



## Telecom Decision CRTC 2009-446

Ottawa, 24 July 2009

### **Télébec, Limited Partnership - Application for forbearance from the regulation of business local exchange services**

File number: 8640-T78-200907610

*In this decision, the Commission approves Télébec's request for forbearance from the regulation of business local exchange services in the exchanges of Arthabaska, Sainte-Victoire and Tingwick, Quebec.*

#### **Introduction**

1. The Commission received an application by Télébec, Limited Partnership (Télébec), dated 14 May 2009, in which the company requested forbearance from the regulation of business local exchange services<sup>1</sup> in the exchanges of Arthabaska, Sainte-Victoire and Tingwick, Quebec.
2. The Commission received submissions and/or data regarding Télébec's application from IVIC Télécom s.e.n.c. (IVIC) and Quebecor Media Inc., on behalf of its subsidiary Videotron Ltd. The public record of this proceeding, which closed on 11 June 2009, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings" or by using the file number provided above.

#### **Commission's analysis and determinations**

3. The Commission assessed Télébec's application based on the local forbearance test set out 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). Specifically, it considered the following four elements:

##### **a) Product market**

4. The Commission received no comments with respect to Télébec's proposed list of business local exchange services.
5. The Commission notes that Télébec sought forbearance for 32 tariffed business local exchange services. In addition, it notes that 31 of these services were included in the list of services established in Telecom Decision 2005-35.

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<sup>1</sup> In this decision, "business local exchange services" refers to local exchange services used by business customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

6. The Commission considers that the Service charges service is not eligible for deregulation in accordance with the criteria set out, in modified Telecom Decision 2006-15, as it is a generic service and generic services were excluded from the scope of the proceeding pertaining to forbearance from regulation of local exchange services. The list of 31 approved services is in the Appendix to this decision.

**b) Competitor presence test**

7. The Commission notes that, for the Arthabaska, Sainte-Victoire, and Tingwick exchanges, the information provided by the parties confirms that there is, in addition to Télébec, at least one independent, facilities-based, fixed-line telecommunications service provider.<sup>2</sup> This service provider provides local exchange services in the target market and is capable of serving at least 75 percent of the number of business local exchange service lines that Télébec is capable of serving.
8. Accordingly, the Commission determines that the exchanges of Arthabaska, Sainte-Victoire, and Tingwick meet the competitor presence test.

**c) Competitor quality of service (Q of S) results**

9. The Commission notes that Télébec submitted competitor Q of S results for the period of November 2008 to April 2009.
10. The Commission has reviewed Télébec's submitted competitor Q of S results and finds that the company has demonstrated that during this six-month period it
  - i) met, on average, the Q of S standards for each indicator set out in Appendix B of modified Telecom Decision 2006-15, as defined in Telecom Decision 2005-20, with respect to the services provided to competitors in its territory; and
  - ii) did not consistently provide any of those competitors with services that were below those Q of S standards.
11. Accordingly, the Commission determines that Télébec's competitor Q of S results meet the competitor Q of S criterion.

**d) Communications plan**

12. The Commission has reviewed Télébec's communications plan and is satisfied that it meets the information requirements set out in modified Telecom Decision 2006-15. The Commission **approves** the proposed communications plan and directs Télébec to provide the resulting communications materials to its customers in both official languages, where appropriate.

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<sup>2</sup> This provider is IVIC in the Tingwick exchange and Videotron in the Arthabaska and Sainte-Victoire exchanges.

## Conclusion

13. The Commission determines that Télébec's application meets all the local forbearance criteria, set out in modified Telecom Decision 2006-15, for the exchanges of Arthabaska, Sainte-Victoire, and Tingwick.
14. Pursuant to subsection 34(1) of the *Telecommunications Act* (the Act), the Commission finds as a question of fact that a determination to forbear, to the extent specified in modified Telecom Decision 2006-15, from exercising its powers and performing its duties in relation to Télébec's business local exchange services listed in the Appendix and future services that fall within the definition of local exchanges services set out in Telecom Public Notice 2005-2 as they pertain to business customers only, in these three exchanges, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
15. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these business local exchange services are subject to a level of competition in these exchanges sufficient to protect the interests of users of these services.
16. Pursuant to subsection 34(3) of the Act, the Commission finds as a question of fact that to forbear, to the extent specified in modified Telecom Decision 2006-15, from exercising its powers and performing its duties in relation to the business local exchange services in these exchanges would be unlikely to impair unduly the continuance of a competitive market for these services.
17. In light of the above, the Commission **approves** Télébec's application for forbearance from the regulation of the local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2, as they pertain to business customers only, in the exchanges of Arthabaska, Sainte-Victoire, and Tingwick, subject to the powers and duties that the Commission has retained as set out in modified Telecom Decision 2006-15. This determination takes effect as of the date of this decision. The Commission directs Télébec to file with the Commission Télébec's revised tariff pages within 30 days of the date of this decision.

Secretary General

## Related documents

- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by Order in Council 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

- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005
- *Finalization of quality of service rate rebate plan for competitors*, Telecom Decision CRTC 2005-20, 31 March 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>*

**Local exchange services eligible for forbearance from regulation in this decision (for business customers only)**

<b>Tariff</b>	<b>Item</b>	<b>List of services</b>
25140	1.4	RAFA Plan - Expanded Local Calling Area for the "Lac-à-Foin" region
25140	1.7	Telephone Set Loss Charge (Residence)
25140	2.1.7.1	Basic Service and Regional Service – Monthly Rates for Basic Services and Other Fees
25140	2.1.7.4	Basic Service and Regional Service – Rate Adjustment for Multi-Party Access Line Customers
25140	2.1.7.5	Specialized Business Service - Key Systems Access Line
25140	2.1.7.5	Specialized Business Service - PBX Access Line
25140	2.1.7.5	Specialized Business Service - Touch-Tone Dialing
25140	2.1.7.6	Télébec's Centrex Access Lines
25140	2.1.8	Basic Services Provided Outside the Company's Serving Area
25140	2.1.11	Telephone Service for Senior Citizens' Club
25140	2.3.4	Individual line and two-party access line provided outside the base rate area – Distance Charges
25140	2.5	Telephones available only for two-party line or multi-Party access service
25140	2.6	Direct Inward Dialing
25140	2.8	Télébec Centrex Service
25140	2.10	Temporary Business Service
25140	2.15	Service to Immobilized Ships, Trailers and Trains
25140	2.23.2	Telephone Number Reservation and Activation – Rates and Fees
25140	2.27.6	Monthly Rates for Extra Listings
25140	2.27.7	Omission of Directory Listings (Business)
25140	3.1	Intra-Exchange Distance Charges
25140	3.3.17	Toll Restriction Service
25140	3.3.18	Smart Touch Services
25140	3.3.19	Call Display Blocking – Per Call
25140	3.3.20	Integrated Vocal Messaging Service

25140	5.2.6.5	Call Blocking Service – 900 Service
25140	8.4	Internet Call Display
25140	8.7.3	Integrated Services Digital Network (ISDN) 2B+D Télébec – Rates and Fees
25140	8.8	Integrated Services Digital Network (ISDN) 23B+ D Télébec - Basic Option
25140	8.9	Integrated Services Digital Network (ISDN) 23B+ D Télébec - Premium Option
25140	8.11	Boreal Service
25140	8.13	Digital Exchange Service