



Telecom Decision CRTC 2025-37

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TELUS Communications Inc. – Application to review and vary Telecom Regulatory Policy 2024-180 or otherwise extend its implementation date

Summary

The Commission is working to increase choice and affordability of high-speed Internet services by promoting greater competition between Internet service providers while maintaining incentives for companies to invest in high-quality networks.

In Telecom Regulatory Policy 2024-180 (the Policy), the Commission directed Canada's largest telephone companies – Bell Canada, Saskatchewan Telecommunications, and TELUS Communications Inc. (TELUS) – to provide competitors with workable access to their fibre networks no later than 13 February 2025.

TELUS filed an application requesting that the Commission review and vary the Policy's implementation date and grant TELUS a four-month extension in British Columbia and Alberta. In TELUS's view, the Commission erred when it established a six-month implementation deadline in the Policy.

The Commission understands that TELUS may require additional time to implement an optimized solution. However, based on the public record, the Commission finds that there is no substantial doubt as to the correctness of the six-month implementation deadline, nor has there been a fundamental change in circumstances since the issuance of the Policy. Accordingly, the Commission declines to vary the Policy's implementation deadline.

The Commission considers that TELUS can implement a workable solution that will make the service available by the 13 February 2025 deadline. This will allow competitors to choose between accessing the service as soon as possible or waiting for TELUS to implement an optimized solution.

Through this decision, the Commission is helping ensure that Canadians will have access to new choices for Internet services as soon as possible while balancing the need to provide sufficient time to implement workable access to fibre networks.

Background

1. On 13 August 2024, the Commission issued Telecom Regulatory Policy 2024-180 (the Policy). The Policy required Canada's largest telephone companies – Bell Canada, including Bell Aliant, a division of Bell Canada, and Bell MTS Inc.; Saskatchewan Telecommunications (SaskTel); and TELUS Communications Inc. (TELUS) [collectively, the incumbent local exchange carriers (ILECs)] – to begin offering wholesale aggregated fibre-to-the-premises (FTTP) services no later than 13 February 2025.

Application

2. The Commission received an application from TELUS, dated 29 October 2024, requesting that the Commission review and vary the 13 February 2025 implementation deadline (the deadline) established in the Policy and extend the date for TELUS to begin offering a wholesale aggregated FTTP service in British Columbia and Alberta to 13 June 2025. TELUS alleged that there was substantial doubt as to the correctness of the Policy's deadline.
3. Specifically, TELUS submitted that:
 - its implementation efforts show that it cannot meet the deadline, and this represents a fundamental change in circumstances or facts since the issuance of the Policy;
 - the Commission erred in the Policy by reasoning that TELUS's experience in implementing aggregated wholesale high-speed access (HSA) service over fibre-to-the-node (FTTN) justified a six-month deadline, and by not considering TELUS's submissions on the time required to implement the service;
 - the Commission also erred by failing to consider that a six-month deadline would be highly onerous for TELUS; and
 - if there is no substantial doubt as to the correctness of the Policy, the Commission should nevertheless extend the deadline pursuant to its authorities under section 50 of the *Telecommunications Act* (the Act).
4. The Commission received interventions from Bell Canada; the British Columbia Broadband Association (BCBA); Competitive Network Operators of Canada (CNOC); Fibernetics Corporation (Fibernetics); the Public Interest Advocacy Centre (PIAC); Quebecor Media Inc., on behalf of Videotron Ltd., Freedom Mobile Inc., and VMedia Inc. (collectively, Quebecor); SaskTel; Vaxination Informatique, and one individual.

Review and vary criteria

5. In Telecom Information Bulletin 2011-214, the Commission outlined the criteria it would use to assess review and vary applications filed pursuant to section 62 of the Act. Specifically, the Commission stated that applicants must demonstrate that there is substantial doubt as to the correctness of the original decision, for example, due to (i) an error in law or in fact, (ii) a fundamental change in circumstances or facts since the decision, (iii) a failure to consider a basic principle which had been raised in the original proceeding, or (iv) a new principle which has arisen as a result of the decision.

