



## Telecom Decision CRTC 2010-693

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Ottawa, 17 September 2010

### **Bell Aliant Regional Communications, Limited Partnership and Bell Canada – Proposed revision to the Interconnection Agreement for the Provision of 9-1-1 Service to a Competitive Local Exchange Carrier**

File number: 8661-B54-200904260

*In this decision, the Commission denies the Bell companies' request to revise their Interconnection Agreement for the Provision of 9-1-1 Service to a Competitive Local Exchange Carrier (CLEC) [the CLEC 9-1-1 Agreement] in order to bill CLECs for 9-1-1 service based on the count of working telephone numbers (WTNs) in the 9-1-1 database.*

*The Commission directs the Bell companies to*

- *amend their CLEC 9-1-1 Agreement to state that the costs of any third-party audits to address under-reporting by a CLEC are to be shared equally between the Bell companies and the CLEC in question,*
- *amend their CLEC 9-1-1 Agreement to clarify that the CLEC shall report either the number of network access services (NAS) or the number of WTNs for its end-customers in accordance with the way that the Bell companies' retail tariff states that their customers are to be billed, and*
- *file the revised agreement for Commission approval by 18 October 2010.*

*The Commission also directs CLECs to report either the number of NAS or the number of WTNs for their end-customers in accordance with the way that the Bell companies retail tariffs state that their own retail customers are to be billed for 9-1-1 service.*

### **Introduction**

1. The Commission received an application by Bell Aliant Regional Communications, Limited Partnership and Bell Canada (collectively, the Bell companies), dated 18 February 2009, proposing a revision to their Interconnection Agreement for the Provision of 9-1-1 Service to a Competitive Local Exchange Carrier (CLEC) [the CLEC 9-1-1 Agreement]. This revision would allow the Bell companies to bill CLECs for 9-1-1 and related services based on the count of working telephone numbers (WTNs) entered by the CLECs into the 9-1-1 Management System (the 9-1-1 database).

2. The Bell companies submitted that this would address the fact that the self-reported counts of network access services (NAS) provided by some CLECs to the Bell companies for 9-1-1 billing purposes had been inconsistent with the WTN count data for those CLECs in the 9-1-1 database.<sup>1</sup>
3. The Bell companies also proposed to retroactively adjust amounts billed to CLECs based on the proposed new billing arrangement, in accordance with Articles 18 and 19 of their Terms of Service.
4. The Commission received comments and/or information from Bragg Communications Inc., Bruce Telecom, CoopTel, Distributel Communications Limited, FlexITy Solutions, Maskatel inc., MTS Allstream Inc. (MTS Allstream), O.N. Tel Inc. on behalf of Ontera, Quebecor Media Inc. (QMI) on behalf of Videotron Ltd., Rogers Communications Inc. (RCI), Saskatchewan Telecommunications (SaskTel), Sogetel inc., Téléphone Drummond Inc., TELUS Communications Company, Xittel Telecommunications inc., Vianet Internet Solutions/ExaTEL Inc., and Yak Communications (Canada) Corp.
5. The public record of this proceeding, which closed on 14 May 2010, 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 numbers provided above.
6. The Commission has identified the following issues to be addressed in this decision:
  - I. Is it appropriate to use the 9-1-1 database information for billing purposes?
  - II. If not, are there other ways to improve reporting by CLECs for billing purposes?
  - III. Did the Bell companies violate the terms of the CLEC 9-1-1 Agreement?

**I. Is it appropriate to use the 9-1-1 database information for billing purposes?**

**Background**

7. In Telecom Decision 99-17, the Commission established a new rate structure for 9-1-1 service in order to make cost recovery more equitable. In that decision, the Commission found that the costs of 9-1-1 service increase with the number of WTNs and extensions equipped for outgoing access to the public switched telephone network. The Commission directed the incumbent local exchange carriers (ILECs) to charge Centrex customers per WTN and multi-line customers per NAS.

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<sup>1</sup> In this decision, WTN and NAS refer respectively to WTNs and NAS equipped for outward calling to the public switched telephone network.

