



Telecom Decision CRTC 2008-51

Ottawa, 12 June 2008

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

Reference: 8640-B2-200804379

In this Decision, the Commission approves Bell Canada's request for forbearance from the regulation of residential local exchange services in the exchanges of Cobourg and Port Hope, Ontario. The Commission denies Bell Canada's request for forbearance from the regulation of residential local exchange services in the exchange of Amherstburg, Ontario.

Introduction

1. The Commission received an application by Bell Canada, dated 20 March 2008, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchanges of Amherstburg, Cobourg, and Port Hope, Ontario.
2. The Commission received submissions and/or data regarding Bell Canada's application from Cogeco Cable Inc. (Cogeco), Rogers Communications Inc. (RCI), and TELUS Communications Company (TCC). The public record of this proceeding, which closed on 14 April 2008, is available on the Commission's website at 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. The Commission also notes that in Telecom Decision 2007-65, it considered all of these services to be appropriate for forbearance. The list of approved services is set out in the Appendix to this Decision.

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.

b) Competitor presence test

6. The Commission notes that for the exchanges of Cobourg and Port Hope, information provided by the 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.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 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 Cobourg and Port Hope meet the competitor presence test.
8. The Commission also notes that for the exchange of Amherstburg, 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 that exchange.³ The Commission further notes, however, that Cogeco, the only other facilities-based, fixed-line telecommunications service provider present in the exchange of Amherstburg, is not capable of serving 75 percent of the number of residential local exchange service lines that Bell Canada is capable of serving in that exchange.
9. Accordingly, the Commission determines that the exchange of Amherstburg does 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 August 2007 to January 2008.
11. The Commission has reviewed Bell Canada'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.
12. Accordingly, the Commission determines that Bell Canada meets the competitor Q of S criterion for this period.

² These competitors are Cogeco, RCI, and TCC.

³ These competitors are RCI and TCC.

d) Communications plan

13. 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

14. The Commission determines that Bell Canada's application regarding the exchanges of Cobourg and Port Hope meets all the local forbearance criteria set out in modified Telecom Decision 2006-15.
15. 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 exchanges of Cobourg and Port Hope, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
16. 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.
17. 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 exchanges of Cobourg and Port Hope would be unlikely to impair unduly the continuance of a competitive market for these services.
18. 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 Cobourg and Port Hope, 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.
19. 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 Amherstburg exchange. Accordingly, the Commission **denies** Bell Canada's application for forbearance from the regulation of the residential local exchange services in this exchange.

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 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)**

| Tariff | Item | List of services |
|---------------|-------------|---|
| 6716 | 29 | Telephone Set Loss Charge |
| 6716 | 70 | Rate Schedules for Primary Exchange (Local) Service |
| 6716 | 72 | Reference of Calls |
| 6716 | 73 | Telephone Number Services |
| 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 Services |
| 6716 | 2025 | Integrated Voice Messaging Service (IVMS) |
| 6716 | 2030 | Universal Messaging |
| 6716 | 2150 | Push-Button Dialing (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 |