



## Telecom Order CRTC 2022-347

PDF version

Ottawa, 21 December 2022

*Public record: Tariff Notice 75*

### **Rogers Communications Canada Inc. – Modifications to aggregated third-party Internet access services**

#### **Application**

1. The Commission received an application from Rogers Communications Canada Inc. (RCCI), dated 30 November 2022, in which the company proposed changes to its aggregated third-party Internet access (TPIA) services. Specifically, RCCI proposed to (i) introduce a 1.5 gigabit per second (Gbps) service speed, at a monthly rate of \$73.68 for end-users; and (ii) destandardize its 1 Gbps service speed in Ontario, effective 17 February 2023.
2. RCCI proposed to offer the 1.5 Gbps service speed in accordance with the speed-matching requirement set out in Telecom Regulatory Policy 2010-632. The company provided a cost study to support the proposed monthly rate of \$73.68, which was based on a newly proposed speed band of 1025 to 1500 megabits per second (Mbps).
3. RCCI also indicated that it is upgrading its upstream speeds for certain speed tiers to 30 and 50 Mbps, without any changes to existing rates. RCCI submitted that it has already implemented this change for its retail and wholesale customers, and provided revised tariff pages as part of its application.
4. On 5 December 2022, TekSavvy Solutions Inc. filed a procedural request asking the Commission to either require RCCI to divide its application in two – one for the introduction of new services and service upgrades, and one for the destandardization of the 1 Gbps service – or to issue two different deadlines for these two issues, since competitor tariff applications and destandardization applications are subject to different intervention periods set out in Telecom Information Bulletin 2010-455-1.

#### **Commission's analysis**

5. Given the extensive cost study and the time required to review and analyze the cost inputs, the Commission will assess an interim rate for the proposed speed band of 1025 to 1500 Mbps in order to make the new 1.5 Gbps service speed available to TPIA customers as quickly as possible.
6. The Commission considers that the use of a proxy approach to set the interim rate would be appropriate. Under the proxy approach, the interim rate for new speed bands is set equal to the approved rate for the next lower existing speed band. The

Commission has used this approach in the past to set interim rates for new service speeds, most recently in Telecom Orders 2022-96 and 2022-97.

7. In Telecom Decision 2021-181, the Commission approved final rates for RCCI's aggregated TPIA service for speed bands 1 to 8. The rate for speed band 8 (which covers the fastest speeds, from 751 to 1024 Mbps) was set at \$49.06 per month.
8. The Commission considers it appropriate to set the interim monthly rate for RCCI's proposed speed band of 1025 to 1500 Mbps and its associated 1.5 Gbps service speed at \$49.06, which is the rate for the next lower speed band.
9. In addition, the Commission notes that RCCI's revised tariff pages with the modified 30 and 50 Mbps upload speeds are in compliance with the notification procedures set out in paragraph 210 of Telecom Decision 2006-77.
10. Finally, taking into account the timelines set out in Telecom Information Bulletin 2010-455-1 for destandardization applications, the Commission considers it appropriate to amend the deadline for interested parties to submit interventions to RCCI's application to 2 February 2023.<sup>1</sup>

## Conclusion

11. In light of the above, the Commission **approves on an interim basis** a monthly rate of \$49.06 for RCCI's speed band ranging from 1025 to 1500 Mbps and its associated 1.5 Gbps aggregated TPIA service speed.
12. Given that RCCI's application remains open for comments, the Commission will address the company's destandardization request in a separate order.
13. The deadline for interested parties to submit interventions regarding RCCI's application is amended to **2 February 2023**.

## Policy Directions

14. In accordance with subparagraph 1(b)(i) of the 2006 Policy Direction,<sup>2</sup> the Commission considers that the approval of RCCI's application to introduce a 1.5 Gbps service speed will advance the telecommunications policy objectives set out in paragraphs 7(b), (c), and (f) of the *Telecommunications Act*.<sup>3</sup> Furthermore, the Commission considers that its determinations in this order are consistent with the

---

<sup>1</sup> This date also takes into account the period from 21 December 2022 to 7 January 2023 that is excluded from the calculation of the deadline pursuant to the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*.

<sup>2</sup> *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006

<sup>3</sup> The cited policy objectives are 7(b) to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada; (c) to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications; and (f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective.

2019 Policy Direction,<sup>4</sup> namely the principles set out in paragraphs 1(a)(ii), (iii), and (v).<sup>5</sup>

15. Specifically, the introduction of the 1.5 Gbps service speed encourages greater competition in Ontario, fosters affordability, and lower prices of high-speed Internet access services where RCCI exercises market power. It also ensures that more high-quality telecommunications services become available in Ontario and reduces barriers to competition and entry in the retail market for services in the highest available speed band.

Secretary General

### Related documents

- *Videotron Ltd. – Reintroduction of the aggregated Giga service and of the disaggregated Giga service and introduction of the aggregated 1.5 Giga service and of the disaggregated 1.5 Giga service*, Telecom Order CRTC 2022-97, 5 April 2022
- *Shaw Cablesystems G.P. – Introduction of Internet 1500 wholesale high-speed access service*, Telecom Order CRTC 2022-96, 5 April 2022
- *Requests to review and vary Telecom Order 2019-288 regarding final rates for aggregated wholesale high-speed access service*, Telecom Decision CRTC 2021-181, 27 May 2021
- *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
- *Cogeco, Rogers, Shaw, and Videotron – Third-party Internet access service rates*, Telecom Decision CRTC 2006-77, 21 December 2006

---

<sup>4</sup> *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation*, SOR/2019-227, 17 June 2019

<sup>5</sup> The cited principles are to 1(a)(ii) foster affordability and lower prices, particularly when telecommunications service providers exercise market power; (iii) ensure that affordable access to high-quality telecommunications services is available in all regions of Canada, including rural areas; and (v) reduce barriers to entry into the market and to competition for telecommunications service providers that are new, regional or smaller than the incumbent national service providers.