8. The Bell companies' respective Access Services Tariffs provide that CLECs are to be billed for 9-1-1 service based on the number of their customers' NAS and/or WTNs. Similarly, the CLEC 9-1-1 Agreement states that, for the purpose of calculating the charges payable by a CLEC for 9-1-1 and related services, each CLEC shall submit to the Bell companies each month an updated count of its NAS or, alternatively, an updated count of its WTNs entered into the 9-1-1 database.
9. The industry practice has been for CLECs to self-report the aggregate number of their customers' NAS and/or WTNs to the Bell companies for 9-1-1 billing on a monthly basis.

#### **Positions of parties**

10. The Bell companies submitted that basing charges on the 9-1-1 database WTN count would address the inconsistency, for some CLECs, between the self-reported NAS counts provided for 9-1-1 billing and the WTN counts for those CLECs in the database. They submitted that the 9-1-1 database is the most accurate source for calculating the charges payable by a CLEC for 9-1-1 and related services.
11. MTS Allstream and RCI were of the view that the Bell companies' proposal should be denied. They submitted that the proposal would result in CLECs paying more for 9-1-1 service because they enter more WTNs in the 9-1-1 database than the number of NAS they provide to multi-line customers. They further submitted that the proposal would result in unjust discrimination because CLECs would be charged per WTN in the database for their multi-line customers, whereas the Bell companies' multi-line customers would continue to be charged per NAS, consistent with Telecom Decision 99-17.
12. SaskTel supported the application, submitting that the NAS counts provided by some CLECs were significantly lower than the number of WTNs for those CLECs in the 9-1-1 database.
13. QMI submitted that the Commission should undertake a review of CLEC 9-1-1 charges for each type of customer that CLECs serve. QMI submitted that the charging of 9-1-1 fees to CLECs should mirror the basis on which the ILECs charge their retail customers.
14. In reply, the Bell companies argued that their proposal would not change the basis on which 9-1-1 charges are applied – that is, either per NAS or per WTN, as appropriate. They submitted that there should be no difference between the NAS count reported by CLECs for multi-line customers and the WTN count for CLEC multi-line customers in the 9-1-1 database.

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

15. The Commission notes that, based on the record of this proceeding, there are discrepancies between the 9-1-1 database counts and the number counts self-reported by certain CLECs for 9-1-1 billing. The record indicates that CLECs self-report a

total of approximately 13 percent fewer numbers than the numbers included in the 9-1-1 database.

16. A significant portion of the discrepancy appears to be related to reporting for multi-line customers. Generally, CLECs self-report the number of NAS for their multi-line customers, but populate the 9-1-1 database in different ways. For example, CLECs variously include (i) a WTN for each outgoing NAS; (ii) a WTN for each outgoing NAS and additional WTNs related to direct-inward-dial numbers; or (iii) only a single WTN, such as a billing, pilot, or main telephone number to be forwarded for calls made from each NAS.
17. The Commission notes that the Bell companies' application was based on the notion that there is a one-to-one relationship between entries in the 9-1-1 database and NAS for multi-line customers. Based on information provided in this proceeding, the Commission concludes that this is not always the case and, therefore, the database would not be an accurate source of information for determining amounts to bill CLECs for 9-1-1 service.
18. The Commission notes that the Bell companies' proposal would result in (i) CLECs being charged for their multi-line customers in a different way than the Bell companies charge their retail multi-line customers; and (ii) some CLECs paying for more, and some less, than the number of their customers' multi-line NAS, depending on how the CLECs add information to the 9-1-1 database for those customers. The Commission notes that this proposal could potentially create incentives for the CLECs to change how they add information to the 9-1-1 database in order to attenuate 9-1-1 charges. The Commission considers that if this were to happen, public safety could possibly be adversely affected.
19. Accordingly, the Commission finds that it would not be appropriate to use the 9-1-1 database information for billing purposes and, therefore, **denies** the Bell companies' proposal to revise the CLEC 9-1-1 Agreement. Given this determination, it is not necessary to address the proposal to retroactively bill CLECs based on the proposed method of billing.

