Canadian Radio-television and Telecommunications Commission
Conseil de la radiodiffusion et des télécommunications canadiennes

Telecom Order CRTC 2007-20

Ottawa, 25 January 2007

Ethernet services

Reference: 8740-A53-200602007, 8740-B2-200301531, 8740-B2-200307216, 8740-B2-200404822, 8740-B2-200405805, 8740-B2-200405904, 8740-M59-200407975, 8740-M59-200415572, 8740-M59-200501793, 8740-S22-200407628, 8740-T66-0065/02, 8740-T66-200401654, 8740-T66-200407553, 8740-T66-200502098

Table of contents **Paragraph**

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In this Order, the Commission renders its determinations in the follow-up to Ethernet services, *Telecom Decision CRTC 2004-5, 27 January 2004, as amended by Telecom Decision CRTC 2004-5-1, 6 February 2004.*

The Commission determines that the incumbent local exchange carriers (ILECs) shall provide to competitors, as part of their Ethernet services, an Ethernet access service, together with the Ethernet transport service and the Ethernet central office (CO) connecting link service.

The Commission also confirms the final classification of each of the Ethernet services as either a Category I competitor service or a Category II competitor service and approves rates for the Ethernet transport service and Ethernet CO connecting link service.

The Commission also renders its determinations on a final basis regarding a number of related Ethernet service tariff applications. In its determinations, the Commission directs ILECs, as required, to make revisions to the rates and service charges associated with their Ethernet services tariffs. Finally, the Commission directs each ILEC to file tariff proposals regarding additional Ethernet service features including competitor Ethernet access services. The Commission notes that, in finalizing the tariffs under review in this proceeding, it considered the importance of providing comparable Ethernet services across the ILECs' operating regions.

Introduction

1. In *Ethernet services*, Telecom Decision CRTC 2004-5, 27 January 2004, as amended by Telecom Decision CRTC 2004-5-1, 6 February 2004 (Decision 2004-5), the Commission made interim determinations regarding the introduction of Ethernet services for competitor use.

2. In that Decision, the Commission found that until it reached its determinations regarding the adequacy of Ethernet substitutes and related matters, it was appropriate to put in place interim Ethernet services for competitor use. The Commission directed the incumbent local exchange carriers (ILECs)[1] to file tariffs for Ethernet services on an interim basis as detailed below.

3. In Decision 2004-5, the Commission:

    - approved on an interim basis Bell Canada's introduction of a retail Ethernet access service that would also be available to Canadian carriers registered with the Commission and to digital subscriber line service providers (DSLSPs);

    - approved on an interim basis Bell Canada's introduction of an Ethernet central office (CO) connecting link service;

    - directed Bell Canada to introduce on an interim basis an Ethernet interface service (EIS) for competitor use;

[1] In this Order, the term "ILECs" refers to Bell Aliant Regional Communications, Limited Partnership; Bell Canada; MTS Allstream Inc.; Saskatchewan Telecommunications; and TELUS Communications Company.

- noted that TELUS Communications Inc., now TELUS Communications Company (TCC),[2] had introduced a retail Ethernet access service, which was approved by the Commission on an interim basis in *TELUS Communications Inc. – Provision of Ethernet access service and OC-3 digital network access service*, Telecom Order CRTC 2002-456, 10 December 2002;

- directed TCC to introduce on an interim basis an Ethernet CO connecting link service and an EIS for competitor use;

- directed MTS Communications Inc., now MTS Allstream Inc. (MTS Allstream);[3] Saskatchewan Telecommunications (SaskTel); and Aliant Telecom Inc. (Aliant Telecom), now part of Bell Aliant Regional Communications, Limited Partnership (Bell Aliant),[4] to each introduce on an interim basis an Ethernet access service, an Ethernet CO connecting link service, and an EIS, each of which would be available for competitor use; and

- classified, on an interim basis, the Ethernet CO connecting link service as a Category I competitor service and the EIS as a Category II competitor service.

4. The Commission is now in a position to make final determinations regarding Ethernet services and to finalize the various ILEC tariff applications related to these services. The Commission notes that it first addressed the issue of competitor Ethernet services in Decision 2004-5 and that since that time, various ILECs have filed proposed competitor Ethernet service tariffs. These tariffs have in general been approved on an interim basis. The Commission notes, however, that Bell Canada, supported by Bell Aliant, and TCC have submitted that the Commission should defer its disposition of the Ethernet issues under consideration in this Order until the completion of the proceeding begun in *Review of regulatory framework for wholesale services and definition of essential service*, Telecom Public Notice CRTC 2006-14, 9 November 2006 (Public Notice 2006-14).

5. The Commission also notes that, for reasons discussed in Public Notice 2006-14, it expects to issue a decision on issues in that proceeding by mid-2008. In view of this and having regard to the period of time during which the Ethernet service issues under consideration in this Order have been outstanding, the Commission considers it appropriate to dispose of these issues on a final basis.

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[2] Effective 1 March 2006, TELUS Communications Inc. assigned and transferred all of its assets and liabilities, including all of its service contracts, to TELUS Communications Company (TCC). The company is referred to as TCC throughout this Order.

[3] Manitoba Telecom Services Inc., the parent company of MTS Communications Inc., acquired all of the issued and outstanding shares of Allstream Inc. effective 4 June 2004. As part of the transaction, MTS Communications Inc., MTS Media Inc., and Allstream Corp. amalgamated effective 4 June 2004 to form a company operating under the name MTS Allstream Inc.

[4] On 7 July 2006, Bell Canada's regional wireline telecommunications operations in Ontario and Quebec were combined with, among other things, the wireline telecommunications operations of Aliant Telecom Inc. (Aliant Telecom), Société en commandite Télébec, and NorthernTel, Limited Partnership to form Bell Aliant Regional Communications, Limited Partnership (Bell Aliant). For ease of reference in this Order, the name Bell Aliant refers to both Bell Aliant and the former Aliant Telecom, except for specific references to Aliant Telecom tariffs or Bell Aliant tariffs for Ontario and Quebec.

6. The Commission notes that, as with other services provided to competitors by ILECs, cable carriers and competitive local exchange carriers (CLECs) at regulated rates, the regulatory status of the competitor Ethernet services approved in this Order is within the scope of the proceeding begun in Public Notice 2006-14.

7. The following Ethernet services are addressed in this Order:

    - Ethernet access service, which provides for the transmission of information between an ILEC's CO and an end-customer's premises at speeds of 10 megabits per second (Mbps), 100 Mbps, and 1000 Mbps;

    - Ethernet CO connecting link service, which provides a transmission facility from a competitor's co-located CO building space to the ILEC's transmission equipment, such as a through patch panel or a fibre patch panel; and

    - Ethernet transport service (ETS),[5] which generally consists of three components:

        - Ethernet port service component, which provides for the termination of the Ethernet access service;

        - the carrier-to-carrier interface (CCI) service component, which allows traffic from multiple Ethernet access circuits to be aggregated. TCC refers to the CCI component as the Network-to-Network Interface (NNI)[6] and SaskTel refers to this component as the Ethernet Transport Interface (ETI); and

        - the network path service component, which provides logical connectivity between the serving CO Ethernet switch and the CCI.

8. This Order is organized as follows:

    I. Process

        - provides details regarding the ILECs' Ethernet service applications, the interim approvals associated with these applications, and procedural matters;

    II. Retail Ethernet access services

        - deals with the final approval of the ILECs' retail Ethernet access services;

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[5] The Commission notes that the ETS replaced the EIS that ILECs were directed to introduce on an interim basis in Decision 2004-5.

[6] Regarding TCC's ETS, the Commission notes that TCC does not provide a CCI component but instead provides a stand-alone service, Carrier Access Tariff (CAT) item 217 – Network-to-Network Interface Service, which is available for use by various services, including Ethernet and Asymmetric Digital Subscriber Line (ADSL) services.

III. Competitor Ethernet service classification

- deals with a request for a competitor Ethernet access service and the final classification of all Ethernet services as Category I or Category II competitor services;

IV. Issues related to Ethernet service applications

- covers general issues related to all Ethernet services; and

V. Determinations regarding the incumbent local exchange carriers' Ethernet tariffs

- sets out the Commission's final determinations regarding the ILECs' Ethernet services.

I. Process

Ethernet service applications, related comments, and interim orders

Bell Aliant's applications

9. The Commission received an application by Bell Aliant dated 28 February 2006, under Tariff Notice 193, as amended by Tariff Notice 193A (TN 193A), dated 3 March 2006 (TN 193), to introduce Aliant Telecom General Tariff[7] item 654 – Wholesale Ethernet Service. Bell Aliant submitted that its Wholesale Ethernet Service consisted of Wholesale Ethernet Access,[8] Ethernet Port, CCI, Ethernet Central Office Connecting Link (Ethernet CO Link), and Network Path components and was available to either registered Canadian carriers or DSLSPs. Bell Aliant proposed, among other things, that these services be classified as Category II competitor services.

10. Regarding Bell Aliant's Ethernet services proposed in TN 193, the Commission received comments from Rogers Communications Inc. (RCI) dated 27 March 2006. Reply comments were filed by Bell Aliant on 13 April 2006.

11. The Commission approved on an interim basis, effective 31 March 2006, Bell Aliant's competitor Ethernet services, which were proposed in TN 193 and amended by TN 193A, in Telecom Order CRTC 2006-49, 9 March 2006 (Order 2006-49). The Commission classified the Ethernet CO Link component as a Category I competitor service and all other components as Category II competitor services on an interim basis.

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[7] The Commission notes that Bell Aliant also maintains additional tariffs, distinct from its Aliant Telecom tariffs, for its operating territory in Ontario and Quebec.

[8] When the customer uses an access to connect the CCI to the customer's point of presence, Bell Aliant considers the access to be a CCI Wholesale Ethernet Access.

Bell Canada's applications

12. The Commission received an application by Bell Canada dated 4 February 2003, under Tariff Notice 6726, as amended by Tariff Notice 6726A, dated 18 August 2003 (TN 6726), to introduce General Tariff item 5020 – Ethernet Access, which is a retail service.

13. The Commission received an application by Bell Canada dated 9 June 2003, under Tariff Notice 6754 (TN 6754), to introduce Access Services Tariff for Interconnection with Carriers and Other Service Providers (AST) item 122 – Ethernet CO Connecting Link Arrangements, which proposed, among other things, to classify the service as a Category II competitor service. On 29 March 2004, pursuant to Decision 2004-5, Bell Canada filed updated cost studies for its retail Ethernet Access service and its Ethernet CO Connecting Link service.

14. Pursuant to Decision 2004-5, Bell Canada filed proposed tariff pages, dated 9 February 2004, to introduce AST item 123 – Ethernet Interface Service. In order to resolve implementation issues regarding the service's cost-effectiveness and use of network resources as noted by TCC in a letter dated 23 March 2004, the Commission initiated discussions among Bell Canada, TCC, MTS Allstream, and Call-Net Enterprises Inc. (Call-Net).[9] As a result of these discussions, Bell Canada and TCC agreed to develop an ETS to replace the proposed EIS.

15. The Commission received an application by Bell Canada dated 14 May 2004, under Tariff Notice 6815, as amended by Tariff Notice 6815A, dated 21 May 2004 (TN 6815), to introduce AST item 123 – Ethernet Transport Service, which effectively replaced the EIS it had proposed previously. Bell Canada proposed, among other things, to classify the service as a Category II competitor service. Bell Canada requested the withdrawal of the tariff pages for its EIS in a letter dated 16 August 2004.

16. The Commission received an application by Bell Canada dated 11 June 2004, under Tariff Notice 6822 (TN 6822), to revise AST item 123 – Ethernet Transport Service, in order to revise the rates for the regional and provincial network paths and the change management fee, and to introduce rates for a T1 Ethernet Port and T1 Network Paths.

17. The Commission received an application by Bell Canada dated 14 June 2004, under Tariff Notice 6823, as amended by Tariff Notice 6823A, dated 19 October 2004, and Tariff Notice 6823B, dated 1 November 2004 (TN 6823), to introduce AST item 124 – Ethernet T1 Access, which proposed, among other things, to classify the service as a Category II competitor service. The company submitted that the proposed Ethernet T1 Access service would provide an access facility for the transmission of information between the customer's premises and the serving CO for a connection to the Ethernet packet network at a speed of 1.544 Mbps. The company submitted that the proposed Ethernet T1 Access service was intended to complement Bell Canada General Tariff item 5020 – Ethernet Access and Bell Canada AST item 123 – Ethernet Transport Service.

18. No comments were received regarding Bell Canada's Ethernet Access service proposed in TN 6726 or Bell Canada's Ethernet CO Connecting Link Arrangements proposed in TN 6754. Regarding Bell Canada's ETS proposed in TN 6815, comments were received from

[9] Effective 7 July 2005, Call-Net Enterprises Inc.'s legal name was changed to Rogers Telecom Holdings Inc.

Ralph Doncaster dated 25 May 2004, from MTS Allstream dated 28 May 2004, and from Call-Net dated 31 May 2004. Regarding the revisions to Bell Canada's ETS proposed in TN 6822, comments were received from MTS Allstream dated 13 July 2004. Reply comments were filed by Bell Canada dated 23 July 2004. Regarding the Ethernet T1 Access service proposed in TN 6823, comments were received from MTS Allstream dated 13 July and 19 November 2004, and from QMI dated 5 November 2004. Reply comments were filed by Bell Canada dated 23 July, 15 November, and 10 December 2004.

19. The Commission approved each of the above applications by Bell Canada on an interim basis, effective the date of the relevant Decision or Order, as follows:

- the introduction of the retail Ethernet Access service proposed in TN 6726, in Decision 2004-5;
- the introduction of the Ethernet CO Connecting Link Arrangements proposed in TN 6754, as a Category I competitor service, in Decision 2004-5;
- the introduction of the ETS proposed in TN 6815, as a Category II competitor service, in *Bell Canada – Ethernet transport service*, Telecom Order CRTC 2004-180, 2 June 2004;
- the revisions to the ETS proposed in TN 6822, in *Bell Canada – Ethernet transport service*, Telecom Order CRTC 2004-237, 16 July 2004; and
- the introduction of the Ethernet T1 Access service proposed in TN 6823, as a Category II competitor service, in *Bell Canada – Ethernet T1 Access service*, Telecom Order CRTC 2006-189, 20 July 2006 (Order 2006-189).

MTS Allstream's applications

20. The Commission received an application by MTS Allstream dated 26 July 2004, under Tariff Notice 537 (TN 537), to introduce Special Services and Facilities Tariff item 6900 – Ethernet Access as a retail service and to introduce AST item 123 – Ethernet Transport Service as a competitor service. The company noted that the proposed ETS was filed in place of the EIS that the Commission had requested MTS Allstream to introduce, in Decision 2004-5. MTS Allstream proposed to file a more fully featured ETS once costing studies had been completed. MTS Allstream requested that the ETS be classified as a Category II competitor service.

21. The Commission received an application by MTS Allstream, dated 22 February 2005, under Tariff Notice 554 (TN 554), proposing revisions to its AST item 123 – Ethernet Transport Service to reflect the final service design of the ETS and the associated cost study. In a letter associated with this application, MTS Allstream submitted that it was only filing a cost study and proposed rates for the network paths for the Winnipeg and Brandon metropolitan areas, and that it planned to file proposed rates for regional network paths by August 2005, upon completion of a cost study.

22. The Commission received an application by MTS Allstream dated 21 December 2004, under Tariff Notice 548, as amended by Tariff Notice 548A (TN 548A), dated 20 June 2006 (TN 548), to introduce AST item 122 – Ethernet Central Office (CO) Connecting Link service. MTS Allstream proposed that the Ethernet CO Connecting Link service be classified as a Category I competitor service. MTS Allstream noted that TN 548A replaced TN 548 in its entirety.

