



## Telecom Order CRTC 2006-295

Ottawa, 1 November 2006

### Bell Canada

Reference: Tariff Notice 6971

### Destandardization of Type C local loop service

*In this Order, the Commission **approves** Bell Canada's application to destandardize Type C local loop service.*

1. The Commission received an application by Bell Canada, dated 21 July 2006, proposing revisions to its Access Services Tariff (AST) item 105, Local Network Interconnection and Component Unbundling (AST item 105), to destandardize Type C local loop service and remove it from AST item 105 as it was a redundant service.
2. Bell Canada indicated that it would continue to offer and provide the functionality associated with Type C local loops through its Competitor Digital Network (CDN) or Digital Network Access (DNA) services, as applicable.

### Background

3. In *New procedures for disposition of applications dealing with the destandardization and/or withdrawal of tariffed services*, Telecom Circular CRTC 2005-7, 30 May 2005 (Circular 2005-7), the Commission indicated that in order for it to properly assess a proposal for the destandardization and/or withdrawal of a tariffed service, the applicant must file an application containing the following information:
  - a) service proposed to be destandardized and/or withdrawn;
  - b) proposed date for destandardization;
  - c) proposed date for ultimate withdrawal of service;
  - d) type of destandardization;
  - e) rationale for the application;
  - f) availability of a substitute, with rationale as to why it was reasonable in terms of equivalent functionality, availability in the same geographical area, and cost (including the initial outlay and ongoing costs to the customer);
  - g) the transition plan;

- h) relevant information concerning existing customers, such as the number of customers affected;
  - i) a copy of the notice to affected customers; and
  - j) any other information the applicant believed was relevant.
4. The Commission further indicated in Circular 2005-7 that if the applicant considered that certain criteria did not apply to a particular application, the applicant was expected to provide submissions on why it believed those criteria should not apply.
5. The Commission noted in Circular 2005-7 that the applicant had to provide notice to each customer affected by its application to destandardize and/or withdraw a particular service, and that the notices should be sent to affected customers on the date the application was filed. In the notice, the applicant had to include items a) to g) set out in paragraph 3 above, as well as clear and detailed information as to how an affected customer could participate in the Commission's process, including the date when comments must be received by the Commission. Further, the Commission noted in Circular 2005-7 that interested parties should be allowed 45 calendar days to comment on an applicant's destandardization and/or withdrawal application.

### **Bell Canada's application**

6. Bell Canada provided the following information in support of its application, in conformance with the criteria established in Circular 2005-7:
- a) service proposed to be destandardized and/or withdrawn
    - Bell Canada proposed to destandardize AST item 105 Type C local loop service.
  - b) proposed date for destandardization
    - Bell Canada requested that the Commission grant interim approval of the proposed destandardization of Type C local loop service, with an effective date of 4 September 2006.
  - c) proposed date for ultimate withdrawal of service
    - Not applicable – Bell Canada submitted that it was not proposing to withdraw Type C local loop service at this time.
  - d) type of destandardization
    - Bell Canada proposed to destandardize Type C local loop service by discontinuing the offering of this service for new installations, moves, rearrangements, or other changes at the same or different premises. Bell Canada submitted that customers wishing to expand their Type C local loop service could do so by using CDN or DNA services, as applicable.

e) rationale for the application

Bell Canada indicated that AST item 105 Type C local loop service was provided at the rates, terms, and conditions specified in AST item 130, Competitor Digital Network (CDN) Services, or at the rates, terms, and conditions specified in National Services Tariff item 301.3, Digital Network Access (DNA) – Rates and Charges. Bell Canada submitted that there was no difference in functionality between a CDN or DNA Access at DS-1 speed and a Type C local loop. However, the company noted that it incurred incremental costs to support Type C local loops under AST item 105 in addition to CDN and DNA services.

Bell Canada submitted that Type C local loops had become redundant and, in view of the incremental costs to maintain the service, the company proposed to destandardize Type C local loop service.

In order to ensure that the destandardization of Type C local loop service from AST item 105 did not impact customers, Bell Canada indicated that it would continue providing in-service Type C local loops to customers currently subscribing to the service. Customers that wished to expand or change their Type C local loop service could do so by using CDN or DNA services, as applicable. Similarly, new customers would be offered and provided CDN or DNA services in place of Type C local loops.

f) availability of a substitute, with rationale as to why it was reasonable in terms of equivalent functionality, availability in the same geographical area, and cost (including the initial outlay and ongoing costs to the customer)

As noted above, the company would continue to offer and provide in-service Type C local loops to existing customers. Customers that sought to increase their number of in-service Type C local loops or change their Type C local loops would be provided the functionality associated with Type C local loops through the company's CDN or DNA services. The company submitted that its CDN and DNA services were available in the same geographical areas as the Type C local loops offered under AST item 105, and provided identical functionality as Type C local loop service.

g) the transition plan

Bell Canada submitted that customers who maintained their existing in-service Type C local loops would not be transitioned to another service. Bell Canada further submitted that customers that expanded or changed their Type C local loop service would be able to do so using CDN or DNA services, as applicable.

- h) relevant information concerning existing customers, such as the number of customers affected

Bell Canada submitted that all of its customers that subscribed to Type C local loop service also subscribed to its CDN and DNA services and, as such, were familiar with existing CDN and DNA ordering systems and processes. Bell Canada was of the view that customers who wished to expand or change their Type C local loop services would require little or no assistance in the transition from ordering Type C local loops to ordering CDN or DNA services.

- i) a copy of the notice to affected customers

Bell Canada indicated that it had issued a letter on 21 June 2006 to its customers for Type C local loop service describing the proposal to destandardize that service. Bell Canada noted that the letter included information regarding its intent to work with customers affected by the destandardization of Type C local loops for the purpose of assisting these customers in the ordering of CDN and DNA services. Further, Bell Canada noted that the letter invited customers to provide comments on the proposal by 30 June 2006, and provided them with information regarding Circular 2005-7.

Bell Canada also noted that it had copied the affected customers with this application. Bell Canada indicated that each of these customers was an experienced participant in Commission proceedings and was aware of how to participate in the destandardization process.

- j) any other information the applicant believed was relevant

No additional information was filed.

- 7. The Commission received no comments on this application.

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

- 8. The Commission finds that Bell Canada has fulfilled the customer notification and evidentiary requirements of Circular 2005-7, with one exception. The Commission notes that Bell Canada, by letter dated 21 June 2006, notified its customers for Type C local loop service of its proposal to destandardize such service, and invited customers in that letter to provide comments on Bell Canada's proposal by 30 June 2006. However, as set out in paragraph 23 of Circular 2005-7, interested parties should be allowed 45 calendar days to comment on a company's destandardization and/or withdrawal application. The Commission notes, however, that 45 calendar days have passed since the company filed its application, and no comments were received from interested parties.

9. The Commission considers Bell Canada's application to destandardize Type C local loop service to be reasonable. In light of the above, the Commission **approves** Bell Canada's application, effective the date of this Order.

Secretary General

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