## **II. If not, are there other ways to improve reporting by CLECs for billing purposes?**

20. The Commission notes that, if necessary, issues of under-reporting may be addressed through a third-party audit pursuant to paragraph 6.2 of the CLEC 9-1-1 Agreement. The Commission notes, however, that the CLEC 9-1-1 Agreement provides that the Bell companies are required to pay for third-party audits, which could be costly if they were needed on a recurring basis. The Commission considers that it would be appropriate for the Bell companies and the CLEC in question to share the audit costs on an equal basis because this would reduce the burden on the Bell companies and encourage CLECs to report accurately.

21. Accordingly, the Commission directs the Bell companies to amend their CLEC 9-1-1 Agreement to provide that the costs of any third-party audits are to be shared equally between the Bell companies and the CLEC.
22. Finally, the Commission notes that the Bell companies' respective Access Services Tariffs and the CLEC 9-1-1 Agreement indicate that CLECs are to provide the number of NAS and/or WTNs for billing purposes. The Commission considers that symmetry should exist between how CLECs are billed for 9-1-1 service for their end-customers and how the Bell companies' retail customers are billed for 9-1-1 service.
23. However, based on the record of this proceeding, the Commission notes that some CLECs do not report on the same basis for their customers as the Bell companies bill their retail customers. For instance, some CLECs report WTNs for their multi-line customers whereas the Bell companies' retail tariff provides that such customers are to be billed on a per NAS basis for 9-1-1 service.
24. Accordingly, the Commission directs CLECs to report either the number of NAS or the number of WTNs for their end-customers in accordance with the way that the Bell companies' retail tariffs state that their own retail customers are to be billed for 9-1-1 service in Ontario and Quebec. Specifically, where the Bell companies' retail tariffs provide that a certain type of service is to be billed per NAS, CLECs are to report NAS for the same type of service they provide. Where these tariffs provide that a certain type of service is to be billed per WTN, CLECs are to report WTNs for the equivalent service.
25. The Commission also directs the Bell companies to amend their CLEC 9-1-1 Agreement to clarify that the CLEC shall report either the number of NAS or the number of WTNs for their end-customers in accordance with the way that the Bell companies' retail tariff states that their own retail customers are to be billed.
26. Finally, the Commission directs the Bell companies to file their revised CLEC 9-1-1 Agreement, as amended pursuant to paragraphs 21 and 25 of this decision, for Commission approval by **18 October 2010**. Pursuant to the streamlined process described in Telecom Information Bulletin 2010-455, interested parties will have 30 calendar days to comment on the revised agreement.

### **III. Did the Bell companies violate the terms of the CLEC 9-1-1 Agreement?**

27. RCI expressed concern that the Bell companies had (i) side-stepped procedures for an independent third-party audit set out at paragraph 6.2 of the CLEC 9-1-1 Agreement because they had not used a third-party auditor to examine the CLEC-reported data, and (ii) used the data in a manner that was not consistent with the provisions regarding use and confidentiality set out at paragraph 6.3 of the CLEC 9-1-1 Agreement.
28. The Bell companies submitted that an independent third-party audit would have been inefficient and costly, and that there had been no improper disclosure of confidential CLEC information.

29. The Commission notes that the use of a third-party audit is optional pursuant to paragraph 6.2 of the CLEC 9-1-1 Agreement. The Commission also notes that the Bell companies have used the CLEC-reported information in relation to billing for 9-1-1 service and considers that such information is captured by paragraph 6.3 of the CLEC 9-1-1 Agreement. Accordingly, the Commission finds that the Bell companies did not violate the terms of the CLEC 9-1-1 Agreement.

Secretary General

### **Related documents**

- *Approval processes for tariff applications and intercarrier agreements*, Telecom Information Bulletin CRTC 2010-455, 5 July 2010
- *9-1-1 Service – Rates for Wireless Service Providers, Centrex Customers and Multi-Line Customers/Manual Access to the Automatic Location Identification Database*, Telecom Decision CRTC 99-17, 29 October 1999