23. The amended application proposed a monthly rate of $12.20 and a service order charge of $170 per 10Base-T, 100Base-T, or 1000 Mbps optical Ethernet CO Connecting Link in all rate bands. In that application, MTS Allstream submitted that the proposed rate for its Ethernet CO Connecting Link service was consistent with the rate approved in *Competitor Digital Network Services*, Telecom Decision CRTC 2005-6, 3 February 2005, as amended by Telecom Decision CRTC 2005-6-1, 28 April 2006 (Decision 2005-6) for the optical co-location link service component of the Competitor Digital Network (CDN) service.

24. MTS Allstream also proposed, among other things, that its Ethernet CO Connecting Link service should be classified as a Category I competitor service, to be consistent with the Commission's interim classification of the Ethernet CO connecting link service in Decision 2004-5 and the classification of the optical co-location link service component of the CDN service in Decision 2005-6.

25. Regarding MTS Allstream's ETS proposed in TN 537, the Commission received comments from Bell Canada dated 25 August 2004 and reply comments from MTS Allstream dated 7 September 2004. Regarding revisions to MTS Allstream's ETS proposed in TN 554, the Commission received comments from Bell Canada dated 23 March 2005 and reply comments from MTS Allstream dated 4 April 2005. Regarding MTS Allstream's Ethernet CO Connecting Link service proposed in TN 548, the Commission received comments from Bell Canada dated 21 January 2005 and 17 July 2006, and reply comments from MTS Allstream dated 31 January 2005 and 21 July 2006.

26. The Commission approved on an interim basis, effective 26 August 2004, MTS Allstream's retail Ethernet Access service and its ETS, which was classified as a Category II competitor service, as proposed in TN 537, in *MTS Allstream Inc. – Introduction of Ethernet Access Service and Ethernet Transport Service*, Telecom Order CRTC 2004-274, 13 August 2004. The Commission has not issued an interim order regarding the revisions to MTS Allstream's ETS as proposed in TN 554.

27. The Commission notes that it has not issued an interim order regarding MTS Allstream's Ethernet CO Connecting Link service.

SaskTel's applications

28. The Commission received an application by SaskTel dated 15 July 2004, under Tariff Notice 69 (TN 69), to introduce Ethernet Access Services and Agreement, pursuant to the Commission's directives in Decision 2004-5. SaskTel's Ethernet Access Services and Agreement application proposed three components: General Tariff item 110.54 – Ethernet Access Service as a

retail service, Competitor Access Tariff item 610.29 – Ethernet CO Connecting Link as a competitor service, and Competitor Access Tariff item 610.30 – Ethernet Interface Service as a competitor service.

29. The Commission received an amendment by SaskTel dated 15 March 2006, under Tariff Notice 69A (TN 69A), which proposed to replace its proposed Competitor Access Tariff item 610.30 – Ethernet Interface Service with Competitor Access Tariff item 610.30 – Ethernet Transport Service. SaskTel submitted that its ETS would provide shared transport for an Ethernet access service from the SaskTel serving wire centre to an ETI located in either the Regina or the Saskatoon main wire centre. SaskTel also submitted that the ETS would not include connectivity between the ETI and the competitor's point of presence. SaskTel proposed that the ETS introduced in this tariff application should be classified as a Category II competitor service.

30. In addition, SaskTel proposed to revise its Ethernet Access Service tariff item to reflect the new name and the associated terms of service. Finally, SaskTel proposed to classify its Ethernet CO Connecting Link service as a Category I competitor service.

31. By letter dated 4 April 2006, SaskTel requested that, as a result of business initiatives, the effective date for the specific revisions to the Ethernet Access Service and the Ethernet CO Connecting Link components, as set out in TN 69A, be changed from 1 July 2006 to 18 April 2006. The Commission received an amendment by SaskTel dated 5 June 2006, under Tariff Notice 69B (TN 69B), which proposed a revision to one of the ETS rate elements. The Commission received an additional amendment by SaskTel dated 4 October 2006, under Tariff Notice 69C (TN 69C), which corrected a costing input error. As a result, SaskTel proposed a revision to the rate for the Ethernet Port service of its ETS.

32. No comments were received regarding SaskTel's Ethernet services proposed in TN 69, as amended by TNs 69A, 69B, and 69C.

33. The Commission approved the above applications by SaskTel on an interim basis, effective the date of the relevant Order, as follows:

- the introduction of the retail Ethernet Access Service and the Ethernet CO Connecting Link service, which was classified as a Category I competitor service, as proposed in TN 69, in *Saskatchewan Telecommunications – Aggregated Asymmetric Digital Subscriber Line (ADSL) Service, and Ethernet Access Services and Agreement*, Telecom Order CRTC 2006-64, 27 March 2006;

- revisions identified in TN 69A associated with the Ethernet Access Service and the Ethernet CO Connecting Link service, in *Saskatchewan Telecommunications – Ethernet Access Services and Agreement*, Telecom Order CRTC 2006-104, 4 May 2006; and

- the introduction of the ETS, which was classified as a Category II competitor service, in TN 69A, and the revisions associated with the ETS identified in TN 69B, in *Saskatchewan Telecommunications – Ethernet Access Services and Agreement,* Telecom Order CRTC 2006-232, 1 September 2006.

TCC's applications

34. The Commission received an application by TCC dated 27 August 2002, under Tariff Notice 65 (TN 65), to introduce General Tariff item 519 – Ethernet Access Service and General Tariff item 520 – OC-3 Digital Network Access,[10] which are retail services.

35. The Commission received an application by TCC dated 27 February 2004, under Tariff Notice 138, as amended by Tariff Notice 138A (TN 138A), dated 15 April 2004 (TN 138), to introduce Carrier Access Tariff (CAT) item 222 – Ethernet Interface Service (CAT item 222) as a Category II competitor service. In order to resolve implementation issues regarding the service's cost-effectiveness and use of network resources as noted by TCC in a letter dated 23 March 2004, the Commission initiated discussions among Bell Canada, TCC, MTS Allstream, and Call-Net. As a result of these discussions, Bell Canada and TCC agreed to develop an ETS to replace the proposed EIS.

36. On 26 March 2004, pursuant to Decision 2004-5, TCC submitted tariff pages and a cost study to introduce CAT item 221 – Ethernet CO Connecting Link Arrangements as a Category I competitor service.

37. The Commission received an application by TCC dated 15 July 2004, under Tariff Notice 146 (TN 146), to introduce CAT item 223 – Ethernet Transport Service, which effectively replaced TCC's proposed EIS. TCC proposed, among other things, to classify the service as a Category II competitor service. TCC requested that the Commission approve the withdrawal of the EIS proposed in TNs 138 and 138A.

38. The Commission received an application by TCC dated 28 February 2005, under Tariff Notice 167 (TN 167), to revise General Tariff item 519 – Ethernet Access Service to adjust the rates and introduce an option of providing Ethernet Access Service with terminating equipment at the end-user's premises.

39. No comments were received regarding TCC's Ethernet Access Service proposed in TN 65. Regarding TCC's ETS proposed in TN 146, the Commission received comments from Call-Net dated 28 July 2004 and from MTS Allstream dated 16 August 2004. Reply comments were filed by TCC dated 25 and 26 August 2004. Regarding TCC's revisions to its Ethernet Access Service proposed in TN 167, the Commission received comments from Bell Canada dated 30 March 2005.

[10] In this Order, the term "OC" refers to optical carrier.

40. The Commission approved the above applications by TCC on an interim basis, effective the date of the relevant Order or Decision, as follows:

- the introduction of the retail Ethernet access service proposed in TN 65, in *TELUS Communications Inc. – Provision of Ethernet access service and OC-3 digital network access service*, Telecom Order CRTC 2002-456, 10 December 2002;

- the introduction of TCC's Ethernet CO Connecting Link service, as a Category I competitor service, in Decision 2004-5;

- the introduction of the ETS proposed in TN 146, as a Category II competitor service, in *TELUS Communications Inc. – Ethernet Transport Service*, Telecom Order CRTC 2004-278, 18 August 2004; and

- the revisions to the retail Ethernet access service proposed in TN 167, in Telecom Order CRTC 2005-97, 10 March 2005.

Other comments associated with the follow-up to Decision 2004-5

41. The Commission received comments with respect to the determinations in Decision 2004-5 from 4089316 Canada inc., operating under the business name Xit télécom, on behalf of itself and Télécommunications Xittel inc. (Xittel), dated 10 February 2004; from MTS Allstream dated 26 February 2004, 30 March 2004, and 21 April 2004; and from Call-Net dated 26 February 2004, 31 March 2004, and 22 April 2004. The Commission received reply comments from Bell Canada dated 12 and 18 March 2004, and from TCC dated 7 April 2004.

42. By letter dated 11 August 2006, the Commission notified interested parties that, in light of the conclusion of the proceeding initiated by *Competitor Digital Network Access service proceeding*,[11] Telecom Public Notice CRTC 2002-4, 9 August 2002 (the CDNA proceeding), which resulted in Decision 2005-6, it was in a position to deal with Ethernet services for competitor use on a final basis and intended to dispose of the interim Ethernet service tariffs on a final basis. The Commission established a process that provided parties with an opportunity to comment on the final approval of the tariffs filed for Ethernet services for competitor use. By letter dated 18 August 2006, MTS Allstream indicated that it would be unable to file its comments by the date requested due to resource issues. On 21 August 2006, the Commission extended the due dates associated with its process.

43. By letter dated 25 August 2006, the Commission invited Bell Aliant, Bell Canada, SaskTel, and TCC to show cause why the Commission should not require each of these ILECs to apply MTS Allstream's TN 548A Ethernet CO Connecting Link service proposal to its Ethernet CO connecting link service tariff on a final basis (Ethernet CO connecting link show cause request). The Commission requested that the parties provide their responses as part of their submissions regarding the final disposition of the Ethernet service tariff notices.

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[11] In this Order, the term "CDNA" refers to competitor Digital Network Access, while the term "DNA" refers to retail Digital Network Access.

44. On 5 September 2006, Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC filed responses regarding the Commission's final disposition of the Ethernet service tariff notices and the Ethernet CO connecting link show cause request.

45. The Commission received comments dated 15 September 2006 from RCI; Quebecor Media Inc., on behalf of its subsidiary Videotron Ltd. (QMI); and Xittel.

46. On 25 September 2006, the Commission extended the deadline for reply comments to 6 October 2006 at the request of Bell Aliant, Bell Canada, SaskTel, and TCC.

47. The Commission received comments from Bell Aliant, Bell Canada, MTS Allstream, and TCC dated 6 October 2006, and from SaskTel dated 10 October 2006. On 7 November 2006, the Commission received a letter from MTS Allstream clarifying comments it had submitted on 5 September 2006. On 8 December 2006, the Commission received a letter from Bell Canada regarding deferral of the disposition of issues under consideration in this Order.

II. Retail Ethernet access services

48. In this section, the Commission disposes of the retail Ethernet access service applications of Bell Canada, MTS Allstream, SaskTel, and TCC, which have received interim approval. The Commission notes that Bell Aliant has not filed for approval a retail Ethernet access service application.

Positions of parties

49. No comments were received regarding the retail Ethernet access services for use by retail customers as proposed by Bell Canada, MTS Allstream, SaskTel, and TCC.

Commission's analysis and determinations

50. With respect to Bell Canada's, MTS Allstream's, SaskTel's, and TCC's retail Ethernet access services, the Commission is satisfied with the service descriptions, terms, and conditions, and is further satisfied that, for each of these ILECs, the rates continue to pass the imputation test.

51. The Commission considers that the retail Ethernet access services as proposed by Bell Canada, MTS Allstream, SaskTel, and TCC are appropriate for retail customers and that these services for use by retail customers should be approved on a final basis.

52. In light of the above, the Commission **approves on a final basis** the following retail Ethernet access services:

- Bell Canada General Tariff item 5020 – Ethernet Access, as proposed in TN 6726, as amended by TN 6726A;
- MTS Allstream Special Services and Facilities Tariff item 6900 – Ethernet Access, as proposed in TN 537;

- SaskTel General Tariff item 110.54 – Ethernet Access Service, as proposed in TN 69, as amended by TNs 69A and 69B; and

- TCC General Tariff item 519 – Ethernet Access Service, as proposed in TN 65 and as revised in TN 167.

53. The Commission directs Bell Canada, MTS Allstream, SaskTel, and TCC to issue tariff pages within 25 days of the date of this Order.

III. Competitor Ethernet service classification

54. In this section, the Commission considers the requirement to develop a competitor Ethernet access service and its competitor service classification. The Commission also considers the competitor service classification of ETS and Ethernet CO connecting link service.

55. The Commission notes that all ILECs have proposed a competitor ETS and an Ethernet CO connecting link service, while only Bell Aliant has proposed a competitor Ethernet access service.

56. When granting interim approval to the competitor Ethernet services proposed by the ILECs, the Commission classified these services on an interim basis as follows:

- the Ethernet access service proposed by Bell Aliant was classified as a Category II competitor service;

- the ETSs proposed by Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC were classified as Category II competitor services; and

- the Ethernet CO connecting link services proposed by Bell Aliant, Bell Canada, SaskTel, and TCC were classified as Category I competitor services. The Commission notes that MTS Allstream's proposed Ethernet CO Connecting Link service has not been granted interim approval and, accordingly, has not been classified.

General comments on service classification

Positions of parties

57. Bell Canada, supported by Bell Aliant, submitted that competitor Ethernet services were not essential services and, therefore, should be deregulated consistent with the recommendations of the *Telecommunications Policy Review Panel: Final Report 2006* (TPR Final Report) and the proposed policy direction published 17 June 2006 in the Canada Gazette.

58. Bell Canada submitted that, in the meantime, alternatives to competitor Ethernet services were available to competitors and, therefore, Ethernet services should continue to be considered Category II competitor services.

59. Bell Aliant submitted that Ethernet services were based on new technology, deployed only recently by all service providers. Bell Aliant also submitted that a competitor could choose to lease facilities from another party instead of building out its network, until a better business case emerged for network build. Bell Aliant submitted that simply because a competitor chose to use the ILECs' facilities for a period of time, in lieu of building out its own networks, this did not make the ILECs' competitor Ethernet services essential services. Bell Aliant indicated that it supported the recommendation that each ILEC offer competitor Ethernet services as Category II competitor services within their respective serving territories.

60. TCC submitted that the advantage of finalizing current interim rates was that doing so would avoid the additional work and disruption that would result if rates remained interim for a further period and were to be retroactively changed at a future date. TCC submitted that it would withdraw these tariffs after the transition period contemplated by the TPR Final Report if, as a result of a review of the regulatory framework regarding competitor services, it was found that Ethernet services for competitors were not essential.

61. MTS Allstream emphasized that there was an extremely limited supply of underlying Ethernet access and transport services, and that only the ILECs had an Ethernet network that covered every province in Canada and that reached into almost every exchange where they provided local telephone service. MTS Allstream submitted that the task of building an Ethernet network was far easier for the ILECs than for new entrants because the ILECs already had many of the municipal rights-of-way and building access arrangements that were a necessary precondition to the deployment of network facilities. MTS Allstream submitted that this Ethernet network could not be economically duplicated and, therefore, each component of the ILECs' Ethernet services should be priced in accordance with the Commission's pricing principles for Category I competitor services. RCI expressed a similar view.

62. QMI submitted that artificially low prices of other competitor services had undermined its ability to compete in the marketplace in the past and, as a result, had weakened facilities-based competition in its serving territories. QMI requested that the Commission give due consideration to alternative facilities-based Ethernet service providers in this proceeding.

