



Telecom Public Notice CRTC 2007-14

Ottawa, 17 August 2007

Examination of the relevant market for Centrex and Enhanced Exchange Wide Dial services for the purposes of forbearance from the regulation of local exchange services

Reference: 8460-C12-200711433 and 8640-C12-200706351

In this Public Notice, the Commission initiates a proceeding to consider whether Centrex and Enhanced Exchange Wide Dial (EEWD) services are business local exchange services for the purposes of assessing applications requesting the Commission to forbear from the regulation of local exchange services, and if not, what should the relevant geographic market for Centrex and EEWD services be and how should the competitor presence criteria established for business local exchange services be applied for Centrex and EEWD services.

Introduction

1. In Telecom Decision 2006-15, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007 (modified Telecom Decision 2006-15), the Commission established, among other things, the framework for forbearance from the regulation of local exchange services (local forbearance). The framework provides the details as to the product and the geographic area components of the relevant market.
2. The Commission considered that, for the purposes of the local forbearance framework established in modified Telecom Decision 2006-15, all business local exchange services were in the same relevant market.
3. The Commission, however, notes that in modified Telecom Decision 2006-15 it acknowledged that the record of the proceeding did not provide a complete picture of business local exchange services with respect to product characteristics, pricing, marketing, regional differences in offerings, and substitutability. As the Commission noted in modified Telecom Decision 2006-15, although the evidence in that proceeding did not definitively establish the need to divide business local exchange services between multiple relevant markets, it equally did not foreclose such a possibility. In light of the above, the Commission indicated, in that decision, that it would be prepared to examine the appropriateness of dividing business local exchange services into multiple relevant markets.
4. In response to applications by Bell Canada and Bell Aliant Regional Communications, Limited Partnership (Bell Aliant) requesting forbearance for business local exchange services, MTS Allstream Inc. (MTS Allstream) and Bragg Communications Inc., carrying on business as EastLink (EastLink), challenged the companies' inclusion of Centrex and Enhanced Exchange Wide Dial (EEWD) services in the same relevant market as other business local exchange services in view of the geographic scope of and competitor capability to offer Centrex and EEWD services.

5. Based on the Commission's determinations in modified Telecom Decision 2006-15 and MTS Allstream's and EastLink's comments on the Bell Canada's and Bell Aliant's business local forbearance applications, the Commission is of the view that it is appropriate to initiate a proceeding to examine whether Centrex and EEWD services are in the same product market as other business local exchange services.

Issues to be addressed in this proceeding

6. Accordingly, the Commission invites comments, including supporting rationale, on the following issues:
 - a) Should Centrex and EEWD services be excluded from the business local exchange services market for the purposes of local forbearance?
 - b) If Centrex and EEWD services are excluded from the business local exchange services market:
 - i. What should be the relevant geographic market for Centrex and EEWD services; and
 - ii. How should the competitor presence criterion established in paragraph 242(a)(iii) of modified Telecom Decision 2006-15 be applied for Centrex and EEWD services.
7. In discussing the Centrex and EEWD relevant market, parties are to provide evidence of substitutability such as customer/contract requirements, product characteristics, pricing, marketing, regional differences, and switching costs.

Procedure

8. Bell Aliant, Bell Canada, MTS Allstream, Saskatchewan Telecommunications, Télébec, Limited Partnership, TELUS Communications Company, Cogeco Cable Canada Inc., EastLink, Quebecor Media Inc., Rogers Communications Inc. and Shaw Telecom Inc. are made parties to this proceeding.
9. Other persons interested in participating in this proceeding (including receiving copies of all submissions) must notify the Commission of their intention to do so by filling out the online form, or by writing to the Secretary General, CRTC, Ottawa, Ontario, K1A 0N2, or by faxing at: 819-994-0218 by **31 August 2007** (the registration date). Parties are to provide their email address, where available. If parties do not have access to the Internet, they are to indicate in their notice whether they wish to receive disk versions of hard-copy filings.
10. The Commission will post on its website, as soon as possible after the registration date, a complete list of interested parties and their mailing addresses (including their email addresses, if available), identifying those parties who wish to receive disk versions.

11. All parties may file with the Commission, serving a copy on all other parties, comments and the evidence they consider necessary to support their arguments with regard to the above-noted issues by **1 October 2007**.
12. All parties may file with the Commission, serving a copy on all other parties, reply comments by **16 October 2007**.
13. The Commission expects to issue a decision on the issues raised in this Public Notice within 120 days after the record closes.
14. The Commission will not formally acknowledge comments. It will, however, fully consider all comments and they will form part of the public record of the proceeding.
15. Where a document is to be filed or served by a specific date, the document must be actually received, not merely sent, by that date.
16. Parties may file their submissions electronically or on paper. Submissions longer than five pages should include a summary.
17. Electronic submissions should be in HTML format. As an alternative, those making submissions may use "Microsoft Word" for text and "Microsoft Excel" for spreadsheets.
18. Each paragraph of all submissions should be numbered. In addition, the line ***End of document*** should be entered following the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.
19. The Commission also encourages parties to monitor the record of this proceeding (and/or the Commission's website) for additional information that they may find useful when preparing their submissions.

Important notice

20. Note that all information that you provide as part of this public process, except information granted confidentiality, whether sent by postal mail, facsimile, email or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes your personal information, such as your full name, email address, postal/street address, telephone and facsimile number(s), and any other personal information you provide.
21. The personal information you provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
22. Documents received electronically or otherwise will be posted on the Commission's website in their entirety exactly as you send them, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.

23. Please note that the information you provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the webpage of this particular public process. As a result, a general search of our website with the help of either our own search engine or a third-party search engine will not provide access to the information which was provided as part of this public process.

Location of CRTC offices

24. Submissions may be examined or will be made available promptly upon request at the Commission offices during normal business hours:

Toll-free telephone: 1-877-249-2782

Toll-free TDD: 1-877-909-2782

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Secretary General

Related documents

- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005, as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005

This document is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>