



Telecom Order CRTC 2009-798

Ottawa, 22 December 2009

Bell Canada and Bell Aliant Regional Communications, Limited Partnership – Voice Dialing feature

File numbers: Bell Aliant Tariff Notices 241, 253, 254, and 263
Bell Canada Tariff Notices 7180, 7191, 7192, and 7199

The Commission approves, with changes, an application by Bell Aliant and Bell Canada (the Bell companies) to introduce a redesigned Voice Dialing feature for residential customers.

The Commission also approves the Bell companies' request to add the Voice Dialing feature as an eligible feature to their Flex and Flexibility 4 Bundles, as well as to their Home Phone Lite, Home Phone Basic, Home Phone Choice, and Home Phone Complete Packages.

The Commission directs the Bell companies to perform a more formal analysis of the associated costs and potential demand for the redesigned Voice Dialing feature in the business market within 90 calendar days of the date of this order. As a result, the Commission will address the Bell companies' request to withdraw their Voice Dialing feature for business customers once the report has been filed with the Commission.

Introduction

1. In Telecom Decision 2006-9, the Commission determined that funds remaining in the incumbent local exchange carriers' (ILECs) deferral accounts would be used to, among other things, improve accessibility to telecommunications services for people with disabilities. Subsequently, in Telecom Decision 2008-1, the Commission approved Bell Canada's proposal, on behalf of itself and Bell Aliant Regional Communications, Limited Partnership (collectively, the Bell companies), for their Ontario and Quebec operating territories to use a portion of its deferral account funds to redesign the existing Voice Dialing¹ feature as one of their accessibility initiatives. The estimated cost of the proposed redesign was \$3.5 million.
2. Early in 2009, the Commission received the following applications by the Bell companies:
 - i) Tariff notices 241 and 7180, dated 9 March 2009, proposing changes to General Tariff item 2165 – Calling Features to withdraw the existing Voice Dialing feature for business customers;
 - ii) Tariff notices 253 and 7191, dated 21 April 2009, proposing changes to General Tariff item 2165 – Calling Features to introduce a redesigned Voice Dialing feature for residential customers;

¹ Voice dialing – also known as voice-activated dialing – is an existing network-based line feature that allows customers to place a telephone call by speaking the name of the desired party into the telephone transmitter.

- iii) Tariff notices 254 and 7192, dated 21 April 2009, proposing changes to General Tariff item 2231.2(h) – Home Phone Lite Package, item 2232.2(i) – Home Phone Basic Package, item 2233.2(d) – Home Phone Choice Package, and item 2234.2(c) – Home Phone Complete Package, to include the redesigned Voice Dialing feature as one of the eligible calling features available in the specific packages; and
 - iv) Tariff notices 263 and 7199, dated 13 May 2009, proposing changes to General Tariff item 2221 – Flex Bundles and item 2222 – Flexibility 4 Bundle to introduce the redesigned Voice Dialing feature as one of the eligible calling features available in the specific packages.
3. The Bell companies submitted that the existing Voice Dialing platform is technologically obsolete and would be replaced with a new platform. They noted that their existing Voice Dialing feature has not been available for new installations, moves, rearrangements, or other changes at the same or different premises since 22 February 1999.
 4. The Bell companies submitted that the modified Voice Dialing feature would enable subscribers to manage contacts either through a voice or web application. Customers would be able to add up to 100 contacts via the voice enrolment feature and could expand their contact list to 1,000 contacts using an online text-based address book.
 5. The Bell companies proposed to offer the redesigned Voice Dialing feature to Bell Canada and Bell Aliant individual-line residential primary exchange service (PES) subscribers residing in their serving territories in Ontario and Quebec. They did not propose to offer it to business PES subscribers.
 6. The Commission received comments from Managed Network Systems, Inc. and the Neil Squire Society on tariff notices 253 and 7191. The public records of the four proceedings, which closed on 10 April, 18 September, 3 May, and 14 June 2009, respectively, are available on the Commission's website at www.crtc.gc.ca under “Public Proceedings” or by using the file numbers provided above.
 7. The Commission has identified the following issues to be addressed in its determinations:
 - I. Are the Bell companies' costs to develop the redesigned Voice Dialing feature reasonable?
 - II. Is the monthly rate proposed by the Bell companies for the redesigned Voice Dialing feature appropriate?
 - III. Should equal access for long distance calling be available as part of the redesigned Voice Dialing feature?
 - IV. Should the existing Voice Dialing feature for business customers be withdrawn, and should the redesigned feature be made available to those customers?