63. TCC submitted that MTS Allstream's and RCI's arguments regarding their requests that the Ethernet service be classified as a Category I competitor service were without merit. TCC supported its view by noting that it faced competition in the provision of Ethernet services in its operating territory from Alberta SuperNet, Bell Canada, and Enmax Envision, and that MTS Allstream self-supplied Ethernet facilities. TCC further submitted that the presence of these service providers offered clear evidence that independent construction of an Ethernet network was neither technically nor economically impossible, despite the alleged roadblocks related to co-location and rights-of-way cited by MTS Allstream.

64. Accordingly, TCC, supported by SaskTel, requested that the Commission deny the Category I competitor service rating for Ethernet services sought by MTS Allstream and RCI. TCC requested that the Commission maintain the retail rating for its Ethernet Access Service and make final the interim Category II rating for its ETS and the interim Category I rating for its Ethernet CO Connecting Link service, pending the Commission's review of the regulatory framework for competitor services and other wholesale services provided to competitors.

Commission's analysis and determinations

65. The Commission notes Bell Canada's comments, made with reference to the TPR Final Report, that Ethernet services are not essential services and so should be deregulated. As discussed above, the Commission has begun a major proceeding in Public Notice 2006-14 to review its current regulatory approach to competitor services and the definition of an essential service. Pending the conclusion of that proceeding, the Commission considers that it is appropriate to apply its current approach to regulation in this area.

66. The Commission notes the parties' comments above regarding the general classification of Ethernet services. The Commission addresses these general comments, as well as parties' comments with respect to the classification of the individual Ethernet services, in the sections below.

Request for a competitor Ethernet access service and classification of the service

Positions of parties

67. Regarding the ILECs' Ethernet access services, MTS Allstream submitted that a competitor service tariff that was based on Category I competitor service pricing principles needed to be developed for the Ethernet access component of the ILECs' Ethernet services. It also submitted that the ILECs' existing retail Ethernet access service rates were an inappropriate proxy for competitor service rates because they reflected pricing for retail end-users. MTS Allstream further submitted that Category I competitor service pricing would provide greater uniformity across the ILECs' Ethernet access service tariffs and that competitors would be able to obtain these services under more competitively neutral terms and conditions.

68. MTS Allstream submitted that simply because the ILECs used their Ethernet access and transport networks to provision retail Ethernet-based services did not mean that competitors should be forced to pay rates for competitor Ethernet services that were tied to these retail prices. MTS Allstream also submitted that competitors required competitor Ethernet access and transport services to provision a wide range of Ethernet services and applications. MTS Allstream submitted that the ILECs' pricing structure for Ethernet access services in the retail market had nothing to do with how competitors should be charged for competitor services.

69. Regarding TCC's retail Ethernet Access Service, which was available for use by competitors, Bell Canada submitted that in rural and high-cost serving areas (HCSAs), TCC's proposed access rates were often twice as high as Bell Canada's rates for similar functionality in HCSAs. Bell Canada requested that the Commission examine TCC's proposed access rates.

70. SaskTel submitted that the ILECs' Ethernet access services were properly classified as retail services.

71. RCI submitted that the ILECs currently had only retail Ethernet access service tariffs in place. RCI proposed that the Phase II cost data filed on the record of this proceeding that were used to develop the retail tariffs should be used to develop an interim competitor Ethernet access tariff subject to a 15 percent mark-up. RCI noted that the Phase II cost data associated with

Bell Canada and TCC Ethernet access services were originally developed in the 2001/2002 time period. RCI requested that the Commission direct the ILECs to file updated cost studies in support of final competitor Ethernet access service tariffs.

Commission's analysis and determinations

72. In Decision 2004-5, the Commission determined that Bell Aliant, MTS Allstream, and SaskTel were to provide, on an interim basis, an Ethernet access service that would be available to competitors at the retail rates approved for Bell Canada or at company-specific proposed rates. The Commission notes that Bell Canada, MTS Allstream, SaskTel, and TCC do not currently provide competitor Ethernet access services and, pursuant to Decision 2004-5, competitors use their retail Ethernet access services. However, Bell Aliant did not propose a retail Ethernet access service in response to Decision 2004-5, but instead proposed a competitor Ethernet access service tariff, which has received interim approval.

73. The Commission notes that comments submitted by parties in this proceeding after the issuance of Decision 2004-5 focused on whether a competitor Ethernet access service should be classified as a Category I or II competitor service. The Commission notes MTS Allstream's comment in that context that the ILECs' Ethernet networks were geographically ubiquitous and that alternative supply of underlying Ethernet access services was extremely limited. The Commission also notes TCC's submission that it faced competition in the provision of Ethernet services from various providers.

74. The Commission noted in Decision 2004-5 that it did not anticipate being in a position to make final determinations on the issues raised by the Ethernet service applications under consideration in that Decision until the conclusion of the CDNA proceeding. In Decision 2005-6 the Commission determined that the ILECs were to provide a competitor DNA service at digital signal (DS) and OC level transmission speeds.

75. The Commission notes that it considered general constraints on facilities construction faced by competitors when assessing whether it would be appropriate to require that the ILECs provide a CDN access service. In Decision 2005-6 the Commission noted that the OC-3 and OC-12 access components of the CDN service were provisioned using fibre facilities, and that the DS-3 access component of that service was typically provisioned using fibre.

76. In Decision 2005-6 the Commission considered constraints on facilities construction both generally and with respect to the access component of the CDN service. The Commission considered that constraints on facilities construction faced by competitors included competitors' relative financial constraints, constraints related to the use of support structures, and issues related to municipal access agreements. The Commission also noted the widespread deployment of ILECs' fibre facilities relative to those of competitors. The Commission further considered that there might be circumstances in which building access would be a constraint with respect to the construction of access facilities.

77. With respect to Ethernet access service, the Commission notes that the ILECs indicated in the current proceeding that they use fibre facilities to provision Ethernet access at the 10 Mbps, 100 Mbps, and 1000 Mbps transmission speeds. That is, a fibre facility is used to provision both CDN and Ethernet access services.

78. In view of this, the Commission considers that the constraints with respect to competitor construction of fibre access facilities used to provision fibre-based CDN access services apply equally to the provisioning of fibre-based Ethernet access services.

79. In addition, the Commission notes its finding in Decision 2004-5 that the access components of the DNA and interim CDNA services (now the CDN service) do not represent appropriate substitutes for Ethernet access service. In this connection, the Commission notes that a competitor that uses a CDN access service to provision an Ethernet access for a retail customer must use additional equipment in conjunction with the CDN access service in order to provide the required Ethernet access service. Moreover, even with the use of such equipment, the competitor would be unable to provision a 1000 Mbps Ethernet access service. The Commission therefore confirms its finding in Decision 2004-5 that the access component of the CDN service does not represent an appropriate substitute for Ethernet access service.

80. In light of the above, the Commission finds that, in the absence of a competitor Ethernet access service, Bell Canada, MTS Allstream, SaskTel, and TCC are unduly preferring themselves in the provision of retail Ethernet access services. The Commission considers it appropriate for each of these companies to provide a competitor Ethernet access service.

81. Regarding the classification of competitor services, when the Commission finds that a competitor service should be developed, it then classifies the service as either a Category I or Category II competitor service – that is, either a service in the nature of an essential service or a service that is not in the nature of an essential service. The Commission notes that it considers the nature of the facility in question and circumstances relevant to its supply by competitors and third parties when it assesses whether to classify a competitor service as a Category I competitor service. A competitor service that does not meet the criteria for a Category I competitor service is classified as a Category II competitor service.

82. As noted previously, Ethernet access services are provisioned using fibre facilities. The Commission notes that in Decision 2005-6 it considered that third-party fibre-based suppliers have the potential to increase their supply of these services to competitors. The Commission also considers that the incentives to construct these facilities would be unduly diminished if the Ethernet access services were to be classified as Category I competitor services.

83. Accordingly, the Commission considers that the ILECs' competitor Ethernet access services should be classified as Category II competitor services. The Commission notes that, as set out in *Regulatory framework for second price cap period,* Telecom Decision CRTC 2002-34, 30 May 2002, the rate for a Category II competitor service is determined on a case-by-case basis and is generally determined based on Phase II costs plus an appropriate mark-up greater than 15 percent.

84. In light of the above, the Commission determines that the ILECs' forthcoming competitor Ethernet access services should be classified on a final basis as Category II competitor services.

Classification of Ethernet transport service

Positions of parties

85. Bell Aliant, Bell Canada, SaskTel, and TCC submitted that while Ethernet services continued to be offered on a mandated basis, ETS should be considered a Category II competitor service since competitors have alternatives to ETS, such as CDN intra-exchange, CDN Metropolitan interexchange (IX), and retail IX services.

86. As described in paragraph 61 of this Order, MTS Allstream submitted that the service should be classified as an essential Category I competitor service. It submitted that the prices currently contained in the ILECs' ETS tariffs were far above cost and should be reduced to reflect the true underlying costs of the service, plus a fixed mark-up of 15 percent. MTS Allstream also submitted that the significant ranges in the rates that were charged across the ILECs for the port component of their ETSs were due entirely to a lack of uniformity in the application of cost-based pricing principles.

Commission's analysis and determinations

87. The Commission notes that Bell Aliant, Bell Canada, SaskTel, and TCC requested that the ILECs' ETSs be classified as Category II competitor services, while MTS Allstream requested that the ETSs be classified as Category I competitor services.

88. Regarding MTS Allstream's position that the ILECs' ETSs should be classified as Category I competitor services, the Commission considers that alternatives to the ILECs' ETSs are not in sufficiently limited competitive supply to justify classifying ETS as a Category I competitor service. The Commission notes that competitors have other options for providing ETSs to their customers – for example, by co-locating in an ILEC CO and using CDN intra-exchange, CDN Metropolitan IX, and retail IX services.

89. In light of the above, the Commission determines that the interim classification of the ETS as a Category II competitor service is appropriate and that this classification should be approved on a final basis.

Classification of Ethernet central office connecting link service

Positions of parties

90. Regarding the ILECs' Ethernet CO connecting link services, MTS Allstream, supported by RCI, agreed with the classification of the service as a Category I competitor service on an interim basis and urged the Commission to maintain this classification when finalizing the rates for this service.

91. SaskTel requested that the Ethernet CO connecting link service be classified on a final basis as a Category II competitor service. SaskTel submitted that alternatives were available to competitors that would allow them to serve customers without relying upon an ILEC-provided Ethernet CO connecting link. SaskTel also submitted that self-supply of the access component of the service would eliminate the need to obtain any Ethernet service, including CO connecting

link service, from the ILEC. SaskTel submitted that, accordingly, it was clear that such a service did not meet the criteria established by the Commission regarding the conditions that must be present in order for a service to be classified as a Category I competitor service.

92. Bell Aliant submitted that it supported reclassifying the Ethernet CO connecting link service as a Category II competitor service. Bell Aliant also submitted that it would be appropriate for the Ethernet CO connecting link to be made available under the same terms and conditions as the remainder of the rate elements that comprised the competitor Ethernet service.

93. Bell Canada submitted that while it conceded that connecting links could only be obtained from an ILEC, it was also of the view that whenever a connecting link component was used to access another service, that connecting link became an extension of the other service to which the link was connected. Bell Canada submitted that since the Ethernet CO connecting link would be used to connect to Ethernet services that were currently classified as Category II competitor services, the links should also be classified as Category II competitor services.

94. In reply, MTS Allstream submitted that there was no basis to change the classification of the Ethernet CO connecting link service to a Category II competitor service. MTS Allstream submitted that because one service might be treated as a Category II competitor service, it did not mean that all other service elements within a given service portfolio should be classified in the same way. MTS Allstream submitted that the ILEC was the only supplier of this service since the service was provided within a CO that was owned and operated by the ILEC. In MTS Allstream's view, these market conditions dictated that the service should be classified as a Category I competitor service.

Commission's analysis and determinations

95. In Decision 2004-5, the Commission determined that Ethernet CO connecting link service was subject to the same restricted supply conditions as other ILEC CO link services provided to co-located competitors. Accordingly, the Commission classified Bell Canada's Ethernet CO Connecting Link service as a Category I competitor service on an interim basis. Further, consistent with the approach adopted in Decision 2004-5, the Commission determined that Bell Aliant, MTS Allstream, and SaskTel were each to provide an interim Ethernet CO connecting link service for competitor use, which would be classified as a Category I competitor service on an interim basis.

96. The Commission disagrees with Bell Canada's view that the Ethernet CO connecting link service should be classified as a Category II competitor service on the basis that the service to which it connects is classified as a Category II competitor service.

97. The Commission notes that in determining the competitor service classification of a service, it has regard to, among other things, the characteristics of the facility in question and to non-ILEC supply, and potential supply, of that facility.

98. The Commission notes Bell Canada's concession that the CO connecting links can be obtained only from an ILEC. The Commission considers that the ILEC would be the only possible provider of this service because the proposed Ethernet CO connecting link service provides a connection between the co-locator's equipment and the ILEC's equipment in the ILEC's CO.

99. Accordingly, the Commission considers that since only the ILEC can supply the Ethernet CO connecting link service to a co-located competitor, the service is subject to the same restricted supply conditions as other ILEC CO link services and its interim classification as a Category I competitor service remains appropriate. The Commission notes that this view is consistent with its classification of the optical co-location link component of CDN service as a Category I competitor service in Decision 2005-6.

100. In light of the above, the Commission determines that the interim classification of the Ethernet CO connecting link service as a Category I competitor service is appropriate and that this classification should be approved on a final basis.

IV. Issues related to Ethernet service applications

101. This section addresses issues raised by parties regarding the ILECs' Ethernet tariff applications – specifically regarding uniformity, minimum contract periods (MCPs), the availability of ETS on a stand-alone basis, service measurement issues, construction charges, and access to operational support systems (OSS).

Uniformity

102. In this section, the Commission considers the uniformity of Ethernet tariffs across ILECs.

Positions of parties

103. Bell Canada submitted that while competitor Ethernet services continued to be offered on a mandated basis, the scope and prices for competitor Ethernet services offered by each ILEC should be similar so that competitors in all parts of the country would have the same range of options available to them and could compete nationwide on an equal footing. Bell Canada also submitted that the prices for the competitor Ethernet services offered by each ILEC should be based on similar percentage mark-ups for similar service components.

104. MTS Allstream submitted that the ILECs' Ethernet tariffs were not consistent and the tariff structure varied from one ILEC to another, which had resulted in a patchwork of service offerings, none of which meshed with the others. MTS Allstream also submitted that this lack of uniformity in the ILECs' Ethernet tariffs made it practically impossible for competitors to provision comprehensive coast-to-coast national service offerings.

105. In response to Bell Canada's and MTS Allstream's submissions regarding the scope of the ILECs' competitor Ethernet services, SaskTel replied that each of the ILECs had developed products and services that could be economically developed and that balanced customer requirements with each ILEC's network capabilities. Given the significant differences between the markets served by Bell Canada and SaskTel, SaskTel submitted that it was neither realistic nor necessary for it to provide Ethernet services that were identical to those offered by Bell Canada. Accordingly, SaskTel requested that the Commission deny Bell Canada's and MTS Allstream's requests with regard to competitor Ethernet service uniformity across the ILECs.

Commission's analysis and determinations

106. The Commission notes MTS Allstream's concerns regarding the lack of Ethernet service tariff uniformity across the ILECs, and Bell Canada's and MTS Allstream's submissions that the scope and prices for competitor Ethernet services offered by each ILEC should be similar so that competitors in all parts of the country would have the same range of options available and could compete nationwide. The Commission also notes that, while SaskTel disagreed that it was necessary to provide Ethernet services that were identical to those offered by other ILECs, SaskTel's Ethernet services are currently comparable to those provided by other ILECs. The Commission considers that, based on the evidence provided by SaskTel on the record of this proceeding, SaskTel would be able to provide the Ethernet service options as directed in this Order.

