Telecom Notice of Consultation CRTC 2026-155-2

PDF version

References: 2026-155 and 2026-155-1

Gatineau, 14 August 2026

Public record: 1011-NOC2026-0155

Show cause and call for comments – Compliance with the prohibition of fees that are a barrier to switching cellphone and Internet plans – Procedural determinations

Revised deadline for submission of interventions: 31 August 2026

Revised deadline for submission of replies: 8 September 2026

[Submit an intervention or view related documents]

Summary

In June 2026, the Canadian Radio-television and Telecommunications Commission (the Commission) launched a proceeding in Telecom Notice of Consultation 2026-155 (the Proceeding) in which Bell Canada, Rogers Communications Canada Inc., and TELUS Communications Inc. (TELUS) were to show cause why certain fees they have instituted are not in violation of Telecom Regulatory Policy 2026-43 and sections 24 and 27.04 of the *Telecommunications Act*.

After the Commission launched the Proceeding, it received procedural requests from the Forum for Research and Policy in Communications, the Public Interest Advocacy Centre, and TELUS. The Commission has made determinations on these requests and has revised the deadlines related to this proceeding accordingly.

Background

1. In Telecom Regulatory Policy 2026-43, the Canadian Radio-television and Telecommunications Commission (the Commission) specified the fees related to the activation and modification of a service plan that are prohibited under section 27.04 of the *Telecommunications Act* (the Act). The Commission implemented this prohibition through an amendment to the Wireless Code and the Internet Code to empower Canadians to modify or cancel their cellphone and Internet service plans without incurring fees that may discourage them from doing so. However, the Commission explicitly permitted the charging of fees relating to the installation of equipment at a consumer's home and fees related to the purchase of optional equipment or services.

2. In the proceeding initiated by Telecom Notice of Consultation 2026-155 (the Proceeding), the Commission launched a show cause and call for comments regarding Bell Canada's, Rogers Communications Canada Inc.'s (Rogers), and TELUS Communications Inc.'s (TELUS) [collectively, the Companies] compliance with Telecom Regulatory Policy 2026-43 and sections 24 and 27.04 of the Act.

Procedural requests from the Forum for Research and Policy in Communications and the Public Interest Advocacy Centre

3. On 8 July 2026 and 10 July 2026, respectively, the Forum for Research and Policy in Communications (FRPC) and the Public Interest Advocacy Centre (PIAC) submitted procedural requests requesting that the Commission hold a two-day oral public hearing in the context of the Proceeding within the following five weeks. They submitted that adding an oral public hearing would be beneficial to developing the record.

4. The FRPC also requested that the Commission clarify its rationale for limiting final replies to the Companies or that it grant all interveners the opportunity to submit final replies.

5. Finally, the FRPC requested that the Commission amend Broadcasting and Telecom Notice of Consultation 2026-134 to include references to issues raised in the Proceeding.

6. Bell Canada and TELUS opposed these requests, submitting that a paper process was sufficient to develop a fulsome record.

Commission's analysis

7. The Commission retains broad discretion to determine how to conduct its proceedings, subject to requirements imposed by statute and the duty of procedural fairness.

8. In the Proceeding, the Commission is considering a specific question of regulatory compliance directed to the Companies. A written process allows interested persons to participate in the Proceeding by submitting interventions. It facilitates the development of a robust evidentiary record that is fair and transparent.

9. Oral public hearings are appropriate in certain circumstances, for example, when considering complex policy matters. In this case, the Commission is of the view that oral evidence is not required to ensure a comprehensive record. The Proceeding involves a single inquiry regarding the interpretation and compliance with one statutory provision of the Act. For these reasons, and consistent with recent practice, the Commission maintains that continuing by way of a written process is appropriate.

10. Furthermore, a greater degree of procedural fairness is owed to the Companies given the nature of the Proceeding. The Companies should have the right to a final reply to provide them with a

final and meaningful opportunity to respond to all of the information on the record before the Commission makes a decision.