Issue

6. The Commission has identified the following issue to be addressed in this decision:
 - Should the Commission extend TELUS's deadline by four months due to substantial doubt as to the correctness of the six-month deadline, or because an extension would be justified pursuant to the Commission's authorities under section 50 of the Act?

Positions of parties

7. TELUS submitted that the only justification provided in the Policy for the six-month deadline was TELUS's experience implementing a wholesale aggregated HSA service over FTTN. It submitted that this constituted an error in law or in fact and a failure to consider a basic principle which had been raised in the original proceeding, since TELUS had stated in the proceeding that led to the Policy that it would be required to develop new systems different from those used to implement its wholesale aggregated HSA service over FTTN.
8. TELUS added that the Commission erred by failing to consider that a six-month deadline would be highly onerous and that the company would require significantly more time to complete the necessary work. Until this work is completed, TELUS would need to rely on manual processes, which would be more resource-intensive and time-consuming.
9. TELUS also submitted that, even if there is no substantial doubt as to the correctness of the six-month deadline, the extensive amount of work required to implement access to its fibre networks in British Columbia and Alberta justifies the Commission using its authorities under section 50 of the Act to grant a four-month extension.
10. The BCBA supported TELUS's request for additional time to properly prepare its internal systems to support wholesale access to its fibre infrastructure. PIAC also supported the application but submitted that any extension granted should not apply to Bell Canada and SaskTel. SaskTel also supported the application but indicated that any extension granted should apply to it and Bell Canada. SaskTel submitted that if an extension were granted to TELUS alone, it would create an inequitable regulatory

situation where TELUS could access fibre networks outside its serving territory while not providing access in its own territory.

11. Bell Canada, CNOc, Fibernetics, Quebecor, Vaxination Informatique, and the individual intervener opposed TELUS's application, indicating that the Commission did not err when it established a six-month deadline.
12. CNOc submitted that TELUS could meet the deadline by relying on manual processes; therefore, the Commission did not err in the Policy. CNOc stated that TELUS can provide sufficient training and resources to its employees to ensure that the manual process provides an acceptable quality of service. CNOc also indicated that the absence of an acknowledgment in the Policy of TELUS's arguments related to its experience with wholesale aggregated HSA service over FTTN did not represent an error in fact or in law by the Commission, since the Commission did not need to explicitly address every argument raised in the proceeding. CNOc considered the six-month deadline a reasonable outcome.
13. Bell Canada submitted that TELUS did not claim that it cannot meet the deadline, only that it cannot implement an optimized solution by then. In establishing a six-month implementation period, it was understood that the initial implementation could require a workable solution that may not be entirely error-free.
14. Bell Canada also noted that it was facing the same challenges as TELUS in Manitoba and the Atlantic provinces, where it is establishing new processes to provide wholesale aggregated FTTP services. Bell Canada added that it is diverting resources away from other projects to focus on meeting the deadline with a workable solution and will continue to improve its solution following the deadline.
15. SaskTel stated that it is also facing implementation challenges, and that it is considering using manual processes if an automated solution cannot be implemented by the deadline.
16. CNOc and Quebecor submitted that TELUS has the resources available to have a workable service in place by the deadline.
17. TELUS replied that a four-month extension would be in the public interest by enabling it to provide a better experience to resellers and their customers. TELUS also argued that an extension would be unlikely to significantly impact competition in British Columbia and Alberta, considering the limited initial demand expected in these provinces for wholesale aggregated FTTP service.

Commission's analysis

18. In determining the appropriate timeline in the Policy, the Commission balanced the benefits of making access to wholesale aggregated FTTP services available as soon as possible to bring increased choice and innovative new services to Canadians with the need to provide the ILECs with sufficient time to implement the services.

