



## Telecom Order CRTC 2006-195

Ottawa, 26 July 2006

### Bell Canada

Reference: Tariff Notice 6940

### Residence Service Connection charge waiver

#### Background

1. The Commission received an *ex parte* application by Bell Canada, dated 12 April 2006, proposing revisions to General Tariff item 100, Work Function Structure, related to service charges applicable for residence individual line service. Also included in the application were proposed minor housekeeping changes.
2. In Telecom Order CRTC 2006-95, 25 April 2006, the Commission denied Bell Canada's request for the *ex parte* treatment of its application. The company was directed to file its application on the public record, within two business days of the date of that Order.
3. Bell Canada filed its application on the public record on 27 April 2006.

#### The application

4. Bell Canada proposed to waive the Residence Service Connection charge for its single-line residence customers who, as a result of a workload constraint on the part of Bell Canada, experienced a missed installation appointment that required a technician's visit with regard to a new service connection or a move of an existing service connection. Bell Canada indicated that the purpose of its proposed tariff change was to provide compensation to customers for the inconvenience caused by a missed installation appointment.
5. Bell Canada proposed, however, not to waive the Residence Service Connection charge if the missed appointment was caused by a labour disruption or a strike involving the company's employees, agents or contractors; an act of war or terrorism, or a catastrophe including, but not limited to, fire, flood, lightning or ice storm.
6. Bell Canada stated that missed appointments generated customer complaints and, in many cases, customers requested some form of compensation for the inconvenience. Bell Canada submitted that the implementation of the proposed Residence Service Connection charge waiver would likely result in a decrease in contact time and costs in the company's call centres receiving complaints, and an increase in customer satisfaction.

## **Process**

7. The Commission received comments from Quebecor Media Inc. (QMI), dated 19 May 2006 and reply comments from Bell Canada, dated 30 May 2006.

## **QMI's comments**

8. QMI stated that it was concerned that Bell Canada's service charge waiver proposal was inherently prone to abuse. QMI questioned whether a sales person could interpret an inability to schedule an appointment on the date requested by a customer as a "missed appointment." QMI also questioned whether more contrived abuses, e.g. involving the scheduling then cancellation of fictitious appointments, would be possible. QMI stated that Bell Canada had not proposed safeguards to ensure that such abuses would not occur.
9. QMI recommended that Bell Canada's application be rejected. QMI also recommended that, should the Commission approve Bell Canada's proposal, approval should be accompanied by an obligation on the part of Bell Canada to provide quarterly reports on the public record of the percentage of customers benefiting from the service charge waiver.

## **Bell Canada's reply comments**

10. Bell Canada stated that its service representatives issued orders and provided due dates to customers using an automated calendar, and they were not able to overwrite the calendar to give a customer a fictitious due date that the company would know in advance it could not meet. Bell Canada indicated that, in cases where a customer requested a special due date that could not be handled by the automated calendar, the situation would be escalated to a manager who would make special arrangements with the work force Control Centre, when possible.
11. Bell Canada indicated that the intent of its application was to establish a process to provide a form of compensation to customers who experienced a missed appointment due to uncontrollable factors such as unexpected labour-intensive jobs that result in a technician being delayed or an unplanned shortage of technicians on specific days for reasons such as unexpected sick leave. The company noted that the service charge credit would be applied to the customer's order by a special group of service representatives who would be advised by the control centre of the missed appointment.
12. With regard to safeguards that would preclude any abuses, Bell Canada argued that its operational processes would provide effective controls and ensure that the proposed service charge waiver would only apply as intended.
13. Bell Canada noted that it already provides to the Commission, on a monthly basis, quality of service reports for Installation Appointments Met, as per *Final standards for quality of service indicators for use in telephone company regulation and other related matters*, Decision CRTC 2000-24, 20 January 2000, and that the creation of further quality of service reports was not required. Bell Canada argued that, consequently, there was no need for the Commission to impose an additional requirement on the company to submit quarterly reports on missed appointments resulting in the service charge waiver as QMI suggested.

### Commission's analysis and determination

14. The Commission notes that Bell Canada's Residence Service Connection charge applies for work done in receiving, recording and processing information to comply with a customer's request for the installation of each primary exchange service at a given premises, or for the restoration of each line suspended for violation of regulations without termination of service. It also includes work in Bell Canada's wire-centre building, and elsewhere, to connect or to restore the service.
15. The Commission notes that Bell Canada's proposal passes the Commission's imputation test, as set out in *Review of price floor safeguards for retail tariffed services and related issues*, Telecom Decision CRTC 2005-27, 29 April 2005. The Commission also notes that Bell Canada's proposal complies with the pricing constraints set out in *Regulatory framework for second price cap period*, Telecom Decision CRTC 2002-34, 30 May 2002, as amended by Telecom Decision CRTC 2002-34-1, 15 July 2002.
16. Further, the Commission is satisfied by Bell Canada's assurance that operational processes will provide effective controls and ensure that the proposed service charge waiver is applied as intended, and therefore not be prone to the kind of abuse suggested by QMI. Further, as the Installation Appointments Met indicator is defined as the total number of appointments booked and the number met, and expressed as a percentage of those met relative to the total booked, the additional reports that QMI suggested Bell Canada should file would be redundant.
17. Finally, the Commission considers that Bell Canada's proposal to waive the Residence Service Connection charge would provide fair compensation for customers where a scheduled appointment was missed by the company.
18. In light of the above, the Commission **approves** Bell Canada's application effective the date of this Order.
19. Bell Canada is to issue revised tariff pages within 10 days of the date of this Order.

Secretary General

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