107. The Commission notes that applications that use Ethernet services are typically designed for medium and large customers, and often require the interconnection of customer locations in different ILEC territories. The Commission therefore considers that providing competitor Ethernet services that are more uniform across ILECs would allow competitors to satisfy the needs of customers who require services in more than one ILEC's serving territory and to compete more effectively. Accordingly, the Commission considers that Bell Canada's and MTS Allstream's requests for uniformity of Ethernet services nationwide are reasonable, and therefore determines that the ILECs should provide Ethernet services that are uniform.

Minimum contract periods

108. The Commission notes that, in general, rates for competitor services are offered as month-to-month rates rather than MCP-based rates.[12] In this section, the Commission considers a request related to the MCP-based rate structure for Ethernet services.

Positions of parties

109. MTS Allstream noted that the ILECs' CDN tariffs did not contain MCPs and that there was no reason provided on the record of this proceeding that the ILECs' Ethernet tariffs could not be similarly structured. MTS Allstream submitted that MCPs for competitor services were inappropriate since they added to the cost and complexity of contract administration. MTS Allstream also submitted that it did not support tariff provisions that allowed for automatic renewal of competitor customer contracts or termination penalties resulting from the early termination of MCPs.

110. In reply, SaskTel submitted that early termination of Ethernet services without some mechanism in place to recover capital investments would transfer all the risk associated with providing these services to SaskTel, which was inappropriate in light of the fact that competitors may have entered into multi-year contracts with retail customers. Accordingly, SaskTel submitted that the proposal made by MTS Allstream should be rejected.

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[12] In this Order, the term "MCP-based rates" refers to monthly rates subject to an MCP that is greater than one month; the term "month-to-month rates" refers to monthly rates subject to an MCP of one month.

111. TCC submitted that the purpose of MCPs was to ensure that the ILECs would be able to recover invested capital and that early termination clauses allowed ILECs to enforce MCPs. TCC also submitted that MTS Allstream's request regarding termination clauses was unreasonable and should be rejected by the Commission.

Commission's analysis and determinations

112. The Commission notes that in the retail market it is a common practice to offer both MCP-based rates and month-to-month rates. The Commission also notes that the contracted rates are lower than the month-to-month rates in recognition of the longer revenue commitment period. The Commission notes that there is currently no uniform approach among ILECs with respect to the issue of month-to-month rates for competitor Ethernet services.

113. The Commission considers that offering the option of either MCP-based rates or month-to-month rates would remove a barrier to competitors, thereby permitting them to compete in the retail market on a more equitable basis – for example, by permitting competitors to offer trial promotions for a limited period of time. The Commission notes that ILECs provide CDN services using month-to-month rates.

114. The Commission considers that MTS Allstream's request to have ILECs offer their competitor Ethernet service rates without an MCP – that is, on a month-to-month rate basis – is reasonable. Accordingly, the Commission determines that all components of the Ethernet service, except the ETS CCI[13] component, for the reasons given below, should be made available to competitors with a month-to-month rate.

115. The Commission notes that the ETS CCI service differs from the other Ethernet services in that it allows the aggregation of multiple Ethernet accesses and associated transport at a single location. The Commission considers that a competitor that acquires Ethernet accesses and transport from an ILEC will always require an ETS CCI service. The Commission therefore expects that competitors would generally have no use for a higher month-to-month rate for the ETS CCI service. The Commission notes that Bell Aliant and SaskTel have made their ETS CCI service available with only an MCP-based rate option. In addition, TCC has made its NNI, which provides equivalent functionality to the CCI service, also available with only an MCP-based rate option. The Commission further notes that no specific competitor requests were made in this proceeding to have the ETS CCI service offered with a month-to-month rate option. In light of the above, the Commission determines that the ETS CCI service should be made available with MCP-based rate options.

116. The Commission also determines that, consistent with the interim competitor Ethernet services rate structure, the competitor Ethernet access service should also be made available with a minimum of one-year and three-year MCP-based rate options, in addition to being available on a month-to-month basis.

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[13] As noted previously, the Commission notes that TCC refers to the CCI component as the Network-to-Network Interface and SaskTel refers to this component as the Ethernet Transport Interface.

Availability of Ethernet transport service on a stand-alone basis

117. In this section, the Commission considers the issue of making ETS available on a stand-alone basis, which refers to the ability of competitors to use the ETS component in conjunction with other ILEC services, the competitors' services, or third-party services to transport data traffic.

Positions of parties

118. MTS Allstream noted that the Ethernet service tariffs contained limitations on the use of these services. The company submitted that in Decision 2004-5, the Commission had stated that "competitors may use components of the Ethernet services to which this decision relates in conjunction with other ILEC services or service components or with any service they self supply or acquire from a third party." MTS Allstream submitted that it was not aware of any reason that this rule, which currently applied to the ILECs' Ethernet access services, could not also be applied to their ETSs. MTS Allstream therefore requested that the "limitations of use" clauses found in the various ILEC Ethernet tariffs be removed.

119. RCI submitted that there was a condition in the interim ETS tariffs that stipulated that ETS could only be used by a competitor in conjunction with the ILEC's retail Ethernet access service. RCI argued that this condition unnecessarily limited the ability of co-located competitors to use, for example, the ILECs' Ethernet CO connecting links to connect to ETS in order to transport other data services.

120. RCI submitted that the condition assumed that competitors only wanted to and should only use ETS to compete with the ILECs' end-user retail Ethernet-based services, when in fact ETS was a transport service that competitors should be able to use in conjunction with other ILEC services, the competitors' services, or third-party services to transport data traffic.

121. RCI submitted that competitors must be allowed to use each of the ILECs' Ethernet services as they deemed efficient and suitable for their business plans and network growth. RCI submitted that to do otherwise would be inconsistent with the objective of facilities-based competition. RCI noted that MTS Allstream had submitted that it would remove the condition immediately. RCI requested that the other ILECs be ordered to remove similar conditions in their tariffs.

122. Xittel requested that the Commission require ILECs to provide an unbundled competitor ETS on regulated interexchange private line (IXPL) routes. Xittel submitted that the lack of competition for IXPL services on a given route had put the ILEC in a position where it had an absolute monopoly over transport. Xittel requested that the Commission specify that ETSs on the regulated IXPL routes were essential competitor services.

123. In response to MTS Allstream's comments, Bell Canada submitted that its competitor Ethernet service had been developed, designed, and priced on the assumption that the access and transport elements would be provided as a single service. Bell Canada also submitted that if it were to unbundle the access and transport elements of its competitor Ethernet service, the rates for the transport element of the service would need to be revised to ensure that it would recover the original development costs of its competitor Ethernet service. Bell Canada further submitted that significant work and costs would be required to review and develop new technical and operational parameters and that, as such, it would require minimum term commitments and associated termination charges to ensure ongoing recovery of these costs.

Commission's analysis and determinations

124. The Commission notes that MTS Allstream and RCI have requested that the ILECs provide the Ethernet service components on a stand-alone basis.

125. The Commission notes, however, Bell Canada's position that its competitor Ethernet service was developed on the assumption that the access and transport elements would be provided as a single service. The Commission further notes Bell Canada's submission that if these access and transport elements were to be offered on a stand-alone basis, the rates for the transport service would need to be revised to ensure recovery of the original service development costs and the additional costs required to develop and provision ETS on a stand-alone basis.

126. The Commission notes that, consistent with the current interim bundled arrangement, the ETS Ethernet Port can only be connected to an Ethernet access service, and the ETS CCI[14] can only be connected to an Ethernet access service or an Ethernet CO connecting link service.

127. The Commission notes that in Decision 2005-6 it made the digital transport service components – the CDN intra-exchange and Metropolitan IX service components – available to competitors on a stand-alone basis. In that Decision, the Commission concluded that the competitors' ability to use any or all components of the CDN service in conjunction with other ILEC services and with non-ILEC services and facilities would foster competition because it increased the competitors' flexibility with respect to the provision of retail services. The Commission considers this approach to also be appropriate with respect to the competitors' use of the ILECs' competitor ETS.

128. In light of the above, the Commission considers that it would be appropriate to require the ILECs to make the ETS available on a stand-alone basis.

129. The Commission notes Xittel's request that the ILECs provide an unbundled ETS on regulated IXPL routes. The Commission considers that its determination in this Order that the ILECs make the ETS available on a stand-alone basis is an adequate response to this request.

130. Accordingly, the Commission directs Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC to file, within 60 days of the date of this Order, proposed tariff pages and supporting cost information for the introduction of a competitor ETS on a stand-alone basis. The Commission further directs Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC to each file, within 60 days of the date of this Order, an amendment to its Ethernet CO connecting link service tariff pages to state that the Ethernet CO connecting link service can be used in conjunction with the service introduced above.

Service measurement issues

131. In this section, the Commission considers requests to review the service standards that apply to the ILECs' Ethernet services.

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[14] As noted previously, the Commission notes that TCC refers to the CCI component as the Network-to-Network Interface and SaskTel refers to this component as the Ethernet Transport Interface.

Positions of parties

132. MTS Allstream submitted that the ILECs' interim Ethernet services lacked any service level standards or quality of service indicators (Q of S indicators) for competitors and that this had resulted in very serious service delivery delays and an inconsistent level of service quality.

133. MTS Allstream proposed that the majority of the Q of S indicators developed to monitor CDN services could be adopted for Ethernet services. The company also proposed that service performance metrics should be published by all ILECs.

134. Bell Canada submitted that Ethernet services were not essential services and should not be subject to additional regulatory administrative measures that had not been imposed on other facilities-based competitors. Bell Canada stated that sufficient alternatives to Ethernet were available and constituted a sufficient safeguard to guarantee minimum performance levels for customers.

135. RCI submitted that it was concerned about TCC's long response times to formal requests to determine whether or not fibre was available at a certain site or premises, its long service installation intervals, and its long response times to service calls and repair tickets. RCI submitted that its experiences with the ILECs' Ethernet services demonstrated that Q of S indicators similar to those established for CDN services needed to be established for each of the Ethernet services in order to ensure a level playing field among competitors and between the ILECs and competitors.

136. RCI submitted that it agreed, with only minor changes, with MTS Allstream's proposal that the Commission establish and implement Q of S indicators for the ILECs' Ethernet services.

137. SaskTel replied that the service measurements proposed by MTS Allstream and RCI were unnecessary for SaskTel since neither party had identified any concerns regarding its performance. SaskTel submitted that implementing service standards would add significant cost and complexity to its operation. SaskTel also submitted that it did not provide service performance objectives to its retail customers and that it would be unreasonable for it to implement such standards only for competitors.

138. TCC replied that the service measurement issues raised by RCI and MTS Allstream were out of scope given that tariff proceedings did not normally cover such issues. TCC submitted that a separate proceeding would be required to deal with these issues.

Commission's analysis and determinations

139. The Commission considers that implementation of Q of S indicators would be an issue for consideration within the context of the Commission's general framework for competitor Q of S indicators. Accordingly, the Commission considers that a separate application would be required in order for it to consider the issue of competitor Q of S indicators for competitor Ethernet service.

140. Regarding parties' comments concerning service performance objectives, the Commission notes that the ILECs do not generally publish customer-specific service performance objectives for their retail or competitor services. The Commission expects that an ILEC's service performance objectives applied to its competitor Ethernet services should be, at a minimum, equal to the service performance objectives applied to its retail services.

Construction charges

141. The Commission notes that some of the ILECs' Ethernet service tariffs contain provisions for construction charges, which are levied on competitors when the ILEC facilities required to provide the service are not available and must be built. In this section, the Commission considers requests that the ILECs modify provisions in their Ethernet tariffs relating to construction charges.

Positions of parties

142. MTS Allstream submitted that provisions in the ILECs' tariffs that allowed the ILECs to levy construction charges on competitors when facilities were not available were extremely open-ended and placed an unfair burden on competitors. MTS Allstream submitted further that given these concerns, each of the ILECs' competitor Ethernet tariffs should contain a standard clause that would replace the existing Ethernet tariff provisions related to construction charges, and the ILECs should adopt standard provisioning practices.

143. Xittel requested that the Commission initiate a show cause proceeding requiring all ILECs to explain the conditions under which they would be prepared to release competitors from all construction costs higher than the fair market price the competitors would pay if they were to construct their own facilities.

144. RCI submitted that the construction charges provided the ILECs with the incentive and opportunity to behave anti-competitively.

145. In reply, Bell Canada submitted that construction charges were calculated for every customer and were part of a case-by-case business analysis. TCC replied that neither MTS Allstream nor RCI had presented evidence to suggest that construction charges had an anti-competitive effect.

Commission's analysis and determinations

146. The Commission considers that the issues related to construction charges for competitor services are outside the scope of this proceeding since the issues have implications for all competitor services and not just Ethernet services. Accordingly, the Commission considers that a separate application would be required in order for it to consider the issue of construction charges for competitor services.

Access to operational support systems

147. The Commission notes that for unbundled loops, access to OSS enables automation of the trouble ticket process and provides the capability to create, receive the status of, and update trouble tickets. In this section, the Commission considers a request to provide similar capabilities for competitor Ethernet services.

Positions of parties

148. MTS Allstream submitted that access to OSS should be expanded through a program that would include automated trouble ticketing for all competitor services, including Ethernet and CDN services, and requested that the Commission direct the ILECs to provide competitor access to their OSS for Ethernet services.

149. In response, Bell Canada submitted that developing access to OSS was costly and that MTS Allstream had failed to provide evidence of the benefits that would justify such development costs.

150. SaskTel replied that it relied on manual processes to determine the availability of facilities to serve a particular address due to its very low demand for Ethernet services and submitted that MTS Allstream's request should be denied.

151. TCC submitted that while it supported OSS access by competitors, this issue was outside the scope of this proceeding. TCC submitted that the CRTC Interconnection Steering Committee's Operational Support Systems Working Group was the correct forum in which to address these issues.

Commission's analysis and determinations

152. The Commission considers that MTS Allstream's request that access to OSS should be expanded through a program that would include automated trouble ticketing for all competitor services, including Ethernet and CDN services, is outside the scope of this proceeding since the request is applicable to other competitor services and not just Ethernet services. Accordingly, the Commission considers that a separate application would be required in order for the Commission to consider the issue of access to OSS for competitor services.

V. Determinations regarding the incumbent local exchange carriers' Ethernet tariffs

153. In this section, the Commission disposes of the ILECs' competitor Ethernet service tariff applications on a final basis. The Commission notes that after Decision 2004-5 was issued, each ILEC filed Ethernet service tariff applications. The Commission notes that it has in general approved these tariff applications on an interim basis to allow these services to be introduced in an expedited manner. By letter dated 11 August 2006, the Commission notified interested parties that it intended to dispose of the interim Ethernet service tariffs on a final basis. In response to the Commission's letter, several parties requested that the final rates, terms, and conditions of the Ethernet services be more uniform across ILECs.

154. The Commission notes that there are significant differences in the rates, terms, and conditions of the ILECs' Ethernet service tariffs, and as noted previously in this Order, the Commission finds merit in parties' requests for greater uniformity among these tariffs. In finalizing the ILECs' competitor Ethernet services, the Commission has had regard to various considerations, including approving rates, terms, and conditions of competitor Ethernet services that are similar across ILECs so that competitors in all parts of the country have the same range of options available to them, can compete in multiple markets, and can meet the needs of those customers that require uniform Ethernet services across Canada. The Commission notes that it has

reviewed the various Ethernet service tariff applications and sets out for each ILEC its determinations with respect to the individual components of the Ethernet services in the following sections.

Competitor Ethernet access services

a) Competitor Ethernet access service

155. The Commission notes that Bell Aliant is the only ILEC to have proposed a competitor Ethernet access service. In Part III above, the Commission determined that each ILEC should develop and provide a competitor Ethernet access service. In this section, the Commission considers Bell Aliant's competitor Ethernet access service application and makes determinations regarding it and the competitor Ethernet access services to be provided by other ILECs.

