



## Telecom Order CRTC 2012-525

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Ottawa, 28 September 2012

### **Bruce Telecom – Local service request rejection charge**

File numbers: Tariff Notices 140 and 140A

#### **Background**

1. The Commission received an application from Bruce Telecom, dated 3 February 2012 and amended on 22 February 2012, in which the company proposed to introduce an Access Services Tariff (AST).
2. Specifically, Bruce Telecom proposed to introduce the following services:
  - Item 100 – Local Network Interconnection; and
  - Item 200 – Local Number Portability (LNP) and Wireless Number Portability (WNP).
3. Bruce Telecom indicated that the proposed rates for these services were based on rates that the Commission had approved for Bell Aliant Regional Communications, Limited Partnership for its operating territory in Ontario and Quebec.
4. The Commission received comments regarding Bruce Telecom's application from Bragg Communications Inc., operating as EastLink (EastLink). EastLink generally agreed with Bruce Telecom's proposed AST. However, EastLink submitted that the company's proposed local service request (LSR) rejection charge should be subject to the outcome of the proceeding initiated by Telecom Notice of Consultation 2012-72. In that proceeding, the Commission addressed whether approval of an LSR rejection charge should be conditional upon the telecommunications carrier developing and implementing access to its operational support systems (OSS).
5. The Commission approved Bruce Telecom's application in Telecom Order 2012-257, with one exception related to the company's proposed LSR rejection charge (item 200.4 of Bruce Telecom's proposed AST). The Commission stated that it would provide its determinations on this particular issue after issuing its decision in the proceeding initiated by Telecom Notice of Consultation 2012-72.
6. In Telecom Regulatory Policy 2012-523, the Commission issued its determinations regarding the issues raised in the proceeding initiated by Telecom Notice of Consultation 2012-72.

7. The public record of this proceeding, which closed on 2 April 2012, 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.

### **Should the Commission approve Bruce Telecom's proposed LSR rejection charge?**

8. Bruce Telecom proposed to apply, on a monthly basis, a charge of \$70 for each rejected LSR made by a competitive local exchange carrier (CLEC) or wireless service provider (WSP) that exceeds a threshold of 10 percent of the CLEC's or WSP's total number of LSRs within any given month.
9. The Commission notes that competitor services, such as the LSR rejection charge, are assigned to the fourth service basket of the price cap framework set out in Telecom Decision 2006-14. In that decision, the Commission determined that rates for services in that basket would generally be allowed to increase up to any rate approved by the Commission for the same service.
10. The Commission has reviewed Bruce Telecom's proposed LSR rejection charge and considers that the proposed rate meets the pricing constraint set out in Telecom Decision 2006-14 and is just and reasonable.
11. However, in Telecom Regulatory Policy 2012-523, the Commission established LSR rejection rate thresholds for local exchange carriers that apply an LSR rejection charge while not providing access to their OSS service. Given that Bruce Telecom does not provide access to its OSS service, the Commission finds that the company's proposed LSR rejection threshold should be modified consistent with the determinations set out in Telecom Regulatory Policy 2012-523.
12. In light of the above, the Commission **approves** Bruce Telecom's proposed AST item 200.4 – Local Service Request (LSR) Rejection Charge, effective the date of this order, subject to the modification set out in the Appendix to this order.
13. The Commission directs Bruce Telecom to issue revised tariff pages within 15 days of the date of this order.<sup>1</sup>

Secretary General

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<sup>1</sup> The revised tariff pages can be submitted to the Commission without a description page or an approval request; a tariff application is not required.

## **Related documents**

- *Review of conditions for approval of a local service request rejection charge*, Telecom Regulatory Policy CRTC 2012-523, 28 September 2012
- *Bruce Telecom – Access services tariff*, Telecom Order CRTC 2012-257, 27 April 2012
- *Review of conditions for approval of a local service request rejection charge*, Telecom Notice of Consultation CRTC 2012-72, 6 February 2012
- *Revised regulatory framework for the small incumbent local exchange carriers*, Telecom Decision CRTC 2006-14, 29 March 2006

**Modification to Bruce Telecom's proposed tariff**

Bruce Telecom must make the following modification to its proposed tariff:

- On page 18, replace item 200.4.2.4 with the following:

*The following monthly LSR rejection rate threshold applies to each TSP*

- *25.6 percent from 28 September 2012 to 27 September 2013*
- *20.8 percent from 28 September 2013 to 27 September 2014*
- *16 percent as of 28 September 2014*