



Telecom Decision CRTC 2008-15

Ottawa, 27 February 2008

MTS Allstream Inc. – Application for forbearance from the regulation of residential local exchange services

Reference: 8640-M59-200719057

In this Decision, the Commission approves MTS Allstream Inc.'s request for forbearance from the regulation of residential local exchange services in the exchange of Southport, Manitoba.

Introduction

1. The Commission received an application by MTS Allstream Inc. (MTS Allstream), dated 20 December 2007, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchange of Southport, Manitoba.
2. The Commission received submissions and/or data regarding MTS Allstream's application from Rogers Communications Inc., Shaw Telecom Inc. (Shaw), and TELUS Communications Company (TCC). The record of this proceeding closed with comments from TCC dated 24 January 2008. The public record of this proceeding is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
3. The Commission has assessed MTS Allstream's application based on the local forbearance test set out in Telecom Decision 2006-15, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007 (modified Telecom Decision 2006-15), by examining the following:
 - a) Product market
 - b) Competitor presence test
 - c) Competitor quality of service (Q of S) results
 - d) Communications plan

Commission's analysis and determinations

a) Product market

4. The Commission received no comments with respect to MTS Allstream's proposed list of residential local exchange services.
5. The Commission notes that MTS Allstream is seeking forbearance for 13 tariffed residential local exchange services, all of which were included in the list of services set out in Telecom Decision 2005-35.

¹ In this Decision, "residential local exchange services" refers to local exchange services used by residential customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

6. Accordingly, the Commission considers the 13 services proposed by MTS Allstream for forbearance to be appropriate. The list of approved services is set out in the Appendix to this Decision.

b) Competitor presence test

7. The Commission notes that for the exchange of Southport, information provided by parties confirms that there are, in addition to MTS Allstream, at least two independent, facilities-based telecommunications service providers, including providers of mobile wireless services.² Each of these service providers offers local exchange services in the market and is capable of serving at least 75 percent of the number of residential local exchange service lines that MTS Allstream is capable of serving, and at least one, in addition to MTS Allstream, is a facilities-based, fixed-line telecommunications service provider.
8. Accordingly, the Commission determines that the exchange of Southport meets the competitor presence test.

c) Competitor Q of S results

9. The Commission notes that MTS Allstream submitted competitor Q of S results for the period of May to October 2007.
10. The Commission has reviewed MTS Allstream's competitor Q of S results and finds that the company has demonstrated that during this six-month period it
 - i) met, on average, the Q of S standard for each indicator set out in Appendix B of modified Telecom Decision 2006-15, as defined in Telecom Decision 2005-20, with respect to the services provided to competitors in its territory; and
 - ii) did not consistently provide any of those competitors with services that were below those Q of S standards.
11. Accordingly, the Commission determines that MTS Allstream's competitor Q of S results meet the competitor Q of S criterion.

d) Communications plan

12. The Commission has reviewed MTS Allstream's draft communications plan and is satisfied that it meets the information requirements set out in modified Telecom Decision 2006-15. The Commission therefore **approves** the proposed communications plan and directs MTS Allstream to provide the resulting communications materials to its customers in both official languages where appropriate.

² These competitors are Rogers Wireless Inc., Shaw, and TCC.

Conclusion

13. The Commission determines that MTS Allstream's application regarding the exchange of Southport, Manitoba meets all the local forbearance criteria set out in modified Telecom Decision 2006-15.
14. Pursuant to subsection 34(1) of the *Telecommunications Act* (the Act), the Commission finds as a question of fact that a determination to forbear, to the extent specified in modified Telecom Decision 2006-15, from the regulation of residential local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2 as they pertain to residential customers only, in the exchange of Southport, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
15. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these residential local exchange services are subject to a level of competition in the exchange of Southport sufficient to protect the interests of users of these services.
16. Pursuant to subsection 34(3) of the Act, the Commission finds as a question of fact that to forbear, to the extent specified in modified Telecom Decision 2006-15, from regulating these residential local exchange services in the exchange of Southport would be unlikely to impair unduly the continuance of a competitive market for these services.
17. In light of the above, the Commission **approves** MTS Allstream's application for forbearance from the regulation of the local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2, as they pertain to residential customers only, in the exchange of Southport, subject to the powers and duties that the Commission has retained as set out in modified Telecom Decision 2006-15. This determination takes effect as of the date of this Decision. The Commission directs MTS Allstream to file for Commission approval revised tariff pages within 30 days.

Secretary General

Related documents

- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005, as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005

- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005
- *Finalization of quality of service rate rebate plan for competitors*, Telecom Decision CRTC 2005-20, 31 March 2005

This document is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>

**Local exchange services eligible for forbearance from regulation in this Decision
(for residential customers only)**

| Tariff | Item | List of services |
|---------------|-------------|--|
| 24001 | 475 | Rate Schedule for Primary Exchange Service |
| 24001 | 480 | Community Calling Service |
| 24001 | 490 | Urban Unlimited Service |
| 24001 | 720 | Premium Exchange Service (Residential) |
| 24001 | 800 | Suspension of Service |
| 24001 | 1000 | Joint User Service (Residential) |
| 24001 | 1600 | Directory Listings |
| 24001 | 2126 | Label Service |
| 24001 | 2135 | Custom Telephone Number Service |
| 24001 | 2136 | Rotary Service (Residential) |
| 24001 | 2142 | Calling Features |
| 24001 | 2148 | Voice Messaging Service |
| 24001 | 2450 | Remote Call Forwarding |