



## Telecom Order CRTC 2017-68

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Ottawa, 10 March 2017

*File number: Tariff Notice 498*

### **Bell Aliant Regional Communications, Limited Partnership – Introduction of Private Switch Automatic Location Identification Service**

#### **Application**

1. The Commission received an application from Bell Aliant Regional Communications, Limited Partnership (Bell Aliant), dated 4 November 2016, in which the company proposed to modify its Special Facilities Service Tariff to introduce item 725 – Private Switch Automatic Location Identification Service (PS ALI Service). PS ALI Service enables private switch operators to electronically transmit data files containing end-user location information to Bell Aliant's ALI database so that this information can be made available to the appropriate public safety answering point (PSAP) for the purpose of 9-1-1 calls. This service enables emergency responders to reach 9-1-1 callers more quickly.
2. Bell Aliant proposed to use the same rates and charges that apply to Bell Canada's existing PS ALI Service. Bell Aliant noted that PS ALI Service is not presently offered in Newfoundland and Labrador, but that it would be made available with the future introduction of Enhanced 9-1-1 (E9-1-1) service.<sup>1</sup>
3. Bell Aliant stated that since its proposed PS ALI Service is expected to have 10 or fewer customers and monthly revenues of less than \$10,000 over the next five years, it did not propose a price floor test.
4. The Commission received an intervention regarding Bell Aliant's application from Bragg Communications Incorporated, operating as Eastlink (Eastlink). The public record of this proceeding is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) or by using the file number provided above.

#### **Positions of parties**

##### **Eastlink**

5. Eastlink submitted that Bell Aliant's proposed monthly rates and one-time service charge for the PS ALI Service are too high. Specifically, Eastlink submitted that the

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<sup>1</sup> E9-1-1 service automatically provides PSAP operators with the telephone number and estimated location of the 9-1-1 caller.

minimum monthly fee of \$250 for 500 location records represents \$0.50 per telephone number for the PS ALI Service, compared to \$0.13 per telephone number for 9-1-1 service. Eastlink argued that few customers in the Maritimes would require 500 location records to be added to the ALI database, making the per-telephone number cost even higher for the majority of potential customers in the Maritimes. Eastlink added that Bell Aliant's expectation of 10 or fewer customers for its PS ALI Service could be increased if its prices were more reasonable.

6. Eastlink also expressed concern that its customers would have to establish a relationship with Bell Aliant to receive the PS ALI Service. Eastlink noted that under the Complex Listing Information File (CLIF) listing process,<sup>2</sup> for billing and administration, customers could deal either directly with Bell Aliant or with a competitive local exchange carrier (CLEC), if the CLEC is the customer's service provider. Eastlink submitted that Bell Aliant did not specify how its proposed PS ALI Service would function for a CLEC's customer, and that the Commission should require Bell Aliant to provide these details.
7. Eastlink argued that Bell Aliant's proposed 24-month contract term to obtain the PS ALI Service would impede customers from migrating their services between carriers. Eastlink requested that the Commission require Bell Aliant to provide further information in this regard.
8. Finally, Eastlink indicated that since Bell Canada did not provide a cost study or operational details for its existing PS ALI Service, on which Bell Aliant based its application, the costs and assumptions for this service have never been examined. Eastlink requested that the Commission examine them now.

#### **Bell Aliant's reply**

9. With respect to the proposed monthly rate for its PS ALI Service, Bell Aliant noted that potential customers could include provincial governments, banks, universities, colleges, hospitals, or school boards, each of which could have large numbers of public switched telephone network accesses (i.e. 500 location records or more). Bell Aliant indicated that after the initial 500 records, the rate for each additional 500 records would be \$80 per month. The company argued that these per-record rates compare favourably with current E9-1-1 service rates for New Brunswick, Nova Scotia, and Prince Edward Island. Bell Aliant submitted that given this, as well as the fact that its proposed PS ALI Service would provide enhanced location record management capabilities, its proposed service rates are reasonable and appropriate.
10. In addition, Bell Aliant noted that in Bell Canada Tariff Notices 6880 and 6880A, dated 27 June and 5 July 2005 respectively, Bell Canada had proposed revisions to

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<sup>2</sup> Through this process, complex customer telephone listing information is exchanged between an incumbent local exchange carrier and a competitive local exchange carrier. Most customer telephone listings are "basic," containing only the customer name, telephone number, and address. A complex listing may also include, for example, extra listings, special instructions, Internet addresses, and toll-free numbers.

its then-PS ALI Service. Bell Canada had also provided price floor tests, including assumptions, for existing and new customers. Bell Aliant stated that the Commission approved those applications on a final basis in Telecom Order 2005-288. Bell Aliant argued that therefore, the Commission has examined the costs and assumptions related to the PS ALI Service, contrary to Eastlink's submission.

