



Telecom Order CRTC 2006-17

Ottawa, 20 January 2006

TELUS Communications Inc.

Reference: Tariff Notices 187 and 187A

Wholesale Internet ADSL Service

1. The Commission received an application by TELUS Communications Inc. (TCI) on 30 June 2005, and amended on 14 December 2005, proposing to introduce Carrier Access Tariff item 226, Wholesale Internet ADSL Service.
2. TCI submitted that its proposed broadband access service, based on asymmetric digital subscriber line (ADSL) technology, would enable competitive local exchange carriers and digital subscriber line service providers (DSLSPs) to establish high-speed data access paths between their end-users' locations and their point of presence using TCI's ADSL access and broadband distribution network.
3. Comments were received from Rogers Telecom Inc. on 15 July 2005, Nucleus Information Service Inc. on 19 July 2005, Net Idea on 20 July and 10 August 2005, Peace Region Internet Society on 20 July, 9 August, and 3 October 2005, Cybersurf Corp. on 2 August and 3 October 2005, Bell Canada on 2 August and 8 November 2005, Primus Telecommunications Canada Inc. on 2 August 2005, MTS Allstream Inc. on 3 August 2005, ABC Communications on 10 August and 4 October 2005, and Shaw Communications on 1 November 2005 (collectively, the Interveners). Reply comments to Tariff Notice 187 were received from TCI on 30 September 2005.
4. The Interveners expressed concerns regarding, among other things, the availability of a 'lite' (i.e. lower-speed) option, service rates, service charges, as well as specific terms and conditions of the proposed service.
5. The Interveners submitted that TCI's proposed rate structure disadvantaged small Internet service providers (ISPs) due to the higher-volume commitments required in order to take advantage of the lower ADSL Access Service rates. The Interveners further submitted that the 1.5 Megabits per second (Mbps) ADSL Access Service was their primary ADSL service offering to residential customers.

Commission's analysis and determinations

6. The Commission notes that TCI, in its amended application, proposed a range of rates for the various end-user ADSL Access Service speeds. For example, for its ADSL Access Service speed of 1.5 Mbps, TCI proposed a range of rates from \$18 to \$23 per access, depending on the applicable volume discount and contract period.

7. The Commission is of the view that the amendment to TCI's application has addressed, in part, some of the Interveners' concerns, the remainder of which will be addressed in the final disposition of this application.
8. The Commission notes that in TCI's amendment, the rates proposed for ADSL Access Service speeds of 2.5 Mbps and 4.0 Mbps were reduced, whereas rates for the 1.5 Mbps ADSL Access Service were unchanged. The Commission considers that both the volume discount threshold and the rate range for the 1.5 Mbps ADSL Access Service may negatively impact small ISPs, and consequently, their existing customers.
9. In light of the above and with a view to ensuring that TCI's ADSL Access Service rates are available as soon as possible, the Commission determines that the rate structure for the 1.5 Mbps ADSL Access Service is to be modified to reflect the following rates (changes indicated in bold):

ADSL Access Service	Contract period rate per month		Service charges (\$)
	1-year (\$)	3-year (\$)	
1.5 Mbps Service, per access			
<1000	20.50	19.50	50.00
1001 - 2500	20.00	19.00	50.00
2501 - 7500	19.50	18.50	50.00
>7501	19.00	18.00	50.00

10. Accordingly, the Commission **approves on an interim basis with changes** TCI's application and directs TCI to issue revised tariff pages for its Carrier Access Tariff item 226, Wholesale Internet ADSL Service, within 10 days of the date of this Order, reflecting the Commission's determinations. The Commission notes that these revised rates will be effective the date of this Order.

Secretary General

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