Procedural request from TELUS

11. On 17 July 2026, the Commission received a request from TELUS requesting that the Commission:

- separate the Proceeding into two parts: a show cause proceeding to assess the practices and, if warranted, a proceeding for enforcement remedies;
- set out the case to be met with respect to the alleged violations; and
- provide assurances that any Commission staff who have already publicly expressed a judgment that certain fees are prohibited be excluded from the Proceeding.

12. Bell Canada and Rogers filed submissions in support of these requests, while an individual filed a response opposing these requests.

Separating the Proceeding

Positions of parties

13. TELUS requested that the Proceeding be split into two separate and sequential parts in accordance with procedural fairness: first addressing whether non-compliance has occurred and only then launching a separate proceeding to consider remedies. TELUS submitted that combining the two steps has the potential for pre-judgment and fettering of the Commission's discretion.

Commission's analysis

14. The approach taken in the Proceeding is consistent with past show cause proceedings. As noted in Compliance and Enforcement and Telecom Information Bulletin 2015-111, in cases where the Commission initiates a proceeding on its own motion to inquire into apparent non-compliance, the Commission may issue a notice of consultation in accordance with the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*. The notice of consultation includes the relevant details of any alleged violations and calls for comments on the circumstances of the alleged violation, the appropriateness of an administrative monetary penalty (AMP) as a compliance tool in the circumstances, and the appropriate amount of the AMP, were one to be imposed.

15. Separating a proceeding can be appropriate in certain circumstances, for instance, to provide the opportunity for a person found to have committed a violation to come into compliance. However, in this case, the Commission is of the view that a follow-up proceeding is not necessary.

16. All interested persons may comment and submit evidence and arguments on the apparent non-compliance and the appropriate enforcement measures. Based on the record of the Proceeding, the Commission will make a finding on a balance of probabilities as to whether a violation has occurred, and if so, it will determine the appropriate remedy in the circumstances. This approach is consistent with past practice and is procedurally fair and efficient. The Commission finds no reason to depart from its recent approach in these circumstances.

Setting out the case to be met

Positions of parties

17. TELUS submitted that Telecom Notice of Consultation 2026-155 does not clearly set out the case to be met for companies that are subject to the Proceeding. TELUS added that this goes against precedents and the Commission's own guidelines on the AMPs regime.

Commission's analysis

18. As noted in Telecom Notice of Consultation 2026-155, the Commission amended the Wireless Code and the Internet Code in Telecom Regulatory Policy 2026-43 to include new consumer protections. These protections empower Canadians to modify or cancel their cellphone and Internet service plans without incurring fees that may discourage them from doing so.

19. In Telecom Notice of Consultation 2026-155, the Commission noted that:

    - Bell Canada had introduced a $40 device-handling charge for customers purchasing a cellphone along with their wireless service;
    - TELUS had introduced a $15 fee for the purchase of a SIM card or e-SIM as part of its wireless service; and
    - Rogers had introduced a $40 device setup charge, a $25 shipping charge, and an unspecified SIM fee.

    In that notice, the Commission directed the Companies to show cause why these fees comply with Telecom Regulatory Policy 2026-43 and the Act. The Commission also directed the Companies to show cause on the potential imposition of enforcement measures, including AMPs and why a mandatory order requiring them to take the necessary steps to come into compliance should not be issued.

20. Prior to the publication of Telecom Notice of Consultation 2026-155, the Companies received letters from Commission staff regarding the apparent non-compliance of the fees. In the letters, Commission staff specifically referenced the relevant provisions in the Wireless Code and the Internet Code, Telecom Regulatory Policy 2026-43, and the Act. Commission staff also set out the test to be met for fees to be exempted from prohibition. They noted that charging fees for device handling, device setup, or the purchase of a SIM card does not appear to fall within the

exemption for optional services and products set out in Telecom Regulatory Policy 2026-43. Commission staff asked the Companies to explain with supporting rationale how these fees are compliant.

