



Telecom Decision CRTC 2014-360

PDF version

Ottawa, 9 July 2014

File number: 8640-T78-201402619

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

*The Commission **approves** Télébec’s request for forbearance from the regulation of residential local exchange services in the exchange of Gentilly, Quebec.*

Introduction

1. The Commission received an application from Télébec, Limited Partnership (Télébec), dated 25 March 2014, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchange of Gentilly, Quebec.
2. The Commission received answers regarding Télébec’s application from Cogeco Cable Inc. (Cogeco), on behalf of Cogeco Cable Quebec G.P., and from Quebecor Media Inc., on behalf of its affiliate Videotron G.P. (Videotron). The public record of this proceeding, which closed on 6 May 2014, is available on the Commission’s website at www.crtc.gc.ca or by using the file number provided above.

Commission’s analysis and determinations

3. The Commission has assessed Télébec’s application based on the local forbearance test set out in Telecom Decision 2006-15 by examining the four criteria set out below.

Product market

4. The Commission notes that Télébec is seeking forbearance from the regulation of 20 tariffed residential local exchange services. The Commission received no interventions with respect to Télébec’s proposed list of residential local exchange services.
5. The Commission notes that in Telecom Decision 2009-193, it found 16 of these services to be eligible for forbearance. The Commission also notes that two other

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.

services, Touch Tone Dialing and Omission of Directory Listing, fall within the definition of local exchange services set out in Telecom Public Notice 2005-2. The Commission therefore determines that these two services are eligible for forbearance.

6. In Telecom Decision 2005-35, the Commission noted that tariff approval is not required for a bundle that does not include any tariffed service. The Commission therefore finds that it does not need to make a forbearance decision regarding the Residential Bundle – Basic and the Residential Bundle – Plus because they do not include any tariffed services.
7. A list of the 18 approved services can be found in the Appendix to this decision.

Competitor presence test

8. The Commission notes that information provided by parties demonstrates that there are, in addition to Télébec, at least two independent, facilities-based telecommunications service providers operating in the exchange of Gentilly, including a provider 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 Télébec is capable of serving, and at least one, in addition to Télébec, is a facilities-based, fixed-line telecommunications service provider.
9. Accordingly, the Commission determines that the exchange of Gentilly meets the competitor presence test.

Competitor quality of service (Q of S) results

10. The Commission notes that Télébec submitted competitor Q of S results for the period of August 2013 to January 2014. The Commission has reviewed these results and finds that Télébec 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.
11. Accordingly, the Commission determines that Télébec meets the competitor Q of S criterion for this period.

² These competitors are Cogeco and Videotron.

Communications plan

12. The Commission has reviewed Télébec'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** Télébec to provide the resulting communications materials to its customers, in both official languages where appropriate.

Conclusion

13. The Commission determines that Télébec's application regarding the exchange of Gentilly, Quebec, 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 Télébec 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.
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 this exchange 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 Télébec of these residential local exchange services in this exchange would be unlikely to impair unduly the continuance of a competitive market for these services.
17. In light of the above, the Commission **approves** Télébec'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 Gentilly, 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** Télébec to file revised tariff pages³ 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

³ Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.

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, Télébec is to stop reporting to the Central Fund Administrator any high-cost residential NAS associated with the exchange of Gentilly, 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
- *Télébec, Limited Partnership – Application for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2009-193, 15 April 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
- *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 to Telecom Decision CRTC 2014-360

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

Tariff	Item	List of services
25140	1.7	Telephone Set Loss Charge
25140	2.1.7.1	Monthly Rates for Access Lines, Regional Surcharges, and Other Fees
25140	2.1.7.10	Touch Tone Dialing
25140	2.1.8	Basic Services Provided Outside the Company's Serving Area
25140	2.5	Telephones
25140	2.15	Service to Immobilized Ships, Trailers and Trains
25140	2.19	Enhanced Telephone Service
25140	2.23.2	Telephone Number Reservation/Activation – Rates and Fees
25140	2.27.6	Monthly Rates for Extra Listings
25140	2.27.7	Omission of Directory Listing
25140	3.1	Intra-Exchange Distance Charges
25140	3.3.17	Toll Restriction Service
25140	3.3.18	Call Management Services
25140	3.3.19	Call Display Blocking
25140	5.2.6.5	900 Service – Call Blocking Service
25140	8.4	Internet Call Display
25140	8.7.3	Integrated Services Digital Network (ISDN) 2B+D Télébec – Rates and Fees
25140	11.1	Services for Handicapped Persons