11. Regarding its proposed service charge, Bell Aliant noted that this charge would help the company recover its set-up costs, including those related to security and access provisioning, civic address and location validation, support for the private switch operator, and the set-up of self-serve tools and testing capabilities. Bell Aliant stated that for first-time PS ALI Service users, it typically provides 10 to 15 hours of customer support to assist with the set-up and configuration of automated E9-1-1 management systems, as well as the system-to-system data exchange interface. Bell Aliant submitted that in view of all of its activities related to PS ALI Service set-up, the amount of the associated charge is reasonable.
12. Bell Aliant indicated that in Bell Canada Tariff Notice 7514, Bell Canada had proposed to amend its PS ALI Service to enable customers to combine their location record counts in Ontario, Quebec, New Brunswick, Nova Scotia, and Prince Edward Island. Therefore, a new PS ALI Service customer with location records in Ontario or Quebec and also in New Brunswick, Nova Scotia, or Prince Edward Island would pay only one service charge to establish service in all five provinces. As well, an existing customer with location records in Ontario and Quebec that wishes to add records in New Brunswick, Nova Scotia, or Prince Edward Island would not be required to pay a second service charge. Bell Aliant emphasized that this approach would also apply to the monthly rates for its PS ALI Service.
13. With respect to the 24-month contract term, Bell Aliant submitted that its proposed PS ALI Service is geared towards large business customers that typically subscribe to telecommunications services on a long-term contract basis. The company stated that a long-term contract is a common industry practice for such customers, which enables it to provide its PS ALI Service at a lower monthly rate. Bell Aliant added that through the associated termination charges, customers do not obtain the benefit of the lower monthly rate without committing to the service for the contract term.
14. Regarding the alleged impediment to customers migrating their services between carriers, Bell Aliant noted that potential customers that have never subscribed to any of its services are eligible for its PS ALI Service, and that existing customers are free to switch any of their telecommunications services to an alternate local exchange carrier (LEC) at any time, and still subscribe to its PS ALI Service. Bell Aliant indicated that LECs' end-customers can approach Bell Aliant directly to subscribe to this service. Bell Aliant added that therefore, Eastlink and any other LEC may themselves subscribe to its PS ALI Service and resell it to their own end-customers, thereby avoiding the establishment of direct relationships between Bell Aliant and the LECs' end-customers.

## Commission's analysis and determinations

15. The location accuracy provided by PS ALI Service would enable emergency responders to reach 9-1-1 callers more quickly. The Commission approved Bell Aliant's application on an interim basis in Telecom Order 2016-459.
16. Regarding Eastlink's concerns, customers of CLECs, including Eastlink, can choose to subscribe to Bell Aliant's PS ALI Service without obtaining other services from Bell Aliant, and CLECs themselves can choose to resell the service to their own end-customers. Consequently, CLEC customers are not required to establish a relationship with Bell Aliant. As well, since the PS ALI Service is generally geared towards large customers, a contract term is appropriate for this service.
17. The Commission approved the proposed rates for Bell Canada's PS ALI Service after examining the price floor tests the company had provided in 2005. In addition, pursuant to Telecom Regulatory Policy 2009-80, a retail service that is expected to have 10 or fewer customers and monthly revenues of less than \$10,000, which Bell Aliant expected for its PS ALI Service, is exempt from the price floor test requirement. Bell Aliant's proposed monthly rates and charges are the same as those approved for Bell Canada's PS ALI Service. Accordingly, these rates and charges are appropriate.
18. The proposed combined record counts would result in lower charges than if the record counts were billed separately, which would benefit customers. The Commission approved Bell Canada's Tariff Notice 7514 regarding these record counts on a final basis in Telecom Order 2017-67.
19. In light of all the above, the Commission **approves on a final basis** Bell Aliant's application. The Commission **directs** Bell Aliant to issue revised tariff pages<sup>3</sup> within **10 days** of the date of this order.

Secretary General

## Related documents

- Telecom Order CRTC 2017-67, 10 March 2017
- Telecom Order CRTC 2016-459, 21 November 2016
- *Review of the price floor test and certain wholesale costing methodologies*, Telecom Regulatory Policy CRTC 2009-80, 19 February 2009
- Telecom Order CRTC 2005-288, 5 August 2005

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