



## Telecom Notice of Consultation CRTC 2011-219

PDF version

Route reference: Telecom Decision 2011-69, as amended

Ottawa, 29 March 2011

### Call for comments

### **Review of the regulatory measure associated with single-line inside wire services provided by incumbent local exchange carriers to customers with no jack-ended demarcation device**

File number: 8663-C12-201105578

#### Introduction

1. In Telecom Decision 2011-69, the Commission issued an updated action plan to review certain existing regulatory measures in light of the Governor in Council's *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, P.C. 2006-1534, 14 December 2006 (the Policy Direction).
2. The Policy Direction requires, among other things, that the Commission rely on market forces to the maximum extent feasible and regulate where there is still a need to do so, in a manner that interferes with market forces to the minimum extent necessary to meet the telecommunications policy objectives (policy objectives) set out in section 7 of the *Telecommunications Act* (the Act). The Policy Direction also requires that the Commission, when relying on regulatory measures, specify the policy objective that is advanced by those measures. With respect to regulatory measures that are of a social or non-economic nature, the Policy Direction requires that the Commission should, to the greatest extent possible, implement measures in a symmetrical and competitively neutral manner.
3. As part of the updated action plan, the Commission identified the regulatory measure associated with single-line inside wire services provided by incumbent local exchange carriers (ILECs) to customers with no jack-ended demarcation device as a matter to be reviewed.<sup>1</sup>

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<sup>1</sup> This regulatory measure was referenced in Telecom Decision 2011-69 as "Free inside wire repair for customers with no network interface device."

4. The regulatory regimes for ILECs' single-line inside wire services were established over a number of years in various Commission decisions.<sup>2</sup> Although the Commission has forborne from regulating single-line inside wire services for many ILECs,<sup>3</sup> it continues to regulate single-line inside wire services for customers with no jack-ended demarcation device.
5. The charging for repairs for customers with no jack-ended demarcation device differs among the ILECs. In some cases, ILECs are required to provide free diagnostic, maintenance, and repair service to those customers who do not have a jack-ended demarcation device. However, in other cases, ILECs are required to provide free diagnostic and maintenance service to those customers who do not have a jack-ended demarcation device, but can charge for repair service.
6. In the proceeding leading to Telecom Decision 2011-69, Bell Aliant Regional Communications, Limited Partnership and Bell Canada submitted that this issue was in need of review due to the asymmetrical application of this regulatory measure.

### **Call for comments**

7. The Commission hereby initiates a proceeding to address, in light of the Policy Direction, the treatment of repairs associated with inside wire service for customers with no jack-ended demarcation device. As part of this process, the Commission has addressed interrogatories to the ILECs.
8. Parties should address the following issues in their initial comments, providing supporting rationale and all evidence on which they rely, and structure their submissions according to the issues identified below:

(1) Can the purpose underlying the regulatory measure be achieved through reliance on market forces or is the regulatory measure still necessary?

(a) Identify the purpose of the regulatory measure and the policy objectives that are relevant to this purpose.

(b) Can market forces be relied on to achieve the policy objectives? Why or why not? Identify the relevant market forces.

(c) Identify and weigh the positive and negative consequences of (i) eliminating, and (ii) retaining, the regulatory measure.

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<sup>2</sup> Examples of Commission decisions related to single-line inside wire are listed in the Related documents section of this notice.

<sup>3</sup> The Commission has forborne from regulating the single-line inside wire services of Télébec, Limited Partnership; Bell Canada; TELUS Québec (now part of TELUS Communications Company (TCC)); TCC; Saskatchewan Telecommunications; Aliant Telecom Inc. (now part of Bell Aliant Regional Communications, Limited Partnership); NorthernTel, Limited Partnership; Execulink Telecom Inc. (formerly Hurontario Telephones Limited); and People's Tel Limited Partnership.

(2) Is the regulatory measure efficient and proportionate to its purpose?

(a) Identify any benefits or harmful effects of the regulatory measure. Explain whether the benefits of the regulatory measure outweigh the harmful effects.

(b) Identify any alternative regulatory measure that could be more efficient and proportionate. Explain why the alternative measure would be more efficient and proportionate and how it would meet the policy objectives.

(3) Does the regulatory measure interfere with the operation of competitive market forces to the minimum extent necessary to meet the policy objectives? If not, how and to what extent does the current regulatory measure interfere with the operation of competitive market forces, including the associated impacts on telecommunications service providers (TSPs) and customers?

(4) Is the regulatory measure implemented in a symmetrical and competitively neutral manner? If not,

(a) identify aspects of the regulatory measure that are not symmetrical and/or competitively neutral;

(b) specify the disadvantages faced by TSPs impacted by the regulatory measure and quantify the disadvantages to the extent possible;

(c) discuss the implications and feasibility of applying the regulatory measure in a symmetrical and competitively neutral manner to all TSPs as appropriate; and

(d) identify any possible alternative regulatory or non-regulatory measure and explain how that measure would meet the policy objectives and comply with the Policy Direction.

9. The Commission notes that the outcome of this proceeding may result in changes to the obligations of all ILECs regarding inside wire services for customers with no jack-ended demarcation device.

## **Procedure**

10. All ILECs are made parties to this proceeding.

11. Other parties interested in participating in this proceeding and receiving copies of all submissions must notify the Commission of their intention to do so by filling out the online form or by writing to the Secretary General (by mail: CRTC, Ottawa, Ontario, K1A 0N2; by fax: 819-994-0218) by **20 April 2011** (the registration date). Parties are to provide their email addresses, where available. If parties do not have access to the Internet, they are to indicate when they notify the Commission whether they wish to receive disk versions of hard-copy filings.

