



Government
of South Australia

Department of
State Development

GigCity Adelaide Stage 2 Expression of Interest

Guidelines

1. Introduction

The GigCity Adelaide Program (GigCity) is a South Australian Government initiative that connects key innovation precincts and their business occupants, with extremely fast broadband speeds of 1 Gigabit per second (1 Gbps) or higher at affordable prices.

The Government is investing \$7.6 million over five (5) years until 30 June 2021 towards capital and operating costs, with the aim of driving economic development and job opportunities by overcoming the impediment to innovation caused by the cost of ultra-fast internet. This will help to position Adelaide to compete in the rapidly evolving innovation economy.

At speeds 100 times faster than national average, GigCity will encourage entrepreneurs and businesses with “bandwidth heavy” ideas, products and services to remain in, or relocate to, South Australia. This will enable the development of leading edge, data-intensive and real-time applications in industry sectors such as biotech, advanced manufacturing and film post production.

GigCity is being delivered across the SABRENet fibre-optic network, of which the South Australian Government is a part-owner, where it is feasible to do so. EscapeNet, a local internet services provider with over 21 years’ experience, has been engaged by SABRENet to deliver gigabit-speed connectivity to innovation precincts and their businesses.

Note that GigCity is not available for residential use.

GigCity is being implemented in two (2) stages, as follows:

- **Stage 1:** Connection of 14 innovation precincts in the metropolitan Adelaide area, with services already available

from early August 2017.

- **Stage 2:** Connection of additional innovation precincts across South Australia including metropolitan Adelaide and regional areas. The regional cities of Mt Gambier and Whyalla are included in Stage 2. It is expected that precincts will be connected commencing in early 2018.

It is expected that GigCity pricing will be consistent with the Stage 1 plans. Details of pricing are available from <http://gigcity.com.au/pricing>.

2. Process

The South Australian Government has committed funding towards the connection of additional innovation precincts to GigCity as part of Stage 2. While the Department of State Development has received interest from several potential precincts, it is likely that the number of interested precincts will exceed the funds available.

The Department of State Development (DSD) is therefore conducting an Expression of Interest (EOI) process to determine the innovation precincts that will participate in Stage 2. Once the Stage 2 precincts have been selected, DSD will work with SABRENet, EscapeNet and other telecommunications providers as necessary to connect each successful precinct in accordance with an agreed connection schedule.

The process for this EOI is as follows:

1. Applicants must complete the online expression of interest form, which can be found at <http://gigcity.com.au/stage2eoi>.
2. This EOI is limited to one application per candidate precinct. Applications must be submitted by a precinct, not an individual business within a precinct
3. All applications will be evaluated by an Evaluation Committee against the selection criteria set out in section 14 below. Applicants may be requested to supply additional information about their application as part of this process.
4. Each application must contain all requested information necessary to make an assessment without the need for further written or oral information, unless requested by the Evaluation Committee.
5. Each application will be assessed against the selection criteria.
6. The closing time for applications is **5pm (ACDT) 10 November 2017**.
7. The evaluation of all applications is expected to be completed and applicants notified of the outcome of their application by **December 2017**.
8. GigCity services will be rolled out to successful Stage 2 precincts over a 6-month period, commencing in **January 2018**.

3. Definition of Innovation Precinct

For the purposes of GigCity, an innovation precinct is defined as a collection of co-located businesses within a defined geographical area that is managed or coordinated by a governing entity (a 'precinct manager'). The precinct must also, as a whole, be undertaking activities that support innovation and deliver a public benefit. That is, the innovation resulting from the precinct's activities must be beneficial to the community, or to a part of the community, and not merely to individuals or an individual business.

A valid innovation precinct could be a single building that houses several businesses under one roof. Alternatively, it could be a collection of businesses in different buildings. The key ingredient, however, is that the precinct must be managed or coordinated by a common entity (a 'precinct manager') and it must be seen to be supporting innovation as a public benefit.

Note that the following situations do not qualify as a precinct for GigCity purposes:

- Any residential premises (or building zoned for residential purposes, including home-based businesses);
- Any business situated in premises zoned for residential purposes;
- Any business (in non-residential premises) not located within a defined innovation precinct that is managed by a designated precinct manager;
- Precincts that are eligible for connection to the SABRENet network outside of GigCity (e.g. schools and other educational or research institutions).

All applicants must demonstrate that their precinct satisfies the above definition.

4. Role of Precinct Manager

Each GigCity precinct must have a precinct manager, whose functions are:

- To be the primary point of contact for the precinct from a GigCity operational perspective. This may involve liaising with the South Australian Government and/or the GigCity network operator as required.
- To maintain a legal relationship with SABRENet (or an alternative GigCity network operator) for the provision of network infrastructure to the precinct as part of the GigCity Program.
- If SABRENet is the GigCity network operator for the precinct, this will require the precinct manager (or legal representative) to sign a User Access Agreement prior to connection.
- To provide authorisation for businesses within the precinct to obtain a GigCity service.
- Note that once a service has been ordered, individual

businesses may deal directly with the GigCity service provider to manage the delivery of that service, if they wish.

