



Telecom Costs Order CRTC 2007-16

Ottawa, 10 December 2007

Application for costs by the Canadian Association of the Deaf – *Review of proposals to dispose of the funds accumulated in the deferral accounts*, Telecom Public Notice CRTC 2006-15

Reference: 8678-C12-200615578 and 4754-303

1. By letter dated 12 September 2007, the Canadian Association of the Deaf (CAD) applied for costs with respect to its participation in the proceeding initiated by Telecom Public Notice CRTC 2006-15 (the Public Notice 2006-15 proceeding).
2. Comments were received from TELUS Communications Company (TCC). CAD did not file reply comments.

The application

3. CAD submitted that it had met the criteria for an award of costs set out in subsection 44(1) of the *CRTC Telecommunications Rules of Procedure* (the Rules) as it represents a group of subscribers that had an interest in the outcome of the Public Notice 2006-15 proceeding, it had participated responsibly, and it had contributed to a better understanding of the issues by the Commission through its participation in the Public Notice 2006-15 proceeding.
4. In particular, CAD submitted that it advanced the interest of persons with disabilities, a class of subscribers that is expected to receive a benefit as a result of this proceeding. CAD also submitted that it made concrete recommendations in response to the Commission and to interrogatories, and contributed to a better understanding of the issues by the Commission.
5. CAD filed a bill of costs with its application and requested that the Commission fix its costs at \$8,760.90 for legal fees. CAD's claim included the Federal Goods and Services Tax (GST) on legal fees.
6. CAD claimed 28.5 hours at a rate of \$290 per hour for legal fees for Henry Vlug.
7. CAD made no submission as to the appropriate costs respondents.

Answer

8. In answer to the application, TCC stated that it did not object to CAD's entitlement to costs or the quantum requested.

Commission's analysis and determinations

9. The Commission finds that CAD has satisfied the criteria for an award of costs set out in subsection 44(1) of the Rules. Specifically, the Commission finds that CAD is representative of a group or class of subscribers that has an interest in the outcome of the proceeding, has participated in a responsible way, and has contributed to a better understanding of the issues by the Commission.
10. The Commission notes that the rates claimed in respect of legal fees are in accordance with the rates set out in the Legal Directorate's *Guidelines for the Taxation of Costs*, revised as of 24 April 2007. The Commission also finds that the total amount claimed by CAD was necessarily and reasonably incurred and should be allowed.
11. The Commission is of the view that this is an appropriate case in which to fix the costs and dispense with taxation, in accordance with the streamlined procedure set out in Telecom Public Notice CRTC 2002-5.
12. In determining the appropriate respondents to an award of costs, the Commission has generally looked at which parties are affected by the issues and have actively participated in the proceeding. Given that the issue in this proceeding is the Incumbent Local Exchange Carriers' (ILECs) deferral accounts, for which the Commission directed the ILECs to file proposals for broadband expansion and initiatives to improve accessibility and that CAD's submissions related to accessibility initiatives, the Commission considers that the appropriate respondents to CAD's costs application are the ILECs who have proposed to use deferral account funds for accessibility initiatives, namely Bell Canada, Saskatchewan Telecommunications (SaskTel), TCC, and MTS Allstream Inc. (MTS Allstream).
13. The Commission notes that it has, in previous decisions, allocated the responsibility for the payment of costs among respondents on the basis of the respondents' telecommunications operating revenues (TORs), as an indicator of the relative size and interest of the parties involved in the proceeding. The Commission is of the view that, in the present circumstances, it is appropriate to apportion the costs among the respondents in proportion to their TORs, as reported in their most recent audited financial statements. Accordingly, the Commission finds that the responsibility for the payment of costs should be allocated as follows:

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|---------------|-----|
| Bell Canada | 49% |
| TCC | 38% |
| MTS Allstream | 9% |
| SaskTel | 4% |

Direction as to costs

14. The Commission **approves** the application by CAD for costs with respect to its participation in the Public Notice 2006-15 proceeding.

15. Pursuant to subsection 56(1) of the *Telecommunications Act*, the Commission fixes the costs to be paid to CAD at \$8,760.90.
16. The Commission **directs** that the award of costs to CAD be paid forthwith by the ILECs according to the proportions set out in paragraph 13.

Secretary General

Related Documents

- *Review of proposals to dispose of the funds accumulated in the deferral accounts*, Telecom Public Notice CRTC 2006-15, 30 November 2006
- *New Procedure for Telecom costs awards*, Telecom Public Notice CRTC 2002-5, 7 November 2002

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