



## Telecom Decision CRTC 2010-749

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Ottawa, 8 October 2010

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

File number: 8640-T69-201012088

*In this decision, the Commission approves TCC's request for forbearance from the regulation of residential local exchange services in the exchanges of Cap-Chat and Ste-Anne-des-Monts, Quebec.*

#### **Introduction**

1. The Commission received an application by TELUS Communications Company (TCC), dated 29 July 2010, in which the company requested forbearance from the regulation of residential local exchange services<sup>1</sup> in the exchanges of Cap-Chat and Ste-Anne-des-Monts, Quebec.
2. The Commission received submissions and/or data regarding TCC's application from Bell Mobility Inc. (Bell Mobility) and from Cogeco Cable Inc. (Cogeco). The public record of this proceeding, which closed on 26 August 2010, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings" or by using the file number provided above.

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

3. The Commission has assessed TCC's application based on the local forbearance test set out in Telecom Decision 2006-15 by examining the four criteria set out below.

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

4. The Commission received no comments with respect to TCC's proposed list of residential local exchange services.
5. The Commission notes that TCC is seeking forbearance from the regulation of 11 tariffed residential local exchange services. The Commission also notes that in Telecom Decision 2007-64, it found all of these services to be eligible for forbearance. The Commission further notes that the item number of one of these services, Basic Service – Residence, has changed since that decision was published. A list of the 11 approved services is set out in the Appendix to this decision.

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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.

## **b) Competitor presence test**

6. The Commission notes that for the exchanges of Cap-Chat and Ste-Anne-des-Monts, 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.
7. Accordingly, the Commission determines that the exchanges of Cap-Chat and Ste-Anne-des-Monts meet the competitor presence test.

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

8. The Commission notes that TCC submitted competitor Q of S results for the period of December 2009 to May 2010. The Commission has reviewed these results and finds that TCC 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 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.
9. Accordingly, the Commission determines that TCC meets the competitor Q of S criterion for this period.

## **d) Communications plan**

10. The Commission notes that in lieu of filing a communications plan, TCC submitted that its plan specific to the exchanges in the present application would conform to the Commission's requirements as set out in Telecom Decision 2007-64.
11. The Commission notes that TCC submitted a communications plan in the proceeding leading to Telecom Decision 2007-64 and considers that this plan meets the requirements set out in that decision.
12. The Commission **approves**, for the purpose of the current application, the use of the communications plan that TCC submitted in the proceeding leading to Telecom Decision 2007-64, subject to TCC's compliance with the revisions outlined in that decision. The Commission directs TCC to provide the resulting communications materials to its customers, in both official languages where appropriate.

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<sup>2</sup> These competitors are Bell Mobility and Cogeco.

## Conclusion

13. The Commission determines that TCC's application regarding the exchanges of Cap-Chat and Ste-Anne-des-Monts, Quebec, meets all the local forbearance criteria set out in Telecom Decision 2006-15.
14. 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 Telecom Decision 2006-15, in relation to the provision by TCC of the 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 these exchanges, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
15. 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.
16. 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 Telecom Decision 2006-15, in relation to the provision by TCC of these residential local exchange services in these exchanges would be unlikely to impair unduly the continuance of a competitive market for these services.
17. 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 Cap-Chat and Ste-Anne-des-Monts, Quebec, subject to the powers and duties that the Commission has retained as set out in Telecom Decision 2006-15. This determination takes effect as of the date of this decision. The Commission directs TCC to file revised tariff pages with the Commission within 30 days of the date of this decision.

Secretary General

## Related documents

- *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 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

## Appendix

### *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>
25080	2.03.01a	Basic Service – Residence
25080	2.02.03	Residence Service
25080	2.05	Directories and Listings
25080	2.12	Telephone Number Reservation Service
25080	2.16.03	Toll Restriction Service
25080	2.19	Voice Messaging Services
25080	2.20	TELUS – SmartTouch Services
25080	2.22.01a(1)	Call Display Blocking – Per Call
25080	2.22.01a(2)	Call Display Blocking – Per Line
25080	2.22.01a(3)	Call Display Blocking – Call Dialed by an Operator
25080	3.02.07e	Call Blocking Service – 900 Service