



## Telecom Order CRTC 2019-259

PDF version

Ottawa, 18 July 2019

*Public record: Tariff Notice 39*

### **Bragg Communications Incorporated, operating as Eastlink – Destandardization of 30 Mbps third-party Internet access service**

#### **Application**

1. The Commission received an application from Bragg Communications Incorporated, operating as Eastlink (Eastlink), dated 13 November 2018, in which Eastlink proposed to destandardize its 30 megabits per second (Mbps) downstream/3 Mbps upstream service (referred to hereafter as the 30 Mbps service) from its wholesale Third-Party Internet Access (TPIA) Tariff, effective 11 January 2019.
2. Eastlink submitted that as of 11 January 2019, it would cease offering the 30 Mbps service to retail customers. It proposed to grandfather existing TPIA end-users as of that date. According to Eastlink, no existing TPIA end-users would be affected by the destandardization; however, the 30 Mbps service would no longer be available to new TPIA end-users as of 11 January 2019.
3. In Telecom Order 2018-464, the Commission approved Eastlink's application on an interim basis, effective 11 January 2019.

#### **Intervention**

4. The Commission received an intervention from Spectrum Telecom Group Ltd. (Spectrum Telecom), dated 20 December 2018, opposing Eastlink's application.
5. Spectrum Telecom submitted that Eastlink's proposal conflicts with the Commission's objective to increase competition for Internet services, since Commission approval of Eastlink's application would force customers to select another service at a higher price. Further, Eastlink would be the sole beneficiary of such approval, since its customers would be forced to switch to higher-priced services.
6. Spectrum Telecom further noted that Eastlink does not have the privilege or the authority to dictate what services its wholesale TPIA service customers can provide.

#### **Reply**

7. Eastlink submitted that Spectrum Telecom's basis for opposing Eastlink's application is inconsistent with existing Commission rules and processes, which permit Eastlink to destandardize a service speed when Eastlink no longer offers it in the retail services market.

8. Specifically, Eastlink submitted that it has followed the requirements of destandardization, as set out in Telecom Information Bulletin 2010-455-1. Eastlink noted that the Commission has confirmed, for example, in Telecom Regulatory Policy 2010-632, that cable carriers are required only to provide wholesale TPIA service customers with speeds that are available to the cable carriers' own retail service customers.

### **Commission's analysis and determinations**

9. In accordance with the speed-matching requirement set out in Telecom Regulatory Policy 2010-632, incumbent local exchange carriers and cable carriers must provide wholesale services at the same speeds they are offering to their own retail customers. Eastlink has destandardized the 30 Mbps service with regard to its own retail customers. The Commission therefore considers that Eastlink's application is consistent with the speed-matching requirement.
10. Eastlink's application also meets the requirements set out in Telecom Information Bulletin 2010-455-1, in which the Commission set out its procedures for dealing with applications to destandardize and/or withdraw tariffed services.<sup>1</sup> In particular, Eastlink has provided the rationale for the destandardization of the wholesale TPIA service and sent a copy of the notice of destandardization to the affected customers. Spectrum Telecom's opposing arguments do not address or provide any evidence as to why the Commission should depart, in this particular case, from the applicable rules for the destandardization of a wholesale service.
11. Accordingly, the Commission **approves** Eastlink's application on a final basis, effective 11 January 2019.

Secretary General

### **Related documents**

- Telecom Order CRTC 2018-464, 13 December 2018
- *Approval processes for tariff applications and intercarrier agreements*, Telecom Information Bulletin CRTC 2010-455-1, 19 February 2016
- *Wholesale high-speed access services proceeding*, Telecom Regulatory Policy CRTC 2010-632, 30 August 2010
- *Mandatory customer contract renewal notification and requirements for service destandardization/withdrawal*, Telecom Decision CRTC 2008-22, 6 March 2008

---

<sup>1</sup> That bulletin summarizes the Commission's related determinations set out in Telecom Decision 2008-22 and is incorporated by reference in section 59 of the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*.