I. Are the Bell companies' costs to develop the redesigned Voice Dialing feature reasonable?

8. On 31 March 2009, the Bell companies filed a report on the status of their accessibility initiatives with the Commission. They submitted that while the original estimate of the required deferral account drawdown for the redesigned Voice Dialing feature had been \$3.5 million, their current estimate was now \$5.26 million.
9. The Commission has reviewed the Bell companies' costs and associated methodologies and is satisfied that they comply with the Regulatory Economic Study Manual guidelines, and that they are reasonable.
10. Accordingly, the Commission considers that the Bell companies' current \$5.26 million cost estimate for the redesigned Voice Dialing feature should be funded in its entirety from Bell Canada's deferral account.

II. Is the monthly rate proposed by the Bell companies for the redesigned Voice Dialing feature appropriate?

11. The Bell companies proposed a monthly rate of \$6.95, with a one-time service charge of \$5, for the redesigned Voice Dialing feature. For this rate, customers would be able to add up to 100 contacts via the voice enrolment feature and to expand their number of contacts to 1,000 online. The Bell companies submitted that they had determined the rates based on market prices and that they were comparable to the rates charged to residential customers for other optional features.
12. The Neil Squire Society submitted that the people who would benefit most from the Voice Dialing service are also those least able to afford it and that people with disabilities are more likely to have a low income than people without disabilities.
13. The Commission notes that the existing Voice Dialing feature for residential customers is priced at \$5 per month for up to 50 contacts, and \$7 for up to 75 contacts, with a large majority of existing customers having selected the 50-contact option.
14. The Commission also notes that although the Bell companies proposed to price the redesigned Voice Dialing feature in line with similar calling features, the feature in question has been developed using deferral account funds targeted at improving access to telecommunications services for persons with disabilities.
15. Accordingly, the Commission considers that a monthly rate of \$5, plus a one-time service charge of \$5, when providing Voice Dialing on a stand-alone basis to residential customers continues to be appropriate, and will permit the Bell companies to adequately recover the associated costs.

III. Should equal access for long distance calling be available as part of the redesigned Voice Dialing feature?

16. The Bell companies submitted that the redesigned Voice Dialing feature would not support equal access dialing for long distance calling due to platform limitations. They noted that customers who wished to complete long distance calls using an alternate supplier's network would be required to use one of three workarounds² identified by the Bell companies, thereby bypassing the Voice Dialing system.
17. The Bell companies submitted that when a customer who is pre-subscribed to an alternative long distance carrier contacted the company to sign up for the Voice Dialing feature, service representatives would advise the customer of the equal access-related limitation and the available alternatives. The Bell companies also submitted that information on the limitations regarding equal access would be available in the Voice Dialing User Guide available through their Voice Dialing portal.³
18. The Bell companies submitted that developing and implementing the systems and process modifications required to allow customers to use their pre-subscribed carrier for long distance calls through the Voice Dialing system would not be a cost-effective use of deferral account funds or the Bell companies' resources, given that this feature would be required by a relatively small number of customers. The Bell companies also submitted that requiring equal access for long distance calling would delay the launch of the redesigned Voice Dialing feature.
19. Managed Network Systems, Inc. and the Neil Squire Society submitted that without equal access, all long distance calls made via the Voice Dialing feature would be defaulted to the Bell companies' long distance networks, even where the end-customer was pre-subscribed to an alternative long distance carrier. The Neil Squire Society submitted that the proposed workarounds appeared complex and that the Bell companies should provide assistance to help less technically inclined users set up long distance phone numbers.
20. The Commission notes that pursuant to Telecom Decision 92-12, ILECs are required to provide equal access to their long distance networks. The Commission also notes that equal access for long distance calling is currently supported on the existing Voice Dialing feature.
21. The Commission notes the Bell companies' submission that only a small percentage of their existing local service customers have selected an alternative long distance provider as their primary interexchange carrier. Nonetheless, the Commission considers that the workarounds identified by the Bell companies could be complex or cumbersome for the customers that Voice Dialing was developed to assist. As noted above, the Bell companies' costs for redesigning the Voice Dialing feature will be drawn down from deferral account funds targeted at improving access to telecommunications services for persons with disabilities. The Commission considers it important that equal access be provided to customers who request it

² The three work-arounds are: Programming the numbers to be dialed by the Voice Dialing feature as 1010 + carrier ID code + 1 + area code + telephone number; verbally instructing the Voice Dialing feature to dial any number (eg. Dial 1010 + 1 + ...); or bypassing the Voice Dialing platform and manually dialing alternative networks.

³ <http://voicedialing.bell.ca>

and sees no reason why persons with disabilities should be disadvantaged vis-à-vis other users.

