



Telecom Decision CRTC 2011-659

PDF version

Ottawa, 21 October 2011

Bell Aliant Regional Communications, Limited Partnership – Application for forbearance from the regulation of residential local exchange services

File number: 8640-B54-201111442

In this decision, the Commission approves Bell Aliant's request for forbearance from the regulation of residential local exchange services in 19 exchanges in New Brunswick, Newfoundland and Labrador, and Nova Scotia.

Introduction

1. The Commission received an application by Bell Aliant Regional Communications, Limited Partnership (Bell Aliant), dated 28 July 2011, in which the company requested forbearance from the regulation of residential local exchange services¹ in 19 exchanges in New Brunswick, Newfoundland and Labrador, and Nova Scotia. A list of these exchanges is set out in Appendix 1 to this decision.
2. The Commission received submissions and data regarding Bell Aliant's application from Bragg Communications Inc., operating as EastLink (EastLink), Rogers Communications Partnership (RCP), and TELUS Communications Company (TCC). The public record of this proceeding, which closed on 2 September 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 Bell Aliant's application based on the local forbearance test set out in Telecom Decision 2006-15 by examining the four criteria set out below.

a) Product market

4. The Commission received no comments with respect to Bell Aliant'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 Bell Aliant is seeking forbearance from the regulation of 17 tariffed residential local exchange services. The Commission also notes that 12 of these services were either included in the list of services that the Commission found to be appropriate for forbearance in Telecom Decision 2005-35, or in subsequent decisions such as Telecom Decision 2008-76. Finally, the Commission notes that the five remaining services fall within the definition of local exchange services set out in Telecom Public Notice 2005-2.
6. Accordingly, the Commission finds the list of services proposed by Bell Aliant to be appropriate. A list of the 17 approved services is set out in Appendix 2 to this decision.

b) Competitor presence test

7. The Commission notes that information provided by parties confirms that there are, in addition to Bell Aliant, at least two independent, facilities-based telecommunications service providers operating in the 19 exchanges listed in Appendix 1, 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 Bell Aliant is capable of serving, and at least one, in addition to Bell Aliant, is a facilities-based, fixed-line telecommunications service provider.
8. Accordingly, the Commission determines that the 19 exchanges listed in Appendix 1 meet the competitor presence test.

c) Competitor quality of service (Q of S) results

9. The Commission notes that Bell Aliant submitted competitor Q of S results for the period of December 2010 to May 2011. The Commission has reviewed these results and finds that Bell Aliant has demonstrated that during this six-month period it
 - i) met, on average, the Q of S standards for each indicator set out in Appendix B of Telecom Decision 2006-15, as defined in Telecom Decision 2005-20, with respect to the services provided to competitors in its territory; and
 - ii) did not consistently provide any of those competitors with services that were below those Q of S standards.
10. Accordingly, the Commission determines that Bell Aliant meets the competitor Q of S criterion for this period.

d) Communications plan

11. The Commission has reviewed Bell Aliant's proposed communications plan and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15.

² These competitors are RCP and TCC in all exchanges, and EastLink or Seaside Communications in certain exchanges.

However, the Commission considers that the company should change the mailing address for the Canadian Radio-television and Telecommunications Commission, as set out in the plan, to “Ottawa, Ontario K1A 0N2.”

12. The Commission **approves** the proposed communications plan with the revision outlined above and directs Bell Aliant to provide the resulting communications materials to its customers, in both official languages where appropriate.

Conclusion

13. The Commission determines that Bell Aliant’s application regarding the 19 exchanges in New Brunswick, Newfoundland and Labrador, and Nova Scotia listed in Appendix 1 meets all the local forbearance criteria set out in Telecom Decision 2006-15.
14. 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 Bell Aliant of the residential local exchange services listed in Appendix 2 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 these exchanges, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
15. 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 these exchanges sufficient to protect the interests of users of these services.
16. 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 Bell Aliant of these residential local exchange services in these exchanges would be unlikely to impair unduly the continuance of a competitive market for these services.
17. In light of the above, the Commission **approves** Bell Aliant’s application for forbearance from the regulation of the local exchange services listed in Appendix 2 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 19 exchanges listed in Appendix 1, 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 Bell Aliant to file revised tariff pages with the Commission within 30 days of the date of this decision.
18. In Telecom Regulatory Policy 2011-291, the Commission determined that the large incumbent local exchange carriers would no longer receive subsidies for residential network access services (NAS) in high-cost exchanges for which the Commission has granted forbearance from regulation. Therefore, in accordance with the directions in Appendix B to Telecom Regulatory Policy 2011-291, Bell Aliant is to stop reporting

to the Central Fund Administrator any high-cost residential NAS associated with the 19 exchanges listed in Appendix 1, effective the date of this decision.

Secretary General

Related documents

- *Obligation to serve and other matters*, Telecom Regulatory Policy CRTC 2011-291, 3 May 2011, as amended by Telecom Regulatory Policy CRTC 2011-291-1, 12 May 2011
- *Bell Aliant Regional Communications, Limited Partnership – Application for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2008-76, 29 August 2008
- *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
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005, as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005
- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005
- *Finalization of quality of service rate rebate plan for competitors*, Telecom Decision CRTC 2005-20, 31 March 2005

Appendix 1

Bell Aliant requested forbearance from the regulation of its residential local exchange services in the following 19 exchanges:

New Brunswick

Campbellton
Minto
Saint-Antoine
Saint-Quentin
Tracadie
Woodstock

Newfoundland and Labrador

Bay Roberts
Bonavista
Corner Brook
Grand Bank
Lewisporte
Long Pond
Pasadena
Springdale
Stephenville
Torbay
Twillingate

Nova Scotia

Glace Bay
New Waterford

Appendix 2

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

Tariff	Item	List of services
21491	125.3	Extra Listings
21491	125.4	Non-Listed, Non-Published Service
21491	125.5	Contract Period for Chargeable Extra Listings
21491	125.6	Rates and Charges
21491	205.1	Residence Single Line Access Service
21491	205.3	Residence Multi-line Access Service
21491	257	Express Service
21491	300	Residence Single-Line Access Bundles
21491	300.1	Enhanced Consumer Access
21491	300.2	Atlantic Access Bundle
21491	300.3	Canada/U.S. Access Bundle
21491	304	Enhanced Local Calling (Calling Features)
21491	308	Internet Call Manager
21491	312	900 Call Denial/Blocking Service
21491	348	Hospital Patient Telephone Service
10001	2100	Conference Service Local
12001	190	Automatic Dialing Service