Positions of parties

156. MTS Allstream submitted that Bell Aliant's service definition for its proposed Wholesale Ethernet Access service tariff indicated that its Ethernet accesses terminated at an Ethernet port instead of at a fibre or Category 5 cable patch panel in the CO. MTS Allstream submitted that Bell Aliant's competitor Ethernet access service tariff appeared to assume that every Ethernet access ordered by a CLEC would require a port, which in the case of a co-located CLEC was incorrect since the Ethernet access service could be connected directly to the CLEC's co-location space using an Ethernet CO connecting link.

157. MTS Allstream submitted that it would be inefficient and uneconomical for a CLEC to pay Ethernet port and network path charges to aggregate Ethernet traffic within the same wire centre as the Ethernet access service. MTS Allstream requested that Bell Aliant and the other ILECs be directed to define the terminating demarcation point for their Ethernet access services at the fibre or Category 5 patch panel within their COs. It also requested that the Commission direct Bell Aliant to update its Wholesale Ethernet Access cost studies to reflect this determination.

158. Regarding the auto-renewal terms in Bell Aliant's TN 193, RCI submitted that upon expiration of the original MCP, service should auto-renew at a month-to-month rate rather than auto-renew for a term equivalent to the original MCP.

159. In reply to RCI's comments, Bell Aliant submitted that if a competitor did not wish to auto-renew at the same MCP, it simply had to notify Bell Aliant of its desired MCP and Bell Aliant would accommodate its request.

Commission's analysis and determinations

160. The Commission notes that in TN 193, Bell Aliant proposed to introduce its Wholesale Ethernet Access service as a Category II competitor service. The Commission also notes Bell Aliant's submission that due to time constraints, it had adopted Bell Canada's retail Ethernet Access service rates "without customer premises equipment" in Band 2, as a proxy for the rates to be used for its Wholesale Ethernet Access service. The Commission further notes that these rates for Bell Aliant were approved on an interim basis in Order 2006-49.

161. The Commission has determined in this Order that ILECs must provide a Category II competitor Ethernet access service. In addition, the Commission has determined in this Order that each ILEC must provide a month-to-month rate and, at a minimum, one-year and three-year MCP-based rates for its competitor Ethernet access services.

162. The Commission notes that Bell Aliant's interim Wholesale Ethernet Access service has one-year and three-year MCP-based rates, but does not have a month-to-month rate. The Commission considers that Bell Aliant should provide a month-to-month rate for its Wholesale Ethernet Access service.

163. The Commission notes RCI's request that upon expiration of the contract period, services should not auto-renew based on the original contract period and rates. Regarding RCI's comments related to auto-renewal terms, the Commission considers that Bell Aliant's tariffs should be modified to indicate that upon expiration of the contract period, competitors may renew their contracts at the then-available MCP-based rates or may optionally transfer to the month-to-month rates.

164. The Commission notes that TCC's cost evidence demonstrated that Ethernet access service costs varied significantly across geographic rate bands. The Commission expects that Ethernet access service costs may vary across geographic rate bands as a result of factors such as varying levels of customer density or loop length. Accordingly, where the associated Ethernet access service costs are expected to vary significantly, the Commission considers it appropriate to require each ILEC to file Ethernet access service rates supported by cost studies according to the appropriate geographic rate bands.

165. The Commission notes its determination in this Order that the competitor Ethernet access service is to interconnect to the Ethernet CO connecting link service or the ETS. The Commission considers that the provisioning arrangements and service definitions of the Ethernet access service must support this requirement. Having regard to this, the Commission notes that Ethernet service modifications may be required as a result of the determinations in this Order. The Commission therefore directs each ILEC to file these modifications in conjunction with the new tariff applications required by the Commission in this Order.

166. With respect to MTS Allstream's comments that Bell Aliant's service definition indicates that an Ethernet access must terminate at a port, the Commission considers that in order to permit a competitor to connect the Ethernet access service acquired from Bell Aliant directly to Bell Aliant's Ethernet CO Connecting Link service, Bell Aliant's Wholesale Ethernet Access service tariff should be revised.

167. In light of the above, the Commission maintains as interim the Wholesale Ethernet Access component of Aliant Telecom General Tariff item 654 – Wholesale Ethernet Service, as approved in Order 2006-49.

168. In addition, the Commission directs Bell Aliant to file for approval, within 60 days of the date of this Order, a revised tariff application for the Wholesale Ethernet Access component of its Wholesale Ethernet Service, as a Category II competitor service, that includes:

- supporting cost studies for speeds of 10 Mbps, 100 Mbps, and 1000 Mbps, by the appropriate geographic rate bands;

- a month-to-month rate, and one-year and three-year MCP-based rates, by the appropriate geographic rate bands; and

- required revisions to the service definition to allow the competitor Ethernet access service to be connected to an Ethernet CO connecting link service.

169. The Commission also directs Bell Canada, MTS Allstream, SaskTel, and TCC to each file for approval, within 60 days of the date of this Order, a tariff application for a Category II competitor Ethernet access service that includes:

- supporting cost studies for speeds of 10 Mbps, 100 Mbps, and 1000 Mbps, by the appropriate geographic rate bands;

- a month-to-month rate, and one-year and three-year MCP-based rates, by the appropriate geographic rate bands; and

- a service definition that allows the competitor Ethernet access service to be connected to an Ethernet CO connecting link service.

170. The Commission directs each ILEC to file, with the above applications, supporting cost studies that include an appropriate service configuration diagram that identifies all major resource components and demarcation points. The Commission notes that each ILEC should identify the costing methodology and assumptions used to determine the costs, and outline the development of the corresponding cash flows.

b) Competitor Ethernet T1 access service

171. The Commission notes that Bell Canada is the only ILEC that has proposed a competitor Ethernet T1 access service. In this section, the Commission considers Bell Canada's competitor Ethernet T1 Access service application and makes determinations with respect to requests that other ILECs provide an equivalent service.

Positions of parties

172. MTS Allstream submitted that there was a need, especially in smaller communities where fibre infrastructure had not yet been established, for a T1 or equivalent copper-based Ethernet access service to allow a competitor to provide its customers with Ethernet-based services that were similar to those provided to most customers served by fibre facilities. MTS Allstream requested that the Commission direct those ILECs that did not currently provide an Ethernet T1 access service to show cause as to why they should not also be required to provide this service capability.

173. MTS Allstream noted that in Order 2006-189, the Commission had approved on an interim basis Bell Canada's Ethernet T1 Access service as a Category II competitor service. MTS Allstream submitted that since Bell Canada's Ethernet T1 Access service would be provisioned using CDN DS-1 access facilities, the service should be classified as a Category I competitor service.

174. Bell Canada submitted that TCC should provide an Ethernet service equivalent to Bell Canada's own Ethernet T1 Access service, together with the necessary associated changes to TCC's ETS.

175. RCI submitted that there was no Ethernet T1 access service included in Bell Aliant's Ethernet service filing, even though RCI had demonstrated demand for such a service. In reply, Bell Aliant submitted that at the time of filing, it did not have any requests for this service.

176. SaskTel submitted that it was not prepared to offer an Ethernet T1 access service and that it currently did not offer this service to its retail customers. SaskTel submitted that competitors already had access to the network elements required to offer the service.

Commission's analysis and determinations

177. The Commission notes that Bell Canada proposed to introduce its Ethernet T1 Access service under TN 6823, as amended by TNs 6823A and 6823B. The proposed rates for Bell Canada's Ethernet T1 Access service were revised and approved on an interim basis by the Commission in Order 2006-189.

178. Regarding MTS Allstream's position that Bell Canada's Ethernet T1 Access service should be classified as a Category I competitor service, the Commission considers that alternatives to the ILECs' Ethernet T1 access services are not in sufficiently limited competitive supply to justify classifying the service as a Category I competitor service. The Commission is satisfied that the interim Category II competitor service classification and the interim rates, terms, and conditions of Bell Canada's Ethernet T1 Access service are appropriate.

179. In light of the above, the Commission **approves on a final basis** the current interim rates for Bell Canada AST item 124 – Ethernet T1 Access service, originally proposed in TN 6823, as amended by TNs 6823A and 6823B, and as revised and approved on an interim basis in Order 2006-189. The Commission directs Bell Canada to issue tariff pages within 25 days of the date of this Order.

180. The Commission notes its determination in this Order that all components of the Ethernet services, except the ETS CCI, should be made available to competitors with a month-to-month rate. The Commission notes that Bell Canada provides its Ethernet T1 Access service with MCP-based rates. Accordingly, the Commission also directs Bell Canada to file for approval, within 60 days of the date of this Order, a tariff application for a competitor Ethernet T1 access service with a month-to-month rate.

181. The Commission notes that Bell Canada, MTS Allstream, and RCI have requested in this proceeding that other ILECs be required to provide a service equivalent to Bell Canada's Ethernet T1 Access service.

182. Regarding SaskTel's submission that it currently does not offer an Ethernet T1 service to its retail customers, the Commission considers that SaskTel may use an underlying service component that is comparable to an Ethernet T1 access facility in the provision of some of its retail services.

183. The Commission agrees with the view that there is a need for a T1 or equivalent copper-based Ethernet access service, especially in smaller communities where a fibre infrastructure has not yet been established. The Commission notes that provisioning of a T1 or equivalent copper-based Ethernet access service would permit a competitor to provide an Ethernet access service to customer locations where fibre-based Ethernet access services are not available. The Commission notes that customers would benefit from the expanded reach of Ethernet services that would result from the availability of this service.

184. In light of the above, the Commission determines that each ILEC should provide an Ethernet service similar to the competitor Ethernet T1 Access service approved for Bell Canada.

185. Accordingly, the Commission directs Bell Aliant, MTS Allstream, SaskTel, and TCC to each file for approval, within 90 days of the date of this Order, a tariff application for a Category II competitor Ethernet T1 or equivalent copper-based Ethernet access service that includes a month-to-month rate and one-year and three-year MCP-based rates, by the appropriate geographic rate bands, with supporting cost studies.

Ethernet transport service

186. The Commission notes that each ILEC proposed its competitor ETS tariffs following Decision 2004-5 and that these proposed tariffs have received interim approval. In this section, the Commission disposes of these applications on a final basis.

a) Ethernet port service component of ETS

187. In this section, the Commission examines the rates and speeds proposed by the ILECs for the Ethernet port components of their ETSs.

Positions of parties

188. Call-Net submitted that it supported TCC's ETS, subject to modification of the monthly recurring rate for the 100Base-T Ethernet Port. Call-Net noted that TCC had proposed a monthly recurring rate of $39.36 for its 10Base-T Ethernet Port, while it had proposed a monthly rate of $337.90 for its 100Base-T Ethernet Port. Call-Net submitted that the proposed higher rate for the 100Base-T Ethernet Port had no foundation since the physical attributes and the underlying costs of the 10Base-T Ethernet Port and the 100Base-T Ethernet Port were similar. MTS Allstream expressed a similar view.

189. TCC submitted in reply that Call-Net's and MTS Allstream's requests that TCC be required to charge the same monthly rate for the 100Base-T Ethernet Port as the 10Base-T Ethernet Port were inappropriate because this would result in the under-recovery of TCC's capital costs.

Commission's analysis and determinations

Ethernet port rates

Bell Aliant

190. The Commission notes that all ILECs except Bell Aliant offer interim month-to-month rates for their Ethernet port services. Based on the Commission's determination in this Order that all components of the Ethernet service except the ETS CCI should be made available to competitors with a month-to-month rate, the Commission determines that Bell Aliant should introduce a month-to-month rate for its Ethernet Port service.

Bell Canada and MTS Allstream

191. The Commission has reviewed the rates for the Ethernet port component of Bell Canada's and MTS Allstream's ETSs and finds them to be appropriate.

SaskTel

192. The Commission notes that SaskTel was the only ILEC to propose the application of a one-time service charge of $350 for its Ethernet Port service. The Commission considers that the ILECs, with the exception of SaskTel, have integrated the service order costs associated with the Ethernet port into their respective monthly port rates or other Ethernet service charge components.

193. In light of the above, the Commission has adjusted SaskTel's Ethernet Port monthly rate to include the service order costs associated with the Ethernet Port service, together with an appropriate mark-up. Accordingly, the Commission determines that SaskTel should revise the rates for its Ethernet Port service as set out in the attachment to this Order.

TCC

194. Based on an examination of TCC's cost study filed in support of its Ethernet Port costs, the Commission notes that the proposed monthly Phase II costs of TCC's 100Base-T Ethernet Port are many times higher than those of its 10Base-T Ethernet Port.

195. The Commission notes that, by contrast, the cost information filed by Bell Aliant, Bell Canada, MTS Allstream, and SaskTel indicates that the Phase II cost for each ILEC's 10Base-T Ethernet port is the same as that of its 100Base-T Ethernet port. The Commission considers that these services are similar and that the activities and costs to be recovered under both services would also be similar. In addition, the Commission notes that each ILEC, except TCC, proposed the same rate for its 10Base-T and 100Base-T Ethernet ports, consistent with its cost information.

196. The Commission notes that TCC did not provide rationale in its cost study to support the cost difference between its 10Base-T Ethernet Port and its 100Base-T Ethernet Port. The Commission considers that, consistent with the rates and cost information filed by the other ILECs on the record of this proceeding, the rate for TCC's 100Base-T Ethernet Port should be the same as the rate for its 10Base-T Ethernet Port.

197. In light of the above, the Commission determines that TCC's rates for its 10Base-T Ethernet Port and 100Base-T Ethernet Port should be the same. Accordingly, the Commission determines that TCC should revise its 100Base-T Ethernet Port rate to equal that of its 10Base-T Ethernet Port rate, as set out in the attachment to this Order.

Ethernet port speeds

198. The Commission notes that in Paragraph 169 of this Order, Bell Canada, MTS Allstream, SaskTel, and TCC are directed to provide a competitor Ethernet access service at a speed of 1000 Mbps. The Commission also notes that Bell Canada, MTS Allstream, SaskTel, and TCC do not currently provide a 1000 Mbps Ethernet port. The Commission considers that such an Ethernet port speed is required to permit connection of a 1000 Mbps competitor Ethernet access to the ETS.

199. The Commission further notes that, in contrast to the other ILECs, Bell Aliant provides a 1000 Mbps Ethernet port as part of its recent introduction of ETS. The Commission is satisfied that the speeds and rates for the Ethernet Port component available under Bell Aliant's ETS are appropriate.

200. In light of the above, the Commission determines that Bell Canada, MTS Allstream, SaskTel, and TCC should provide a 1000 Mbps Ethernet port service with a month-to-month rate in order to permit connection of the 1000 Mbps competitor Ethernet access service to the ETS.

b) ETS CCI and ETI service components

201. In this section, the Commission considers the final rates and speeds for the CCI component of the ETS for Bell Aliant, Bell Canada, and MTS Allstream, and the equivalent ETI component of the ETS proposed by SaskTel. The Commission notes that the rates for TCC's equivalent service are provided as part of TCC's ADSL services[15] and have been approved on a final basis in *TELUS Communications Company – Network-to-Network Interface Service, Wide Area Network ADSL Service, and Wholesale Internet ADSL Service*, Telecom Order CRTC 2007-25, 25 January 2007.

Positions of parties

202. MTS Allstream noted that in Bell Canada's 21 May 2004 cover letter associated with the amendment to TN 6815, Bell Canada stated that it intended to augment its CCI arrangements to provide for higher speeds such as OC-12 and 1000 Mbps Ethernet, but that it had not as yet offered these additional services.

203. Regarding Bell Canada's ETS defined in TN 6815, MTS Allstream requested that a CCI service at the speed of 100 Mbps be made available to competitors.

