



Public Consultation on the bringing into use of a telecommunications duct infrastructure constructed alongside the gas pipeline between Ballymoneen Co. Galway and Bellanaboy County Mayo with a spur into Castlebar and Westport.

**Submission from the
Western Development Commission
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1. Introduction and Context

The Western Development Commission (WDC) welcomes this opportunity to make a submission to the public consultation on the bringing into use of a telecommunications duct infrastructure constructed alongside the gas pipeline between Ballymoneen Co. Galway and Bellanaboy County Mayo with a spur into Castlebar and Westport in short 'the Galway Mayo duct'.

The WDC is a statutory body established by government to promote, foster and encourage economic and social development in the Western Region.¹ It operates under the aegis of the DECLG.² The WDC works in co-operation with national, regional and local bodies involved in western development to ensure that the Western Region maximises its full development potential. It does this by:

- analysing economic and social trends and making policy recommendations;
- promoting the Western Region through the LookWest.ie campaign;
- supporting the rural economy through facilitating strategic initiatives (e.g. renewable energy, creative economy, rural tourism); and
- providing risk capital to businesses through the WDC Investment Fund.³

One of the functions of the WDC is regional policy analysis. The WDC seeks to ensure that government policy reflects the needs and maximises the potential of the Western Region in such areas as infrastructure, natural resources, enterprise and rural development. It also tracks the implementation of policies and recommends adjustments as appropriate.

The Western Region is a predominantly rural region; almost two thirds of the population live outside settlements of 1,500 people (Census of Population, 2006). Because of this, the WDC is particularly cognisant of the impact of any changes in government policy on rural areas. The region has four National Spatial Strategy (NSS) gateways (Letterkenny, Sligo, Galway and Shannon (part of the Limerick/Shannon gateway)) and three hubs (Ballina/Castlebar, Tuam, and Ennis). There are also other towns which are involved in driving local development, and which are important local economic centres in areas distant from designated gateways and hubs.

In the national interest, growth in all regions should be optimised. To do this all regions need to have a strong infrastructure base enabling them to compete, as well as to attract and retain investment and jobs. The importance of spatially targeted investment was highlighted also by the Department of Finance which noted that capital investment that is

¹ Counties Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare.

² Department of the Environment, Community, and Local Government.

³ See www.wdc.ie

co-ordinated around the framework of the National Spatial Strategy will position strategic locations as the drivers for growth⁴.

Broadband is widely accepted as critical to the modern economy as a key enabler of innovation, growth and ICT industry. An increasing range of services, from on-line purchases, public information services and education require broadband access. The delivery of public services on-line via eGovernment also yields efficiencies and cost savings.

Government policy is to promote high speed broadband capacity using NGNs with an aim of ensuring speeds of 30mbps throughout Ireland, in line with an EU target date of 2020⁵. To achieve these higher speeds, fibre networks are critical. The physical extension of the fibre network as near to the user as possible and ideally to the home/business, is regarded as the most future proofed technology for next generation broadband delivery. While the fibre network will not be universal, and more rural areas are likely to use a variety of means to access the fibre network, such as mobile and satellite, it is important to extend the fibre network as far as possible. If centres in the Western Region are to compete, retain and attract investment and support job creation, the Region must not be disadvantaged in its broadband capacity and quality of service. It is in this context that the WDC submits its views to this DCENR Consultation. The views of the WDC are set out according to the headings provided.

1. The Department's proposal to bring the telecommunications duct network into use

The Western Development Commission welcomes the Departments proposal to bring into use the telecommunications infrastructure which has been constructed along the path of the Gas Pipeline constructed by Bord Gais Éireann which extends from between Ballymoneen, County Galway and Bellanaboy, Co. Mayo.

The WDC has been engaged on the issue of telecommunications in the Western Region since 2002. At that time we published *Update on Telecommunications in the Western Region*, where we assessed provision in the Region and identified recommendations. Some of these findings remain relevant today.

Locations that are distant from the fibre backbone have little prospect of attracting or retaining businesses with high data transfer requirements.In a knowledge based economy, quality broadband infrastructure is a necessity and without it growth and competitiveness will be constrained. Telecommunications

⁴ Department of Finance, 2010. *Infrastructure Investment Priorities 2010-2016*. p.13,14

⁵ <http://www.dcenr.gov.ie/Press+Releases/Faster+Broadband+to+More+Places+Quicker.htm> One of the questions the Next Generation Broadband Taskforce is to ascertain is whether the 2020 targets can be reached sooner.

infrastructure policy for the Western Region should be based on an acceptance that infrastructure there must be at least on a par with other regions⁶

In that report the WDC argued that due to lower population densities in the Western Region, in a deregulated market it was likely that there would be insufficient private investment to ensure competitive broadband provision throughout the West.

*Poor access in the Western Region is a result of market failure i.e. the commercial return on investment in fibre, or other broadband technology, is insufficient to attract private investment*⁷.

The WDC has welcomed the Government commitment to supporting telecoms services in the Region, through the Metropolitan Area Networks as well as subsequent schemes such as County and Group Broadband Scheme (CGBS), the National Broadband Scheme and Rural Broadband Scheme.

The WDC welcomes this proposal as a significant addition to backhaul capacity within the Region and connecting the Region to the national network. The WDC believes we should optimise the use of infrastructure in state ownership, particularly as a means of providing competitively priced backhaul for MANs and wireless networks in rural areas. This view was expressed as part of our submission to Forfás on *Key Issues in Relation to Broadband Infrastructure in 2006*. This additional capacity, in addition to providing additional bandwidth to current users will be very valuable in attracting new investments to the Region and counties Mayo and Galway in particular.

2. The Department's proposed approach to tendering for a managed services entity or concessionaire to be responsible for the day to day use of the infrastructure

It is important that the tendering process for the operation of the infrastructure and the procurement of a management services entity is done in such a way as to promote maximum take-up and utilisation of services. One of the key issues which has arisen over the last decade with regard to take-up of broadband services in the Western Region has been the need to articulate demand. The availability of new services via this backhaul capacity should be actively marketed to potential clients to avail of latent demand.

3. The requirement for open access for all telecommunications operators at published tariff rates

It is important that open access with published tariff rates are key requirements in order to ensure that the services are ultimately provided at a competitive price. In addition to ensuring widespread regional high speed access, it is important to ensure that regional

⁶ WDC 2002, Update on Telecommunications in the Western Region, p. 34

⁷ Ibid.

broadband costs are competitive with Dublin rates, otherwise these extra costs to business will act as a disincentive to regional investment and creating and retaining jobs⁸.

4. The tender process approach

The WDC believes that as part of the tender process approach, the marketing and business plans should be cognisant of the specific nature of the region in which the ducting is located, a region which is less densely populated than other areas and with a greater need to attract new clients to avail of the network.

Conclusion

The WDC is pleased to have the opportunity of making a submission to the Public Consultation on the bringing into use of a telecommunications duct infrastructure constructed alongside the gas pipeline between Ballymoneen Co. Galway and Bellanaboy County Mayo with a spur into Castlebar and Westport.

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⁸ Engineers Ireland 2012, *The State of Ireland, A Review of Infrastructure in Ireland*. p7