Provider (Gisborne.net) by means of high capacity microwave radio systems. The first stage is to increase the capacity of these radio systems, and to extend them into every inhabited corner of both districts. Because the Councils and the Electricity Lines company are both making their respective radio sites available at little or no charge to the consortium, this stage can be implemented quickly, with little or no delays in obtaining resource consents and the like. During this first stage, backhaul will be provided over radio links to Napier, Bay of Plenty, Tuhoe, and to Auckland via a Kordia link. Within the

first two years we will be able to provide 100mb broadband to all secondary schools, and 20mb broadband to rural primary schools, as well as service to the communities surrounding these schools.

The next stage will interwork with the Ultra fast Broadband initiative put forward principally by Eastland Infrastructure Ltd for the urban area of Gisborne.

In conjunction with upgrading and expanding the radio network, we will provide a fibre backhaul cable from Gisborne around the East Coast to enhance capacity and provide redundancy. Fibre backhaul is one of the most critical links in providing broadband to the Eastland area. The method will be to string aerial fibre cable along the 50kV and 11kV power network to link up with a similar circuits being developed in Region 6.

The fall of expenditure will be evened out over the six year life of the project, at \$2M to \$3M per year, with a total estimated funding requirement of \$12M.

All partners in this consortium are very concerned about the social and economic wellbeing of the communities in the East Coast region, and we know that the only way to make the area competitive in future is to ensure the best, most reliable technology is available. The consortium is bringing a lot of diverse experience together to make this solution possible. Gisborne.Net has a proven commercial model already working – we just want to make it bigger and faster. Eastland Networks Ltd has considerable experience in serving remote rural communities. Ngati Porou is a large and strong Iwi, with 48 active Marae in the area, and is keen to use this solution to enhance their economic base. Council is out talking to its communities, and is very aware through its involvement with some of the largest Computers in Homes projects in the country, the immediate benefits of bringing technology into such areas.

We know that we can partner with Central Government in successfully bringing broadband into the whole Tairāwhiti area, better and more quickly than any other party could do so.

Yours sincerely

Meng Foon,
Mayor of Gisborne.

Matt Todd,
Chief Executive, EIL

Monty Soutar
Chief Executive, TRONP

Ronald Brice
Director of Gisborne.net

Laurie Colvin
Colvins Ltd