



Telecom Order CRTC 2019-52

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Ottawa, 22 February 2019

Public record: Tariff Notice 26C

Shaw Cablesystems G.P. – Introduction of a new wholesale high-speed access band and the Internet 600 access speed tier

The Commission approves, on an interim basis, a rate for wholesale high-speed access Speed Band 8 and the Internet 600 access speed tier provided by Shaw.

Application

1. The Commission received an application (Tariff Notice 26C) from Shaw Cablesystems G.P. (Shaw), dated 29 November 2018, in which the company requested that the Commission approve a revision to item 26300 – Third Party Internet Access (TPIA) Service of its General Tariff to support the introduction of a new access speed tier (Internet 600) with download speeds up to 600 megabits per second (Mbps) and upload speeds up to 50 Mbps. Concurrent with the introduction of the Internet 600 access speed tier, the company also introduced a new Speed Band 8, with access download speeds ranging from 501 to 750 Mbps and upload speeds up to 50 Mbps for aggregated wholesale high-speed access (HSA) service.¹
2. Shaw proposed an interim monthly access rate per end-user of \$112.56 for services within Speed Band 8.
3. In light of the Commission's ongoing review of the wholesale HSA service final rates,² and in order to reduce the regulatory burden on interveners and the Commission, Shaw elected to file its application as an update to the cost study for its existing seven speed bands currently under review.³
4. The Commission received an intervention from the Canadian Network Operators Consortium Inc. (CNOc). CNOc welcomed the introduction of Shaw's new Speed Band 8, but argued that the proposed access rate for Speed Band 8 was greatly

¹ Shaw's aggregated wholesale HSA service tariff includes two rate components: (i) a monthly access charge per end-user for each speed band and (ii) a capacity-based billing (CBB) charge for each 100 Mbps of network capacity required by a competitor.

² Subsequent to the issuance of Telecom Orders 2016-396 and 2016-448, the aggregated HSA service providers filed revised tariff applications and the associated cost studies for their respective aggregated wholesale HSA services; their estimated costs and proposed rates are currently under review.

³ See Appendix 1 of Telecom Order 2016-396, CBB model – Interim approved banded access rates for Shaw, for the current interim rates for Shaw's Speed Bands 1 through 6; Shaw filed Tariff Notices 26 and 26A as part of the proceeding that resulted in the setting of these interim rates. See Telecom Order 2018-442 for the current interim rate for Shaw's Speed Band 7.

inflated. CNOC requested that the Commission set the interim rate for Shaw's new Speed Band 8 using the same approach used to set the interim rate for Speed Band 7 in Telecom Order 2018-442.

Background

5. In Tariff Notice 26B, dated 10 July 2018, Shaw filed an application with the Commission in which the company requested that the Commission approve a revision to item 26300 – TPIA Service of its General Tariff to support the introduction of a new access speed tier (Internet 300) with download speeds up to 300 Mbps and upload speeds up to 20 Mbps. As the new Internet 300 access speed tier exceeded the download and upload range of existing speed bands within Shaw's TPIA tariff, the company also introduced a new Speed Band 7, with access download speeds ranging from 251 to 500 Mbps and upload speeds up to 50 Mbps for aggregated wholesale HSA service. Shaw proposed an interim monthly access rate per end-user of \$100.84 for services within Speed Band 7.
6. In Telecom Order 2018-442, the Commission approved, on an interim basis, a monthly access rate for Speed Band 7 and the Internet 300 access speed tier of \$50.84, consistent with the rate-setting approach used to set interim rates for Shaw's Speed Bands 1 to 6 in Telecom Order 2016-396 and taking into account an adjustment to Shaw's estimated coaxial access plant costs.⁴

Commission's analysis and determinations

7. Shaw did not file the electronic version of its cost model with the Commission in support of its proposed rate for Speed Band 8. The Commission is therefore unable to assess the reasonableness of the proposed rate. Further, the Commission has in the past determined that, in the absence of a cost study, the interim monthly access rates for new aggregated HSA service speeds are to be based on the nearest lower-speed service.
8. The Commission considers that until its review of the wholesale HSA service final rates referenced in paragraph 3 above is complete, and in order to make the new service speed available to competitors in a timely manner, the rate for Speed Band 8 and the Internet 600 access speed tier should be set, on an interim basis, using the same rate approved on an interim basis for Speed Band 7 in Telecom Order 2018-442.
9. Accordingly, the Commission **approves, on an interim basis**, a monthly access rate for Speed Band 8 and the Internet 600 access speed tier of \$50.84. This interim rate is made effective the date of this order.

⁴ See paragraphs 13 to 16 of Telecom Order 2018-442.

Implementation

10. Shaw is to issue revised tariff pages,⁵ within **10 days** of the date of this order, reflecting the determinations set out herein.

Secretary General

Related documents

- *Shaw Cablesystems G.P. – Introduction of a new third-party Internet access speed band and the Internet 300 access speed tier*, Telecom Order CRTC 2018-442, 29 November 2018
- *Bragg Communications Incorporated, operating as Eastlink – Revised interim rates for aggregated wholesale high-speed access service*, Telecom Order CRTC 2016-448, 10 November 2016
- *Tariff notice applications concerning aggregated wholesale high-speed access services – Revised interim rates*, Telecom Order CRTC 2016-396, 6 October 2016

⁵ Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.