[15] Regarding TCC's ETS, the Commission notes that TCC does not provide a CCI component but instead provides a stand-alone service, CAT item 217 – Network-to-Network Interface Service, which is available for use by various services, including Ethernet and ADSL services.

204. In its comments regarding the finalization of the Ethernet tariffs, MTS Allstream requested that the Commission direct all ILECs that did not currently offer a CCI service at the 100 Mbps and 1000 Mbps speeds to file tariffs for these speeds. MTS Allstream also requested that the Commission direct each ILEC to offer a redundant CCI option to competitors.

Commission's analysis and determinations

ETS CCI and ETI rates

Bell Aliant

205. The Commission has reviewed the interim one-year and three-year MCP rates for the CCI component of Bell Aliant's ETS and considers that the rates are appropriate.

206. The Commission notes that Bell Aliant's interim service charge for its CCI service for each of the 10/100 Mbps and 1000 Mbps speeds is $1,500. The Commission notes, however, that in Aliant Telecom General Tariff item 626 – ADSL Access Service, Bell Aliant's service charge for its 10 Mbps, 100 Mbps, and 1000 Mbps Aggregated High-Speed Service Provider Interface (AHSSPI) port service is $885. The Commission has examined the cost study and tariff pages associated with Bell Aliant's AHSSPI service. The Commission considers that the CCI and AHSSPI services are similar and that the activities and costs to be recovered under the service charge component of both services would also be similar. The Commission notes that the cost study in support of Bell Aliant's CCI service does not provide adequate justification for the CCI service rate. The Commission therefore concludes that Bell Aliant has not justified its proposed higher CCI service charge relative to the AHSSPI service charge. The Commission considers that Bell Aliant should revise its service charge to that used for its AHSSPI service.

207. Accordingly, the Commission determines that Bell Aliant should revise its CCI service charge from $1,500 to $885 for each of the 10/100 Mbps and 1000 Mbps speeds.

Bell Canada

208. The Commission notes that Bell Canada's interim CCI service is available at only an asynchronous transfer mode (ATM) OC-3 speed. The Commission further notes that Bell Canada does not offer an MCP-based rate option for the ATM OC-3 CCI component of its ETS, but instead offers only month-to-month rates.

209. The Commission notes that no comments were received with respect to Bell Canada's interim month-to-month rates for its ATM OC-3 CCI service. The Commission has reviewed these interim rates and determines that they are appropriate.

210. The Commission further notes that Bell Canada's interim CCI service provides only a month-to-month rate, while Bell Aliant's interim CCI service and SaskTel's interim ETI service provide only MCP-based rates. The Commission determines that in order to ensure consistency across the ILECs and in light of its determination in this Order that the ETS CCI service should be made available with MCP-based rate options, Bell Canada should provide one-year and three-year MCP-based rates for its CCI service, in addition to its interim month-to-month rate.

211. The Commission notes that Bell Canada's interim service charge for both its protected and non-protected ATM OC-3 CCI service is $1,740. The Commission notes, however, that in Bell Canada's General Tariff item 5410 – Gateway Access Service, the service charge rate for its OC-3 AHSSPI service is $600. The Commission has examined the cost study and tariff pages associated with Bell Canada's OC-3 AHSSPI service. The Commission considers that the ATM OC-3 CCI and OC-3 AHSSPI services are similar, and that the activities and costs to be recovered under the service charge component of both services would also be similar. The Commission notes that the cost study in support of Bell Canada's ATM OC-3 CCI service does not provide adequate justification for the ATM OC-3 CCI service charge. The Commission concludes that Bell Canada has not justified its higher service charge for the ATM OC-3 CCI service. The Commission considers that Bell Canada should revise its service charge to that used for its AHSSPI service.

212. Accordingly, the Commission determines that Bell Canada should revise its ATM OC-3 CCI service charge from $1,740 to $600.

MTS Allstream

213. The Commission notes that MTS Allstream did not propose MCP-based rate options but instead proposed only month-to-month rates for the CCI component of its ETS.

214. The Commission further notes that Bell Aliant's interim CCI service and SaskTel's interim ETI service provide MCP-based rates. The Commission also notes its determination in this Order that each ILEC's ETS CCI service be made available with MCP-based rate options. The Commission determines that MTS Allstream should provide one-year and three-year MCP-based rate options for its CCI service.

215. The Commission notes that no comments were received with respect to MTS Allstream's proposed month-to-month rates for its ETS CCI service. The Commission has reviewed these proposed rates and determines that they are appropriate.

SaskTel

216. The Commission has reviewed the interim MCP-based rates for the ETI component of SaskTel's ETS and considers that these rates are appropriate.

217. The Commission notes that SaskTel's interim service charge for its ETI service at the speed of 1000 Mbps is $2,000. The Commission notes, however, that in SaskTel's Competitor Access Tariff item 650.32 – ADSL Service, the service charge for its AHSSPI service at the same 1000 Mbps speed is $625. The Commission has examined the cost study and tariff pages associated with SaskTel's AHSSPI service. The Commission considers that the ETI and the Ethernet AHSSPI are similar, and that the activities and costs to be recovered under the service charge component of both services would also be similar. The Commission notes that the cost study in support of SaskTel's ETI service does not provide adequate justification for the 1000 Mbps ETI service charge. The Commission concludes that SaskTel has not justified its higher service charge for its ETI service at the 1000 Mbps speed. The Commission considers that SaskTel should revise its service charge to that used for its AHSSPI service.

218. Accordingly, the Commission determines that SaskTel should revise its ETI service charge for its 1000 Mbps ETI from $2,000 to $625.

ETS CCI and ETI speeds

219. Regarding MTS Allstream's request that ILECs be directed to offer a redundant CCI option to competitors, the Commission considers that the evidence on the record of this proceeding is insufficient to permit consideration of this request at this time.

220. The Commission notes MTS Allstream's request that ILECs be directed to offer the CCI option at the speeds of 100 Mbps and 1000 Mbps. The Commission further notes that while Bell Aliant provides its CCI service at speeds of 10/100 Mbps and 1000 Mbps, Bell Canada provides its CCI service only at the ATM OC-3 speed and SaskTel provides its CCI service only at the 1000 Mbps speed. The Commission is satisfied that the speeds proposed by Bell Aliant for the CCI component of the ETS are appropriate.

221. The Commission notes that in order to permit the connection of an ILEC's Ethernet access service at the speeds of 10/100 Mbps and 1000 Mbps to its CCI service, ILECs should provide a CCI service at the speeds of 10/100 Mbps and 1000 Mbps. The Commission also notes that the availability of a CCI service at the Ethernet transmission speeds of 10/100 Mbps and 1000 Mbps will permit competitors to provide their Ethernet-based service solutions in a more cost-efficient manner.

222. In light of the above, the Commission determines that Bell Canada, MTS Allstream, and TCC should provide the CCI service[16] at the additional speeds of 10/100 Mbps and 1000 Mbps, and that SaskTel should provide the ETI service at the additional speed of 10/100 Mbps.

c) ETS network path service component

223. In this section, the Commission considers the final rates and speeds for the network path component of the ETS for Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC.

Positions of parties

224. MTS Allstream submitted that ILECs should be directed to introduce prices on a per-megabit basis for the ETS network paths. MTS Allstream submitted that the ILECs might have inserted additional margins into the prices for their ETS network paths by only offering pre-specified network path speed options in their tariffs. MTS Allstream submitted that the software contained in the ILECs' Ethernet switches could allow ETS network paths to be sized on a per-megabit basis, which would make per-megabit pricing easy to implement.

225. In its reply comments, SaskTel submitted that although meeting MTS Allstream's request for the ILECs to provide network paths in increments of 1 Mbps was technically feasible, it would complicate the service. In SaskTel's view, its proposed various burstable bandwidth increments

[16] The Commission notes that for TCC, "CCI service" refers to a stand-alone service, CAT item 217 – Network-to-Network Interface Service, which is available for use by various services, including Ethernet and ADSL services.

provided sufficient flexibility for any competitor to obtain ETS from SaskTel to meet any reasonable provisioning requirements. SaskTel submitted that, therefore, this portion of the MTS Allstream request should be denied.

226. In its reply comments, Bell Canada was of the view that introducing a per-megabit pricing model for the network path would greatly increase service complexity and that the development of operational procedures to manage multiple customer profiles would increase administrative costs. Bell Canada also was of the view that due to technical constraints, a limited number of service configurations could be made available. Accordingly, Bell Canada submitted that a per-megabit pricing model may not be cost-effective and would be unique in the industry.

227. Regarding MTS Allstream's TN 537, Bell Canada expressed concern over MTS Allstream's proposed ETS configurations. Bell Canada stated that MTS Allstream should be able to provide its ETS at locations outside of Winnipeg, given the arrangement it had in place with the Government of Manitoba.

228. Regarding providing the ETS outside of Winnipeg, MTS Allstream confirmed that as of 7 September 2004, ETS was only available within the Winnipeg urban area. MTS Allstream submitted that its non-urban Ethernet service was designed specifically for the Manitoba government and was not compatible with the LAN-C service that was used as the basis for MTS Allstream's ETS offering. MTS Allstream also submitted that in the letter accompanying TN 537, it had proposed to file a more fully featured ETS that would include capabilities of transporting Ethernet traffic outside of metropolitan Winnipeg, similar to the service proposed by Bell Canada and TCC, once it had completed costing studies for such a service.

229. Regarding MTS Allstream's TN 554, Bell Canada requested that:

- the Commission scrutinize the cost inclusions and mark-ups used by MTS Allstream, since the rates for MTS Allstream's ETS in metropolitan Winnipeg were an order of magnitude higher than Bell Canada's rates for its burstable 10Base-T and 100Base-T network paths in metro areas;

- MTS Allstream clarify its tariff to indicate whether the ETS network path was "dedicated" or "burstable" in nature;

- MTS Allstream remove the requirement in the tariff for a customer to provide a premises router or switch that allowed the capability to select the speed of the network path, and that MTS Allstream clarify whether or not its Ethernet access service rate included customer premises equipment that provided speed selection; and

- MTS Allstream be mandated to file tariffs offering network paths on a provincial basis by August 2005, since restricting the availability of ETS network paths to metro Winnipeg and metro Brandon limited a competitor's ability to establish Ethernet services in smaller centres.

230. In reply to Bell Canada's claim that MTS Allstream's rates were higher than Bell Canada's, MTS Allstream submitted that there was not a significant difference between the rates for the two companies' end-to-end competitor Ethernet services. MTS Allstream also submitted that in order to properly compare, consideration needed to be given to rates for the complete end-to-end network path, including Ethernet access, Ethernet port, and CCI. With regard to rating differences between the various components of the ETS, MTS Allstream submitted that it was difficult to identify the specific reasons for differences between its ETS and that of Bell Canada without knowing the details of the costing model that was used in the design of Bell Canada's ETS. MTS Allstream noted that its cost study had been done in accordance with its economic studies manual, as filed with the Commission.

231. With regard to Bell Canada's queries as to whether MTS Allstream's Ethernet service was "burstable" or "dedicated," MTS Allstream noted that all Ethernet services were burstable by nature and that its service operated over a native Ethernet transport network. MTS Allstream submitted that since its proposed ETS tariff did not purport to offer a "dedicated" network path service, no further clarification was necessary.

232. Regarding the requirement that the customer provide a premises router or switch that was capable of speed selection, MTS Allstream submitted that a premises router or switch was required because its Ethernet Access service did not provide for speed selection, which was necessary to permit customers to subscribe to the fractional network path speeds of 30 Mbps, 50 Mbps, or 70 Mbps when a customer used a 100 Mbps Ethernet access. In MTS Allstream's view, both the customer and MTS Allstream benefited from the customer having equipment that supported speed selection so that the higher network path speeds could be supported as the customer's bandwidth requirements increased over time.

233. Regarding rates for regional network paths, MTS Allstream submitted that it intended to file proposed rates by August 2005. MTS Allstream noted that future support for provincial network paths had already been reflected in the proposed tariff pages submitted in TN 554.

Commission's analysis and determinations

ETS network path rates

234. The Commission notes Bell Canada's, MTS Allstream's, and SaskTel's submissions that while the per-megabit pricing model associated with their network path service may be possible, it is technically more complex to implement and administer. The Commission also notes SaskTel's view that the various burstable bandwidth increments it provides under its ETS provide sufficient flexibility to meet any reasonable provisioning requirement.

235. The Commission further notes that none of the ILECs offer ETS network path services that are currently priced on a per-megabit basis. The Commission considers that the per-megabit pricing model would be administratively more complex to implement than the pricing models in the ILECs' proposed tariffs and may not be technically feasible for certain service configurations. The Commission considers that the ETS network path services that the ILECs are directed to provide in this Order contain speeds that are reasonably sufficient to meet any Ethernet network path service request. Accordingly, the Commission considers it inappropriate to require ILECs to introduce the per-megabit pricing model.

236. The Commission notes that, in contrast to the other ILECs, Bell Aliant does not have a provincial network path service. The Commission further notes the wide rate discrepancy between Bell Aliant's Metropolitan Network Path service rate of $3 and its Regional Network Path service rate of $12. The Commission considers it appropriate that Bell Aliant be required to introduce a provincial network path service, consistent with other ILECs. The Commission therefore determines that Bell Aliant should introduce a provincial network path service.

237. The Commission is satisfied that the rates for the network path component of the ETS proposed by Bell Aliant, Bell Canada, and TCC are appropriate.

238. The Commission notes Bell Canada's request to have the Commission scrutinize the cost inclusions and mark-ups for MTS Allstream's network path service.

239. The Commission has examined the cost inclusions for MTS Allstream's network path service and considers them to be appropriate. The Commission notes that the metro network path service rates for MTS Allstream and SaskTel are significantly higher than those of the other ILECs. For example, the rates used by MTS Allstream and SaskTel for their burstable 10 Mbps services are $36.80 and $16.00 respectively, compared to rates used by the other ILECs for the same burstable 10 Mbps service, which range between $3.52 and $5.16. The Commission also notes that the mark-ups proposed by MTS Allstream and SaskTel for these services are significantly greater than those proposed by Bell Canada and TCC. The Commission considers that the mark-ups applied by MTS Allstream and SaskTel are inappropriate, since the ETS network path services provided by each ILEC are similar in nature and should be subject to similar mark-ups.

240. In light of the above, the Commission adjusts the mark-up levels for MTS Allstream's and SaskTel's metro network path services to levels similar to those used by Bell Canada and TCC for their comparable services, and amends the rates used by MTS Allstream and SaskTel accordingly. The Commission determines that MTS Allstream and SaskTel should revise their rates for their Ethernet metro network path services, as set out in the attachment to this Order.

ETS network path speeds

241. The Commission notes that Bell Aliant, Bell Canada, and TCC currently provide, in their ETS tariffs, network path services at the burstable speeds of 10 Mbps and 100 Mbps. By contrast, both MTS Allstream and SaskTel currently provide, in their ETS tariffs, network path services at the burstable speeds of 30 Mbps, 50 Mbps, and 70 Mbps, in addition to the burstable speeds of 10 Mbps and 100 Mbps.

242. The Commission determines that, to provide uniformity, Bell Aliant, Bell Canada, and TCC should offer network path services at the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps for each of the metro, provincial, and regional network paths. The Commission considers that making network path services available at these additional speeds will permit competitors to offer their services in a more cost-efficient manner.

243. With respect to Bell Canada's request that MTS Allstream provide a provincial network path service, the Commission notes that in the covering letter associated with TN 554, MTS Allstream indicated that it was prepared to provide such a service. In light of this,

the Commission considers it appropriate to require MTS Allstream to introduce a provincial network path service.

