



## Telecom Decision CRTC 2008-30

Ottawa, 9 April 2008

### **TELUS Communications Company – Application for forbearance from the regulation of residential local exchange services**

Reference: 8640-T66-200803001

*In this Decision, the Commission approves TELUS Communications Company's request for forbearance from the regulation of residential local exchange services in the exchanges of Mission and Sardis, British Columbia.*

#### **Introduction**

1. The Commission received an application by TELUS Communications Company (TCC), dated 26 February 2008, in which the company requested forbearance from the regulation of residential local exchange services<sup>1</sup> in two exchanges in British Columbia: Mission and Sardis.
2. The Commission received submissions and/or data regarding TCC's application from Bell Mobility Inc. (Bell Mobility), Rogers Communications Inc., and Shaw Telecom Inc. (Shaw). The record of this proceeding closed with comments from Shaw dated 17 March 2008. The public record of this proceeding is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."
3. The Commission has assessed TCC's application based on the local forbearance test set out in Telecom Decision 2006-15, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007 (modified Telecom Decision 2006-15), by examining the following:
  - a) Product market
  - b) Competitor presence test
  - c) Competitor quality of service (Q of S) results
  - d) Communications plan

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

##### **a) Product market**

4. The Commission received no comments with respect to TCC's proposed list of residential local exchange services.

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<sup>1</sup> In this Decision, "residential local exchange services" refers to local exchange services used by residential customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

5. The Commission notes that TCC is seeking forbearance for 18 tariffed residential local exchange services, 17 of which were included in the list of services set out in Telecom Decision 2005-35. The Commission notes that the remaining service for which forbearance is sought, 900 Blocking (General Tariff item 316), was not included in Telecom Decision 2005-35. However, in Telecom Decision 2007-113, the Commission considered this service to be appropriate for forbearance.
6. Accordingly, the Commission considers the 18 services proposed by TCC for forbearance to be appropriate. The list of approved services is set out in the Appendix to this Decision.

**b) Competitor presence test**

7. The Commission notes that for the exchanges of Mission and Sardis, information provided by parties confirms that there are, in addition to TCC, at least two independent facilities-based telecommunications service providers, including providers of mobile wireless services.<sup>2</sup> Each of these service providers offers local exchange services in the market and is capable of serving at least 75 percent of the number of residential local exchange service lines that TCC is capable of serving, and at least one, in addition to TCC, is a facilities-based, fixed-line telecommunications service provider.
8. Accordingly, the Commission determines that the exchanges of Mission and Sardis meet the competitor presence test.

**c) Competitor Q of S results**

9. The Commission notes that TCC submitted competitor Q of S results for the period of July to December 2007.
10. The Commission has reviewed TCC's competitor Q of S results and finds that the company has demonstrated that during this six-month period it
  - i) met, on average, the Q of S standard for each indicator set out in Appendix B of modified Telecom Decision 2006-15, as defined in Telecom Decision 2005-20, with respect to the services provided to competitors in its territory; and
  - ii) did not consistently provide any of those competitors with services that were below those Q of S standards.
11. Accordingly, the Commission determines that TCC's competitor Q of S results meet the competitor Q of S criterion.

**d) Communications plan**

12. The Commission notes that in lieu of filing a communications plan, TCC submitted that its communications plan specific to the exchanges of Mission and Sardis would conform to the Commission's requirements as set out in Telecom Decision 2007-64.

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<sup>2</sup> These competitors include Bell Mobility, Rogers Wireless Inc., and Shaw.

13. The Commission directs TCC to provide the communications materials to its customers in accordance with the Commission's determinations in Telecom Decision 2007-64, which includes providing the materials in both official languages where appropriate.

### **Conclusion**

14. The Commission determines that TCC's application regarding the exchanges of Mission and Sardis meets all the local forbearance criteria set out in modified Telecom Decision 2006-15.
15. Pursuant to subsection 34(1) of the *Telecommunications Act* (the Act), the Commission finds as a question of fact that a determination to forbear, to the extent specified in modified Telecom Decision 2006-15, from the regulation of residential local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2 as they pertain to residential customers only, in the exchanges of Mission and Sardis, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
16. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these residential local exchange services are subject to a level of competition in these exchanges sufficient to protect the interests of users of these services.
17. Pursuant to subsection 34(3) of the Act, the Commission finds as a question of fact that to forbear, to the extent specified in modified Telecom Decision 2006-15, from regulating these residential local exchange services in the exchanges of Mission and Sardis would be unlikely to impair unduly the continuance of a competitive market for these services.
18. In light of the above, the Commission **approves** TCC's application for forbearance from the regulation of the local exchange services listed in the Appendix and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2, as they pertain to residential customers only, in the exchanges of Mission and Sardis, subject to the powers and duties that the Commission has retained as set out in modified Telecom Decision 2006-15. This determination takes effect as of the date of this Decision. The Commission directs TCC to file for Commission approval revised tariff pages within 30 days.

Secretary General

### **Related documents**

- *TELUS Communications Company – Application for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2007-113, 23 November 2007

- *TELUS Communications Company – Applications for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2007-64, 3 August 2007
- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by the Governor in Council's *Order Varying Telecom Decision CRTC 2006-15*, P.C. 2007-532, 4 April 2007
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005, as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005
- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005
- *Finalization of quality of service rate rebate plan for competitors*, Telecom Decision CRTC 2005-20, 31 March 2005

*This document is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>*

**Local exchange services eligible for forbearance from regulation in this Decision  
(for residential customers only)**

<b>Tariff</b>	<b>Item</b>	<b>List of services</b>
1005	25	Exchange Classification and Rates – General
1005	26	Business and Residence Service
1005	27	Base Rate Areas
1005	32	Exchange Rates
1005	122	Foreign Central Office Service – Voice
1005	157	Suspension of Service
1005	161	Call Guardian
1005	165	Call Intercept – Residence Numbers
1005	405	Internet Call Director
1005	168-C	Voice Messaging Options Service
1005	465.B	ISDN-BRI Home Service
21461	129.1.b; 129.1.c; 129.1.d	Directory Listings: Extra Listings, Non-Published Telephone Numbers, Non-Listed Telephone Numbers
21461	209	Local Calling Area (LCA) Expansion
21461	300	Call Management Services – residential only
21461	301	Voice Mail Service (VMS) – residential only
21461	307	Special Number Search
21461	314	Remote Call Forwarding
21461	316	900 Blocking