



Telecom Order CRTC 2006-159

Ottawa, 22 June 2006

Téléphone Guèvremont inc. – Dedicated Services Interconnection and Settlement Agreement

Reference: 8340-G1-200507494

Background

1. In *Regulatory framework for the small incumbent telephone companies*, Decision CRTC 2001-756, 14 December 2001 (Decision 2001-756), the Commission stated that it would initiate a CRTC Interconnection Steering Committee (CISC)-like consultative process to determine, among other things, a final methodology for cost recovery and allocation of network access costs for the year 2002 and beyond in the small incumbent local exchange carriers' (ILECs') territories. In Decision 2001-756, the Commission also froze network access per quarter-mile costs at approved 2001 levels and made the 2002 network access tariff (NAT) per quarter-mile rates interim.
2. In *Ontario Telecommunications Association - Final 2001 and interim 2002 Network Access Tariffs*, Telecom Order CRTC 2003-217, 29 May 2003, and *Canadian Alliance of Publicly-Owned Telecommunications Systems - Final 2001 and interim 2002 Network Access Tariffs*, Telecom Order CRTC 2003-525, 23 December 2003, the Commission approved on an interim basis the 2002 NATs for members of the Ontario Telecommunications Association and the Canadian Alliance of Publicly-Owned Telecommunications Systems, respectively.
3. In *Direct toll and network access costing methodology for small incumbent local exchange carriers - Follow-up to Decision 2001-756*, Telecom Decision CRTC 2005-3, 31 January 2005 (Decision 2005-3), the Commission determined that the small ILECs with NATs could best achieve cost recovery through negotiated settlement agreements with interexchange carriers purchasing network access services.
4. In *Dedicated Services Interconnection and Settlement Agreements*, Telecom Order CRTC 2005-114, 24 March 2005 (Order 2005-114), the Commission approved with changes the interconnection agreements between several small ILECs and Bell Canada, and directed each of the small ILECs to amend the agreements in order to refer to their tariffs for those services with approved tariff rates. The Commission also approved on a final basis the 2002 NATs for the small ILECs.

The application

5. The Commission received an application by Téléphone Guèvremont inc. (Guèvremont), dated 9 June 2005, for approval of a Dedicated Services Interconnection and Settlement Agreement between Guèvremont and Bell Canada (the Agreement). Guèvremont indicated that the Agreement would be effective retroactive to 1 January 2003.

6. Guèvremont filed the Agreement on the public record, except for Appendix C, which was filed in confidence.
7. The Commission received no comments with respect to this application.

Commission's analysis and determinations

8. The Commission finds that the Agreement is consistent with the Commission's determination in Decision 2005-3 that network access cost recovery should be based on negotiated settlement agreements.
9. However, the Commission notes that for some of the services listed in the Agreement, there is already an approved tariff rate for Guèvremont. The Commission is of the view that in such cases, consistent with its determination in Order 2005-114, the approved tariff rate for Guèvremont should be applied.
10. Accordingly, the Commission **approves with changes** Guèvremont's application and directs the company to amend the Agreement in order to refer to its tariff for those services with approved tariff rates.
11. Further, given that the Agreement is to be made effective retroactive to 1 January 2003, the Commission **approves on a final basis** the 2002 NAT for Guèvremont.

Secretary General

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