



Telecom Decision CRTC 2018-109

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Ottawa, 29 March 2018

Public record: 8640-S22-201711648

Saskatchewan Telecommunications – Application for forbearance from the regulation of residential local exchange services

*The Commission **approves** SaskTel’s request for forbearance from the regulation of residential local exchange services in the exchange of North Battleford, Saskatchewan.*

Application

1. The Commission received an application from Saskatchewan Telecommunications (SaskTel), dated 15 December 2017, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchange of North Battleford, Saskatchewan.
2. The Commission received a submission regarding SaskTel’s application from Rogers Communications Canada Inc. (RCCI).

Commission’s analysis and determinations

3. Pursuant to the Commission’s requirements in Telecom Decision 2006-15, SaskTel provided evidence to support its forbearance request, including competitor quality of service (Q of S) results for the six months preceding its application, and a draft communications plan for the Commission’s approval. The Commission has assessed SaskTel’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 received no comments with respect to SaskTel’s proposed list of residential local exchange services.
5. SaskTel is seeking forbearance from the regulation of 11 tariffed residential local exchange services. The Commission notes that 10 of these services were included in the list of services set out in Telecom Decision 2005-35-1. The other service, Feature

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.

Package,² did not exist when Telecom Decision 2005-35-1 was issued. However, the Commission considers that this service falls within the definition of local exchange services set out in Telecom Public Notice 2005-2.³

Competitor presence test

6. SaskTel provided evidence demonstrating that Access Communications Co-operative Limited (Access) and RCCI are capable of serving 75% of residential network access service (NAS) lines in the exchange of North Battleford.
7. RCCI confirmed that its mobile wireless service is available in the North Battleford exchange. Access provided no information or evidence to either confirm or contest SaskTel's evidence.⁴ In a letter dated [7 June 2007](#) setting out the process for applications for local forbearance, Commission staff indicated that where there is no information or evidence provided to either confirm or contest the applicant incumbent local exchange carriers' (ILEC) evidence submitted in their respective local forbearance applications, the Commission would be required to rely on the information filed on the record of the proceeding by the applicant ILECs.
8. The Commission considers that it would be unreasonable to deny the requested forbearance for this exchange on the basis that a competitor did not file evidence of its presence.
9. Information provided by parties demonstrates that there are, in addition to SaskTel, at least two independent, facilities-based telecommunications service providers operating in the North Battleford exchange, including a provider of mobile wireless services.⁵ Each of these service providers offers local exchange services in the market and is capable of serving at least 75% of the number of residential local exchange service lines that SaskTel is capable of serving, and at least one, in addition to SaskTel, is a facilities-based, fixed-line telecommunications service provider.
10. Accordingly, the North Battleford exchange meets the competitor presence test.

Competitor Q of S results

11. SaskTel submitted competitor Q of S results for the period from June to November 2017. The Commission has reviewed these results and finds that SaskTel has demonstrated that during this six-month period it

² The Feature Package provides customers with a predetermined package of 10 SmartTouch Subscription Services: Call Display, Call Forward Universal, Call Return, Call Waiting, Data Ident-A-Call, Ident-A-Call, Name Display, Selective Call Reject, Three Way Calling, and Visual Call Waiting.

³ In Telecom Public Notice 2005-2, the Commission determined, among other things, that local exchange services used by residential and business customers to access the public switched telephone network were within the scope of that proceeding to consider forbearance from regulation, as were the associated service charges and features.

⁴ SaskTel indicated that Access was served with its application.

⁵ These competitors are Access and RCCI.

- 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.
12. Accordingly, SaskTel meets the competitor Q of S criterion for this period.

Communications plan

13. The Commission has reviewed SaskTel's proposed communications plan and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15. However, SaskTel is to modify the name and contact information for the "Commissioner for Complaints for Telecommunications Services Inc." to "Commission for Complaints for Telecom-television Services," and to include TTY (Teletypewriter Relay Service) rather than TDD (Telecommunications Device for the Deaf). SaskTel is also to change the mailing address for the Canadian Radio-television and Telecommunications Commission to "Ottawa, Ontario K1A 0N2."
14. The Commission **approves** the proposed communications plan with the revisions noted above and **directs** SaskTel to provide the resulting communications materials to its customers, in both official languages where appropriate.

Other matter

15. SaskTel noted that in previous forbearance decisions, the Commission had included a "limitation of liability" provision to address the transition period from regulation to forbearance. SaskTel requested that the Commission include a limitation of liability provision in the present decision and submitted proposed wording for such a provision.
16. In paragraph 313 of Telecom Decision 2006-15, the Commission stated that any provision limiting liability in any existing contracts or arrangements, as of the date of the Commission decision granting forbearance in a relevant market, will remain in force until its expiry. Such existing contracts or arrangements will be deemed to terminate on the date or in the manner provided therein, notwithstanding any contractual provisions governing extensions.
17. The Commission considers that SaskTel's concerns have been addressed by this statement and that no further ruling regarding limitation of liability provisions is required in this decision.

Conclusion

18. SaskTel's application regarding the exchange of North Battleford, Saskatchewan meets all the local forbearance criteria set out in Telecom Decision 2006-15.

19. 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 SaskTel in this exchange, of the residential local exchange services listed in the Appendix and of future local exchange services (as defined in Telecom Public Notice 2005-2 and as they pertain to residential customers only) would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
20. 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.
21. 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 SaskTel of these residential local exchange services in this exchange would be unlikely to unduly impair the continuance of a competitive market for these services.
22. In light of the above, the Commission **approves** SaskTel's application for forbearance from the regulation of the local exchange services listed in the Appendix and future local exchange services (as defined in Telecom Public Notice 2005-2), as they pertain to residential customers only, in the exchange of North Battleford, Saskatchewan, 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** SaskTel to issue revised tariff pages⁶ within **30 days** of the date of this decision.
23. In Telecom Regulatory Policy 2011-291, the Commission determined that the large ILECs would no longer receive subsidies for residential 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, SaskTel is to stop reporting to the Central Fund Administrator any high-cost residential NAS associated with the exchange of North Battleford, 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

⁶ Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.

- *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 2018-109

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

Tariff	Item	Description
21411	105.10	Excess Mileage Charges
21411	110.02	Seasonal Service (Residence)
21411	110.06	Extended Network Access Service
21411	110.10	Network Access Service (Discontinued)
21411	110.12	Network Access Service
21411	110.14	Temporary Telephone Service
21411	150.05	Rotary Hunting Service
21411	150.15	SmartTouch™ Subscription Service
21411	160.10	Telephone Directory Service – Non-Listed and Non-Published Numbers
21411	160.25	Intercept Service
21411	300.10	Feature Package