



Telecom Decision CRTC 2008-67

Ottawa, 28 July 2008

TELUS Communications Company – Application for forbearance from the regulation of business local exchange services

Reference: 8640-T66-200804965

In this Decision, the Commission approves TCC's request for forbearance from the regulation of business local exchange services in the exchanges of Langley and West Vancouver, British Columbia. The Commission denies TCC's request for forbearance from the regulation of business local exchange services in the exchanges of Sooke, British Columbia, and Peace River, Alberta.

Introduction

1. The Commission received an application by TELUS Communications Company (TCC), dated 1 April 2008, in which the company requested forbearance from the regulation of business local exchange services¹ in the exchange of Peace River, Alberta, and in the exchanges of Langley, Sooke, West Vancouver, and White Rock, British Columbia. In a letter dated 29 April 2008, TCC withdrew its request for forbearance in the exchange of White Rock, British Columbia.
2. The Commission received submissions and/or data regarding TCC's application from Bell Canada, MTS Allstream Inc. (MTS Allstream), and Rogers Communications Inc. (RCI). The public record of this proceeding, which closed on 14 May 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 TCC'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 comments by MTS Allstream regarding the Centrex services. However, the Commission notes that Telecom Decision 2008-57, dated 19 June 2008, denied MTS Allstream's earlier request to review and vary previous forbearance decisions concerning Centrex services, and therefore MTS Allstream's concern is no longer relevant to this Decision.

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

5. The Commission notes that TCC is seeking forbearance for 57 tariffed business local exchange services offered in Alberta and British Columbia. The Commission also notes that in Telecom Decision 2007-92, it found 50 of these services to be appropriate for forbearance. The remaining seven services are Centrex services that, in Telecom Decision 2008-10, as confirmed in Telecom Decision 2008-57, the Commission found to be in the same relevant product market as business local exchange services, therefore allowing them to be forborne from regulation. The list of approved services is set out in the Appendix to this Decision.

b) Competitor presence test

6. The Commission notes that for the exchanges of Langley and West Vancouver, information provided by parties confirms that there is, in addition to TCC, at least one other independent facilities-based, fixed-line telecommunications service provider² that offers local exchange services in the market and is capable of serving at least 75 percent of the number of business local exchange service lines that TCC is capable of serving.
7. Accordingly, the Commission determines that the exchanges of Langley and West Vancouver meet the competitor presence test.
8. The Commission notes that TCC identified Bell Canada as the only competitor in the exchanges of Peace River and Sooke. However, the Commission notes that for the exchange of Peace River, Bell Canada does not offer business local exchange services. As for the exchange of Sooke, the Commission notes that while Bell Canada offers wholesale services, it does not offer retail business local exchange services.
9. Accordingly, the Commission determines that the exchanges of Peace River and Sooke do not meet the competitor presence test.

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

10. The Commission notes that TCC submitted competitor Q of S results for the period of September 2007 to February 2008.
11. The Commission has reviewed TCC'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 TCC meets the competitor Q of S criterion for this period.

² This competitor is Bell Canada.

d) Communications plan

13. The Commission has reviewed TCC's draft communications plan and is satisfied that it generally meets the information requirements set out in modified Telecom Decision 2006-15. However, the Commission considers that the company should make the following changes to the plan:

- i) Provide the mail and email addresses for TCC.
- ii) Add the following information for the Commissioner for Complaints for Telecommunications Services' contact information:

General inquiries: info@ccts-cprst.ca
Complaints: complaints@ccts-cprst.ca

- iii) Provide the contact information for the Competition Bureau of Canada as follows:

Tel: 1-800-348-5358
TDD: 1-800-642-3844
Fax: 1-819-997-0324
www.competitionbureau.gc.ca
50 Victoria Street, Gatineau, Quebec K1A 0C9

- iv) Provide the contact information for the Canadian Consumer Information Gateway – Office of Consumer Affairs, Industry Canada:

Tel: 613-946-2576
Email: consumer.information@ic.gc.ca
235 Queen Street, 6th Floor West, Ottawa, Ontario K1A 0H5

- v) Provide the contact information for the Office of the Privacy Commissioner of Canada as follows:

Tel: 1-800-282-1376
TTY: 613-992-9190
Fax: 613-947-6850
www.privcom.gc.ca
112 Kent Street, Place de Ville, Tower B, 3rd Floor
Ottawa, Ontario K1A 1H3

14. The Commission **approves** the proposed communications plan with the revisions outlined above and directs TCC to provide the resulting communications materials to its customers in both official languages, where appropriate.

