



Telecom Order CRTC 2006-6

Ottawa, 6 January 2006

Bell Canada

Reference: Tariff Notices 830 and 830A (National Services Tariff)

Customer specific arrangement

1. The Commission received an application by Bell Canada on 7 October 2004 and amended on 25 July 2005, requesting approval of National Services Tariff item 720.71, related to services provided under Customer Specific Arrangement (CSA) contract number P3-59. Tariff Notice 830 (TN 830) and Tariff Notice 830A (TN 830A) replaced Tariff Notice 763 (TN 763), which had been filed pursuant to *Regulatory safeguards with respect to incumbent affiliates, bundling by Bell Canada and related matters*, Telecom Decision CRTC 2002-76, 12 December 2002.
2. The CSA proposed under TN 830 and TN 830A is a Type 2 CSA consisting of a bundle of Packet Switched Network and Optical Fibre Facilities, General Tariff services, and Digital Access, a forborne service. The minimum contract period for this CSA is five years.
3. On 8 December 2004, MTS Allstream Inc. (MTS Allstream) filed comments with respect to Bell Canada Tariff Notices 817 to 843 inclusive and requested, among other things, that the Commission deny these Tariff Notices.
4. MTS Allstream submitted that Bell Canada's Tariff Notices related to arrangements (or renegotiated versions thereof) were subject to a pending Part VII application, filed by Allstream Corp.¹ (Allstream) and Call-Net Enterprises Inc.² (Call-Net) on 23 January 2004. MTS Allstream submitted that, absent a ruling on the Part VII application that sought, among other things, denial of the backlog of the Bell Nexxia Inc.'s (Bell Nexxia) Type 2 CSAs, these Tariff Notices should not be approved.
5. MTS Allstream submitted that many of the proposed rates, terms and conditions were either inconsistent with the Commission's criteria for just and reasonable rates, or were otherwise unjustly discriminatory or granted Bell Canada an undue preference.
6. MTS Allstream noted that Bell Canada's appeal of *Review of Bell Canada's customer-specific arrangements filed pursuant to Telecom Decision 2002-76*, Telecom Decision CRTC 2003-63, 23 September 2003 (Decision 2003-63) was dismissed by the Federal Court of Appeal, and

¹ Allstream Corp. is now a division of MTS Allstream Inc.

² Call-Net Enterprises Inc. is now known as Rogers Telecom Holdings Inc.

the stay previously granted by the Court was lifted. MTS Allstream submitted that, despite these developments, Bell Canada had not disclosed the full rates, terms and conditions of a large number of the Bell Nexxia CSAs on the public record, contrary to the requirements of Decision 2003-63. MTS Allstream claimed that this allowed Bell Canada to continue to conceal the details of these arrangements until it had renegotiated them to the company's satisfaction.

7. MTS Allstream submitted that allowing Bell Canada to renegotiate such arrangements while they were subject to the Commission's consideration prevented a new supplier from competing for the customer's business.
8. With respect to TN 830, MTS Allstream submitted that contract revenues and services appeared to have been changed, and that Bell Canada had relied on the imputation test filed with TN 763 rather than filing a new imputation test.
9. In reply on 20 December 2004, Bell Canada submitted that it had provided all the requested documentation to the Commission and had fully disclosed the details of its outstanding CSAs. With respect to MTS Allstream's comment that services appeared to have been changed, Bell Canada stated that the service description provided in the proposed tariff pages associated with TN 830 was revised to align with the customer contract, but the actual services had not changed.
10. Bell Canada submitted, contrary to MTS Allstream's submission, that the revenue associated with the CSA had not changed.
11. Bell Canada filed a revised imputation test at the request of the Commission on 25 July 2005.

Commission's analysis and determination

12. The Commission notes that in *Part VII application by Allstream Corp. and Call-Net Enterprises Inc. regarding Bell Canada Type 2 CSAs*, Telecom Decision CRTC 2005-22, 7 April 2005 (Decision 2005-22), it denied the Part VII application filed by Allstream and Call-Net on the basis that a blanket denial of all the Bell Nexxia CSAs would not be appropriate, and that each CSA should be considered individually to determine whether Bell Canada had complied with the requirements set out in Decision 2003-63. In Decision 2005-22, the Commission also noted that since the dismissal of its appeal of Decision 2003-63 by the Federal Court of Appeal, Bell Canada had refiled proposed tariff pages for the Bell Nexxia CSAs under new tariff notice numbers, consistent with the tariff requirements set out in Decision 2003-63.
13. The Commission is satisfied that the services, rates, terms and conditions provided are properly identified in the proposed tariff pages and meet the requirements specified in Decision 2003-63. The Commission is also of the view that MTS Allstream's concerns with respect to the level of public disclosure of the rates, terms and conditions applicable to TN 830 have been adequately addressed.

14. With respect to MTS Allstream's comment that Bell Canada had not filed a new imputation test for TN 830, the Commission notes that Bell Canada filed a revised imputation test on 25 July 2005. The Commission considers that this test properly reflects and applies the costing methodologies set out in Decision 2003-63. The Commission is satisfied that the proposed rates satisfy the imputation test.
15. In light of the above, the Commission **approves** the application by Bell Canada.
16. Bell Canada is to issue tariff pages forthwith.

Secretary General

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