



Telecom Decision CRTC 2010-118

Ottawa, 26 February 2010

CISC Business Process Working Group – Non-consensus report BPRE071a – Minimum requirement for the exchange of local service request and local service confirmation data

File number: 8621-C12-01/08

In this decision, the Commission determines that, as of 1 January 2011, Applicability Statement 2 (AS2) protocol is the appropriate minimum requirement for the exchange of local service request (LSR) and local service confirmation (LSC) data between local exchange carriers (LECs), except for those LECs whose trading volume is below 25 LSRs per month with each of their trading partners over a three-month period. These LECs will be required to implement the AS2 platform with all of their trading partners by the later of 1 January 2011 or six months after they have surpassed the threshold of 25 LSRs per month with any one trading partner over a three-month period.

The Commission does not consider it appropriate to implement the Companies'¹ requested compensatory service charges for LECs issuing LSRs via non-AS2 methods.

The Commission also does not consider it appropriate to implement the Companies' requested extension to service intervals for delivering unbundled components that have been ordered using a non-AS2 data exchange method. However, the Commission modifies the business rule relating to the calculation of competitor quality of service performance results by permitting LECs to exclude LSRs received via non-AS2 methods from LECs required to implement AS2.

Introduction

1. In *CRTC Interconnection Steering Committee – Consensus items*, Telecom Decision CRTC 2004-60, 14 September 2004 (Telecom Decision 2004-60), the Commission approved *Electronic File Transfer*, Consensus Report BPRE041a, in which the CRTC Interconnection Steering Committee (CISC) Business Process Working Group (BPWG) reached consensus

¹ Bell Aliant Regional Communications, Limited Partnership; Bell Canada; Distributel Communications Limited; Bragg Communications Inc. (EastLink); MTS Allstream Inc.; Saskatchewan Telecommunications, TELUS Communications Company; Rogers Communications Inc.; and Videotron Ltd.

to migrate the exchange of data files between local exchange carriers (LECs) from the BGS Mailbox system² to an Internet-based ASn (Applicability Statement) protocol for security and practical reasons. Most LECs implemented the AS2³ platform at that time. Other LECs implemented the AS1⁴ platform due to economic constraints. The expected completion date for the migration to the AS1 or AS2 platform was 30 June 2005.

2. On 17 July 2009, the BPWG filed *Minimum Requirements for the Exchange of LSR and LSC Data*, Non-consensus Report BPRE071a, which dealt with business processes related to data transfer for local service requests (LSRs) and local service confirmations (LSCs), as well as data exchange protocol standardization, costs, and interval issues between LECs. The BPWG proposed that the Commission declare AS2 as the minimum requirement for the exchange of LSR and LSC data.
3. The reports are available on the Commission's website at www.crtc.gc.ca under "CRTC Interconnection Steering Committee."
4. The Commission has identified the following issues to be addressed in this decision:
 - I. Should AS2 be mandated as the minimum requirement for exchanging LSR and LSC data between LECs?
 - II. Where AS2 is not used, should LECs receiving LSRs via non-AS2 platforms be compensated for manual processing of orders?
 - III. Where AS2 is not used, should service intervals for ordered components be extended?

I. Should AS2 be mandated as the minimum requirement for exchanging LSR and LSC data between LECs?

5. Bell Aliant Regional Communications, Limited Partnership; Bell Canada; Distributel Communications Limited; Bragg Communications Inc. (EastLink); MTS Allstream Inc.; Saskatchewan Telecommunications; TELUS Communications Company; Rogers Communications Inc.; and Videotron Ltd. (the Companies) supported the proposal to mandate AS2 as the minimum requirement for exchanging LSR and LSC data for existing LECs, conditional on the consideration of manual processing requirements for LSRs received via non-AS2 methods – namely cost-based compensation and longer processing standard service intervals.

² The BGS (Bell Global Solutions) Mailbox system is a store-and-forward service that allows companies to connect to a central hub server and transfer data to mailboxes in a manner similar to email. Recipients connect to the service independently from the sender community to download data files that have been placed in their respective mailboxes. The service was provided by BCE Emergis at the time of Telecom Decision 2004-60.

³ AS2 is the current specification for transmitting data between parties over the Internet in a secure and reliable manner using S/MIME (Secure/Multipurpose Internet Mail Extensions) over HTTP (Hypertext Transfer Protocol) or HTTP/S as the transport protocol.

⁴ AS1 is the standard means for sending Internet email. It secures data with authentication, message integrity, non-repudiation of origin, and privacy features. SMTP (Simple Mail Transport Protocol) is the standard used by email systems for sending messages between servers. SMTP provides for asynchronous, "store and forward" transmission of data.

6. Bell Canada proposed a 12-month implementation period following the date of the Commission's determination regarding the proposed AS2 platform. The BPWG proposed that the implementation date be immediate for new LECs.
7. Some small incumbent local exchange carriers (ILECs) and small competitive local exchange carriers (CLECs) opposed the implementation of AS2 for LSR and LSC data exchange, arguing that it could act as a barrier to entry in the local service market due to costs and the absence of a volume ramp-up period.
8. Ontario Telecommunications Association (OTA) and Canadian Cable Systems Alliance (CCSA) members did not object to AS2 as the minimum standard for the exchange of data between LECs. However, they expressed concern about the costs to mechanize upstream systems and the relevance of the proposal in small-volume circumstances.
9. OTA and CCSA members proposed that
 - for their members that are already engaged in a cooperative project to implement AS2, the projected implementation date of 1 January 2011 remain; and
 - for LECs not involved in the project, a six-month implementation timeframe be adopted, triggered by a volume threshold of more than 25 LSRs per month with any one trading partner over three months.
10. OTA and CCSA members submitted that if short-term implementation measures were to be imposed, there would be additional expenses and redevelopment issues.

