



Telecom Order CRTC 2010-17

Ottawa, 18 January 2010

Bell Canada – Rate Schedules for Primary Exchange (Local) Service and Pay Telephone Basic Access Line Service

File numbers: Tariff Notices 7189 and 7189A

Introduction

1. The Commission received an application by Bell Canada, dated 3 April 2009 and amended on 20 April 2009, in which the company proposed revisions to its General Tariff item 70, Rate Schedules for Primary Exchange (Local) Service. Specifically, the company proposed changes to the rates for Individual Business Line (IBL) service, Two-party Line service, Four-party Line service, Message Rate service and Pay Telephone Basic Access Line (PAL) service, and a few minor housekeeping changes. Bell Canada also proposed to credit some PAL customers for certain past charges for this service and further requested that the Commission ratify the charging of PAL rates affected by its proposed credit. In Telecom Order 2009-297, the Commission granted interim approval to Bell Canada's proposed rates and to its request to provide credits. The Commission further indicated that it would dispose of Bell Canada's ratification request in its final disposition of the concerned application.
2. The Commission notes that no comments were received on this application. The public record of this proceeding, which closed on 20 April 2009, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file numbers provided above.
3. The Commission has identified the following two issues to be addressed in its determinations:
 - I. Should the Commission approve the proposed rates on a final basis?
 - II. Should the Commission ratify the charging of \$33.22 for PAL service rate bands A1, A2, B3, C2b, F1, and F5 from 1 June 2008 to 31 May 2009?
- I. Should the Commission approve the proposed rates on a final basis?**
4. For the reasons outlined in Telecom Order 2009-297 and as no comments were received on the application, the Commission **approves on a final basis** the proposed rates.
 - II. Should the Commission ratify the charging of \$33.22 for PAL service rate bands A1, A2, B3, C2b, F1, and F5 from 1 June 2008 to 31 May 2009?**
5. In Order 2000-858, the Commission set final rates for PAL service at 75 percent of the tariffed rates for IBL service.
6. In Bell Canada Tariff Notice 7117, dated 31 March 2008, the company had proposed to increase some of its IBL service rates effective 1 June 2008. At the time, Bell Canada's IBL service was regulated in all rate bands. As PAL service rates were based on 75 percent of the

IBL service rates in each rate band, PAL service rates in rate bands A1, A2, B3, C2b, F1, and F5 would be increased from \$33.22 to \$35.48.¹ The Commission approved that application on an interim basis on 15 April 2008 and on a final basis on 7 May 2008.

7. However, on 7 May 2008, Bell Canada filed Tariff Notice 7129 in which the company had proposed to remove the above-mentioned rate bands for IBL, Two-party Line, Four-party Line, and Message Rate services as the Commission had forbore from the regulation of these services in those rate bands. In that application, the company had also proposed to remove the cross-references provided in its PAL service tariff to the rates contained in its IBL service tariff. In its place, Bell Canada had proposed revisions to its General Tariff item 70 – Rate Schedules for Primary Exchange (Local) Service, providing for specific monthly rates for its PAL service. For its PAL service in the above-referenced rate bands, Bell Canada had proposed a monthly rate of \$33.22. On 29 August 2008, the Commission approved that application in Telecom Order 2008-242.
8. However, following the issuance of Telecom Order 2008-242, Bell Canada continued to charge PAL service customers in rate bands A1, A2, B3, C2b, F1, and F5 the rate of \$35.48 instead of reverting to the \$33.22 rate approved in that order.
9. In this proceeding, Bell Canada proposed to revert to the \$33.22 rate for the PAL service in the above-mentioned rate bands effective 1 June 2009. Bell Canada submitted that its proposal would align its prices with the approach approved in Telecom Order 2008-242 that in rate bands where the Commission had forbore from the regulation of IBL service, the PAL service rate would be set at 75 percent of the business rates that were in place just prior to forbearance. The company further proposed to credit affected customers and requested that the Commission ratify the charging of the \$33.22 rate, other than in accordance with an approved tariff, from 1 June 2008 to 31 May 2009.
10. Pursuant to paragraph 25(4)(a) of the *Telecommunications Act*, the Commission may ratify the charging of a rate by a Canadian carrier otherwise than in accordance with a tariff approved by the Commission if it is satisfied that the rate was charged because of an error or other circumstance that warrants the ratification.
11. In light of the Commission's previous determinations regarding IBL and PAL service rates, the Commission notes that in the rate bands at issue, the rate approved by the Commission was \$33.22 before 1 June 2008, \$35.48 from 1 June to 28 August 2008, and \$33.22 since 29 August 2008, the date on which the Commission approved Tariff Notice 7129. The Commission notes that the credits given to affected PAL service customers result in the \$33.22 rate having been charged, other than in accordance with the approved tariff, only from 1 June to 28 August 2008.
12. The Commission finds that, under the circumstances, it is appropriate to ratify the charging of the \$33.22 rate from 1 June to 28 August 2008. The Commission considers that there is no need to ratify the rate charged from 29 August 2008 to 31 May 2009 as the Commission's approved rate was \$33.22 during that period.

¹ This result would automatically accrue from approval of the company's proposal by reason of the fact that Bell Canada's tariffed rates for PAL service were set by means of a cross-reference to its IBL service rates with an indication that PAL service rates were equal to 75 percent of the corresponding IBL rates.

13. Accordingly, the Commission ratifies the \$33.22 rate charged by the company from 1 June to 28 August 2008.

Secretary General

Related documents

- *Bell Canada – Rate Schedules for Primary Exchange (Local) Service and Pay Telephone Basic Access Line Service*, Telecom Order CRTC 2009-297, 21 May 2009
- *Bell Aliant Regional Communications, Limited Partnership, Bell Canada, and TELUS Communications Company - Local exchange service and payphone access line service*, Telecom Order CRTC 2008-242, 29 August 2008
- *CRTC sets final rates for payphone access lines*, Order CRTC 2000-858, 15 September 2000

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