



Telecom Decision CRTC 2018-418

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Bell Canada – Application for forbearance from the regulation of residential local exchange services

*The Commission **approves** Bell Canada’s request for forbearance from the regulation of residential local exchange services in 34 Bell Aliant exchanges in Newfoundland and Labrador, five Télébec, Société en commandite exchanges in Quebec, and two NorthernTel, Limited Partnership exchanges in Ontario.*

Background

1. The Commission set out the details of the framework for forbearance from the regulation of local exchange services (local forbearance), including the local forbearance criteria, in Telecom Decision 2006-15. In Telecom Regulatory Policy 2009-379, the Commission applied that framework, with modifications, to the small incumbent local exchange carriers (ILECs).
2. In Telecom Regulatory Policy 2018-213, the Commission determined that several regulated residential high-cost serving area exchanges meet the competitor presence test, which is one of the local forbearance criteria. These exchanges are therefore eligible for local forbearance, subject to the other criteria being met.
3. Having determined that the competitor presence test was met, the Commission directed certain ILECs to file a streamlined forbearance application with respect to the local exchange services they offer in the exchanges listed in the Appendix to Telecom Regulatory Policy 2018-213.

Application

4. In response to its direction, the Commission received an application from Bell Canada, on behalf of itself (its Bell Aliant division), Télébec, Société en commandite (Télébec), and NorthernTel, Limited Partnership (NorthernTel), dated 26 July 2018, in which the company requested forbearance from the regulation of residential local exchange services¹ in 34 Bell Aliant exchanges in Newfoundland and Labrador, five Télébec exchanges in Quebec, and two NorthernTel exchanges in Ontario. A list of

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.

these exchanges is set out in Appendix 1 to this decision. Bell Canada requested that forbearance be implemented on 1 January 2019.

5. The Commission received no interventions with respect to Bell Canada's application.

Commission's analysis and determinations

6. Pursuant to the Commission's requirements in Telecom Decision 2006-15, Bell Canada, on behalf of itself, Télébec, and NorthernTel, provided (i) evidence to support its forbearance request, including competitor quality of service (Q of S) results for the six months preceding its application, and (ii) a draft communications plan for the Commission's approval.
7. The Commission has assessed Bell Canada's application by examining the criteria set out below. With respect to Bell Canada and Télébec, the criteria are based on the local forbearance test set out in Telecom Decision 2006-15. With respect to NorthernTel, the criteria are based on the local forbearance test originally set out in Telecom Decision 2006-15 and applied to the small ILECs, with modifications, in Telecom Regulatory Policy 2009-379.

Product market

8. Bell Canada is seeking forbearance from the regulation of 16 tariffed residential local exchange services in Bell Aliant's territory, 20 tariffed residential local exchange services in Télébec's territory, and 19 tariffed residential local exchange services in NorthernTel's territory. A list of these services is set out in Appendix 2 to this decision. In Telecom Decision 2005-35, the Commission found that services similar to these services are eligible to be considered for forbearance.

Competitor Q of S results

9. Bell Canada, on behalf of itself and Télébec, submitted competitor Q of S results for the period of October 2017 to March 2018. The Commission has reviewed these results and finds that Bell Canada has demonstrated that during this six-month period, Bell Canada and Télébec
 - 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 their territories; and
 - ii) did not consistently provide any of those competitors with services that were below those Q of S standards.
10. Accordingly, Bell Canada and Télébec meet the competitor Q of S criterion for this period.

11. Bell Canada attested that NorthernTel received no Q of S complaints from competitors in the six months prior to the date of this application for forbearance.² As well, the Commission has received no comments with respect to NorthernTel's competitor Q of S results for that period.
12. Accordingly, NorthernTel's competitor Q of S results warrant forbearance from the regulation of residential local exchange services in the NorthernTel exchanges listed in Appendix 1 to this decision.

Communications plan

13. The Commission has reviewed the proposed communications plan mentioned in paragraph 6 above and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15. However, the following changes must be made to the communications plan:
 - i) modify the name and contact information for the "Commissioner for Complaints for Telecommunications Services" to the "Commission for Complaints for Telecom-television Services" (CCTS), include the CCTS's TTY (teletypewriter) number, and remove the email address complaints@ccts-cprst.ca;
 - ii) modify the contact information for the Canadian Radio-television and Telecommunications Commission to refer to TTY rather than TDD and change the mailing address to "Ottawa, Ontario K1A 0N2"; and
 - iii) update, as appropriate, the contact information for the other organizations listed in the plan.
14. The Commission **approves** the proposed communications plan and **directs** Bell Canada, Télébec, and NorthernTel to provide the resulting communications materials to their customers, in both official languages where appropriate.

