



Telecom Decision CRTC 2010-127

Ottawa, 3 March 2010

Télébec, Limited Partnership – Application for forbearance from the regulation of residential local exchange services

File number: 8640-T78-200913419

In this decision, the Commission approves Télébec's request for forbearance from the regulation of residential local exchange services in the exchange of Ste-Victoire, Quebec.

Introduction

1. The Commission received an application by Télébec, Limited Partnership (Télébec), dated 30 September 2009, in which the company requested forbearance from the regulation of residential local exchange services¹ in the exchanges of Chesterville, Norbertville, Ste-Victoire, Tingwick, and Villeroy, Quebec. Télébec's request for forbearance in the exchanges of Chesterville, Norbertville, Tingwick, and Villeroy will be evaluated using a different set of conditions (the structured rule of reason approach)² than the one used for the exchange of Ste-Victoire, and, as such, will be dealt with at a later time.
2. The Commission received submissions and/or data regarding Télébec's application from Rogers Communications Inc. (RCI) and Quebecor Media Inc., on behalf of its affiliate, Videotron Ltd. (Videotron). The public record of this proceeding, which closed for the Ste-Victoire exchange on 2 December 2009, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.

Commission's analysis and determinations

3. The Commission assessed Télébec'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). Specifically, it considered the following four elements:

a) Product market

4. The Commission received no comments with respect to Télébec's proposed list of residential local exchange services.
5. The Commission notes that Télébec sought forbearance from regulation for 19 tariffed residential local exchange services. In addition, the Commission notes that in Telecom Decision 2008-36, it determined that these 19 services were eligible for forbearance. A list of the 19 approved services is set out in the Appendix to this decision.

¹ 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.

² See paragraphs 213 and 242 a) i) of 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.

b) Competitor presence test

6. The Commission notes that, for the Ste-Victoire exchange, the information provided by the parties confirms that there are, in addition to Télébec, at least two independent, facilities-based telecommunications service providers, including one mobile wireless service provider.³ Each of these service providers offers local exchange services in the target market and is capable of serving at least 75 percent of the number of residential local exchange service lines that Télébec is capable of operating. As well, at least one of them, in addition to Télébec, is a facilities-based, fixed-line telecommunications service provider.
7. Accordingly, the Commission determines that the exchange of Ste-Victoire meets the competitor presence test.

c) Competitor quality of service (Q of S) results

8. The Commission notes that Télébec submitted competitor Q of S results for the period of March to August 2009.
9. The Commission has reviewed Télébec's submitted 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 standards 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.
10. Accordingly, the Commission determines that Télébec's competitor Q of S results meet the competitor Q of S criterion.

d) Communications plan

11. The Commission has reviewed Télébec's communications plan and is satisfied that it meets the information requirements set out in modified Telecom Decision 2006-15. The Commission **approves** the proposed communications plan and directs Télébec to provide the resulting communications materials to its customers in both official languages, where appropriate.

Conclusion

12. The Commission finds that Télébec's application meets all of the local forbearance criteria, set out in modified Telecom Decision 2006-15, for the exchange of Ste-Victoire.
13. Pursuant to subsection 34(1) of the *Telecommunications Act* (the Act), the Commission finds as a question of fact that to refrain from exercising its powers and performing its duties, to the extent specified in modified Telecom Decision 2006-15, in relation to the provision by Télébec of the residential local exchange services listed in the Appendix and future services that fall

³ These providers are RCI and Videotron.

within the definition of local exchange services set out in Telecom Public Notice 2005-2 as they pertain to residential customers only, in this exchange, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.

14. 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 this exchange sufficient to protect the interests of users of these services.
15. Pursuant to subsection 34(3) of the Act, the Commission finds as a question of fact that to refrain from exercising its powers and performing its duties, to the extent specified in modified Telecom Decision 2006-15, in relation to the provision by Télébec of these residential local exchange services would be unlikely to impair unduly the continuance of a competitive market for these services in this exchange.
16. In light of the above, the Commission **approves** Télébec'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 exchange of Ste-Victoire, 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 Télébec to file with the Commission Télébec's revised tariff pages within 30 days of the date of this decision.

Secretary General

Related documents

- *Télébec, Limited Partnership – Application for forbearance from the regulation of residential local exchange services*, Telecom Decision CRTC 2008-36, 1 May 2008
- *Forbearance from the regulation of retail local exchange services*, Telecom Decision CRTC 2006-15, 6 April 2006, as amended by Order in Council P.C. 2007-532, 4 April 2007
- *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)**

Tariff	Item	List of services
25140	1.7	Telephone Set Loss Charge (Residence)
25140	2.1.2.2c	Basic Service for Students
25140	2.1.7.1	Basic Services and Regional Service – Monthly Rates for Basic Services and Other Fees
25140	2.1.7.4	Basic Services and Regional Service – Rate Adjustment for Multi-Party Access Line Customers
25140	2.1.8	Basic Services Provided Outside the Company's Serving Area
25140	2.5	Telephones available only for two-party line or multi-party access service
25140	2.15	Service to Immobilized Ships, Trailers and Trains
25140	2.19	Enhanced Telephone Service
25140	2.23.2	Telephone Number Reservation and Activation – Rates and Fees
25140	2.27.6	Monthly Rates for Extra Listings
25140	3.1	Intra-Exchange Distance Charges
25140	3.3.17	Toll Restriction Service
25140	3.3.18	Smart Touch Services
25140	3.3.19	Call Display Blocking – Per Call
25140	3.3.20	Integrated Vocal Messaging Service
25140	5.2.6.5	Call Blocking Service – 900 Service
25140	8.4	Internet Call Display
25140	8.7.3	Integrated Services Digital Network (ISDN) 2B+D Télébec – Rates and Fees
25140	11.1	Services for Handicapped Persons