



Telecom Order CRTC 2005-393

Ottawa, 1 December 2005

TELUS Communications Inc. – Interconnection agreement with Société en commandite Télébec

Reference: 8340-T69-200318875

Introduction

1. On 17 December 2003, TELUS Communications (Québec) Inc., now known as TELUS Communications Inc. (TCI), filed an application with the Commission for approval of an agreement between itself and Télébec ltée, now known as Société en commandite Télébec (Télébec), dated 28 October 1998 (the Agreement), pursuant to section 29 of the *Telecommunications Act* (the Act).
2. The Agreement provides for a connection between TCI and Télébec in order for Télébec to provide local communication services to its customers in Fermont.
3. The salient feature of the Agreement is that TCI will provide a certain number of DS-1s to connect Télébec's central office (CO) in Fermont to TCI's CO in Sept-Îles, which allows Télébec to offer its Fermont customers digital switch-based features available from TCI's DMS-100 switch in Sept-Îles.
4. The Agreement stipulated that the arrangement would be in effect for a nine-year period and would be automatically renewed for one year unless otherwise renegotiated.
5. TCI filed the application in confidence and filed an abridged version of the Agreement for the public record.
6. The Commission received no comments with respect to this application.

Regulatory framework

7. Subsection 25(1) of the Act reads as follows:

No Canadian carrier shall provide a telecommunications service except in accordance with a tariff filed with and approved by the Commission that specifies the rate or the maximum or minimum rate, or both, to be charged for the service.

8. Section 29 of the Act provides:

No Canadian carrier shall, without the prior approval of the Commission, give effect to any agreement or arrangement, whether oral or written, with another telecommunications common carrier respecting

- (a) the interchange of telecommunications by means of their telecommunications facilities;
- (b) the management or operation of either or both of their facilities or any other facilities with which either or both are connected; or
- (c) the apportionment of rates or revenues between the carriers.

Commission's analysis and determination

9. The Commission notes that under this Agreement, TCI is providing a certain number of DS-1s to Télébec, together with related support, to allow the connection of Télébec's CO in Fermont to TCI's CO in Sept-Îles. This Agreement permits Télébec to offer digital switch-based services to its customers that it could not economically provide from its own switch. In the Commission's view, this Agreement clearly involves the interchange of telecommunications by means of interconnecting telecommunications facilities, as well as the joint management and operation of facilities and revenue sharing.
10. Accordingly, the Commission considers that the Agreement comes within section 29 of the Act because its essence is the interconnection of two carrier networks rather than the provision of discrete telecommunication services, which are subject to tariff under section 25 of the Act.
11. Further, the Commission finds that it is in the public interest to allow the local customers in Fermont to benefit from the digital services that are the subject of this Agreement.
12. In light of the above, the Commission **approves** TCI's interconnection agreement with Télébec.

Secretary General

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