



## Telecom Decision CRTC 2009-790

Ottawa, 17 December 2009

### **MTS Allstream Inc. - Charges for B8ZS line coding in TELUS Communications Company territory**

File number: 8661-M59-200911786

*In this decision, the Commission directs TELUS Communications Company (TCC) to cease applying service charges for the provision of B8ZS line coding on Competitor Digital Network accesses and to refund service charges previously billed in accordance with TCC's approved General Terms of Service.*

#### **Introduction**

1. The Commission received an application by MTS Allstream Inc. (MTS Allstream), dated 20 August 2009, in which MTS Allstream requested that the Commission direct TELUS Communications Company (TCC) to cease applying charges for the provision of B8ZS<sup>1</sup> line coding with the installation of Competitor Digital Network (CDN) access services at either DS-0 or DS-1 speeds, and to refund B8ZS service charges previously overbilled, consistent with TCC's General Terms of Service.
2. The Commission received comments from TCC and reply comments from MTS Allstream. The public record of this proceeding, which closed on 9 September 2009, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings" or by using the file number provided above.
3. MTS Allstream submitted that, in Telecom Decision 2009-280, the Commission determined that, consistent with its determinations in Telecom Decision 2005-6, B8ZS line coding was part of the CDN access service. MTS Allstream further submitted that, as a result, additional service charges to provide this functionality were not appropriate.
4. In view of the Commission's determinations in Telecom Decision 2009-280, MTS Allstream submitted that TCC should have ceased to apply such charges as of the date of that decision.
5. In response, TCC confirmed that it has applied service charges for B8ZS line coding with the installation of CDN DS-1, but not DS-0, accesses in British Columbia. In addition, TCC confirmed that it does not apply service charges for B8ZS line coding in Alberta for either retail or wholesale accesses. TCC proposed that, should the Commission determine that Telecom Decision 2009-280 be extended to TCC, it would cease applying service charges for B8ZS line coding with the installation of CDN DS-1 accesses in British Columbia and would modify its tariff for CDN accesses to reflect that B8ZS line coding is available as part of the service. In addition, TCC proposed to refund charges previously billed in accordance with its General Terms of Service.

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<sup>1</sup> B8ZS, commonly referred to as either bipolar with 8-zeros substitution, or binary 8-zero substitution, is a line coding technology used for digital transmission of data (a sequence of binary ones and zeros) that incorporates a mechanism for maintaining synchronization when the data to be sent includes a long sequence of zeros. When used in DS-1 applications, B8ZS line coding allows use of the full data capacity of a DS-1 channel (1.536 megabits per second (Mbps)).

6. For the purpose of calculating the appropriate refund on charges previously billed, TCC requested that the Commission direct TCC to deem all customers as having filed disputes the earlier of either (i) the effective the date of the Commission's ruling on this matter, or (ii) the date of their filing a dispute with TCC pursuant to TCC's General Terms of Service.

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

7. The Commission notes that it determined, in Telecom Decision 2009-280, that Bell Canada and Bell Aliant Regional Communications, Limited Partnership had inappropriately applied service charges for B8ZS line coding associated with CDN accesses for B8ZS line coding over and above the normal service charges for these services, since it was determined in Telecom Decision 2005-6 that B8ZS functionality was part of the CDN access service.
8. The Commission further notes that TCC acknowledges that it has been charging additional service charges for B8ZS line coding on DS-1, but not DS-0, CDN accesses in the province of British Columbia, and has not charged any such service charges in Alberta.
9. For the reasons outlined in its determinations in Telecom Decision 2009-280, the Commission finds that it would be appropriate to extend its determinations in Telecom Decision 2009-280 to TCC as follows: the Commission directs TCC to cease charging additional service charges for B8ZS line coding on CDN accesses in British Columbia and, within 10 days of the date of this decision, to modify its tariff for CDN access services to reflect that B8ZS line coding is available as part of the tariff for CDN access services. Further, the Commission directs TCC to provide a refund to all competitors for B8ZS rates improperly charged in relation to CDN access services in accordance with TCC's approved General Terms of Service.
10. The Commission notes that item 120.2 of TCC's General Tariff provides that non-recurring charges that should not have been billed or that were overbilled must be credited, provided that the customer disputes them within 150 days of the bill. Further, the Commission notes that item 120.4 of TCC's General Tariff provides for the payment of interest on such credits. The Commission also notes MTS Allstream's submission that shows it disputed the application of these charges at least as early as 21 July 2009. The record of the proceeding did not however provide any evidence as to the date that other parties may have disputed the application of these charges.
11. TCC is accordingly directed to file with the Commission a document setting out the earliest date of dispute and the resulting amounts to be refunded for each competitor charged for B8ZS line coding in relation to CDN access services, and to serve on each affected competitor a document indicating the date of dispute, or other date, from which the refund will be calculated as well as the amount of the refund to be paid to it, within 30 days of the date of this decision.

Secretary General

## Related documents

- *MTS Allstream Inc. - Application regarding the appropriate one-time service charge associated with the installation of CDN DS-1 accesses*, Telecom Decision CRTC 2009-280, 15 May 2009
- *Competitor Digital Network Services*, Telecom Decision CRTC 2005-6, 3 February 2005, as amended by Telecom Decision CRTC 2005-6-1, 28 April 2006

*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>*