



Telecom Order CRTC 2010-917

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TBayTel – Wireless Service Provider Enhanced 9-1-1 Network Access Service and 9-1-1 Public Emergency Reporting Service

File numbers: Tariff Notices 151 and 151A

Introduction

1. On 24 July 2009, TBayTel filed Tariff Notice 151, requesting approval for its revised General Tariff Section TB230, item 10, Wireless Service Provider Enhanced 9-1-1 Network Access Service (WSP E9-1-1 Service),¹ and Section TB100, item 8, 9-1-1 Public Emergency Reporting Service (9-1-1 Public Service).² TBayTel filed this application pursuant to certain requirements set out in Telecom Regulatory Policy 2009-40, in which the Commission mandated all incumbent local exchange carriers to file proposed revised WSP E9-1-1 Service tariffs associated with the implementation of Phase II Stage 1 of that service.³ The Commission approved the application, including TBayTel's proposed monthly rate associated with the Phase I and Phase II Stage 1 elements of its WSP E9-1-1 Service and proposed rates associated with its 9-1-1 Public Service, on an interim basis in Telecom Order 2010-8, effective 1 February 2010.
2. On 4 February 2010, TBayTel filed Tariff Notice 151A to postpone the implementation date of its WSP E9-1-1 Service and 9-1-1 Public Service to 3 May 2010 due to technical and provisioning delays. The Commission approved that tariff notice on an interim basis in Telecom Order 2010-98, effective 3 May 2010.
3. The Commission received comments regarding TBayTel's applications from Rogers Wireless Inc. (RWI) and Shaw Cablesystems Ltd. (Shaw). The public record of this proceeding, which closed on 24 February 2010, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file numbers provided above.

¹ WSP E9-1-1 Service provides WSPs with access to the incumbent local exchange carriers' (ILECs) 9-1-1 networks in order to transport WSPs' end-customer call display information to the public safety answering points (PSAPs).

² 9-1-1 Public Service provides telephone subscribers, both wireline and wireless, with the capability to connect their 9-1-1 calls to the appropriate PSAP. For this service, ILECs charge retail wireline or wireless rates.

³ Implementation of WSP E9-1-1 Service has been accomplished in two phases: the Phase I element provides call number, cell/site location sector information, and WSP identification, while the Phase II Stage 1 element provides longitudinal and latitudinal information regarding caller location in addition to the information provided in Phase I.

WSP E9-1-1 Service

4. TBayTel proposed a monthly rate of \$0.0467 per wireless telephone number associated with the Phase I and Phase II Stage 1 elements of its WSP E9-1-1 Service, using Saskatchewan Telecommunications' (SaskTel) proposed rate as a proxy. TBayTel did not provide any cost studies in support of its proposal but justified its approach by noting that it, like SaskTel, will outsource its Automatic Location Information (ALI) database hosting services to Bell Canada.⁴
5. RWI submitted that SaskTel's rate is very high compared to the rates proposed by other providers of this service. RWI proposed that TBayTel use Bell Canada's rate since Bell Canada is the underlying provider of TBayTel's WSP E9-1-1 Service.
6. TBayTel confirmed that it acquires specific WSP E9-1-1 Service elements from Bell Canada but also submitted evidence of its own development costs.

Commission's analysis and determinations

7. The Commission notes that TBayTel's proposed monthly rate for its WSP E9-1-1 Service is not based on any economic evaluation. The Commission considers that SaskTel's proposed rate does not reflect TBayTel's costs to provide this service since Bell Canada provides certain related functionalities to SaskTel that it does not provide to TBayTel. Accordingly, the Commission **denies** TBayTel's proposed rate.
8. The Commission notes that TBayTel's costs to provide the service include development costs to implement the WSP E9-1-1 Service platform and the fees paid to Bell Canada for the various 9-1-1 functionalities provided. Accordingly, the Commission has established a revised monthly rate of \$0.0452 per wireless telephone number, based on TBayTel's proposed development costs and the fees paid to Bell Canada plus a 15 percent markup.
9. In light of the above, the Commission **approves on a final basis** TBayTel's tariff for WSP E9-1-1 Service, with a revised monthly rate of \$0.0452 per wireless telephone number associated with the Phase I and Phase II Stage 1 elements of the service, effective 3 May 2010.

