## Telecom Order CRTC 2012-590

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Ottawa, 24 October 2012

# Cogeco Cable Inc. – Changes to speeds of wholesale high-speed third-party Internet access service

File number: Tariff Notice 37

- 1. The Commission received an application from Cogeco Cable Inc. (Cogeco), dated 27 July 2012, in which the company proposed to (i) introduce a 20 megabits per second (Mbps) third-party Internet access (TPIA) service for its aggregated points of interconnection (POIs)<sup>1</sup> in Ontario and Quebec, (ii) increase the download speed of its existing 50 Mbps TPIA service to 55 Mbps for its aggregated POI in Ontario, and (iii) withdraw its 16 Mbps TPIA service for its aggregated and disaggregated POIs.
- 2. Specifically, Cogeco submitted that the new 20 Mbps TPIA service would replace its existing 16 Mbps service for its aggregated POIs. The company proposed an interim monthly access rate of \$15.06<sup>2</sup> per end-user for its new 20 Mbps service, the same as the approved rate for its existing 14 Mbps TPIA service. Cogeco also submitted that it would file a cost study for its new 20 Mbps service once the Commission renders a decision on the applications to review and vary Telecom Regulatory Policy 2011-703.
- 3. Cogeco submitted that it had recently increased the download speed of its 50 Mbps retail service in Ontario to 55 Mbps, and that it had discontinued its 16 Mbps retail service, which was in a phase-out transition process.
- 4. The Commission received comments regarding Cogeco's application from the Canadian Network Operators Consortium Inc. (CNOC). The public record of this proceeding is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.
- 5. CNOC requested that the Commission approve the proposed 20 Mbps TPIA service as soon as possible. CNOC submitted that it welcomed Cogeco's proposed increase in download speed to 55 Mbps.
- 6. CNOC did not object to Cogeco withdrawing the 16 Mbps TPIA service, but requested that in the future, Cogeco be directed to follow the Commission's service withdrawal procedure.

<sup>&</sup>lt;sup>2</sup> The Commission approved Cogeco's rate for the wholesale high-speed access 14 Mbps service in Telecom Regulatory Policy 2011-703.



A POI is a location at which an independent service provider connects its network to a cable carrier's network in order to gain access to its own retail customers through high-speed access paths on the cable carrier's network.

### Commission's analysis and determinations

- 7. Regarding Cogeco's new 20 Mbps TPIA service, the Commission notes that the company has proposed to offer this speed tier to its TPIA customers in accordance with the speed-matching requirement set out in Telecom Regulatory Policy 2010-632.
- 8. The Commission considers that Cogeco's proposal to introduce the 20 Mbps service for its aggregated POIs using an interim rate equal to that of the 14 Mbps service is beneficial to TPIA customers, and therefore finds it to be acceptable. The Commission notes that Cogeco may file a cost study in support of the 20 Mbps TPIA service upon resolution of the ongoing review and vary applications.
- 9. The Commission notes that Cogeco's proposal to increase the download speed of its 50 Mbps TPIA service in Ontario is also consistent with the above-mentioned speed-matching requirement. The Commission considers Cogeco's proposal to set the rate for the 55 Mbps service for its aggregated POI in Ontario as equal to that of the 50 Mbps service to be beneficial to TPIA customers, and therefore finds it to be acceptable.
- 10. Regarding Cogeco's proposal to withdraw its 16 Mbps TPIA service for its aggregated POIs, the Commission notes that the company has not followed the service withdrawal procedure set out in Telecom Decision 2008-22 and Telecom Information Bulletin 2010-455. However, the Commission notes that there are no end-users for this service and that the company has notified all of its wholesale customers of its withdrawal request. The Commission considers that, under these circumstances, it is acceptable to allow Cogeco to withdraw its 16 Mbps service for its aggregated POIs with no further process.
- 11. Regarding Cogeco's proposal to withdraw its 16 Mbps TPIA service for its disaggregated POIs, the Commission notes that in Telecom Order 2011-377, it determined that (i) the cable companies' TPIA services for disaggregated POIs would continue to be provided at the existing rates during the interim period, and (ii) TPIA customers that currently interconnect at an existing disaggregated POI would be allowed to add retail customers during the interim period. Accordingly, the Commission finds it premature for Cogeco to withdraw its 16 Mbps TPIA service for its disaggregated POIs at this time.
- 12. In light of the above, the Commission **denies** Cogeco's proposal to withdraw its 16 Mbps TPIA service for its disaggregated POIs and **approves** the following:
  - Cogeco's proposed monthly access rate of \$15.06 per end-user for its new 20 Mbps TPIA service **on an interim basis**;

The interim period enables wholesale customers to migrate their TPIA service from disaggregated POIs to aggregated POIs over two years, until 14 November 2013.

- Cogeco's request to increase the download speed of its 50 Mbps TPIA service in Ontario to 55 Mbps, using the same rate as that for its 50 Mbps TPIA service; and
- Cogeco's request to withdraw its 16 Mbps TPIA service for its aggregated POIs, with no further process.

#### Secretary General

#### **Related documents**

- Billing practices for wholesale residential high-speed access services, Telecom Regulatory Policy CRTC 2011-703, 15 November 2011, as amended by Telecom Regulatory Policy CRTC 2011-703-1, 22 December 2011
- Interim rates for wholesale residential and business high-speed access services, Telecom Order CRTC 2011-377, 15 June 2011
- Wholesale high-speed access services proceeding, Telecom Regulatory Policy CRTC 2010-632, 30 August 2010
- Approval processes for tariff applications and intercarrier agreements, Telecom Information Bulletin CRTC 2010-455, 5 July 2010
- Mandatory customer contract renewal notification and requirements for service destandardization/withdrawal, Telecom Decision CRTC 2008-22, 6 March 2008