244. In light of Bell Canada's request that MTS Allstream remove from its ETS tariff the requirement that the customer provide a premises router or switch capable of speed selection, the Commission considers that MTS Allstream has provided adequate justification for this requirement in its reply comments. The Commission therefore determines that MTS Allstream is not required to modify its ETS tariff with respect to this requirement.

245. The Commission determines that, to provide uniformity, MTS Allstream should offer a network path service at the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps for its provincial network path. With respect to Bell Canada's request that MTS Allstream identify in its tariff pages whether the network path service is "dedicated" or "burstable" in nature, the Commission determines that MTS Allstream should provide this clarification in its ETS tariff.

246. The Commission notes that Bell Canada and TCC currently offer network path services at the dedicated speeds of 2 Mbps, 5 Mbps, 10 Mbps, and 20 Mbps. The Commission also notes that, by contrast, Bell Aliant, MTS Allstream, and SaskTel do not currently offer a dedicated network path service in their ETSs.

247. The Commission determines that, to provide uniformity, Bell Aliant, MTS Allstream, and SaskTel should offer network path services at the dedicated speeds of 2 Mbps, 5 Mbps, 10 Mbps, and 20 Mbps for each of the metro and provincial network paths. The Commission considers that making network path services available at these additional speeds will permit competitors to offer their services in a more cost-efficient manner.

Conclusions regarding ETS applications

248. With respect to the issue of rate retroactivity, the Commission notes that no parties addressed the issue of the effective date of these tariffs. The Commission considers it appropriate that the rates, terms, and conditions of the ETSs approved in this Order take effect as of the date of this Order.

249. In light of the above, the Commission **approves on a final basis**, effective the date of this Order, the following monthly recurring rates and associated service charges, subject to the revisions identified below and as set out in the attachment to this Order:

- the Ethernet Port, CCI, and Network Path components of Aliant Telecom General Tariff item 654 – Wholesale Ethernet Service, as proposed in Bell Aliant's TN 193, as amended by TN 193A. The Commission directs Bell Aliant to revise its CCI service charge for each of the 10/100 Mbps and 1000 Mbps speeds to $885;

- Bell Canada's AST item 123 – Ethernet Transport Service, as proposed in TN 6815, as amended by TNs 6815A and 6822. The Commission also directs Bell Canada to revise its ATM OC-3 CCI service charge to $600;

- MTS Allstream's AST item 123 – Ethernet Transport Service, as proposed in MTS Allstream's TN 537. The Commission **approves**, subject to the changes identified below and as set out in the attachment to this Order, the revisions to MTS Allstream's AST item 123 as proposed in MTS Allstream's TN 554. The Commission directs MTS Allstream to revise the rates for its Ethernet Metro Network Path services as set out in the attachment to this Order;

- SaskTel's Competitor Access Tariff item 610.30 – Ethernet Transport Service, as proposed in TN 69, as amended by TNs 69A and TN 69B. The Commission **approves**, subject to the changes identified below and as set out in the attachment to this Order, the revisions proposed in TN 69C. The Commission directs SaskTel to revise the rates for its Ethernet Port service as set out in the attachment to this Order. The Commission also directs SaskTel to revise the rates for its service charge associated with its 1000 Mbps ETI service to $625. The Commission further directs SaskTel to revise the rates for its Ethernet Metro Network Path service as set out in the attachment to this Order; and

- TCC's CAT item 223 – Ethernet Transport Service, as proposed in TN 146, which replaces CAT item 222 – Ethernet Interface Service, proposed in TCC's TN 138 and amended by TN 138A. The Commission **approves** TCC's request to withdraw TNs 138 and 138A. The Commission directs TCC to revise the rates for its Ethernet Port service as set out in the attachment to this Order.

250. The Commission directs Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC to issue revised tariff pages within 25 days of the date of this Order.

251. The Commission notes that Bell Aliant also maintains additional tariffs, distinct from its Aliant Telecom tariffs, for its operating territory in Ontario and Quebec. In order to maintain the current alignment of Bell Aliant's Ethernet service tariffs for its operating territory in Ontario and Quebec with Bell Canada's Ethernet service tariffs, the Commission directs Bell Aliant to file for approval, for its operating territory in Ontario and Quebec, within 25 days of the date of this Order, revised tariff pages for AST item 123 – Ethernet Transport Service that reflect the determinations in this Order with respect to Bell Canada's AST item 123 – Ethernet Transport Service.

252. In addition, in light of the above considerations regarding enhancements to the ILECs' ETSs, the Commission directs the ILECs to file new tariffs as described below.

253. The Commission directs Bell Aliant to file for approval, within 60 days of the date of this Order, a tariff application to revise its ETS to make available the following services at Category II competitor service rates:

- an Ethernet port service with a month-to-month rate for each of the current speeds of 10 Mbps, 100 Mbps, and 1000 Mbps; and

- a network path service for each of the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps for each of the metro, provincial, and regional network paths and for each of the dedicated speeds of 2 Mbps, 5 Mbps, 10 Mbps, and 20 Mbps for each of the metro and provincial network paths, with supporting cost information.

254. The Commission directs Bell Canada to file for approval, within 60 days of the date of this Order, a tariff application to revise its ETS tariffs to make available the following services at Category II competitor service rates:

- an Ethernet port service at a speed of 1000 Mbps with a month-to-month rate, with supporting cost information;

- an Ethernet CCI service for each of the speeds of 10/100 Mbps and 1000 Mbps with one-year and three-year MCP-based rates for each speed, with supporting cost information;

- an ATM OC-3 CCI service, with one-year and three-year MCP-based rates; and

- a network path service for each of the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps, for each of the metro, provincial, and regional network paths, with supporting cost information.

255. The Commission directs MTS Allstream to file for approval, within 60 days of the date of this Order, a tariff application to revise its ETS tariffs to make available the following services at Category II competitor service rates:

- an Ethernet port service at a speed of 1000 Mbps with a month-to-month rate, with supporting cost information;

- an Ethernet CCI service with revised rates that include one-year and three-year MCP-based rates for each speed; and

- a network path service for each of the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps for the provincial path and for each of the dedicated speeds of 2 Mbps, 5 Mbps, 10 Mbps, and 20 Mbps for the each of the metro and provincial paths, with supporting cost information.

256. The Commission directs SaskTel to file for approval, within 60 days of the date of this Order, a tariff application to revise its ETS tariffs to make available the following services at Category II competitor service rates:

- an Ethernet port service at a speed of 1000 Mbps with a month-to-month rate, with supporting cost information;

- an ETI service for the speed of 10/100 Mbps at one-year, three-year, and five-year MCP-based rates, with supporting cost information; and

- a network path service for each of the dedicated speeds of 2 Mbps, 5 Mbps, 10 Mbps, and 20 Mbps for each of the metro and provincial paths, with supporting cost information.

257. The Commission directs TCC to file for approval, within 60 days of the date of this Order, a tariff application to revise its tariffs to make available the following services at Category II competitor service rates:

- an Ethernet port service at a speed of 1000 Mbps with a month-to-month rate, with supporting cost information;

- a network path service for each of the burstable speeds of 10 Mbps, 30 Mbps, 50 Mbps, 70 Mbps, and 100 Mbps for each of the metro, provincial, and regional paths, with supporting cost information; and

- an Ethernet NNI service for each of the speeds of 10/100 Mbps and 1000 Mbps with one-year, two-year, and three-year MCP-based rates for each speed, with supporting cost information.

Ethernet central office connecting link service

258. The Commission notes that Bell Aliant, Bell Canada, MTS Allstream, SaskTel, and TCC each proposed a competitor Ethernet CO connecting link service. In this section, the Commission disposes of these applications on a final basis.

Background

259. In the proceeding leading to Decision 2004-5, Bell Canada proposed monthly recurring rates for its Ethernet CO Connecting Link service for each of the transmission speeds of 10 Mbps, 100 Mbps, and 1000 Mbps. However, in that Decision, the Commission considered that it would be appropriate to adopt, on an interim basis, a one-time rate structure similar to the rating approach approved in *Optical link arrangements*, Telecom Order CRTC 2003-450, 7 November 2003, for Bell Canada's proposed Ethernet CO Connecting Link service. In that Decision, the Commission also approved, on an interim basis, TCC's proposed one-time rate structure for its Ethernet CO Connecting Link service.

260. In Decision 2004-5, the Commission also directed each of Bell Aliant, MTS Allstream, and SaskTel to indicate whether it would adopt the interim rates approved in that Decision for Bell Canada's Ethernet CO Connecting Link service or, in the alternative, file proposed rates and supporting cost studies for its own Ethernet CO connecting link service. In response to this Commission directive, Bell Aliant proposed to adopt Bell Canada's interim one-time rates approved in Decision 2004-5, while MTS Allstream and SaskTel proposed their own monthly Ethernet CO connecting link service rates with supporting cost studies.

261. The Commission approved Bell Aliant's Ethernet CO Connecting Link service on an interim basis in Order 2006-49 and approved SaskTel's Ethernet CO Connecting Link service on an interim basis in Order 2006-104. The Commission notes that it has not issued an interim order regarding MTS Allstream's recently filed Ethernet CO Connecting Link service.

262. The Commission notes that in the CDNA proceeding leading to Decision 2005-6, SaskTel proposed to provision its optical co-location link facilities such that the facility would be fungible, since it would not be dedicated to a given co-located competitor.[17] The Commission acknowledged the benefits of SaskTel's proposal and considered it appropriate for each ILEC to use a similar provisioning arrangement. Accordingly, in Decision 2005-6 the Commission approved a common monthly rate associated with the CDN optical co-location link service for each ILEC.

263. The Commission notes that in TN 548A, MTS Allstream noted the similarity between its optical 1000 Mbps Ethernet CO connecting link service and the optical co-location link service component of the CDN services, and proposed to adopt the CDN optical co-location link rate as the most expedient means of establishing an approved tariffed service. In support of its proposal, MTS Allstream noted that at paragraph 519 of Decision 2005-6, the Commission stated that the CDN optical co-location link service should be made available to competitors for use with services other than the CDN services. The Commission also notes that in TN 548A, MTS Allstream proposed to apply the same rates, terms, and conditions to its 10Base-T and 100Base-T Ethernet CO Connecting Link service provisioned using Category 5 cable as those applied to its CDN optical co-location link service.

264. The Commission notes that MTS Allstream therefore proposed to use the CDN optical co-location link service monthly rate of $12.20 and service order charge of $170 for its 10Base-T, 100Base-T, and optical 1000 Mbps Ethernet CO Connecting Link service in each rate band.

Positions of parties

265. The Commission notes that, with the exception of comments with respect to MTS Allstream's application, no comments were received regarding the individual Ethernet CO connecting link service applications filed by the ILECs.

MTS Allstream's Ethernet CO connecting link proposal

266. In response to MTS Allstream's TN 548 application, Bell Canada submitted that by offering its Ethernet CO Connecting Link service at the speeds of 10 Mbps and 100 Mbps in increments of 48 links, and its Ethernet CO Connecting Link service at the speed of 1000 Mbps in increments of 24 links, MTS Allstream was placing a prohibitively high cost on co-locators who might only require one or two links at a particular location. Bell Canada also contrasted the MTS Allstream service to its own Ethernet CO Connecting Link service, which made links available to co-locators on a per-link basis.

[17] See paragraphs 512 to 524 of Decision 2005-6.

267. Bell Canada noted that MTS Allstream had proposed rates for its Ethernet CO Connecting Link service in rate bands A and B only on the basis that there was no anticipated demand for the service in the other rate bands. Bell Canada submitted that restricting the availability of MTS Allstream's service to rate bands A and B limited a competitor's ability to establish Ethernet services in smaller centres. Bell Canada noted that its own Ethernet CO Connecting Link service was offered to competitors at the same rate in all rate bands.

268. In its reply comments, MTS Allstream submitted that, contrary to Bell Canada's claim, the rates proposed for its Ethernet CO Connecting Link service took into account that multiple links could be provisioned on a single cable and patch panel, which represented a more cost-effective arrangement than the service arrangement used by Bell Canada. MTS Allstream also submitted that its proposal did not constitute a significant barrier to entry for a co-locator since co-locators would rarely require only a few Ethernet CO connecting links over the life of a co-location facility, given the significant capital investment associated with establishing a co-location-based Ethernet service.

269. Regarding Bell Canada's request that the Ethernet CO connecting link service proposed in TN 548 be made available in all rate bands, MTS Allstream submitted that it was prepared to file revisions to its service tariff that would include rates for additional rate bands should demand materialize.

270. MTS Allstream submitted that it had filed TN 548A in light of Bell Canada's concern that offering Ethernet CO connecting links in large bundles placed a prohibitively high cost on co-locators who might only require one or two links at a particular location. In its comments regarding TN 548A, Bell Canada submitted that it was generally in support of the rates, terms, and conditions associated with MTS Allstream's proposed amendment.

Ethernet CO connecting link show cause request

271. In the Ethernet CO connecting link show cause request, each of Bell Aliant, Bell Canada, SaskTel, and TCC was requested to show cause why it should not be required to apply on a final basis the MTS Allstream proposal set forth in TN 548A. The Commission notes that MTS Allstream proposed to use a monthly rate of $12.20 and a service order charge of $170 for its copper-based and optical Ethernet CO Connecting Link service in each rate band.

272. In response to the Ethernet CO connecting link show cause request, Bell Aliant, Bell Canada, SaskTel, and TCC provided further comments regarding MTS Allstream's Ethernet CO connecting link proposal. Bell Aliant and Bell Canada did not comment on the adoption of the MTS Allstream service rate proposal but requested that the service be classified as a Category II competitor service based on the view that the connecting link should be classified in the same manner as the service to which the link connected.

273. SaskTel submitted that the suggestion by MTS Allstream that CDN optical links and Ethernet CO connecting links were similar and should therefore be treated as identical services was invalid, as unique electronics were required to provision the Ethernet CO connecting link service.

274. SaskTel submitted that, contrary to MTS Allstream's position expressed in its proposal, Decision 2005-6 in no way supported the use of the optical CO connecting link service with services that did not require an optical connection. SaskTel also submitted that in many cases, 10Base-T and 100Base-T Ethernet CO connecting links were provisioned using Category 5 cable. SaskTel further submitted that MTS Allstream's proposal that these services be provided based on the rates, terms, and conditions associated with the CDN optical co-location link service was inappropriate.

275. TCC requested that the Commission not apply MTS Allstream's TN 548A proposal to its Ethernet CO Connecting Link service. TCC expressed concern that Ethernet CO connecting links were provided by means of Category 5 cable in some instances and by optical fibre in other instances. TCC submitted that to implement the MTS Allstream proposal would require the establishment of two common areas, one for copper-based patch panels and one for fibre-based patch panels, which TCC submitted was unrealistic because no space is available for such a purpose. In light of these concerns, TCC requested that the Commission finalize its existing Ethernet CO Connecting Link service tariff.

276. In its reply comments, MTS Allstream submitted that it was surprised that SaskTel was of the view that the costing or rating approach used for Ethernet CO connecting links should be different from the approach used for CDN optical CO connecting links. MTS Allstream noted that its costing approach was based on the approach that SaskTel had proposed in TN 69, which was premised on the fungibility of CO connecting links. MTS Allstream also submitted that the only difference between TN 548A and TN 69 was that MTS Allstream had applied SaskTel's fungibility principle to the Category 5 cabling that was required to provision 10Base-T and 100Base-T Ethernet CO connecting links, while SaskTel had applied this concept to CDN optical CO connecting links.

277. In response to SaskTel's submission that unique electronics were required in order to provision Ethernet CO connecting links, MTS Allstream submitted that this statement was highly misleading and that SaskTel might, in fact, be confused as to how Ethernet CO connecting link services should actually be costed and provisioned. MTS Allstream cited several examples that it believed supported this view and speculated that SaskTel had overstated the cost of its Ethernet CO Connecting Link service by improperly including certain extraneous cost elements.