21. In the Commission's view, the case to be met has been clearly articulated, and the Companies have been provided sufficient notice. Specifically, the case to be met is whether the Companies' practices are in compliance with the exemption for fees set out in the Act and implemented in the Wireless Code and the Internet Code through Telecom Regulatory Policy 2026-43.

Excluding certain staff members from the Proceeding

Positions of parties

22. TELUS submitted that public communications from certain Commission staff, including letters addressing the apparent non-compliance of service providers' practices or requesting further information about these practices as well as media interviews, demonstrate that the staff members in question cannot be impartial assessors of the facts and should not advise the Commission in the Proceeding.

Commission's analysis

23. The test to establish a reasonable apprehension of bias is whether the informed, reasonable, and right-minded person, viewing the matter realistically and practically and having thought the matter through, would conclude that there was an actual or apprehended lack of impartiality.[1] Based on this test, the Commission considers that TELUS's apprehension of bias allegation should be rejected.

24. As noted in Compliance and Enforcement and Telecom Information Bulletin 2015-111, the Commission relies on a variety of tools to promote compliance, including information gathering by its staff. In instances where Commission staff become aware of potential non-compliance, they typically attempt to address it directly by providing notice of the apparent non-compliance and working to resolve the non-compliance without requiring the Commission to take additional enforcement actions. This approach is efficient, solution-oriented, and used regularly to promote compliance with the Deposit and Disconnection Code, the Wireless Code, the Television Service Provider Code, and the Internet Code.

25. In this case, sending compliance letters aligns with the Commission's general approach. The purpose of the letters was to provide the Companies with notice of Commission staff's concerns and with the opportunity to respond. The letters are not determinative and clearly indicate that any formal compliance action would be considered by the Commission. Similarly, the responses provided by the Vice-President of Consumer, Analytics and Strategy during a media interview also explicitly acknowledged that any non-compliance would be determined by the Commission based on the evidence gathered in the Proceeding. When considered by a well-informed person,

[1] *Committee for Justice and Liberty et al. v. National Energy Board et al.*, [1978] 1 SCR 369.

viewing the matter realistically and practically and having thought the matter through, these comments cannot reasonably support a reasonable apprehension that the Commission lacks or could be perceived to lack impartiality in considering this matter.

26. Above all else, Commission staff members lack the statutory authority to make binding decisions on matters before the Commission. Although Commission staff can conduct investigations, gather evidence, correspond with parties, and provide advice to the Commission, only Commission members can make determinations of fact and law, including findings of non-compliance and the imposition of a remedy.

27. Consistent with its mandate, the Commission will make decisions based on its independent and impartial analysis of the evidence put forward on the record of the Proceeding. Only then will it make its decision on the matter.

Conclusion

28. In light of all of the above, the Commission denies the procedural requests.

Revised deadlines

29. On 29 July 2026, the Commission suspended the deadlines for the proceeding initiated by the Proceeding while it considered the procedural requests.

30. The Commission indicated that revised deadlines would be established to ensure that parties have sufficient time to consider the Commission's determinations in their submissions and interventions.

31. The revised deadline for the submission of interventions is **31 August 2026**, and the revised deadline for the submission of replies is **8 September 2026**.

Secretary General

Related documents

- *Show cause and call for comments – Compliance with the prohibition of fees that are a barrier to switching cellphone and Internet plans*, Telecom Notice of Consultation CRTC 2026-155, 30 June 2026, as amended by Telecom Notice of Consultation CRTC 2026-155-1, 29 July 2026

- *Harmonizing the consumer protection codes*, Broadcasting and Telecom Notice of Consultation CRTC 2026-134, 12 June 2026, as amended by Broadcasting and Telecom Notice of Consultation CRTC 2026-134-1, 11 August 2026

- *Prohibition of fees that are a barrier to switching cellphone and Internet plans*, Telecom Regulatory Policy CRTC 2026-43, 12 March 2026

- *Guidelines regarding the general administrative monetary penalties regime under the* Telecommunications Act, Compliance and Enforcement and Telecom Information Bulletin CRTC 2015-111, 27 March 2015