



## Telecom Decision CRTC 2006-62

Ottawa, 28 September 2006

### **MTS Allstream Inc. – Application for approval of the draw-down from its deferral account to reflect its service improvement plan**

Reference: 8638-C12-58/01

*In this Decision, the Commission **approves** MTS Allstream Inc.'s application for its draw-down from its deferral account to reflect its service improvement plan for unserved premises.*

#### **Background**

1. In *Follow-up to Decision 2002-63: MTS' service improvement plan*, Telecom Decision CRTC 2003-68, 10 October 2003 (Decision 2003-68), the Commission directed MTS Allstream Inc. (MTS Allstream) to file its service improvement plan (SIP) tracking report on 31 March of each year throughout the life of its SIP.
2. In that Decision, the Commission also directed MTS Allstream to treat the costs associated with the capital expenditures for unserved premises in its non-high-cost serving areas (non-HCSAs) in the same manner as those for the other incumbent local exchange carriers in *Regulatory framework for second price cap period*, Telecom Decision CRTC 2002-34, 30 May 2002, as amended by Telecom Decision CRTC 2002-34-1, 15 July 2002 (Decision 2002-34). Specifically, the Commission directed MTS Allstream to draw down its deferral account for the costs associated with these expenditures.

#### **Application**

3. The Commission received an application by MTS Allstream dated 6 April 2006, in which it filed its SIP tracking report. MTS Allstream proposed an annual draw-down from its deferral account of \$0.0847 million to recover the costs for projects to provide telephone service to unserved premises in non-HCSAs. Attached to the tracking report, MTS Allstream filed a Phase II cost study to support recovery of its costs to provide those services.
4. In addition, MTS Allstream provided a list of its accomplishments for the provision of service to qualified unserved premises as well as the upgrading of service to underserved communities in 2005. MTS Allstream indicated that it expected to complete its SIP in 2007, as approved by the Commission in Decision 2003-68.

#### **Process**

5. The Commission issued interrogatories to MTS Allstream on 2 May 2006, and the company filed its responses on 8 May 2006.
6. The Commission received no comments with respect to the application.

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

7. The Commission has reviewed the Phase II cost study to support the requested draw-down from MTS Allstream's deferral account and finds that it is satisfactory.
8. In light of the foregoing, the Commission **approves** (a) the Phase II cost study, and (b) the annual \$0.0847 million draw-down from MTS Allstream's deferral account.
9. Following a review of the tracking plan filed by the company, the Commission finds that the SIP roll-out is on track.

Secretary General

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