



## Telecom Costs Order CRTC 2007-2

Ottawa, 7 March 2007

### **Application for costs by l'Union des consommateurs – *Proceeding to reassess certain aspects of the local forbearance framework established in Decision 2006-15*, Telecom Public Notice CRTC 2006-12**

Reference: 8663-C12-200610924 and 4754-281

1. By letter dated 7 December 2006, l'Union des consommateurs (l'Union) applied for costs with respect to its participation in the proceeding initiated by *Proceeding to reassess certain aspects of the local forbearance framework established in Decision 2006-15*, Telecom Public Notice CRTC 2006-12, 1 September 2006 (the Public Notice 2006-12 proceeding).
2. By letter dated 15 January 2007, Bell Aliant Regional Communications, Limited Partnership, Bell Canada, Saskatchewan Telecommunications and Société en commandite Télébec (collectively, the Companies) filed comments in response to the application.
3. By letter dated 24 January 2007, TELUS Communications Company (TCC) filed comments in response to the application.

#### **The application**

4. L'Union submitted that it had met the criteria for an award of costs set out in subsection 44(1) of the *CRTC Telecommunications Rules of Procedure* (the Rules), as it represented a group of subscribers that had an interest in the outcome of the Public Notice 2006-12 proceeding, it participated responsibly in the Public Notice 2006-12 proceeding, and it contributed to a better understanding of the issues by the Commission.
5. L'Union filed a bill of costs with its application, claiming a total amount of \$4,050.00 in legal fees.
6. L'Union did not name any costs respondents or take any position as to the allocation of its costs.

#### **Answers**

7. In answer to the application, the Companies submitted that they did not object to l'Union's eligibility for costs or the amount claimed.
8. The Companies submitted that any costs awarded should be allocated among the costs respondents in proportion of each respondent's level of participation and interest in the outcome of the proceeding.
9. In answer to the application, TCC submitted that it did not oppose the application from l'Union, but noted that neither the applicant nor the Companies has proposed costs respondents.

10. TCC submitted that the costs respondents in the present application, if any, should be the same as those in the original local forbearance proceeding, initiated by *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005 (Public Notice 2005-2), with the incumbent local exchange carriers (ILECs) responsible for 75 percent of the costs and the cable companies should be responsible for the remaining 25 percent.

### **Commission's analysis and determinations**

11. 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.
12. The Commission is of the view that this is an appropriate case in which to fix the costs and dispense with taxation in accordance with the streamlined procedure set out in *New procedure for Telecom costs award*, Telecom Public Notice CRTC 2002-5, 7 November 2002.
13. The Commission notes that the rates claimed in respect of legal fees are in accordance with the rates set out in the Legal Directorate's *Guidelines for the Taxation of Costs*, revised as of 15 May 1998. The Commission also finds that the total amount claimed by l'Union was necessarily and reasonably incurred, and should be allowed.
14. 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. However, the Commission has also been sensitive to the fact that if too large a number of respondents are named, the applicant may have to collect small amount from many respondents.
15. The Commission notes the relatively small amount claimed by l'Union and the potential administrative burden placed upon it if it were to collect from many respondents. Consistent with the Commission's approach to costs generally, the Commission considers that it is appropriate in this instance to limit the number of respondents to the ILECs.
16. The Commission notes that it has, in previous decisions, allocated the responsibility for the payment of costs among respondents based on the respondents' telecommunications operating revenues (TORs), as an indicator of the relative size and interest of the parties involved in the proceeding. The Commission is of the view that, in the present circumstances, it is appropriate to apportion the costs relating to the Public Notice 2006-12 proceeding among the respondents in proportion to their TORs, as reported in their most recent audited financial statements. The Commission names the following companies as costs respondents: the Companies, TCC and MTS Allstream Inc. (MTS Allstream). The Commission finds that the responsibility for the payment of costs should be allocated as follows:

Companies	66%
TCC	24%
MTS Allstream	10%

17. Consistent with its general approach articulated in Telecom Costs Order CRTC 2002-4, 24 April 2002, the Commission makes Bell Canada responsible for payment on behalf of the Companies and leaves it to the Companies to determine the appropriate allocation of the costs among themselves.

**Direction as to costs**

18. The Commission **approves** the application by l'Union for an award of costs with respect to its participation in the Public Notice 2006-12 proceeding.
19. Pursuant to subsection 56(1) of the *Telecommunications Act*, the Commission fixes the costs to be paid to l'Union at \$4,050.00.
20. The Commission directs that the costs award to l'Union be paid forthwith by the Companies, TCC and MTS Allstream, according to the proportions noted in paragraph 16.

Secretary General

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