



Telecom Decision CRTC 2008-68

Ottawa, 6 August 2008

CISC Business Process Working Group – Non-consensus report BPRE066a regarding the implementation of *Installation, Testing and Maintenance for Unbundled loops and Standalone Number Portability Guidelines Version 7.0* and related matters

Reference: 8621-C12-01/00

In this Decision the Commission approves, effective the date of this Decision, Installation, Testing and Maintenance for Unbundled loops and Standalone Number Portability Guidelines Version 7.0, as updated by the CRTC Interconnection Steering Committee (CISC) Business Process Working Group (BPWG).

Further, the Commission directs the CISC BPWG to (i) develop a common provisioning process (or processes) for Competitor Digital Network service at DS-1 rate, including steps and time frames, (ii) properly define the terminology used in such process(es) between the ordering and the provisioning parties, and (iii) submit a report outlining its findings and recommendations on the above matters to the Commission for its consideration no later than 60 days from the date of this Decision.

Introduction

1. The Commission received non-consensus report BPRE066a, dated 21 April 2008 (BPRE066a), attached to which is *Installation, Testing and Maintenance for Unbundled loops and Standalone Number Portability Guidelines [ITMG] Version 7.0*,¹ from the CRTC Interconnection Steering Committee (CISC) Business Process Working Group (BPWG).
2. Specifically, the CISC BPWG requested that the Commission (a) adopt, effective 1 July 2008, the consensus recommendations regarding the implementation of the updates contained in ITMG Version 7.0, and (b) resolve a non-consensus item related to the standardization of the provisioning process of the Competitor Digital Network (CDN) service at DS-1 rate² and its inclusion in or exclusion from these guidelines.
3. Non-consensus report BPRE066a and ITMG Version 7.0 are available on the Commission's website at www.crtc.gc.ca under "CISC" and "CISC's Site Map."
4. The Commission considers that the above-noted documents, which resulted from CISC BPWG discussions, raise the following issues:

¹ Version 6.0 of the ITMG was approved by the Commission in *CRTC Interconnection Steering Committee – Consensus items*, Telecom Decision CRTC 2007-62, 1 August 2007.

² A CDN service at DS-1 rate is a channel capable of digital transmission at a nominal rate of 1.544 Megabits/second and generally relates to 24 equivalent voice frequency channels. In BPRE066a, this service is also referred to as CDN T1 service and DS1-CDN service.

- I. Should the Commission approve ITMG Version 7.0?
- II. Should a common provisioning process for CDN service at DS-1 rate be developed for all the incumbent local exchange carriers (ILEC) and, if so, which of its constituent elements should be defined?
- III. Should the provisioning process for CDN service at DS-1 rate be included in or excluded from the ITMG?

I. Should the Commission approve ITMG Version 7.0?

5. The Commission notes that the CISC BPWG has reached consensus about the content of the new version of the ITMG, as submitted as an attachment to BPRE066a.
6. The Commission has reviewed the report and is satisfied that the recommendations contained in the report are reasonable. Accordingly, the Commission considers that it would be appropriate to approve ITMG Version 7.0 effective the date of this Decision, consistent with its general practice.

II. Should a common provisioning process for CDN service at DS-1 rate be developed for all the ILECs and, if so, which of its constituent elements should be defined?

7. MTS Allstream Inc. (MTS Allstream), Rogers Cable Communications Inc., Videotron Ltd., Shaw Cablesystems Ltd., EastLink, and Distributel Communications Ltd. (the competitive local exchange carriers, or CLECs) noted that each ILEC has an independent provisioning process, which requires competitors with a national footprint to deal with up to five different processes when ordering a CDN service at DS-1 rate.
8. The CLECs noted that the information transmitted between the ILEC and a competitor during the provisioning process differs depending on the ILEC. They emphasized that the main differences between the processes used by the various ILECs to provision CDN service at DS-1 rate relate to (i) the definition of critical dates,³ (ii) the information transmitted to the competitor in response to the order, and (iii) the testing of the circuit.
9. While the CLECs acknowledged that the existing order and installation processes work, they requested standardized guidelines in the ITMG regarding the information transmitted to the competitor about the installation of the CDN service at DS-1 rate, failed provisioning, and service testing, to avoid the need to negotiate separate bilateral processes with each ILEC.
10. Bell Aliant Regional Communications, Limited Partnership, Bell Canada, Saskatchewan Telecommunications, and TELUS Communications Company (collectively, the Companies) submitted that they would look for standardization opportunities in the ordering process. Nevertheless, they argued that the provisioning process and the terms exchanged between parties while ordering CDN service at DS-1 rate do not need to be standardized, defined, or included in the ITMG.

