



## Telecom Order CRTC 2006-321

Ottawa, 23 November 2006

### Bell Canada

Reference: Tariff Notice 6947

#### PrimeLine Executive service

1. The Commission received an application by Bell Canada, dated 11 May 2006, proposing revisions to its General Tariff item 2180 – PrimeLine Executive service.
2. In its application, the company proposed to change the monthly rate structure for this service to a flexible rate structure involving ranges of rates, in order to enable the company to implement future rate changes to encourage customer migration from this service, without seeking future Commission approval of the rates.
3. Bell Canada submitted that its PrimeLine Executive service was an obsolete service with a dwindling base of customers, and as a result of the declining customer base, there were fewer customers from whom the costs of maintaining the PrimeLine Executive platform could be recovered. The company further submitted that in order to encourage more customers to migrate from this obsolete service, it requested the flexibility to increase the rates for its PrimeLine Executive service and features on a yearly basis within the proposed ranges of rates.
4. Bell Canada indicated that in order to stimulate further migration from PrimeLine Executive service so as to eventually warrant a withdrawal application, it planned enhancements to its Single Number Reach service along with future rate increases to its PrimeLine Executive service.
5. Bell Canada submitted that in light of the price increases for its PrimeLine Executive service that were approved by the Commission in Telecom Order CRTC 2006-57, 22 March 2006,<sup>1</sup> it would not implement further increases during 2006. The company submitted that it would evaluate, in the coming year, whether further migration plans were required to enable a proposal to withdraw its service.
6. The Commission received no comments with respect to the application.

#### Commission's analysis and determination

7. In *Rate ranges for services other than voice over Internet Protocol services*, Telecom Decision CRTC 2006-75, 23 November 2006, the Commission stated that it must ensure that the applicant has taken, or will take, all reasonable steps to ensure a smooth transition for affected customers from the potentially destandardized and/or withdrawn service to the substitute service. A rate range, however, could detract from such a smooth transition since it may lead

<sup>1</sup> Bell Canada Tariff Notice 6925 dated 20 February 2006.

to erratic fluctuations in price during the transition period. The Commission stated that, where an incumbent local exchange carrier (ILEC) considered that rates should be increased to create an incentive for customers to move to an alternative service, it would be more appropriate if the ILEC were to propose, in its application, a single proposed increased rate, or a series of proposed rates with a schedule detailing the proposed price points and the proposed effective date of each price point.

8. The Commission notes that, in its application, Bell Canada did not provide an indication of its intended future operative price points for its PrimeLine Executive service, nor did it provide an indication as to the proposed timing of any rate increases.
9. The Commission notes that Bell Canada submitted a subsequent application on 6 November 2006 under cover of Tariff Notice 7000 in which it proposed increases to its single-rate tariff charges for PrimeLine Executive service. Tariff Notice 7000 is being addressed in a separate proceeding.
10. Accordingly, the Commission **denies** Tariff Notice 6947.

Secretary General

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