



Telecom Decision CRTC 2011-153

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Ottawa, 4 March 2011

NorthernTel, Limited Partnership – Application for forbearance from the regulation of residential local exchange services

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In this decision, the Commission approves NorthernTel's request for forbearance from the regulation of residential local exchange services in the exchange of South Porcupine, Ontario.

Introduction

1. The Commission received an application by NorthernTel, Limited Partnership (NorthernTel), dated 13 December 2010, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchange of South Porcupine, Ontario.
2. The Commission received submissions and/or data regarding NorthernTel's application from Bragg Communications Inc., operating as EastLink (EastLink), Rogers Communications Inc. (RCI), and TELUS Communications Company (TCC). The public record of this proceeding, which closed on 17 January 2011, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.

Commission's analysis and determinations

3. The Commission has assessed NorthernTel's application by examining the four criteria set out below. These criteria are based on the local forbearance test originally set out in Telecom Decision 2006-15, and applied to the small incumbent local exchange carriers, with modifications, in Telecom Regulatory Policy 2009-379.

a) Product market

4. The Commission received no comments with respect to NorthernTel's proposed list of residential local exchange services.

¹ In this decision, "residential local exchange services" refers to local exchange services used by residential customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

5. The Commission notes that NorthernTel is seeking forbearance from the regulation of 16 tariffed residential local exchange services. The Commission also notes that in Telecom Decision 2010-176, it found all of these services to be eligible for forbearance. Since that decision was issued, however, the Commission has forbore conditionally from regulating one of these services, Integrated Voice Messaging Service (IVMS), in Telecom Regulatory Policy 2010-777. Forbearance from the regulation of this service will take effect on the date that NorthernTel issues revised tariff pages for the service, pursuant to Telecom Regulatory Policy 2010-777. A list of the 15 remaining approved services is set out in the Appendix to this decision.

b) Competitor presence test

6. The Commission notes that for the exchange of South Porcupine, information provided by parties confirms that there are, in addition to NorthernTel, at least two independent facilities-based telecommunications service providers, including providers of mobile wireless services.² Each of these service providers offers local exchange services in the market and is capable of serving at least 75 percent of the number of residential local exchange service lines that NorthernTel is capable of serving, and at least one, in addition to NorthernTel, is a facilities-based, fixed-line telecommunications service provider.
7. Accordingly, the Commission determines that the exchange of South Porcupine meets the competitor presence test.

c) Competitor quality of service

8. The Commission notes NorthernTel's attestation that it received no complaints from competitors in the six months prior to the date of the application. The Commission also notes that it received no comments with respect to NorthernTel's competitor quality of service.
9. Accordingly, the Commission determines that the quality of service provided by NorthernTel to its competitors is of a sufficient level to grant forbearance.

d) Communications plan

10. The Commission has reviewed NorthernTel's proposed communications plan and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15. The Commission **approves** the proposed communications plan and directs NorthernTel to provide the resulting communications materials to its customers, in both official languages where appropriate.

² These competitors are EastLink, RCI, and TCC.

Conclusion

11. The Commission determines that NorthernTel's application regarding the exchange of South Porcupine, Ontario meets all the local forbearance criteria requirements set out in Telecom Decision 2006-15 and modified by Telecom Regulatory Policy 2009-379 for small incumbent local exchange carriers.
12. Pursuant to subsection 34(1) of the *Telecommunications Act* (the Act), the Commission finds as a question of fact that to refrain from exercising its powers and performing its duties, to the extent specified in Telecom Decision 2006-15, in relation to the provision by NorthernTel of the residential local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2 as they pertain to residential customers only, in this exchange, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
13. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these residential local exchange services are subject to a level of competition in this exchange sufficient to protect the interests of users of these services.
14. Pursuant to subsection 34(3) of the Act, the Commission finds as a question of fact that to refrain from exercising its powers and performing its duties, to the extent specified in Telecom Decision 2006-15, in relation to the provision by NorthernTel of these residential local exchange services in this exchange would be unlikely to impair unduly the continuance of a competitive market for these services.
15. In light of the above, the Commission **approves** NorthernTel's application for forbearance from the regulation of the local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2, as they pertain to residential customers only, in the exchange of South Porcupine, Ontario, subject to the powers and duties that the Commission has retained as set out in Telecom Decision 2006-15. This determination takes effect as of the date of this decision. The Commission directs NorthernTel to file revised tariff pages with the Commission within 30 days of the date of this decision.

Secretary General

Related documents

- *Forbearance from the regulation of retail voice mail services provided by the incumbent local exchange carriers*, Telecom Regulatory Policy CRTC 2010-777, 20 October 2010
- *NorthernTel, Limited Partnership – Application for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2010-176, 24 March 2010
- *Framework for forbearance from regulation of retail local exchange services in the serving territories of the small incumbent local exchange carriers*, Telecom Regulatory Policy CRTC 2009-379, 23 June 2009
- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by Order in Council P.C. 2007-532, 4 April 2007
- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005

Appendix

Local exchange services eligible for forbearance from regulation in this decision for residential customers only

Tariff	Section	Item	List of services
25510	N100	1 to 5	Rate schedules for primary exchange (local) services
25510	N100	6	Telephone number services
25510	N100	7	Calling number blocking
25510	N140	4	Extra listings
25510	N280	all	Short-term Service
25510	N300	all	Service on Stationary Ships and Trains
25510	N330	all	Suspension of Service – Residential Primary Service
25510	N400	all	Exchange Radio – Telephone Service
25510	N490	2	Stop Hunt Feature
25510	N490	4	Toll Restriction Service
25510	N490	5	Touch-Tone
25510	N490	7	Telephone Station Equipment
25510	N490	8	Call Management Services
25510	N490	9	Call Blocking Service
25510	N490	15	Residential Valu-ADD Bundle