³ The CLECs noted, as an example, that the plant test date for Bell Canada means the date the circuits are tested internally to verify continuity, while for Saskatchewan Telecommunications the plant test date requires a site visit to the end-customer's site.

11. The Companies noted that prior to the destandardization of their unbundled Type C local loop services, both Type C local loops and CDN services were available to competitors. They also noted that during the time these services were concurrently available, the provisioning process for unbundled Type C local loops was included in the ITMG, while the provisioning process for CDN service was not.
12. The Companies noted that due to competitor provisioning behaviour, which showed that unbundled Type C local loop and CDN service at DS-1 rate were substitutes and that competitors overwhelmingly opted for CDN service over local loop service, the Companies had applied for, and were granted, destandardization of unbundled Type C local loop service.
13. On this basis, the Companies argued that the fact that CDN service at DS-1 rate had long been made available to and used by competitors, notwithstanding that the service was never included in previous versions of the ITMG, indicates that there is no issue about provisioning CDN service at DS-1 rate that would warrant standardizing and including a provisioning process for this service in the ITMG.
14. The Companies also submitted that each of the ILECs had independently developed ordering and provisioning processes for CDN services, including CDN service at DS-1 rate, based on their individual procedures and supporting systems to serve the entire wholesale customer base. They noted that while they support initiatives leading to increased efficiencies in their ordering processes, the competitors and the Commission must recognize that these initiatives should not force any ILEC or competitor to incur unwarranted costs to achieve these objectives. The Companies argued that such costs would be incurred should the provisioning process for CDN service at DS-1 rate be made uniform for all the ILECs and included in the ITMG.
15. The Companies further submitted that while competitors may prefer process uniformity for CDN service at DS-1 rate, as long as the functionality exists to enable competition in the relevant retail markets, there is no need for such uniformity across all the ILECs. They added that standardization would only serve to restrict the Companies' flexibility to improve processes and maintain consistency among CDN service at DS-1 rate, other CDN services, and the Companies' retail digital network access (DNA) services since all these services are provisioned using a common process within each ILEC.
16. The Companies also pointed to the Governor in Council's Policy Direction⁴ as further support for their position. Noting that the goal of the Policy Direction is for the Commission to rely on market forces to the maximum extent feasible, the Companies submitted that CISC can serve as a useful forum for exploring opportunities for improving multi-lateral processes, but that the outcome of such discussions should not be increased reliance on regulation and a further increase in costs by including the results of these discussions in the ITMG.

⁴ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, P.C. 2006-1534, 14 December 2006.

Commission's analysis and determinations

17. The Commission notes that the Companies and MTS Allstream received Commission approval to destandardize Type C local loop service in several orders issued during 2006 and 2007.⁵
18. The Commission notes that in BPRE066a, the Companies argued that existing provisioning processes to acquire CDN service at DS-1 rate are sufficient and effective. The Companies suggested that since no problems have been identified, no further action is required.
19. The Commission notes that in their applications to destandardize the unbundled Type C local loop, most of the Companies were of the view that there was no difference between a Type C local loop and a CDN access at DS-1 rate, and that the functionality associated with the Type C local loop could be provided through the CDN or DNA service, which were available in the same geographical areas. The Companies added that they were incurring incremental costs in order to support Type C local loops in addition to CDN and DNA services.
20. The Commission notes that the CLECs are using CDN service at DS-1 rate as a substitute for the Type C loop, which has resulted in savings for the ILECs. The Commission also notes that prior to destandardization, the ILECs were supplying CLECs with Type C local loops according to a standard provisioning process and their performance for delivering and maintaining these facilities was measured by competitor quality of service indicators.
21. The Commission notes that the CLECs and other competitors are unable to provide their national customers with a consistent level of service for CDN service at DS-1 rate because of differences in the ILECs' provisioning processes.
22. Bearing in mind that the Companies have agreed to keep an open mind on reviewing ordering processes to look for standardization opportunities, the Commission considers that it would be advantageous to all parties if a common process were developed and adopted by all the ILECs for the provisioning of CDN service at DS-1 rate. In this regard, the Commission notes that the objectives of such a common process would be to
 - i) increase efficiency and reduce the potential for confusion and errors; and
 - ii) prevent undue preference in the provisioning of a service to the retail customer segment as opposed to the competitor segment.
23. The Commission considers that if the ILECs developed and adopted a common provisioning process, CLECs and other competitors would be able to consistently provide CDN service at DS-1 rate to customers whose locations are spread over the geographical territory of more than one ILEC. The Commission also considers that a common provisioning process would entail some form of standardization of individual processes and definitions, and could benefit the ILECs' large national customers because they face the same issues as multiregional CLECs.

