



Telecom Order CRTC 2007-429

Ottawa, 16 November 2007

Northwestel Inc.

Reference: Tariff Notice 849

Manual Mobile Service

1. The Commission received an application by Northwestel Inc. (Northwestel), dated 11 September 2007, in which the company proposed revisions to Mobile Telephone Service Tariff item 201 – Manual Mobile Service (MMS). Specifically, the company proposed to discontinue providing MMS in the following three sites in Yukon and the Northwest Territories: MacMillan Pass (or South MacMillan), Quiet Lake, and Tungsten.
2. Northwestel noted that MMS provides (a) connection to the public switched telephone network through a Mobile Operator and (b) two-way communication through a shared VHF [very high frequency] radio narrowband frequency. The company added that MMS provides both fixed and mobile access for radio units installed in customer premises (fixed) and customer vehicles (mobile).
3. In support of its request that MMS be discontinued at the three sites noted above, Northwestel submitted that MMS had very low usage at these sites, and that these would require new diesel tanks, thus causing the company to incur extremely high maintenance costs. Further, Northwestel submitted that the infrastructure and technology used to deliver MMS were obsolete, and that equipment and replacement parts were no longer produced.¹ Northwestel argued that, in the event of a major service interruption, it might not be able to restore MMS in a timely fashion, thereby affecting the service's reliability. Northwestel indicated that it would use parts of the dismantled sites to maintain MMS in the near term in other locations.
4. Northwestel submitted that superior and affordable substitutes for MMS were readily available through satellite telephone service, noting that the initial start-up costs and recurring charges for MMS had been declining. Northwestel also submitted that the costs for a customer to obtain satellite telephone service and Northwestel's MMS were very similar. Northwestel also added that satellite telephone service provided the added value of optional call management services, such as voice mail and call forwarding, which are not available from MMS.
5. Northwestel noted that it had sent a letter to its affected MMS customers during the week of 11 September 2007 to inform them of the company's intention to withdraw MMS and of the deadline by which comments could be submitted to the Commission, the availability of

¹ Northwestel, citing Order 2000-256, and Telecom Orders 2003-159 and 2007-50, noted that most Canadian telecommunications companies had already removed MMS in light of significantly reduced demand and the challenges associated with maintaining a service based on obsolete technology.

substitute services, and a contact list for alternative service providers.

6. In that same letter, Northwestel notified its affected MMS customers that in order to lessen the impact on them of the proposed changes, the company would be willing to provide to each qualified customer, should its proposal be accepted by the Commission, a contribution to all "fixed" MMS customers of up to \$2,000 towards the purchase of a satellite phone. Further, the company proposed to reimburse customers who had purchased a new MMS radio telephone set between 10 September 2006 and 10 September 2007.²
7. Northwestel requested an approval date of 19 November 2007, and an effective date of 7 February 2008. Northwestel submitted that this would give the company 80 days to notify the affected customers and grant them sufficient time to finalize alternative service arrangements. The company's MMS customers were notified of the proposed effective date in Northwestel's 11 September 2007 letter noted above.
8. The Commission received no comments on this application.

Commission's analysis and determinations

9. In Telecom Circular 2005-7, the Commission established the criteria upon which an application for the destandardization and/or withdrawal of a tariffed service would be assessed.
10. The Commission considers that the decline in demand and revenue associated with the company's MMS, the obsolete technology, the absence of a reliable source for MMS parts and maintenance, and the availability of more cost-effective and functionally capable alternatives – such as satellite telephone services – justify approving Northwestel's application to withdraw this service at the proposed sites.
11. In light of the the measures described above, the Commission is satisfied that Northwestel has fulfilled the customer notification and evidentiary requirements set out in Telecom Circular 2005-7.
12. The Commission considers that Northwestel's proposed 80-day period between the approval date and the effective date is a reasonable amount of time for the company to notify its affected customers, while allowing those customers sufficient time to finalize alternative service arrangements.
13. Accordingly, the Commission **approves** Northwestel's application, effective **4 February 2008**.

Secretary General

² Subject to proof of purchase.

Related documents

- *TELUS Communications Company – Alberta Manual 150 Mobile Telephone Service*, Telecom Order CRTC 2007-50, 16 February 2007
- *New procedures for disposition of applications dealing with the destandardization and/or withdrawal of tariffed services*, Telecom Circular CRTC 2005-7, 30 May 2005
- *Aliant Telecom Inc. – Withdrawal of public mobile telephone service in Newfoundland*, Telecom Order CRTC 2003-159, 22 April 2003
- *Withdrawal of Remote Radio Service in Ontario*, Order CRTC 2000-256, 5 April 2000

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