



Broadcasting and Telecom Decision CRTC 2014-602

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Bell Canada - Application requesting that Cogeco implement a mechanized customer transfer process

*The Commission finds that Cogeco has not complied with Broadcasting and Telecom Decision 2013-261. Accordingly, the Commission **directs** Cogeco to implement a mechanized customer transfer process for television and Internet services customers as soon as possible, and at the latest by 1 January 2015.*

Background

1. As part of the implementation of local competition in the telecommunications industry, a process was developed by the industry for the efficient transfer of a customer's service, commonly referred to as the customer transfer process. As part of this process, the industry developed standardized local service request (LSR)¹ templates and guidelines for the completion, transmission, and processing of LSRs, so that customers can be efficiently transferred between service providers.
2. In Telecom Decision 2010-118, the Commission determined that local exchange carriers (LECs) were to use a standard mechanized (that is, automated) LSR process to exchange data related to the local telephone service customer transfer process with other LECs, except for certain LECs whose trading volume is below a certain threshold (the exemption threshold).²
3. In Broadcasting and Telecom Decision 2013-261, the Commission approved modifications to the customer transfer process, including modifications to support the mechanized processing of television and Internet services cancellation requests for those service providers that use the LSR process to transfer local telephone service customers. The Commission determined that the modifications to the customer transfer process, including the implementation of a mechanized customer transfer process for television and Internet services, were to be implemented by 23 May 2014.

¹ When a customer moves from one local exchange carrier (LEC) to another, the "new" LEC sends a completed LSR form to the LEC that has been serving the customer to transfer that customer's services. This form specifies all of the customer information needed to effectively process a service transfer from one LEC to another.

² The Commission determined that LECs whose trading volume is below 25 LSRs per month with each of their trading partners over a three-month period would not be required to mechanize their LSR process. The Commission determined that a LEC would be required to implement the mechanized LSR process by the later of 1 January 2011 or six months after the exemption threshold had been exceeded.

Application

4. The Commission received an application from Bell Canada, dated 6 June 2014, in which the company requested that the Commission direct Cogeco Cable Inc. (Cogeco) to implement a mechanized customer transfer process for television and Internet services customers by 1 January 2015.
5. The Commission received an intervention from Cogeco. The public record of this proceeding, which closed on 4 August 2014, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.

When should Cogeco be required to implement a mechanized customer transfer process?

6. In making its request outlined above, Bell Canada stated that Cogeco's large number of manual customer transfer requests were inefficiently diverting Bell Canada's resources and harming consumers.
7. Bell Canada argued that Cogeco was obligated to implement a mechanized customer transfer process for television and Internet services as of 23 May 2014, noting that the industry knew that it had to mechanize its customer transfer processes for over a year. As such, the requirement to mechanize should not have been a surprise to Cogeco. Further, Bell Canada submitted that the exemption threshold established by the Commission in 2010 was never meant to exempt a sizeable and incumbent provider such as Cogeco, arguing that Broadcasting and Telecom Decision 2013-261 simply re-affirmed the exemption threshold applicable to small carriers, and did not permit Cogeco to choose whether or not to implement a mechanized process.
8. Cogeco was of the view that it was not required to implement a mechanized customer transfer process for television and Internet services as of 23 May 2014, arguing that the enhancement of the customer transfer process for television and Internet services approved in Broadcasting and Telecom Decision 2013-261 was specifically directed toward service providers that used the LSR process to transfer local telephone services. In this regard, Cogeco noted that it uses an underlying carrier for providing local telephone services, and hence has not directly established an LSR process with other service providers, but relies on the underlying carrier to transfer local telephone service customers.
9. Cogeco submitted that, as it was not required to implement a mechanized process on 23 May 2014, it has chosen to negotiate and implement a manual customer transfer process with other service providers, and to mechanize this process by 23 February 2015. In its view, the 23 February 2015 date is consistent with the rules set out in Telecom Decision 2010-118 regarding the deadline to mechanize the customer transfer process once the exemption threshold has been exceeded.

Commission's analysis and determinations

10. The Commission notes that, in Broadcasting and Telecom Decision 2013-261, it approved modifications to the LSR process and changes to the Canadian Local Ordering Guidelines to support the automated processing of television and Internet services cancellation requests for service providers that use the LSR process.
11. The Commission notes that where a third party issues LSRs on a new service provider's behalf, both the customer and the customer transfer obligations ultimately belong to the new service provider. As such, the Commission considers that any LSRs issued to transfer customers are effectively LSRs issued by the new service provider, not LSRs issued by the third party. The Commission considers, therefore, that even if a service provider used a third party to transfer its local telephone customers, the Commission's determination in Broadcasting and Telecom Decision 2013-261 would apply to that service provider.
12. The Commission notes that, in this case, an underlying carrier has been issuing LSRs on Cogeco's behalf in order to transfer customers to Cogeco's services. The Commission considers that those LSRs constitute Cogeco's use of the LSR process to transfer local telephone service customers to its services.
13. Since service providers using the LSR process were required, pursuant to Broadcasting and Telecom Decision 2013-261, to implement a mechanized customer transfer process for television and Internet services by 23 May 2014, the Commission considers that Cogeco should have implemented a mechanized process by that date.
14. In light of the above, the Commission finds that, by failing to implement a mechanized customer transfer process for television and Internet services customers by 23 May 2014, Cogeco has not complied with Broadcasting and Telecom Decision 2013-261.
15. The Commission notes Bell Canada's request that Cogeco be directed to implement a mechanized process by 1 January 2015, and Cogeco's statement that it is already working towards implementing a mechanized process.
16. Accordingly, the Commission **directs** Cogeco to implement a mechanized customer transfer process for television and Internet services customers as soon as possible, and at the latest by 1 January 2015.

Secretary General

Related documents

- *CISC Business Process Working Group - Consensus report BPRE083a and non-consensus report BPRE083b regarding the customer transfer process, Broadcasting and Telecom Decision CRTC 2013-261, 23 May 2013*
- *CISC Business Process Working Group - Non-consensus report BPRE071a - Minimum requirement for the exchange of local service request and local service confirmation data, Telecom Decision CRTC 2010-118, 26 February 2010*