⁵ See "Related documents" for a list of the related orders issued in 2006 and 2007.

24. The Commission also considers that in the absence of a standard documented common process with clearly defined terminology that applies to all the Companies, confusion between the ordering and the provisioning parties may arise, leading to delays and unexpected costs in provisioning CDN service. In the Commission's view, the potential for confusion and errors will be mitigated if the constituent elements or steps of the provisioning process, the time frames, and the terminology used for exchanging information between the parties are clearly defined.
25. Accordingly, the Commission considers that CDN access at DS-1 rate should be provisioned according to a clearly-defined common process, as was the case for the unbundled Type C loop. The Commission also considers that the steps included in the ordering and provisioning process(es) of a CDN service at DS-1 rate for competitors should be as uniform as possible, but may include some minor variations among the ILECs to take into account their individual circumstances.
26. The Commission further considers that the CISC BPWG is the appropriate forum for developing a common CDN service at DS-1 rate provisioning process (or processes) and for properly defining the various terms used in such a process (or processes), and that the CISC BPWG should report its findings to the Commission for its consideration.

III. Should the provisioning process for CDN service at DS-1 rate be included in or excluded from the ITMG?

27. The Companies submitted that the provisioning process and the terms for ordering CDN service at DS-1 rate should not be included in the ITMG, while the CLECs submitted that they should be included.
28. The Commission notes that the ITMG is an industry-developed document that aims to facilitate local telephone competition. It originally provided the operations personnel of the respective local exchange carriers with general guidelines for provisioning, installing, testing, and maintaining unbundled loops. It was later extended to cover number portability.
29. The Commission considers it premature to make a determination about whether CDN service at DS-1 rate should be included in or excluded from the ITMG. The Commission considers that the CDN service at DS-1 rate provisioning process will be documented and the terms exchanged between the parties during this process will be defined in the report that the CISC BPWG will be filing. This will potentially render the issue of incorporating the service in the ITMG less relevant.
30. Accordingly, the Commission defers its decision on this issue to a later date.

Conclusion

31. In light of the above, the Commission **approves**, effective the date of this Decision, the CISC BPWG's *Installation, Testing and Maintenance for Unbundled loops and Standalone Number Portability Guidelines Version 7.0*. Further, the Commission directs the CISC BPWG to

- (i) develop a common provisioning process (or processes) for CDN services at DS-1 rate, including steps and time frames applicable to such elements as
 - confirming service availability and, alternatively, communicating the pricing of the facilities associated with this service when such facilities are not readily available, and
 - the testing at delivery;
- (ii) properly define the terminology used in this/these process(es) between the ordering and the provisioning parties, such as the requirements for testing and remedial measures in case of failed provisioning; and
- (iii) submit a report outlining its findings and recommendations on the above matters to the Commission for its consideration, no later than 60 days from the date of this Decision.

Secretary General

Related documents

- *Bell Aliant Regional Communications, Limited Partnership, – Destandardization of Type C Local Loop service*, Telecom Order CRTC 2007-276, 3 August 2007
- *TELUS Communications Company – Destandardization of Type C Local Loop service*, Telecom Order CRTC 2007-167, 11 May 2007
- *MTS Allstream Inc. – Destandardization of Type C Local Loop service*, Telecom Order CRTC 2007-156, 4 May 2007
- Telecom Order CRTC 2007-77, 6 March 2007
- *Bell Canada – Destandardization of Type C local loop service*, Telecom Order CRTC 2006-295, 1 November 2006
- *Bell Aliant Regional Communications, Limited Partnership – Destandardization of Type C local loop service*, Telecom Order CRTC 2006-294, 1 November 2006

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