Commission's analysis and determinations

11. The Commission notes that not all LECs have implemented the recommended ASn data exchange platform as determined in Telecom Decision 2004-60.
12. The Commission notes that the AS2 platform allows for synchronous, "real time" data transmission with message delivery notices which makes it superior to the AS1 platform that some LECs have implemented.
13. The Commission considers that the costs to acquire the software to implement AS2 are reasonable. It also considers that the mechanization of upstream LSR generation systems is not a prerequisite to AS2 platform implementation because LECs can work out solutions to format LSRs into AS2-compatible data internally.
14. Accordingly, the Commission considers that AS2 is the appropriate minimum requirement for the exchange of LSR and LSC data between LECs. However, the Commission considers it reasonable that the implementation of AS2 as the minimum requirement to exchange data between LECs only be required when a volume threshold of 25 LSRs per month with any one trading partner has been reached by a LEC for three consecutive months. The Commission has considered such an approach in the past to avoid unnecessary expenditures, even if these expenditures have been characterized as a cost of doing business. In the current case, the concerned LECs would incur such expenditures to implement the platform itself and, where required, to develop work-around solutions to format LSRs into AS2-compatible data.

15. The Commission notes that many small ILECs and small CLECs have already reached the proposed threshold. The Commission considers, therefore, that the proposed minimum LSR threshold would affect only a small number of LECs.
16. The Commission further notes that the OTA's and CCSA's proposed implementation date of 1 January 2011 is similar to the large LECs' proposal. The Commission considers that an additional six-month implementation timeframe, to take effect once the 25-LSR threshold is reached after the 1 January 2011 AS2 implementation date, would be reasonable.
17. Accordingly, the Commission determines that, as of 1 January 2011, AS2 will be the appropriate minimum requirement for the exchange of LSR and LSC data between LECs, except for those LECs whose trading volume has not reached 25 LSRs per month with any one trading partner in a three-month period.
18. In addition, the Commission determines that LECs whose LSR volume increases to 25 LSRs or more per month with any one trading partner for a three-month period are required to implement AS2 with all trading partners as the minimum LSR and LSC data exchange method by the later of 1 January 2011 or six months after the volume threshold has been reached.

II. Where AS2 is not used, should LECs receiving LSRs via non-AS2 platforms be compensated for manual processing of orders?

19. The Companies requested that the Commission endorse the principle of compensatory service charges to take into account the additional manual processing activities required when a trading partner is unwilling or unable to implement AS2.
20. The Companies argued that volume-based thresholds and criteria on a trading-partner basis do not address operational costs and impacts imposed on LECs faced with the cumulative effect of having to exchange LSRs via non-AS2 methods with multiple companies.
21. The Companies added that if the cost to format LSR data is prohibitive, trading partners receiving the requests should not have to bear the operational costs and impacts.
22. OTA and CCSA members did not comment on this issue.

Commission's analysis and determinations

23. The Commission notes that the Companies' approved tariffs take into account the cost of manual processing of LSRs and that LSRs for unbundled loops, for example, are subject to a charge for order processing.
24. Accordingly, the Commission does not consider it appropriate to implement the Companies' requested compensatory service charges for LECs issuing LSRs via non-AS2 methods.

III. Where AS2 is not used, should service intervals for ordered components be extended?

25. The Companies requested that the Commission grant operational relief for non-AS2 requests in the form of longer service intervals because of operational impacts and difficulty in meeting standards for competitor quality of service (Q of S) indicators 1.8, 1.9, 1.10, 1.12, and 1.18⁵ due to the additional time required for manual processing.
26. OTA and CCSA members did not comment on this issue.

Commission's analysis and determinations

27. The Commission notes that the time component for LSR processing represents a small fraction of the total service interval for delivering the service ordered – for example, unbundled loops or porting of a telephone number.
28. Accordingly, the Commission does not consider it appropriate to implement the Companies' requested extension to service intervals for delivering unbundled components that have been ordered using a non-AS2 data exchange method.
29. However, the Commission considers that to incent LECs required to use the AS2 platform to implement such a platform, the business rules for affected competitor Q of S indicators should be modified to allow LECs receiving LSRs via non-AS2 methods from LECs required to use AS2, to exclude such LSRs from their competitor Q of S indicators' 1.8, 1.9, 1.10, 1.12, 1.18, and trailing indicators' 1.10A and 1.13⁶ performance calculation.

Secretary General

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>

⁵ Indicator 1.8: New Unbundled Type A and B Loop Order Service Intervals Met
Indicator 1.9: Migrated Unbundled Type A and B Loop Order Service Intervals Met
Indicator 1.10: Local Number Portability (LNP) Order (Standalone) Service Interval Met
Indicator 1.12: LSRs Confirmed Due Dates Met
Indicator 1.18: LSR Turnaround Time Met

⁶ Indicator 1.10A: LNP Order (Standalone) Late Completions
Indicator 1.13: Unbundled Type A and B Loop Order Late Completions