



## Telecom Order CRTC 2010-916

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Ottawa, 6 December 2010

### **Saskatchewan Telecommunications – Wireless Service Provider Enhanced Provincial 9-1-1 Network Access Service**

File numbers: Tariff Notices 212 and 236

#### **Introduction**

1. On 4 June 2009, Saskatchewan Telecommunications (SaskTel) filed Tariff Notice 212, requesting approval for its revised Competitor Access Tariff item 610.05, Wireless Service Provider Enhanced Provincial 9-1-1 Network Access Service (WSP E9-1-1 Service).<sup>1</sup> SaskTel filed this application pursuant to certain requirements set out in Telecom Regulatory Policy 2009-40, in which the Commission mandated all incumbent local exchange carriers (ILECs) to file proposed revised WSP E9-1-1 Service tariffs associated with the implementation of Phase II Stage 1 of that service.<sup>2</sup> The Commission approved the application, including SaskTel's proposed monthly rate of \$0.0467 per wireless telephone number associated with the Phase II Stage 1 element of the service, on an interim basis in Telecom Order 2009-375, effective 4 August 2009.
2. On 25 March 2010, SaskTel filed Tariff Notice 236, proposing additional changes to its WSP E9-1-1 Service. SaskTel submitted that its original application did not reflect its current costs of providing the service due to increases in charges for Bell Canada's Automatic Location Identification (ALI) database hosting services. SaskTel proposed combining the monthly rates for the Phase I and Phase II Stage 1 elements of WSP E9-1-1 Service into a single monthly rate of \$0.0572 per wireless telephone number, and requested an effective date of 12 May 2010.
3. The Commission received comments regarding SaskTel's applications from Rogers Wireless Inc. (RWI). The public record of this proceeding, which closed on 2 September 2009 for Tariff Notice 212 and on 24 April 2010 for Tariff Notice 236, 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.

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<sup>1</sup> WSP E9-1-1 Service provides WSPs with access to the incumbent local exchange carriers' 9-1-1 networks in order to transport WSPs' end-customer call display information to the public safety answering points.

<sup>2</sup> Implementation of WSP E9-1-1 Service has been accomplished in two phases: the Phase I element provides call number, cell/site location sector information, and WSP identification, while the Phase II Stage 1 element provides longitudinal and latitudinal information regarding caller location in addition to the information provided in Phase I.

## Should the Commission approve the applications on a final basis?

4. RWI questioned the reasonableness of the monthly rates proposed by SaskTel in its original application, noting that these were significantly higher than those proposed by the other ILECs. RWI noted that the cost study SaskTel submitted in support of its proposed rates included costs under the “billing” and “other expenses causal to demand” categories and excluded all other categories, while the other ILECs reported costs under several other categories. Accordingly, RWI requested that the Commission closely examine SaskTel’s claimed costs to ensure that its monthly rates were set based on its costs plus a 15 percent markup.
5. SaskTel noted that the reason its cost study included fewer categories than the studies of other ILECs was that it would be outsourcing the ALI database functionalities associated with WSP E9-1-1 Service to Bell Canada.
6. SaskTel also noted that its proposed combined rate for the Phase I and Phase II Stage 1 elements of WSP E9-1-1 Service is similar to the rates proposed by MTS Allstream Inc., whose demand volumes and associated economies of scale are similar to those of SaskTel.
7. Finally, SaskTel submitted that Bell Canada performed a number of additional activities, such as process and system modifications, to ensure the compatibility of SaskTel’s service with the Bell Canada 9-1-1 platform and that SaskTel’s proposed rate takes into account the costs associated with these additional activities.
8. The Commission has reviewed SaskTel’s cost estimates and notes that most of the proposed costs are third-party costs paid to Bell Canada for ALI database hosting services. The Commission considers that this explains why SaskTel has fewer categories in its supporting cost study. The Commission also notes that Bell Canada provides these services to SaskTel on a contract basis at a fixed rate per wireless telephone number and that SaskTel’s proposed rate covers some necessary development costs in addition to the ALI database hosting services. The Commission therefore finds SaskTel’s cost estimates to be appropriate. The Commission further considers that SaskTel’s proposed rate, which is based on costs plus a 15 percent markup, is appropriate. The Commission therefore finds SaskTel’s proposed rate to be just and reasonable.
9. In light of the above, the Commission **approves on a final basis** Tariff Notice 212 for the period from 4 August 2009 to 11 May 2010, and Tariff Notice 236 effective 12 May 2010.

Secretary General

## Related documents

- Telecom Order CRTC 2009-375, 19 June 2009
- *Implementation of wireless Phase II E9-1-1 service*, Telecom Regulatory Policy CRTC 2009-40, 2 February 2009