5. Role of SABRENet as the GigCity implementation partner

The South Australian Government has contracted SABRENet as its implementation partner for Stage 1 of GigCity. SABRENet is a not-for-profit company, jointly owned by the SA Government, the University of South Australia, the University of Adelaide and Flinders University, that owns and operates an extensive fibre optic network connecting over 190 educational, research and innovation-related entities.

Stage 2 innovation precincts may be connected to GigCity via the SABRENet fibre optic network whenever it is technically, legally and cost-effective to do so. However, there may be some situations in which this is not possible. This may include, for example, a potential precinct being located too far from the existing SABRENet network for a new connection to be economically or legally feasible. For this reason, the South Australian Government may decide to connect certain precincts to GigCity using a network other than SABRENet.

6. Memorandum of Understanding with DSD

All successful GigCity precincts will be required to sign a memorandum of understanding (MOU) between the precinct's managing entity and DSD, specifying what it means to be a GigCity precinct and participate in the program. It will outline the benefits and obligations of both parties, including eligibility requirements, the provision of electricity, participation in marketing activities and rights of access to installed networking equipment. The MOU will also specify the various legal agreements that a precinct must execute to participate in the program.

7. Requirement to sign a User Access Agreement with SABRENet

All GigCity Adelaide precincts that are connected to the SABRENet network must sign a User Access Agreement with SABRENet as a pre-condition of connection. A copy of the standard User Access Agreement is available at <http://gigcity.com.au/stage2uaa>. The User Access Agreement specifies the rights and obligations of each party with respect to the use of the SABRENet network fibres by the precinct for the purposes of the GigCity Adelaide Program. The User Access Agreement formalises the role of a precinct manager and ensures that the precinct is compliant with SABRENet's approved purpose.

Execution of a User Access Agreement with SABRENet is a pre-condition to joining the GigCity Adelaide network and is an important part of the assessment criteria for this EOI.

8. Agreements with alternative network providers

If a precinct is selected to join GigCity via a network other than SABRENet, the precinct may be required to sign an agreement with that network's operator.

9. Compliance with the Telecommunications Act

The Telecommunications Act (Commonwealth) and related legislation

governs the provision of all telecommunications services in Australia. The connection of a new GigCity precinct is predicated on the compliance of that connection with the Telecommunications Act.

10. Cost of connection to the GigCity network

The cost of connecting a new precinct to the GigCity network is a significant factor in assessing potential Stage 2 GigCity precincts. This varies according to several factors, including the precinct's physical location, distance or cost to connect to a fibre optic network. Information about an applicant's proximity to the GigCity network will be obtained by DSD as part of the assessment process. The applicant is not required to assess this cost or the method for connecting to the GigCity network.

11. Financial co-contribution to the cost of connection

There is a considerable cost involved in connecting a precinct to the GigCity network. This includes surveying, civil construction works, the supply of fibre optic cables and network engineering.

While it is not a mandatory requirement, financial co-contributions towards the costs of connection will be favourably considered as part of the assessment process. If financial co-contributions are offered, this may require the precinct to enter into a funding agreement with the South Australian Government.

12. Operational status and availability to take up GigCity services

It is recognised that some precincts may not yet be operational but intend to commence operations shortly. Equally, some precincts may be operational but have existing long-term contractual relationships with another internet service provider that prevent the precinct (and its businesses) from immediately taking up a GigCity service.

Preference will be given to precincts that are currently operational and can take up GigCity services shortly after joining the GigCity network.

13. Commitment to remain at premises until 30 June 2021

The South Australian Government has committed total funding of \$7.6 million to the GigCity until 30 June 2021. Given the potentially significant cost of relocating a GigCity connection to a different location, preference will be given to applicants that can demonstrate that they intend to remain in the current (or proposed) premises until at least 30 June 2021.

14. Expected growth in businesses and employment

A key objective of GigCity is to attract businesses to, and retain businesses in South Australia and boost employment. Successful precincts will need to demonstrate a need for affordable gigabit-speed internet connectivity and outline how this will lead to significant growth within the precinct, both in terms of new businesses and new jobs.

15. Evaluation committee and selection process

All applications will be assessed by an Evaluation Committee, established by the Department of State Development (DSD), against selection criteria that have been approved by the Minister for Science and Information Economy. The key selection criteria are outlined below.

- The extent to which the precinct is currently operational and can be physically connected to the GigCity network within the project's timeframes.
- The cost of connection to the GigCity network. Note that this will be determined by DSD, in conjunction with the GigCity network operators.
- The size of the financial co-contribution (if any) that the precinct's managing entity is prepared to commit towards a connection to the GigCity network.
- The extent to which the precinct is engaged in activities that can be classified as 'support for innovation' (see definition in Section 3 above).
- The expected economic benefit to the State of South Australia of connecting the precinct to the GigCity network.

These criteria are reflected in the questions asked of all applicants in the online application form, which can be found at <http://gigcity.com.au/stage2eoi>.

Applicants should also note that the Minister for Science and Information Economy reserves the right to select any precinct to join the GigCity network at any time, regardless of the outcome of this EOI process.

16. Disclaimer

Participation in this EOI process is strictly at the applicant's own risk and does not constitute a legal contract and does not impose obligations on the South Australian Government or the applicant.

Any precincts chosen as a result of this EOI may be required to enter into legally-binding contracts with the South Australian Government, SABRENet or other entities to give effect to formal participation in the program.