19. The Policy requires TELUS to begin offering a wholesale aggregated FTTP service within six months. In establishing this deadline, the Commission relied, among other things, on its reasoning in Telecom Decision 2023-358, where it required Bell Canada and TELUS to provide temporary access to wholesale aggregated FTTP services in Ontario and Quebec within six months.
20. The Policy also specifically referenced the various implementation timelines that parties had proposed, which ranged from 60 days to 12 months, and recognized the work that the ILECs would need to undertake to implement access to wholesale aggregated FTTP services. The Commission considered parties' submissions on this matter and was aware that significant work would be required to fully implement the services.
21. TELUS submitted that the work it has undertaken to implement access to wholesale aggregated FTTP service since the release of the Policy, and its resulting view that more time is needed to implement the service, constitutes a fundamental change in circumstances or fact since the Policy was issued. While the Commission does not contest that it may take TELUS an additional four months to implement an optimized wholesale aggregated FTTP service, the Commission considers that the details associated with this type of implementation work could have been provided during the original proceeding and therefore do not represent a change in circumstances or fact since the Policy was issued.
22. In regard to manual order processing, TELUS highlighted the potential for processing errors and the adverse effects these could have on wholesale customers and their end-users. However, competitors such as CNOC and Quebecor indicated that it is more important to make the wholesale aggregated FTTP service available as soon as possible, rather than extend the deadline to wait for an optimized implementation of the service. TELUS also noted that it expects low initial demand for the service, which it argued would mitigate the impact of an extension on competition. The Commission considers the temporary use of manual order processing to be acceptable given the short time frame it will be in effect, as well as the limited initial demand expected before transitioning to an automated solution.
23. The Commission notes that while Bell Canada and SaskTel are facing similar challenges in implementing wholesale aggregated FTTP services, both indicated that they are working towards having a workable solution ready for the deadline. The Commission considers that this indicates that the challenges the ILECs are facing are common and not sufficient cause to extend the deadline.
24. In light of the above, there is no basis to conclude that there is substantial doubt as to the correctness of the Policy.
25. TELUS also requested that, should the Commission find that there is no substantial doubt as to the correctness of the Policy, it should exercise its discretion under section 50 of the Act to grant TELUS a four-month extension.

26. The Commission considers that manual order processing is a feasible approach during the additional four-month period that TELUS may require to implement an automated solution. This would be a known temporary situation, and potential wholesale customers can make an informed decision to access the service immediately or wait the additional four months until an automated solution is available.
27. The Commission considers that maintaining the existing deadline is appropriate and consistent with the policy objectives set out in section 7 of the Act. Maintaining the existing deadline will further paragraphs 7(b) and (c) of the Act by making affordable telecommunications services of high quality accessible to Canadians and increasing the competitiveness of Canadian telecommunications.

Conclusion

28. In light of the above, the Commission finds that there is no substantial doubt as to the correctness of the determination in the Policy to establish a six-month deadline, and that granting a four-month extension for TELUS would not be appropriate. Recognizing that TELUS has stated its intention to have an automated solution in place by 13 June 2025, the Commission will continue to monitor the implementation of the wholesale HSA framework.

2023 Policy Direction

29. The Commission considers that its determinations align with the 2023 Policy Direction¹ by reducing barriers to entry for smaller Internet service providers (paragraph 2(e)), fostering competition (paragraph 8(a)), improving affordability (paragraphs 2(b) and 8(e)) and improving consumer choice (paragraph 8(c)). Furthermore, they will ensure that the Commission's regulatory framework for wholesale Internet services applies equitably to carriers (section 13).

Secretary General

Related documents

- *Competition in Canada's Internet service market*, Telecom Regulatory Policy CRTC 2024-180, 13 August 2024
- *Review of the wholesale high-speed access service framework – Temporary access to fibre-to-the-premises facilities over aggregated wholesale high-speed access services*, Telecom Decision CRTC 2023-358, 6 November 2023

¹ *Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy*, SOR/2023-23, 10 February 2023

- *Revised guidelines for review and vary applications*, Telecom Information Bulletin CRTC 2011-214, 25 March 2011