12. As soon as possible after the registration date, the Commission will post on its website a complete list of interested parties, their mailing addresses, and, if available, their email addresses, identifying those parties who wish to receive disk versions.
13. Parties identified in paragraph 10 above are requested to respond to the Commission interrogatories set out in Attachment 1 by **26 April 2011**, serving copies on all other parties to the proceeding.
14. Any person who wishes merely to file written comments in this proceeding, without receiving copies of the various submissions, may do so by writing to the Commission by **14 June 2011** at the address or fax number noted above, or by using the following comments link.
15. All parties may file comments with the Commission regarding the above-noted issues, serving copies on all other parties, by **24 May 2011**.
16. All parties may file reply comments with the Commission, serving copies on all other parties, by **14 June 2011**.
17. The Commission expects to publish a decision on the issues raised in this notice within four months of the close of record.
18. The Commission will not formally acknowledge comments. It will, however, fully consider all comments, which will form part of the public record of the proceeding.
19. If a document is to be filed or served by a specific date, the document must be actually received, not merely sent, by that date.
20. Parties may file their submissions electronically or on paper. Submissions longer than five pages should include a summary.
21. Electronic submissions should be in HTML format. Alternatively, Microsoft Word may be used for text and Microsoft Excel for spreadsheets.
22. Each paragraph of all submissions should be numbered. In addition, the line **\*\*\*End of document\*\*\*** should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.
23. The Commission also encourages parties to monitor the record of this proceeding and/or the Commission's website for additional information that they may find useful when preparing their submissions.

### **Important notice**

24. Note that all information that parties provide as part of this public process, except information granted confidentiality, whether sent by postal mail, facsimile, email, or through the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca), becomes part of a publicly

accessible file and will be posted on the Commission's website. This includes personal information, such as full names, email addresses, postal/street addresses, telephone and facsimile numbers, and any other personal information parties provide.

25. The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
26. Documents received electronically or otherwise will be posted on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be made available in PDF format.
27. Please note that the information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its search engine or a third-party search engine will not link directly to the information that was provided as part of this public process.

### **Location of CRTC offices**

28. Submissions may be examined or will be made available promptly upon request at the Commission offices during normal business hours.

Toll-free telephone: 1-877-249-2782

Toll-free TDD: 1-877-909-2782

Central Building  
Les Terrasses de la Chaudière  
1 Promenade du Portage, Room 206  
Gatineau, Quebec J8X 4B1  
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### ***Regional Offices***

Metropolitan Place  
99 Wyse Road, Suite 1410  
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205 Viger Avenue West, Suite 504  
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Tel: 514-283-6607

55 St. Clair Avenue East, Suite 624  
Toronto, Ontario M4T 1M2  
Tel: 416-952-9096

Kensington Building  
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Winnipeg, Manitoba R3B 2B3  
Tel: 204-983-6306  
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Regina, Saskatchewan S4P 0M8  
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Edmonton, Alberta T5J 3N4  
Tel: 780-495-3224

858 Beatty Street, Suite 290  
Vancouver, British Columbia V6B 1C1  
Tel: 604-666-2111  
Fax: 604-666-8322

Secretary General

### **Related documents**

- *NorthernTel, Limited Partnership's application for forbearance from regulation of single-line inside wire services*, Telecom Decision CRTC 2011-70, 4 February 2011
- *Updated action plan for reviewing regulatory measures*, Telecom Decision CRTC 2011-69, 4 February 2011, as amended by Telecom Decision CRTC 2011-69-1, 21 February 2011
- Telecom Order CRTC 2007-412, 7 November 2007
- *Aliant Telecom Inc.'s application for forbearance from regulation of single-line inside wire services*, Telecom Decision CRTC 2006-21, 25 April 2006
- *People's Telephone Company of Forest Inc.'s application for forbearance from regulation of single-line inside wiring services*, Telecom Decision CRTC 2004-1, 8 January 2004
- *TELUS' application for forbearance from regulation of single-line inside wire services*, Telecom Decision CRTC 2003-69, 17 October 2003
- *Saskatchewan Telecommunications' application for forbearance from regulation of single-line inside wiring services*, Telecom Decision CRTC 2003-38, 17 June 2003

- *Forbearance for single-line inside wiring granted for TELUS Québec*, Order CRTC 2001-416, 25 May 2001
- *Forbearance for single-line inside wiring granted for Hurontario*, Order CRTC 2000-881, 26 September 2000
- *MTS single-line inside wire and demarcation issues approved*, Order CRTC 2000-345, 27 April 2000
- *Bell Canada - Forbearance from Regulation of Single Line Inside Wiring Services*, Telecom Order CRTC 99-1016, 22 October 1999
- Telecom Order CRTC 98-856, 27 August 1998
- Telecom Order CRTC 95-895, 11 August 1995

## **Attachment 1**

### **Interrogatories addressed to ILECs**

1. Describe your company's current policy with respect to the provision of single-line inside wire services to customers without a jack-ended demarcation device. Explain whether there are charges applicable to customers for (i) diagnostics; (ii) maintenance; and/or (iii) repair to their inside wire and reference the regulatory authority and approval number, e.g., decision or order number.
2. Provide the number of the company's residential customers whose premises currently do not have a jack-ended demarcation device. If the number is not available, provide a best estimate in percentage terms.
3. For each of the years 2008, 2009, and 2010, provide the number of the company's service calls where repairs were required to the residential inside wire for customers without a jack-ended demarcation device.