22. The Commission notes that the Bell companies stated that requiring implementation of equal access support would affect the launch of the redesigned Voice Dialing feature. The Commission considers it important that the new Voice Dialing feature be rolled out as expeditiously as possible to subscribers and that it is in the best interests of customers that the launch not be postponed.
23. Accordingly, the Commission considers that the Bell companies should implement equal access for long distance calling as soon as possible and no later than six months from the date of this order.
24. The Commission considers that, given that equal access is available with the existing Voice Dialing feature, those customers that currently subscribe to the feature should be allowed to continue to use it until such time as equal access is available on the redesigned feature.

IV. Should the existing Voice Dialing feature for business customers be withdrawn, and should the redesigned feature be made available to those customers?

25. The Bell companies proposed to withdraw the existing Voice Dialing feature for business customers, noting that this feature had been grandfathered almost ten years ago, that there are no remaining business customers subscribing to this feature in regulated exchanges, and that some of the business customers in forborne exchanges appear to no longer be using the feature.
26. The Bell companies stated that they did not foresee significant potential in the business market to make the rollout of the redesigned feature economically viable. In addition, the Bell companies submitted that it would be unduly expensive and time-consuming to develop back-office procedures to support the rollout of the feature to business customers, which would not be a cost-effective use of deferral account funds or the Bell companies' resources. However, the Bell companies noted that they would be willing to perform a more formal analysis of the associated costs and potential demand among business customers, should the Commission deem this to be appropriate.
27. The Commission notes that the Bell companies' costs for implementing their redesigned Voice Dialing feature will be drawn down from deferral account funds targeted at improving access to telecommunications services for persons with disabilities. The Commission also notes that in their redesign proposal filed pursuant to Telecom Decision 2006-9, the Bell companies did not differentiate business from residential customers, but referred to customers as individual-line primary exchange customers residing in their respective operating territories. The Commission further notes that, under the present circumstances, it is important that services developed specifically for persons with disabilities be equally available at both their place of residence and their place of business.

28. The Commission notes that no comments were received on the proposed withdrawal of the Voice Dialing feature for business customers and that the Bell companies submitted that some business customers do not appear to be actively using the feature.
29. The Commission notes, however, that the Voice Dialing feature has not been actively marketed to business customers since it was destandardized in 1999. The Commission considers, therefore, that potential demand for the redesigned feature is unknown.
30. Accordingly, the Commission determines that the Bell companies should conduct a more formal analysis of costs and potential demand for the redesigned Voice Dialing feature in the business market. The Commission expects the Bell companies to consult with groups representing persons with disabilities in the development of this forecast, and to provide demand estimates for persons with disabilities in the forecast.
31. The Commission will address the Bell companies' request to withdraw the existing Voice Dialing service for business customers once the study is filed with the Commission.

Conclusion

32. In light of the above, the Commission directs the Bell companies
 - to provide the redesigned Voice Dialing feature at a rate of \$5 per month, with a one-time service charge of \$5;
 - to continue to offer the existing Voice Dialing feature to existing customers until equal access is available on the redesigned Voice Dialing feature;
 - to file updated costs associated with equal access implementation within 45 calendar days of the date of this order;
 - to implement equal access for long distance calling as soon as possible and no later than six months from the date of this order; and
 - to file a study of the costs and potential demand for the redesigned Voice Dialing feature in the business market within 90 days of the date of this order.

With the above changes, the Commission **approves** the Bell companies'

- proposal to provide the redesigned Voice Dialing feature; and
- request to add the Voice Dialing feature to their Flex and Flexibility 4 Bundles, as well as to their Home Phone Lite, Home Phone Basic, Home Phone Choice, and Home Phone Complete Packages.

33. The Commission considers that its determinations in this order advance the telecommunications policy objectives set out in paragraphs 7(a), (b), and (h) of the *Telecommunications Act*. The Commission further considers that its determinations are consistent with the Policy Direction⁴ requirements that the measure in question be efficient and proportionate to its purpose, and that it interfere with competitive market forces to the minimum extent necessary to meet the above policy objectives.

Secretary General

Related documents

- *Use of deferral account funds to improve access to telecommunications services for persons with disabilities and to expand broadband services to rural and remote communities*, Telecom Decision CRTC 2008-1, 17 January 2008
- *Disposition of funds in the deferral accounts*, Telecom Decision CRTC 2006-9, 16 February 2006
- *Competition in the provision of public long distance voice telephone services and related resale and sharing issues*, Telecom Decision CRTC 92-12, 12 June 1992

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>

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