Other matter: Implementation date

15. Bell Canada requested that forbearance be implemented on 1 January 2019 in order to allow time for the implementation of the communications plan.
16. Forbearance determinations regarding local exchange services take effect as of the publication date of the relevant Commission decision, with implementation of the communications plan to follow. The Commission finds that Bell Canada has not sufficiently justified changing this practice. Consequently, forbearance takes effect as of the date of this decision.

² In Telecom Regulatory Policy 2009-379, the Commission stated that, if applicable, a small ILEC could submit an attestation that it had received no complaints from competitors in the six months prior to the date of the forbearance application, or since the implementation of local competition if less than six months had passed.

Conclusion

17. Bell Canada's application regarding the 34 Bell Aliant exchanges in Newfoundland and Labrador and the five Télébec exchanges in Quebec meets all the local forbearance criteria set out in Telecom Decision 2006-15. Bell Canada's application regarding the two NorthernTel exchanges in Ontario meets all the local forbearance criteria set out in Telecom Decision 2006-15 and modified by Telecom Regulatory Policy 2009-379 for small ILECs.
18. 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 Bell Canada, Télébec, and NorthernTel in these exchanges, of the residential local exchange services listed in Appendix 2 to this decision 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.
19. 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 these exchanges sufficient to protect the interests of users of these services.
20. 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 Bell Canada, Télébec, and NorthernTel of these residential local exchange services in these exchanges would be unlikely to unduly impair the continuance of a competitive market for these services.
21. In light of the above, the Commission **approves** Bell Canada's application for forbearance from the regulation of the local exchange services listed in Appendix 2 to this decision and future local exchange services (as defined in Telecom Public Notice 2005-2), as they pertain to residential customers only, in the exchanges listed in Appendix 1 to this decision, 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** Bell Canada, Télébec, and NorthernTel to issue revised tariff pages³ within **30 days** of the date of this decision.

Secretary General

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.

Related documents

- *Phase-out of the local service subsidy regime*, Telecom Regulatory Policy CRTC 2018-213, 26 June 2018
- *Framework for forbearance from regulation of retail local exchange services in the serving territories of the small incumbent local exchange carriers*, Telecom Regulatory Policy CRTC 2009-379, 23 June 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 1 to Telecom Decision CRTC 2018-418

Exchanges that meet all the local forbearance criteria set out in Telecom Decision 2006-15

Company	Province	Exchange
Bell Canada	NL	Arnold's Cove
Bell Canada	NL	Baie Verte
Bell Canada	NL	Bellevue
Bell Canada	NL	Birchy Bay
Bell Canada	NL	Boyd's Cove
Bell Canada	NL	Catalina
Bell Canada	NL	Centreville
Bell Canada	NL	Chance Cove
Bell Canada	NL	Chapel Arm
Bell Canada	NL	Charlottetown (Bonavista Bay)
Bell Canada	NL	Clarke's Head
Bell Canada	NL	Come By Chance
Bell Canada	NL	Comfort Cove-Newstead
Bell Canada	NL	Eastport
Bell Canada	NL	Gambo
Bell Canada	NL	Glenwood
Bell Canada	NL	Glovertown
Bell Canada	NL	Harbour Main
Bell Canada	NL	Hare Bay
Bell Canada	NL	Hickman's Harbour
Bell Canada	NL	Hillgrade
Bell Canada	NL	Horwood
Bell Canada	NL	King's Cove
Bell Canada	NL	Ladle Cove
Bell Canada	NL	Moreton's Harbour
Bell Canada	NL	Musgravetown
Bell Canada	NL	Newman's Cove
Bell Canada	NL	Plate Cove
Bell Canada	NL	Pouch Cove