278. RCI submitted that if the Commission agreed that the instances in which Category 5 cables were used to provide Ethernet CO connecting links constituted "cause" to depart from MTS Allstream's proposal, then the ILECs should develop separate rates for instances in which Category 5 cables were used but adopt the CDN optical connecting link rates for all other cases. In both cases, RCI submitted that these rates should be based on Phase II costs plus a 15 percent mark-up.

Commission's analysis and determinations

MTS Allstream's Ethernet CO connecting link proposal

279. With respect to Bell Canada's suggestion that the Ethernet CO Connecting Link service proposed in TN 548 be made available in all rate bands, the Commission notes that

MTS Allstream has proposed amendments to its Ethernet CO Connecting Link service in TN 548A that adequately address Bell Canada's concerns.

280. The Commission notes that in Decision 2005-6 it indicated that the CDN optical co-location link service should be made available to competitors for use with services other than the CDN services that use an optical co-location link service. The Commission also notes that in TN 548A, MTS Allstream submitted that the optical 1000 Mbps Ethernet CO Connecting Link service and the optical co-location link service component of the CDN service are highly similar.

281. The Commission notes its determination earlier in this Order that the Ethernet CO connecting link service should be classified as a Category I competitor service, consistent with MTS Allstream's proposal. In light of this, the Commission determines that MTS Allstream's Ethernet CO Connecting Link service should be classified as a Category I competitor service on a final basis.

Ethernet optical CO connecting link

282. The Commission notes that in Decision 2005-6, it expressed the view that common co-location link facilities could be provisioned for use by competitors and that under such provisioning arrangements, the optical co-location link facilities between the ILEC CO equipment and the co-located competitor's equipment would be fungible. The Commission considers that for Ethernet services, a common co-location link facility that is fungible, similar to the CDN optical co-location links, can be provisioned. The Commission notes that this approach would also be consistent with the approach used to provision CDN optical CO connecting links associated with each ILEC's service.

283. The Commission notes that in response to the show cause request, Bell Aliant and Bell Canada did not oppose applying MTS Allstream's Ethernet CO connecting link service proposal, with the exception that rates for the service should be based on Category II competitor service classification.

284. The Commission notes that in its response to the show cause request, SaskTel indicated that it would be inappropriate to adopt MTS Allstream's proposal for its Ethernet CO connecting link service based on its current service configuration and provisioning practice. With respect to SaskTel's position, the Commission notes MTS Allstream's reply that suggested SaskTel had overstated the cost of its Ethernet CO Connecting Link service by improperly including certain extraneous cost elements.

285. With respect to SaskTel's current service configuration and provisioning practice, the Commission notes that SaskTel's current interim Ethernet CO Connecting Link service is defined to provide a link between the competitor's co-located area and SaskTel's demarcation point associated with its current retail Ethernet Access service. The Commission considers that SaskTel's competitor Ethernet Access service would include electronic equipment that is currently included in SaskTel's interim Ethernet CO Connecting Link service. The Commission considers that when SaskTel files proposed tariffs for its competitor Ethernet Access service

pursuant to this Order, the company could include this electronic equipment in the configuration of its competitor Ethernet Access service rather than its Ethernet CO connecting link service.

286. The Commission notes that in its reply comments, TCC submitted that the MTS Allstream proposal was not a workable solution due to implementation issues. The Commission notes TCC's concerns regarding the availability of space in its COs; however, the Commission is not persuaded by TCC's rationale as to why it could not adopt the MTS Allstream proposal.

287. The Commission has reviewed the service configuration for both CDN and Ethernet CO connecting link services, and concludes that these services both provide a two-way transmission path from the ILEC's patch panel within the CO to the competitor's co-located area, and are similar if not identical. Based on MTS Allstream's characterization of the service and the results of the Commission's analysis, the Commission considers that MTS Allstream's optical 1000 Mbps Ethernet CO Connecting Link service, as proposed in TN 548A, is appropriate.

288. The Commission therefore **approves**, effective the date of this Order, MTS Allstream's AST item 122 – Ethernet CO Connecting Link Service, as a Category I competitor service, as proposed in TN 548 and as amended by TN 548A, at a rate of $12.20 per link per month and with a service order charge of $170 per link for its optical Ethernet CO Connecting Link Service, in all rate bands.

289. In light of the above, and having regard to the ILECs' responses to the 25 August 2006 show cause request, the Commission considers that MTS Allstream's optical Ethernet CO connecting link proposal is the most efficient arrangement, provides the most flexibility to competitors, and can technically be implemented by each ILEC going forward.

290. Accordingly, the Commission determines on a final basis that Bell Aliant, Bell Canada, SaskTel, and TCC should apply MTS Allstream's proposal, as set forth in TN 548A, to their optical Ethernet CO connecting link services as Category I competitor services, at a rate of $12.20 per link per month and with a service order charge of $170 per link, in all rate bands.

291. The Commission further notes that MTS Allstream's proposed monthly rates for optical-based Ethernet CO connecting links may not recover service introduction costs directly related to billing system and other related modifications deemed necessary to provide a monthly recurring rate structure. The Commission determines that, consistent with the approach used for CDN co-location links in Decision 2005-6, the service introduction costs associated with the optical-based Ethernet CO connecting link service should be transferred to the competitor Ethernet access service component for cost-recovery purposes when each ILEC files a tariff for a competitor Ethernet access service pursuant to this Order.

Ethernet copper-based CO connecting link

292. The Commission notes that in TN 548A, MTS Allstream also proposed to use the same monthly rate associated with its optical Ethernet CO Connecting Link Service for its copper-based Ethernet CO Connecting Link Service. The Commission further notes that in reply comments regarding TN 548A, Bell Canada supported the approval of MTS Allstream's service proposal, with the exception that rates for the service should be based on Category II classification of the service rather than Phase II costs plus a mark-up of 15 percent.

293. The Commission further notes that in response to the show cause request, there were no specific additional concerns raised by Bell Aliant, Bell Canada, SaskTel, or TCC regarding MTS Allstream's proposed rate of $12.20 per month and a common service order charge of $170 to be applied for both its optical Ethernet CO Connecting Link Service and its copper-based Ethernet CO Connecting Link Service.

294. The Commission notes that in its earlier TN 6754 filing, Bell Canada provided cost studies in support of its rates for its copper-based and optical Ethernet CO connecting links. These studies identified that the per-link costs for its copper-based Ethernet CO connecting links at speeds of 10 Mbps and 100 Mbps were similar to the per-link costs for its optical Ethernet CO connecting link at the speed of 1000 Mbps.

295. The Commission notes that MTS Allstream proposed the use of Category 5 cable in the provisioning of its 10Base-T and 100Base-T Ethernet CO Connecting Link Service. The Commission also notes MTS Allstream's proposal to use the same rates, terms, and conditions for the Category 5 link service as those used for its optical 1000 Mbps Ethernet CO Connecting Link Service.

296. In light of the above, the Commission considers MTS Allstream's proposal to use the rates, terms, and conditions of its optical 1000 Mbps Ethernet CO Connecting Link Service for its 10Base-T and 100Base-T Ethernet CO Connecting Link Service to be reasonable.

297. The Commission therefore **approves**, effective the date of this Order, MTS Allstream's AST item 122 – Ethernet CO Connecting Link Service, as a Category I competitor service, as proposed in TN 548 and as amended by TN 548A, at the rate of $12.20 per link per month and with a service order charge of $170 per link for its copper-based Ethernet CO Connecting Link Service at the speeds of 10 Mbps and 100 Mbps, in all rate bands.

298. The Commission directs MTS Allstream to issue tariff pages within 25 days of the date of this Order.

299. In light of the above and having regard to the ILECs' responses to the show cause request, the Commission also considers it reasonable to have Bell Aliant, Bell Canada, SaskTel, and TCC apply the current rates for the optical CO connecting link component of the CDN service for their copper-based Ethernet CO connecting link services at the speeds of 10 Mbps and 100 Mbps, consistent with MTS Allstream's proposal.

300. Accordingly, the Commission determines, on a final basis, effective the date of this Order, that Bell Aliant, Bell Canada, SaskTel, and TCC should apply MTS Allstream's proposal, as set forth in TN 548A, to their copper-based Ethernet CO connecting link services as Category I competitor services, at the rate of $12.20 per link per month and with a service order charge of $170 per link, for each of the speeds of 10 Mbps and 100 Mbps, in all rate bands.

301. The Commission notes that MTS Allstream's proposed monthly rates for copper-based Ethernet CO connecting links may not recover service introduction costs directly related to billing system and other related modifications deemed necessary to provide a monthly recurring rate structure. The Commission notes that, consistent with the approach used for CDN co-location links in Decision 2005-6, the service introduction costs associated with the copper-based

Ethernet CO connecting link service should be transferred to the competitor Ethernet access service component for cost-recovery purposes when each ILEC files a tariff for a competitor Ethernet access service pursuant to this Order.

Directions regarding Ethernet CO connecting link services

302. Regarding Bell Aliant's Ethernet CO Connecting Link service, the Commission notes that Bell Aliant is the only ILEC to have proposed a restriction on the use of its Ethernet CO Connecting Link. The Commission also notes Bell Aliant's submission that its Ethernet CO Connecting Link provides a transmission path that may only connect a co-located competitor to a CCI located within the same Bell Aliant CO building. The Commission further notes that the other ILECs have indicated in their service descriptions that their Ethernet CO connecting links can also be used to connect to any Ethernet access service. The Commission considers that the above restriction in Bell Aliant's service definition does not allow a co-located competitor to make appropriate use of Bell Aliant's Ethernet Access service. Accordingly, the Commission determines that Bell Aliant should modify its Ethernet CO Connecting Link service description to allow interconnection between a co-located competitor and Bell Aliant's Ethernet Access service.

303. Accordingly, the Commission **approves on a final basis**, effective the date of this Order, the following tariff items, subject to the revisions identified below:

- Bell Aliant's Ethernet CO Connecting Link component of Aliant Telecom General Tariff item 654 – Wholesale Ethernet Service, as proposed in Bell Aliant's TN 193, as amended by TN 193A. The Commission directs Bell Aliant to revise its tariff pages to reflect a monthly rate of $12.20 and a service order charge of $170 for the copper-based Ethernet CO connecting link service for each of the speeds of 10 Mbps and 100 Mbps, in all rate bands, and for the optical Ethernet CO connecting link service for the speed of 1000 Mbps, in all rate bands. The Commission further directs Bell Aliant to revise its Ethernet CO Connecting Link service description to state that the Ethernet CO Connecting Link may be used in conjunction with its Wholesale Ethernet Access service or its CCI service;

- Bell Canada's AST item 122 – Ethernet CO Connecting Link Arrangements, as proposed in Bell Canada's TN 6754. The Commission directs Bell Canada to revise its tariff pages to reflect a monthly rate of $12.20 and a service order charge of $170 for the copper-based Ethernet CO connecting link service for each of the speeds of 10 Mbps and 100 Mbps, in all rate bands, and for the optical Ethernet CO connecting link service for the speed of 1000 Mbps, in all rate bands;

- SaskTel's Competitor Access Tariff item 610.29 – Ethernet CO Connecting Link Service, as proposed in SaskTel's TN 69, as amended by TN 69A, TN 69B, and TN 69C. The Commission directs SaskTel to revise its tariff pages to reflect a monthly rate of $12.20 and a service order charge of $170 for the copper-based Ethernet CO connecting link service for each of the

speeds of 10 Mbps and 100 Mbps, in all rate bands, and for the optical Ethernet CO connecting link service for the speed of 1000 Mbps, in all rate bands; and

- TCC's CAT item 221 – Ethernet CO Connecting Link Arrangements, as proposed in the follow-up proceeding to Decision 2004-5. The Commission directs TCC to revise its tariff pages to reflect a monthly rate of $12.20 and a service order charge of $170 for the copper-based Ethernet CO connecting link service for each of the speeds of 10 Mbps and 100 Mbps, in all rate bands, and for the optical Ethernet CO connecting link service for the speed of 1000 Mbps, in all rate bands.

304. The Commission directs Bell Aliant, Bell Canada, SaskTel, and TCC to each issue revised tariff pages within 25 days of the date of this Order.

305. The Commission notes that the Ethernet CO connecting link services proposed by Bell Canada and TCC were approved on an interim basis in Decision 2004-5. Furthermore, the Ethernet CO connecting link services for Bell Aliant and SaskTel were approved on an interim basis in Orders 2006-49 and 2006-104, respectively. The Commission notes that co-located competitors that have acquired Ethernet CO connecting link services under these interim rate arrangements would have paid up-front service charges for these links. The Commission considers it impractical to apply the new Ethernet CO connecting link service monthly rate retroactively to the current interim Ethernet CO connecting link services, given the dedicated nature of these link arrangements and given that the costs for such links have already been recovered fully through the one-time charges.

306. Accordingly, the Commission directs Bell Aliant, Bell Canada, SaskTel, and TCC to withdraw the following tariff pages associated with the interim Ethernet CO connecting link services that have received interim approval:

- Bell Aliant's Ethernet CO Connecting Link component of Aliant Telecom General Tariff item 654 – Wholesale Ethernet Service, as proposed in Bell Aliant's TN 193, as amended by TN 193A;

- Bell Canada's AST item 122 – Ethernet CO Connecting Link Arrangements, as proposed in Bell Canada's TN 6754;

- SaskTel's Competitor Access Tariff item 610.29 – Ethernet CO Connecting Link Service, as proposed in SaskTel's TN 69, as amended by TN 69A, TN 69B, and TN 69C; and

- TCC's CAT item 221 – Ethernet CO Connecting Link Arrangements, as proposed in the follow-up proceeding to Decision 2004-5.

307. The Commission notes that Bell Aliant also maintains additional tariffs, distinct from its Aliant Telecom tariffs, for its operating territory in Ontario and Quebec. In order to maintain the current alignment of Bell Aliant's Ethernet service tariffs for its operating territory in

Ontario and Quebec with Bell Canada's Ethernet service tariffs, the Commission directs Bell Aliant to file for approval revised tariff pages, within 25 days of the date of this Order, that reflect a monthly rate of $12.20 and a service order charge of $170 for its copper-based Ethernet CO Connecting Link service for each of the speeds of 10 Mbps and 100 Mbps, in all rate bands, and for its optical Ethernet CO Connecting Link service for the speed of 1000 Mbps, in all rate bands. The Commission also directs Bell Aliant to withdraw, for its operating territory in Ontario and Quebec, within 25 days of the date of this Order, its tariff pages for AST item 122 – Ethernet CO Connecting Link Arrangements, which has received interim approval.

Secretary General

Attachment

Revisions to the rates for Ethernet transport service

Ethernet port

SaskTel's Ethernet Ports

Service item	Month-to-month rate	Service charge
Ethernet Port, 10Base-T	$44.85	Not applicable
Ethernet Port, 100Base-T	$44.85	Not applicable

TCC's Ethernet Ports

Service item	Month-to-month rate	Service charge
Ethernet Port, 10Base-T	$39.36	Not applicable
Ethernet Port, 100Base-T	$39.36	Not applicable

Network path

MTS Allstream's Burstable Network Paths

Location	10 Mbps	30 Mbps	50 Mbps	70 Mbps	100 Mbps	Service charge
Metro Winnipeg	$13.80	$32.37	$47.67	$56.99	$67.44	Not applicable
Metro Brandon	$5.64	$9.77	$14.10	$18.44	$24.95	Not applicable

SaskTel's Burstable Network Paths

Location	10 Mbps	30 Mbps	50 Mbps	70 Mbps	100 Mbps	Service charge
Metro	$11.82	$39.23	$65.37	$91.52	$119.70	Not applicable