Conclusion

15. The Commission determines that TCC's application regarding the exchanges of Langley and West Vancouver, British Columbia, 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 business 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 business customers only, in these two 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 business 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 business 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** TCC'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 business customers only, in the exchanges of Langley and West Vancouver, British Columbia, 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 TCC to file revised tariff pages within 30 days for Commission approval.
20. The Commission determines that TCC's application does not meet all the local forbearance criteria set out in modified Telecom Decision 2006-15 for the exchanges of Peace River, Alberta, and Sooke, British Columbia. Accordingly, the Commission **denies** TCC's application for forbearance from the regulation of the business local exchange services in these two exchanges.

Secretary General

Related documents

- *MTS Allstream Inc.'s request to review and vary two decisions related to Centrex services*, Telecom Decision CRTC 2008-57, 19 June 2008
- *The relevant product market for Centrex and Enhanced Exchange Wide Dial services for the purposes of forbearance from regulation*, Telecom Decision CRTC 2008-10, 31 January 2008

- *TELUS Communications Company – Application for forbearance from the regulation of business local exchange services*, Telecom Decision CRTC 2007-92, 27 September 2007, as amended by Telecom Decision CRTC 2007-92-1, 3 October 2007, and Telecom Decision CRTC 2007-92-2, 29 November 2007
- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by Order in Council 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 business customers only)**

Tariff	Item	List of services
1005	25	Exchange Classification and Rates
1005	26	Business and Residence service
1005	27	Base Rate Areas
1005	32	Exchange Rates
1005	42	Centrex-General
1005	43	Centrex
1005	43A	Centrex Call Processing
1005	43B	Electronic Transfer Capability for Centrex
1005	122	Foreign Central Office Service – Voice
1005	122A	Foreign Central Office Service – Data
1005	126	Direct-In-Dial
1005	132	Service to Ships and Trains
1005	138	Intelliroute
1005	150	Reserve Telephone Number Service
1005	153	Optional Hunting Arrangement
1005	154	Call Info Services
1005	157	Suspension of Service
1005	161	Call Guardian
1005	164	Dual Tone Multi-Frequency
1005	168C	Voice Messaging Options Service
1005	169	Universal Messaging Options Service
1005	200	Terminal Attachment Program
1005	405	Internet Call Director
1005	465	ISDN-BRI (formerly Microlink)
1005	470	ISDN-PRI (formerly Megalink)
1005	470A	ISDN-PRI (non-contracted) Access
1005	490	Datadial
1005	495	Digital Exchange Access

18001	165	Digital Exchange Access (DEA)
18001	170	Direct-In-Dial Service (DID)
18001	215	Dataline
18001	230	Voice Messaging Options Service
18001	235	Calling Features
18001	240	Extended Area Service (Centrex)
18001	250	Intelliroute
18001	295	Inbound Data Access
18001	305	Denial Service
18001	310	Toll Restrict
18001	380	Temporary Disconnect
18001	425	Exchange Service
18001	430	Deductions – Churches, Community centres and Senior Citizen Drop-in centres
18001	485	ISDN-BRI (formerly Microlink)
18001	495	ISDN-PRI (formerly Megalink)
18001	505	Switched 56 Digital Service
18001	520	Universal Messaging
18001	530	Electronic Transfer Capability for Centrex
18001	585	Centrex Service
21461	129	Directory Listings
21461	202	Individual Line Service
21461	209	Local Calling Area Expansion
21461	300	Call Management Services
21461	301	Voice Mail Services (VMS)
21461	307	Special Number Search
21461	311	Dual Line Call Manager
21461	314	Remote Call Forwarding
21461	316	900 Blocking
21461	1000	Chargeable Call Intercept Service