Company	Province	Exchange
Bell Canada	NL	Robert's Arm
Bell Canada	NL	South Brook
Bell Canada	NL	Summerford
Bell Canada	NL	Triton
Bell Canada	NL	Upper Island Cove
NorthernTel	ON	Opasatika
NorthernTel	ON	Kirkland Lake
Télébec	QC	Cap-aux-Meules
Télébec	QC	Grande-Entrée
Télébec	QC	Havre-Aubert
Télébec	QC	Havre-aux-Maisons
Télébec	QC	Sainte-Angèle-de-Laval

Appendix 2 to Telecom Decision CRTC 2018-418

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

Company	Tariff	Item	List of services
Bell Canada	21491	125.3	Extra Listings
Bell Canada	21491	125.4	Non-Listed, Non-Published Service
Bell Canada	21491	125.5	Contract Period for Chargeable Extra Listings
Bell Canada	21491	125.6	Directories and Listings – Rates and Charges
Bell Canada	21491	205.1	Residence Single Line Access Service
Bell Canada	21491	205.3	Residence Multi-line Access Service
Bell Canada	21491	205.5	Residence Party Line Access Service
Bell Canada	21491	257	Express Service
Bell Canada	21491	280	Fibre to the Home (FTTH)
Bell Canada	21491	300	Residence Single-Line Access Bundles
Bell Canada	21491	300.1	Enhanced Consumer Access
Bell Canada	21491	300.2	Atlantic Access Bundle
Bell Canada	21491	300.3	Canada/U.S. Access Bundle
Bell Canada	21491	304	Enhanced Local Calling (Calling Features)
Bell Canada	21491	312	900 Call Denial/Blocking Service
Bell Canada	21491	348	Hospital Patient Telephone Service
NorthernTel	25510	N100 1 to 5	Rate schedules for primary exchange (local) services
NorthernTel	25510	N100 6	Telephone number services
NorthernTel	25510	N100 7	Calling number blocking
NorthernTel	25510	N140 4	Extra listings
NorthernTel	25510	N280 all	Short-term Service
NorthernTel	25510	N300 all	Service on Stationary Ships and Trains
NorthernTel	25510	N330 all	Suspension of Service – Residential Primary Service
NorthernTel	25510	N400 all	Exchange Radio – Telephone Service
NorthernTel	25510	N490 2	Stop Hunt Feature
NorthernTel	25510	N490 4	Toll Restriction Service
NorthernTel	25510	N490 5	Touch Tone
NorthernTel	25510	N490 7	Telephone Station Equipment

Company	Tariff	Item	List of services
NorthernTel	25510	N490 8	Call Management Services
NorthernTel	25510	N490 9	Call Blocking Service
NorthernTel	25510	N490 10	Integrated Voice Messaging Service (IVMS)
NorthernTel	25510	N490 16	Residential Call Management Bundle
NorthernTel	25510	N490 17	Home Phone + Internet 8 Mbps Bundle
NorthernTel	25510	N490 18	Fibre to the Home (FTTH)
NorthernTel	25510	N490 19	Home Phone Plus Bundle
Télébec	25140	1.7	Telephone Set Loss Charge (Residence)
Télébec	25140	2.1.2.2 c	Basic Service for Students
Télébec	25140	2.1.7.1	Basic Services and Regional Service
Télébec	25140	2.1.7.4	Rate Adjustment for Multi-Party Access Line Customers
Télébec	25140	2.1.8	Basic Services Provided Outside the Company's Serving Area
Télébec	25140	2.5	Telephones Available Only for Two-Party Line or Multi-Party Access Service
Télébec	25140	2.15	Service to Immobilized Ships, Trailers and Trains
Télébec	25140	2.17	Basic Residential Bundle – Optimum
Télébec	25140	2.19	Enhanced Telephone Service
Télébec	25140	2.23.2	Telephone Number Reservation Service
Télébec	25140	2.27.6	Extra Listings
Télébec	25140	3.1	Intra-Exchange Distance Charges
Télébec	25140	3.3.17	Toll Restriction Service
Télébec	25140	3.3.18	Smart Touch Services
Télébec	25140	3.3.19	Call Display Blocking – Per Line, Per Call
Télébec	25140	3.3.20	Integrated Vocal Messaging Service
Télébec	25140	5.2.6.5	Call Blocking Service – 900 Service
Télébec	25140	8.4	Internet Call Display
Télébec	25140	8.7.3	Integrated Services Digital Network (ISDN) 2B+D Télébec
Télébec	25140	11.1	Services for Handicapped Persons