



Telecom Order CRTC 2010-756

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Ottawa, 13 October 2010

Bell Aliant Regional Communications, Limited Partnership and Bell Canada – Wholesale Local Service and Features

File numbers: Bell Aliant Tariff Notice 332 and Bell Canada Tariff Notice 7271

Introduction

1. The Commission received applications by Bell Aliant Regional Communications, Limited Partnership and Bell Canada (collectively, the Bell companies), dated 23 July 2010, in which they proposed to modify item 317 – Wholesale Local Service and Features (WLSF) of their respective Access Services Tariffs.
2. The Bell companies proposed to replace the automatic one-year renewal condition that currently applies at the end of the initial contract period with a monthly renewal condition, before the service is forborne from regulation at the end of the phase-out period established in Telecom Decision 2008-17 (the essential services decision).
3. The Bell companies submitted that the proposed changes would provide clarity and remove any ambiguity that might result from the existing contract renewal provisions and the three-year phase-out period for WLSF established in the essential services decision, which ends on 3 March 2011. Specifically, they wanted to ensure that no one could interpret the tariffs as giving the WLSF customer a right to a fourth year of transition at the existing tariffed rates.
4. The Bell companies submitted that the proposed changes would allow existing WLSF customers the time required to update, if necessary, their business plans in advance of forbearance.
5. The Bell companies also submitted that any expectation that the terms of the WLSF tariff would continue without change post-forbearance would not be consistent with the scope of forbearance as established in the essential services decision. They further submitted that the current service is not an acceptable business proposition.
6. The Commission approved the applications on an interim basis in Telecom Order 2010-541.
7. The Commission received comments from TekSavvy Solutions Inc. (TekSavvy) and Yak Home Phone Corp. (Yak). The public record of this proceeding, which closed on 2 September 2010, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file numbers provided above.

Should the Commission approve the Bell companies' applications on a final basis?

8. TekSavvy and Yak submitted that their current contracts for WLSF service are due to expire prior to 3 March 2011, the date on which WLSF is scheduled to become a forborne service. Further, TekSavvy and Yak submitted that upon the expiry of their current contracts, they intend to engage the automatic one-year renewal condition of their contracts so as to retain their use of WLSF service for the renewal period. They submitted that the Bell companies' proposed changes would deny them the opportunity to renew their contracts.
9. TekSavvy and Yak further submitted that, contrary to the submissions of the Bell companies, the retention of the automatic one-year renewal condition is consistent with the conditions under which the Commission has granted forbearance for other services that are subject to a contract term. TekSavvy and Yak submitted that, therefore, the Commission should deny the Bell companies' applications.
10. In response, the Bell companies submitted that the interpretation that TekSavvy and Yak had applied to previous Commission forbearance determinations was erroneous. They also submitted that denying their proposal to remove the automatic renewal condition would be inconsistent with the essential services decision. In their view, that decision provides prospective forbearance for WLSF service and other non-essential services subject to phase-out in order to provide regulatory certainty to all parties regarding the date when market forces would be relied upon for the provision these services. They further submitted that denial of their proposed changes would extend mandated access to WLSF services into the forborne period, thereby negating the benefits of prospective forbearance.
11. The Commission notes that the Bell companies intend to revise the WLSF service once forbearance is granted. The Commission considers that should the one-year automatic renewal condition remain, the Bell companies would be constrained in their ability to revise the service after the forbearance date.
12. The Commission considers that parties have been given a reasonable notice period of three years between the date the essential services decision was issued and the date that WLSF service will be forborne from regulation to review their arrangements and to restructure them as required.
13. In light of the above, the Commission **approves on a final basis** the Bell companies' applications, effective the date of this order.

Secretary General

Related documents

- Telecom Order CRTC 2010-541, 2 August 2010
- *Revised regulatory framework for wholesale services and definition of essential service*, Telecom Decision CRTC 2008-17, 3 March 2008