



## Telecom Decision CRTC 2008-50

Ottawa, 12 June 2008

### **Bell Canada – Application for forbearance from the regulation of residential local exchange services**

Reference: 8640-B2-200802612

*In this Decision, the Commission approves Bell Canada's request for forbearance from the regulation of residential local exchange services in the exchanges of Cowansville, Granby, St-Paul-d'Abbotsford and Thurso, Quebec. The Commission denies Bell Canada's request for forbearance from the regulation of residential local exchange services in the exchanges of Brownsburg, Luskville and Waterloo, Quebec.*

#### **Introduction**

1. The Commission received an application by Bell Canada, dated 18 February 2008, in which the company requested forbearance from the regulation of residential local exchange services<sup>1</sup> in the exchanges of Brownsburg, Cowansville, Granby, Luskville, Saint-Paul-d'Abbotsford, Thurso, and Waterloo, Quebec.
2. The Commission received submissions and/or data regarding Bell Canada's application from Rogers Communications Inc. (RCI), TELUS Communications Company (TCC), and Quebecor Media Inc. on behalf of Videotron Ltd. (Videotron). The public record of this proceeding, which closed on 23 April 2008, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."

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

3. The Commission has assessed Bell Canada'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 four criteria set out below.

##### **a) Product market**

4. The Commission received no comments with respect to Bell Canada's proposed list of residential local exchange services.
5. The Commission notes that Bell Canada is seeking forbearance for 20 tariffed residential local exchange services, all of which were considered to be appropriate for forbearance in Telecom Decision 2007-65. The list of approved services is set out in the Appendix to this Decision.

<sup>1</sup> 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.

**b) Competitor presence test**

6. The Commission notes that for the exchanges of Cowansville, Granby, St-Paul-d'Abbotsford, and Thurso, information provided by parties confirms that there are, in addition to Bell Canada, at least two independent facilities-based telecommunications service providers, including providers of mobile wireless services.<sup>2</sup> 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 Bell Canada is capable of serving, and at least one, in addition to Bell Canada, is a facilities-based, fixed-line telecommunications service provider.
7. Accordingly, the Commission determines that the exchanges of Cowansville, Granby, St-Paul-d'Abbotsford, and Thurso meet the competitor presence test.
8. The Commission also notes that for the exchanges of Brownsburg, Luskville, and Waterloo, there are two independent facilities-based providers of mobile wireless services capable of serving at least 75 percent of the number of residential local exchange service lines that Bell Canada is capable of serving in these exchanges.<sup>3</sup> The Commission further notes, however, that Videotron, the only other facilities-based, fixed-line telecommunications service provider present in the exchanges of Brownsburg, Luskville, and Waterloo, is not capable of serving 75 percent of the number of residential local exchange service lines that Bell Canada is capable of serving in those three exchanges.
9. Accordingly, the Commission determines that the exchanges of Brownsburg, Luskville, and Waterloo do not meet the competitor presence test.

**c) Competitor quality of service (Q of S) results**

10. The Commission notes that Bell Canada submitted competitor Q of S results for the period of July to December 2007.
11. The Commission has reviewed Bell Canada's competitor Q of S results and finds that, except in one case where a competitor only had one data point for the six-month period, 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.

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<sup>2</sup> These competitors are RCI, TCC and Videotron.

<sup>3</sup> These competitors are RCI and TCC.

12. The Commission notes that in Telecom Decision 2007-58 it considered that where there are only a few data points during a six-month period, there is insufficient data to make a finding that a company has consistently provided below-standard Q of S.
13. Accordingly, the Commission determines that Bell Canada meets the competitor Q of S criterion for this period.

#### **d) Communications plan**

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

#### **Conclusion**

15. The Commission determines that Bell Canada's application regarding the exchanges of Cowansville, Granby, St-Paul-d'Abbotsford, and Thurso meets all the local forbearance criteria set out in modified Telecom Decision 2006-15.
16. 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 these four exchanges would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
17. 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 these exchanges sufficient to protect the interests of users of these services.
18. 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 these exchanges would be unlikely to impair unduly the continuance of a competitive market for these services.
19. In light of the above, the Commission **approves** Bell Canada'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 exchanges of Cowansville, Granby, St-Paul-d'Abbotsford, and Thurso, 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 Bell Canada to file for Commission approval revised tariff pages within 30 days.

20. The Commission determines that Bell Canada's application does not meet all the local forbearance criteria set out in modified Telecom Decision 2006-15 for the exchanges of Brownsburg, Luskville, and Waterloo. Accordingly, the Commission **denies** Bell Canada's application for forbearance from the regulation of the residential local exchange services in these three exchanges.

Secretary General

### **Related documents**

- *Bell Canada – Applications for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2007-65, 3 August 2007
- *Forbearance from the regulation of residential local exchange services in Fort McMurray, Alberta*, Telecom Decision CRTC 2007-58, 25 July 2007
- *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
- *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)**

<b>Tariff</b>	<b>Item</b>	<b>List of services</b>
6716	29	Telephone Set Loss Charge
6716	70	Rate Schedules for Primary Exchange (Local) Service
6716	72	Reference of Calls
6716	73	Telephone Number Service
6716	82	Toll Restriction
6716	86	Call Display Blocking
6716	220	Extra Listings – Omission of a Primary Exchange Listing
6716	1060	Service on Stationary Boats, Ships, Trailers and Trains
6716	1130	Suspension of Service
6716	2025	Integrated Voice Messaging Service (IVMS)
6716	2030	Universal Messaging
6716	2150	Push-Button Dialling (Touch-Tone)
6716	2165	Calling Features
6716	2180	Primeline Executive
6716	2185	Single Number Reach
6716	2200	Call Blocking Service
6716	2210	SimplyOne Service
6716	2300	Telephone Station Equipment
6716	4699	Internet Call Display Service
6716	7031	Bell Digital Voice