



Telecom Costs Order CRTC 2006-12

Ottawa, 4 October 2006

Application for costs by the British Columbia Public Interest Advocacy Centre – *Reconsideration of Regulatory framework for voice communication services using Internet Protocol, Telecom Decision CRTC 2005-28, Telecom Public Notice CRTC 2006-6*

Reference: 8663-C12-200605587 and 4754-268

1. By letter dated 27 June 2006, the British Columbia Public Interest Advocacy Centre (BCPIAC) applied for costs on behalf of the British Columbia Old Age Pensioners' Organization, Council of Senior Citizens' Organizations of British Columbia, federated anti-poverty groups of British Columbia, Senior Citizens' Association of British Columbia, West End Seniors' Network, End Legislated Poverty, and Tenants Rights Action Coalition (BCOAPO et al.) with respect to their participation in the proceeding initiated by *Reconsideration of Regulatory framework for voice communication services using Internet Protocol, Telecom Decision CRTC 2005-28, Telecom Public Notice CRTC 2006-6, 10 May 2006* (the Public Notice 2006-6 proceeding).
2. By letter dated 11 July 2006, TELUS Communications Company (TCC) filed comments in response to BCPIAC's costs application. By letter dated 13 July 2006, Bell Aliant Regional Communications, Limited Partnership (Bell Aliant), Bell Canada, Saskatchewan Telecommunications (SaskTel), and Société en commandite Télébec (Télébec) (collectively, the Companies) filed comments in response to BCPIAC's costs application. By letter dated 13 July 2006, the Canadian Cable Systems Alliance (CCSA) filed comments in response to TCC's comments. BCPIAC did not file reply comments.

The application

3. BCPIAC submitted that BCOAPO et al. had met the criteria for a costs award set out in subsection 44(1) of the *CRTC Telecommunications Rules of Procedure* (the Rules), as they represented a group of subscribers that will receive a benefit or suffer a detriment as a result of the Public Notice 2006-6 proceeding, they had participated in a responsible manner and they had contributed to a better understanding of the issues by the Commission through their participation in the Public Notice 2006-6 proceeding.
4. In particular, BCPIAC submitted that BCOAPO et al. represented the interests of consumers, seniors, low-income persons and information rights advocates throughout the Province of British Columbia and that BCOAPO et al. were the only active participants in these proceedings from the Province of British Columbia.
5. BCPIAC requested that the Commission fix its costs at \$3,691.50, consisting of legal fees. BCPIAC's claim included the Federal Goods and Service Tax on the fees. BCPIAC filed a bill of costs with its application.

6. BCPIAC claimed 15 hours at a rate of \$230 per hour for James Quail's legal fees.
7. BCPIAC submitted that the appropriate costs respondents were Bell Aliant, Bell Canada, SaskTel, Télébec, MTS Allstream Inc. (MTS Allstream), and TCC (collectively, the incumbent local exchange carriers (ILECs)).

Answer

8. In answer to the application, the Companies and TCC stated that they did not object to BCPIAC's application.
9. The Companies and TCC suggested that the Commission identify the same costs respondents and allocate costs in the same proportions as it did in Telecom Costs Order CRTC 2005-2, 8 August 2005, and Telecom Costs Order CRTC 2005-4, 19 August 2005 (Costs Orders 2005-2 and 2005-4) awarded in relation to *Regulatory framework for voice communication services using Internet Protocol*, Telecom Public Notice CRTC 2004-2, 7 April 2004 (Public Notice 2004-2). In Costs Orders 2005-2 and 2005-4, the ILECs were responsible for 75 percent of the costs, apportioned by their telecommunications operating revenues (TORs), and the cable companies and industry associations paid the remaining 25 percent. TCC suggested that the remaining 25 percent of costs be apportioned between Access Communications Co-operative Limited, the CCSA, Cogeco Cable Inc., Quebecor Média inc., Rogers Communications Inc. and Shaw Communications Inc. TCC did not suggest how the remaining 25 percent should be allocated between these parties.
10. CCSA replied to TCC's proposal and stated that the ILECs should be named as sole costs respondents, as proposed by BCPIAC. The CCSA relied on the Commission's approach in Telecom Costs Order CRTC 2005-1, 8 August 2005 (Costs Order 2005-1), which was also issued in connection with the Public Notice 2004-2 proceeding. In Costs Order 2005-1, the Commission named the ILECs as the sole respondents and allocated costs in the following proportions: the Companies (62 percent), TCC (30 percent) and MTS Allstream (8 percent). In addition, the CCSA noted that when faced with a relatively small claim, the Commission has generally sought to limit the number of respondents in order to limit the administrative burden placed on the applicant.

Commission's analysis and determination

11. The Commission finds that BCOAPO et al. have satisfied the criteria for a costs award set out in subsection 44(1) of the Rules. Specifically, the Commission finds that BCOAPO et al. 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.
12. 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 15 May 1998. The Commission also finds that the total amount claimed by BCPIAC was necessarily and reasonably incurred and should be allowed.

13. 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 *New procedure for Telecom costs awards*, Telecom Public Notice CRTC 2002-5, 7 November 2002.
14. The Commission is of the view that, of the Costs Orders issued in relation to the Public Notice 2004-2 proceeding, Costs Order 2005-1 is the most relevant to BCPIAC's application. The Commission notes the relatively small amount claimed and the potential administrative burden placed upon BCPIAC if it were to collect small amounts from many respondents. Consistent with the Commission's approach to costs generally, the Commission considers that it is appropriate in this instance to limit the number of respondents to the ILECs.
15. 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' 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 relating to the Public Notice 2006-6 proceeding among the respondents in proportion to their TORs, as reported in their most recent audited financial statements. The Commission names the following companies as costs respondents: the Companies, TCC and MTS Allstream. The Commission finds that the responsibility for the payment of costs should be allocated as follows:

the Companies	66%
TCC	24%
MTS Allstream	10%
16. Consistent with its general approach articulated in Telecom Costs Order CRTC 2002-4, 24 April 2002, the Commission makes Bell Canada responsible for payment on behalf of the Companies and leaves it to the Companies to determine the appropriate allocation of the costs among themselves.

Direction as to costs

17. The Commission **approves** the application by BCPIAC for costs with respect to the participation of BCOAPO et al. in the Public Notice 2006-6 proceeding.
18. Pursuant to subsection 56(1) of the *Telecommunications Act*, the Commission fixes the costs to be paid to BCPIAC at \$3,691.50.
19. The Commission directs that the costs award to BCPIAC be paid forthwith by Bell Canada on behalf of the Companies, TCC and MTS Allstream according to the proportions set out in paragraph 15.

Secretary General

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