9-1-1 Public Service

10. TBayTel proposed to increase its monthly rates for 9-1-1 Public Service to \$0.31 per wireline telephone number and to \$0.155 per wireless telephone number. TBayTel did not provide any cost studies in support of its proposal, but it submitted that the proposed increase is based on the fact that it had to undertake a complex and costly project to upgrade its ALI database in order to implement the Commission-mandated service enhancements specified in Telecom Regulatory Policy 2009-40. TBayTel submitted that the upgrades would provide enhanced service reliability for both wireline and wireless customers.

⁴ Bell Canada enables competitive local exchange carriers and wireless carriers to enter information into this database, such as cell/site location sector information, through a Web portal.

11. TBayTel noted that it was also necessary for MTS Allstream Inc. (MTS Allstream) to make similar upgrades. TBayTel submitted that it applied two times the percentage increase that MTS Allstream proposed for its Province-Wide Enhanced 9-1-1 Service, plus an additional adjustment, to recognize that TBayTel has a smaller customer base from which to recover the costs than MTS Allstream.
12. Shaw argued that it is unclear why TBayTel would increase its 9-1-1 Public Service rates to subsidize the above-mentioned service enhancements and added that the proposed rate increases are not reasonable. Shaw, supported by RWI, submitted that, without a supporting cost study, TBayTel's 9-1-1 Public Service rates should mirror those charged by the local exchange carrier providing the service, which is Bell Canada.
13. Shaw and RWI also opposed TBayTel's inclusion of public safety answering point (PSAP) costs in its proposed rates. The companies submitted that the Commission has previously determined, in Telecom Regulatory Policy 2009-40, Telecom Decision 2003-20, and Order 2000-430, that these costs should be borne by the affected municipalities.
14. TBayTel replied that since it is the one providing the service, it cannot simply charge the Bell Canada rates, as it must cover its own upgrade costs.
15. TBayTel argued that recovering its PSAP costs through its 9-1-1 Public Service rates is appropriate, given that it has a co-operative agreement with the City of Thunder Bay in which the City is responsible for operating its PSAP while TBayTel is responsible for all the hardware, software, and facility maintenance costs associated with providing the service.

Commission's analysis and determinations

16. The Commission considers that the above-mentioned upgrades are appropriate to permit TBayTel to properly implement its WSP E9-1-1 Service and that these upgrades benefit both wireline and wireless customers.
17. The Commission notes that TBayTel's proposed monthly rates for this service are not based on any economic evaluation.
18. The Commission considers that TBayTel's proposed rates for its 9-1-1 Public Service have not been adequately justified. The Commission also considers that, consistent with its past determinations,⁵ it would not be appropriate for TBayTel to recover PSAP costs through its 9-1-1 Public Service rates.
19. Accordingly, the Commission has established revised rates for TBayTel's 9-1-1 Public Service based on the rates the company currently charges and the development cost estimates that the company provided, excluding PSAP costs.

⁵ See paragraph 25 of Telecom Regulatory Policy 2009-40, paragraph 32 of Telecom Decision 2003-20, and paragraphs 10 and 12 of Order 2000-430.

20. In light of the above, the Commission **approves on a final basis** TBayTel's tariff for 9-1-1 Public Service, with revised monthly rates of \$0.194 per wireline telephone number and \$0.097 per wireless telephone number, effective 3 May 2010.

Secretary General

Related documents

- Telecom Order CRTC 2010-98, 18 February 2010
- Telecom Order CRTC 2010-8, 11 January 2010
- *Implementation of wireless Phase II E9-1-1 service*, Telecom Regulatory Policy CRTC 2009-40, 2 February 2009
- *Saskatchewan Telecommunications – Provincial Enhanced 9-1-1 Service*, Telecom Decision 2003-20, 26 March 2003
- *Provincial 9-1-1 service approved for Island Telecom Inc.*, Order CRTC 2000-430, 24 May 2000