



Telecom Order CRTC 2009-138

Ottawa, 12 March 2009

TBayTel – Revisions to support structure services rates

File number: Tariff Notice 145

Introduction

1. The Commission received an application by TBayTel, dated 12 June 2008, in which the company proposed revisions to the support structure services¹ rates contained in sections TB1200 – Arrangements for Cable-television Undertakings and Telecommunications Carriers, and TB1210 – Other Services and Arrangements of its General Tariff. Specifically, TBayTel proposed increasing the hourly rates for labour and engineering associated with the support structure services to match the rates already approved for Bell Canada and NorthernTel, Limited Partnership (NorthernTel).
2. The Commission approved the above-noted application on an interim basis effective 27 June 2008 in Telecom Order 2008-175.
3. The Commission received comments from Shaw Communications Inc. (Shaw). The public record of this proceeding, which closed on 14 July 2008, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
4. Shaw submitted that some of TBayTel's proposed hourly rates amounted to increases of almost 300 percent.
5. The company noted that TBayTel's proposed hourly rates differed significantly from the hourly rates used throughout the remainder of TBayTel's tariff. Shaw submitted that while Bell Canada uses those same Commission-approved hourly rates for its own internal practices and procedures, TBayTel provided no evidence that it uses the proposed hourly rates in the same way, or that it uses them elsewhere within its tariff.
6. Shaw also noted that although TBayTel's proposed hourly rates relate to a wholesale service, the Commission applied a streamlined process for retail services in granting interim approval in Telecom Order 2008-175.
7. In reply, TBayTel submitted that the practice of using different hourly rates in different situations is consistent with industry practices.

¹ Support structure services provide cable-television undertakings and telecommunications carrier access to company-owned support structures such as poles, conduits, and manholes for placement of facilities.

Commission's analysis and determinations

8. The Commission notes that in Telecom Decision 2001-756 it had determined that the small ILECs should be subject to a simplified form of price regulation, and grouped services into four separate baskets, each with their own pricing constraints. In particular, the Commission determined that rates for services within the fourth basket² would generally be permitted to increase up to any already approved rate for the same service. The Commission also notes that in Telecom Decision 2006-14 it reiterated that the small ILECs would be permitted to raise rates for services within the fourth basket up to any rate approved by the Commission for the same services.
9. The Commission notes that the same proposed hourly rates have been previously approved by the Commission for Bell Canada and NorthernTel regarding their respective support structure services. The Commission also notes that the support structure services are associated with the Other Services Basket (i.e. the fourth basket).
10. In light of the above, the Commission **approves on a final basis** TBayTel's application.
11. Regarding Shaw's comment concerning the streamlined process, the Commission considers that when a tariff application meets all the *prima facie* requirements for approval, as in the case of a small ILEC filing new rates for services assigned to the fourth basket up to the already approved rates, it is appropriate to grant interim approval on an expedited process.

Secretary General

Related documents

- Telecom Order CRTC 2008-175, 23 June 2008
- *Revised regulatory framework for the small incumbent local exchange carriers*, Telecom Decision CRTC 2006-14, 29 March 2006
- *Regulatory framework for the small incumbent telephone companies*, Decision CRTC 2001-756, 14 December 2001

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>

² The fourth basket includes services such as optional services, multi-element service categories, special facilities tariffs, and competitor access tariffs.