



Telecom Costs Order CRTC 2007-15

Ottawa, 30 November 2007

Application for costs by l'Union des consommateurs – Further rate de-averaging for pay telephone and business services for large incumbent local exchange carriers, Telecom Public Notice CRTC 2007-11

Reference: 8678-C12-200708026 and 4754-300

1. By letter dated 20 August 2007, l'Union des consommateurs (l'Union) applied for costs with respect to its participation in the proceeding initiated by Telecom Public Notice 2007-11 (the Public Notice 2007-11 proceeding).
2. By letter dated 10 September 2007, TELUS Communications Company (TCC) filed comments in response to the application.

The application

3. L'Union submitted that it had met the criteria for an award of costs as set out in subsection 44(1) of the *CRTC Telecommunications Rules of Procedure* (the Rules), as it represented a group of subscribers that had a direct interest in the outcome of the Public Notice 2007-11 proceeding, it had participated responsibly in the Public Notice 2007-11 proceeding, and it had contributed to a better understanding of the issues by the Commission.
4. L'Union filed a bill of costs with its application and requested that the Commission fix its costs at \$1,800 for in-house legal fees incurred.
5. L'Union did not name any costs respondents or take any position with respect to the allocation of its costs.

Answer

6. In response to the application, TCC noted that it did not object to l'Union's entitlement to costs nor to the amount claimed. TCC however submitted that the following parties should be named as costs respondents, on the basis of their participation in the Public Notice 2007-11 proceeding and their significant interest in its outcome: Bell Aliant Regional Communications, Limited Partnership, Bell Canada, Saskatchewan Telecommunications (SaskTel), and Télébec, Limited Partnership (collectively, the Companies); TCC; MTS Allstream Inc. (MTS Allstream); Rogers Communications Inc. (RCI) and Quebecor Media Inc. (QMI). TCC further submitted that the costs should be apportioned between the above identified costs respondents in proportion to their respective share of telecommunications operating revenues (TORs).

Commission's analysis and determinations

7. The Commission finds that l'Union has satisfied the criteria for an award of costs set out in subsection 44(1) of the Rules. Specifically, the Commission finds that l'Union is representative of a group or class of subscribers that has an interest in the outcome of the proceeding, has participated in a responsible way, and has contributed to a better understanding of the issues by the Commission.
8. The Commission is of the view that this is an appropriate case in which to fix costs and dispense with taxation in accordance with the streamlined procedure set out in Telecom Public Notice 2002-5.
9. The Commission notes that the rates claimed in respect of in-house legal fees are in accordance with the rates set out in the Legal Directorate's *Guidelines for the Taxation of Costs*, revised as of 24 April 2007. The Commission also finds that the total amount claimed by l'Union was necessarily and reasonably incurred and should accordingly be allowed.
10. In determining the appropriate respondents to an award of costs, the Commission has generally looked at which parties are affected by the issues and have actively participated in the proceeding. The Commission notes, in this regard, that in addition to the incumbent local exchange carriers (ILECs) made party to the Public Notice 2007-11 proceeding, both RCI and QMI participated actively in the proceeding and had a significant interest in its outcome.
11. The Commission further notes, however, that in allocating costs amongst respondents it has also been sensitive to the fact that if too large a number of respondents are named, the applicant may have to collect small amounts from many respondents, resulting in a significant administrative burden to the applicant.
12. In light of the above and given the relatively small amount claimed as costs by l'Union, the large number of potential costs respondents and the result that if all potential costs respondents were retained, l'Union would be required to collect amounts from certain respondents that would be less than \$100, the Commission is of the view that it is appropriate, in the present circumstances, to limit the respondents to the large ILECs and to apportion costs among these in proportion to their respective TORs, as reported in their most recent audited financial statements. The Commission finds that the responsibility for the payment of costs should be allocated as follows:

The Companies	57.9%
TCC	34.1%
MTS Allstream	8.0%

13. Consistent with its general approach articulated in Telecom Costs Order 2002-4, the Commission makes Bell Canada responsible for payment on behalf of the Companies and leaves it to the members of the Companies to determine the appropriate allocation of the costs among themselves.

Direction as to costs

14. The Commission **approves** the application by l'Union for costs with respect to its participation in the Public Notice 2007-11 proceeding.
15. Pursuant to subsection 56(1) of the *Telecommunications Act*, the Commission fixes the costs to be paid to l'Union at \$1,800.
16. The Commission directs that the award of costs to l'Union be paid forthwith by Bell Canada, on behalf of the Companies, TCC and MTS Allstream, according to the proportions set out in paragraph 12.

Secretary General

Related documents

- *Further rate de-averaging for pay telephone and business services for large incumbent local exchange carriers*, Telecom Public Notice CRTC 2007-11, 4 June 2007
- *New procedure for Telecom costs awards*, Telecom Public Notice CRTC 2002-5, 7 November 2002
- *Action Réseau Consommateur, the Consumers' Association of Canada, Fédération des associations coopératives d'économie familiale and the National Anti-Poverty Organization application for costs – Public Notice CRTC 2001-60*, Telecom Costs Order CRTC 2002-4, 24 April 2002

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