



Telecom Order CRTC 2005-303

Ottawa, 22 August 2005

Bell Canada

Reference: Tariff Notice 817 (National Services Tariff)

Customer specific arrangement

1. The Commission received an application by Bell Canada, dated 1 September 2004, requesting approval of Tariff Notice 817 (TN 817), under National Services Tariff item 720.15, related to services provided under Customer Specific Arrangement (CSA) contract number P1-74. This filing replaced Tariff Notice 751 (TN 751), which had been filed pursuant to *Regulatory safeguards with respect to incumbent affiliates, bundling by Bell Canada and related matters*, Telecom Decision CRTC 2002-76, 12 December 2002.
2. The Type 2 CSA filed with Bell Canada's application consists of a bundle of the following General Tariff services: Business Primary Exchange, Centrex III and Megalink, and the following forborne services: Long Distance, Toll-Free and Frame Relay. The minimum contract period for this CSA is three years and three months.
3. Bell Canada's application received interim approval in Telecom Order CRTC 2004-326, 28 September 2004.
4. On 8 December 2004, MTS Allstream Inc. (MTS Allstream) filed comments with respect to Bell Canada Tariff Notices 817 to 843 inclusive and requested, among other things, that the Commission deny these Tariff Notices.
5. MTS Allstream submitted that Bell Canada's Tariff Notices related to arrangements (or renegotiated versions thereof) were subject to a pending application, filed by Allstream Corp.¹ (Allstream) and Call-Net Enterprises Inc.² (Call-Net) on 23 January 2004. MTS Allstream submitted that, absent a ruling on the Part VII application that sought, among other things, denial of the backlog of the Bell Nexxia Inc.'s (Bell Nexxia's) Type 2 CSAs, these Tariff Notices should not be approved.
6. MTS Allstream submitted that many of the proposed rates, terms and conditions were either inconsistent with the Commission's criteria for just and reasonable rates, or were otherwise unjustly discriminatory or granted Bell Canada an undue preference.
7. MTS Allstream noted that Bell Canada's appeal of *Review of Bell Canada's customer-specific arrangements filed pursuant to Telecom Decision 2002-76*, Telecom Decision CRTC 2003-63, 23 September 2003 (Decision 2003-63) was dismissed by the Federal Court of Appeal, and the stay previously granted by the Court was lifted. MTS Allstream submitted that, despite those developments, the company had not disclosed the full rates, and terms and conditions of a

¹ Allstream Corp. is now a division of MTS Allstream Inc.

² Call-Net Enterprises Inc. is now known as Rogers Telecom Holdings Inc.

large number of the Bell Nexxia CSAs on the public record, contrary to the requirements of Decision 2003-63. MTS Allstream claimed that this allowed Bell Canada to continue to conceal the details of those arrangements until it had renegotiated them to the company's satisfaction.

8. MTS Allstream submitted that allowing Bell Canada to renegotiate such arrangements while they were subject to the Commission's consideration prevented a new supplier from competing for the customer's business.
9. With respect to TN 817, MTS Allstream submitted that services appeared to have changed and credits appeared to have been added.
10. In reply on 20 December 2004, Bell Canada submitted that it had provided all the requested documentation to the Commission and fully disclosed the details of its outstanding CSAs.
11. With respect to MTS Allstream's comment regarding service changes, Bell Canada replied that Centrex Microlink Service was now included as part of Centrex III Service under TN 817. Bell Canada also submitted that the DNA arrangement is actually Frame Relay digital access at DNA rates, as noted in proposed Tariff item 720.15.6 associated with TN 817.
12. With respect to credits, Bell Canada submitted that credits were added for toll services as a result of the contract amendment that was filed in association with TN 817. Bell Canada also submitted that credits for Frame Relay existed in the original arrangement and while such terms and conditions were not specified in the original tariffs, they have been provided throughout the term of the arrangement.

Commission's analysis and determination

13. The Commission notes that in *Part VII application by Allstream Corp. and Call-Net Enterprises Inc. regarding Bell Canada Type 2 CSAs*, Telecom Decision CRTC 2005-22, 7 April 2005 (Decision 2005-22), it denied the Part VII application filed by Allstream and Call-Net on the basis that a blanket denial of all the Bell Nexxia CSAs would not be appropriate, and that each CSA should be considered individually to determine whether Bell Canada had complied with the requirements set out in Decision 2003-63.
14. The Commission has also reviewed the services in this CSA bundle, and is satisfied that the services, rates, terms and conditions provided are properly identified in the proposed tariff pages and meet the requirements specified in Decision 2003-63.
15. With respect to credits, the Commission is satisfied that the costs associated with the credits are properly accounted for in the imputation test.
16. The Commission has reviewed the imputation test filed in Bell Canada's application and is satisfied that the costing directives specified in Decision 2003-63 were applied and that the rates proposed in TN 817 pass the imputation test.

17. In light of the above, the Commission **approves on a final basis** the application by Bell Canada.

Secretary General

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