

E-Comm Partner Update – New Financial Model

June 30, 2026

To all E-Comm's local government, agency and community partners

Dear partner,

I'm writing to advise that E-Comm has developed, and our Board has approved, a new financial model that we will be sharing with you in greater detail in the coming days.

The Province's independent review of E-Comm completed by EY last November, recommended that E-Comm develop a new financial model to ensure greater transparency, predictability and fairness for our partners to better understand our costs and to support our pricing.

Specifically, based on your input, the review told us that you expect E-Comm as your service partner to show service costs, demonstrate how service fees are calculated using clear metrics, and share costs fairly amongst our partners. For the first time ever, we now have a financial model that allows us to do just that.

Benefits for partners

Together with EY, we developed a financial model with two key components:

- A foundational cost view – to provide clarity of direct costs and corporate costs by service-line, and greater fairness in how corporate costs are shared across service lines relative to resources used. This cost view will also enable us to to better assess opportunities for efficiency.
- New pricing models, for 9-1-1 call services and police call services – which allows us to price services based on an understanding of the cost to deliver those services. E-Comm will use metrics such as cost/call and cost/population to monitor and track performance trends. (E-Comm's other services – fire, radio, and fire technology – already have well-established pricing approaches).

The result is greater clarity on costs by specific service line – including for our police partners, a clear delineation for the cost of emergency call-taking, non-emergency call-taking, and dispatch services.

These changes should also provide clearer forecasts and predictability of costs by service line, which will help us be accountable to you for managing those costs and identifying opportunities for service delivery improvements.

Finally, these changes will enable us to work with you to optimize savings and services. For example, for those partners with police dispatch services, we can now tie dispatch channel usage to costs and discuss options to better provide the right balance between service and costs.

Different impacts for each partner

It's important to note that the new financial model is cost neutral overall. In other words, the model itself does not change E-Comm's total costs or revenues, but redistributes those costs in a new, more transparent way, tied to services.

The financial model will impact each of our partners differently and some of these impacts will be significant. Some partners will see increases while others will see decreases and the magnitude of those changes are varied.

Transition measures to help mitigate impacts

We recognize these changes will be material for some organizations and have developed a transition approach to support your planning.

To help municipalities prepare for the transition to this new model, E-Comm is phasing in the new cost and pricing models over a three-year period. Adjustments will begin in 2027, with the full impact realized in 2029.

In addition, the Board has approved using \$7.1 million from E-Comm's prior-year surplus and operations reserve to defray the short-term impact of these changes.

Cost control and efficiency measures

As we implement the new financial model, E-Comm is also working to address our partners' concerns about the significant service-fee increases in previous years and the need for cost control and predictability of costs.

We have developed a new 5-year financial plan to reduce our corporate costs and ease growth in our operating costs.

There are a number of essential strategic priorities – including technology investments to support cyber security, business continuity, and the new federally-mandated adoption of Next Generation 9-1-1 (NG9-1-1), and we will work to find ways to mitigate overall costs in light of these investments.

Next steps

In the coming days, we will reach out to share details of what the new model means for your organization, to discuss the transition approach and to answer your questions.

Here's what you can expect:

- 1) A letter detailing the specific financial model changes for your municipality and/or organization, and an estimated range for the resulting 5-year service-fee forecast for your E-Comm services – early July.
- 2) An individual follow-up briefing for your municipality and agency, to walk you through these changes – July to August.
- 3) Additional information sessions for 9-1-1, police and fire partner groups – July.

The approach we have followed is based on our collective interest for greater transparency, predictability and fairness for all of our partners. We are committed to working with you to help you understand and plan for these changes.

Thank you for continuing with us on this path as we rebuild E-Comm to be a trusted service partner.

We look forward to speaking with you in the days ahead.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nancy Blair', with a long horizontal flourish extending to the right.

Nancy Blair
Interim President & CEO