6 November 2009

Mr. Robert A. Morin
Secretary General
Canadian Radio-television and
Telecommunications Commission
Ottawa, ON  K1A 0N2

Dear Mr. Morin:

Subject: MTS Allstream additional comments on potential nomadic VoIP E9-1-1 service, file # 8663-C12-200905995

1. In accordance with procedures established by the Commission, MTS Allstream Inc. (MTS Allstream) herein provides comments on a potential nomadic VoIP E9-1-1 service. MTS Allstream notes that the Commission has requested comments at this time on questions posed in Appendices 2 and 3 of TNC 2009-1941.

2. MTS Allstream notes that it provided the requested comments on 7 August 2009 when commenting on other matters raised by TNC 2009-194. For consistency with other parties and for the Commission’s ease of record keeping, MTS Allstream is resubmitting those comments verbatim below.

TNC 2009-194, Appendix 2: Who should pay for the various costs of implementing nomadic VoIP E911 service?

3. MTS Allstream notes that the Commission previously requested parties to present their views on how the implementation costs and the costs of providing a nomadic VoIP E9-1-1 service would be recovered in the follow-up proceeding to Telecom Decision CRTC 2007-125. The divergent views on cost recovery scenarios supplied by parties in this prior proceeding coupled with the Commission’s re-visitation of this question in this present proceeding demonstrate that this issue remains problematic.

1  Telecom Notice of Consultation CRTC 2009-194, Call for comments – Nomadic VoIP E9-1-1 service, 15 April 2009.
4. The difficulty in assessing the appropriate cost recovery mechanism for the implementation of a nomadic VoIP E911 service lies in the fact that there is not a ubiquitous and singular correlation between the nomadic VoIP service and the underlying infrastructure that supports it, namely, the high-speed Internet (HSI) connection that is delivered by an access service provider (ASP).

5. To put it more plainly, a nomadic VoIP service user may use an HSI connection to process and terminate a voice conversation, but the vast majority of HSI customers choose not to avail themselves of this service. HSI customers pay for access to the Internet, and the ASPs have established their cost and pricing models to deliver this base service. Requiring the ASPs to incur extraordinary costs and to presumably pass these costs on to their customer base via increased service fees just to ensure that each of their HSI connections is enabled with the necessary LDP functionality that a nomadic VoIP E911 service requires would clearly present challenges to the business model that these enterprises have established with their customers.

6. This situation is unlike the traditional wireline and wireless voice services where the underlying infrastructure (including the 911 system) has been developed to provide each subscriber with a shared and universal function, namely, the ability to process voice calls and to quickly and efficiently reach emergency assistance personnel as required in cases of personal distress. The established shared-use cost recovery model for the development and enhancement of the 911 system for these services is much easier to implement and maintain as each wireline and wireless subscriber may use and benefit from the service.

7. However, the challenge with extending the implementation costs of a nomadic VoIP service to wireline and wireless voice E911 users is that these users have even less of an association with nomadic VoIP services than do HSI subscribers. There is no direct relationship between the use of these services, and in fact, nomadic VoIP service

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According to the 2008 Monitoring report, 69% (equating to 9.1M) of Canadian households subscribe to a high-speed internet service. Compared to the estimated user base of 192,000 of nomadic VoIP users, the ratio of nomadic VoIP utilization to HSI connections is approximately 2%.
offerings may have originally been perceived as a replacement service to traditional wireline and wireless voice services.

8. MTS Allstream is presenting this view of the difficulties of any potential cost recovery model to demonstrate that whichever of the options is considered from those presented by the Commission in Appendix 2 of TNC 2009-194, there will be a material expense allocated to a certain constituency (HSI subscribers, wireline voice users, wireless voice users, or a combination of all) who will experience no benefit from their subsidy. However, since the cost estimates of implementing Ci2 are such that the very viability of the proposal remains questionable, it is entirely impractical to conclude that the Canadian nomadic VoIP users alone could feasibly stand-alone as the sole source of funding for cost recovery.

9. As a general principle, the users who stand to use or benefit from a service should be the ones who pay for the service; unless specific grounds can be identified to justify that these users should be subsidized by some other group of users. There is no evidence on the record at this point to justify that users of nomadic VoIP services should be subsidized by any other group of users, other than the base argument that the delivery of a nomadic VoIP E911 service could not otherwise be reasonably funded. Also, subsidizing nomadic VoIP service invites contemplation that economically inefficient competition is being sustained. As such, MTS Allstream submits that the policy implications of the cost recovery scenarios as laid out by the Commission in TNC 2009-174 give further evidence that Ci2 is not viable.

TNC 2009-194, Appendix 3: Should small ASPs be exempt from implementing an LDP?

10. Given its submission that Ci2 is not viable, MTS Allstream believes that the development and implementation of an LDP should not be mandated for any ASP, regardless of size. Notwithstanding this position, if the Commission mandates any enhancement to 911 service for nomadic VoIP users, MTS Allstream feels such enhancements should be deployed to the widest extent feasible. User confidence and safety might be diminished based on user uncertainty or misconception concerning 911 or E911 services.
Yours truly,

for Teresa Griffin-Muir
Vice President, Regulatory Affairs

c.c: Allen Trafford, MTS Allstream, 613-688-8794
   James Ndirangu, CRTC
   Parties to TNC 2009-194

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