



## Telecom Order CRTC 2010-971

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Ottawa, 23 December 2010

### Videotron Ltd. – Third-party Internet access rates and usage-based billing charges

File numbers: Tariff Notices 15, 25, 25A, 27, 33, and 34

#### Introduction

1. The Commission received several applications from Videotron Ltd. (Videotron), filed between 15 March 2007 and 6 August 2010, in which the company requested approval of proposed monthly rates for particular third-party Internet access (TPIA) service speeds and/or proposed usage-based billing (UBB)-related tariff charges.
2. In the case of its applications for new TPIA service speed tiers that matched the speed tiers available for retail Internet service offerings,<sup>1</sup> Videotron proposed monthly rates based on preliminary cost data. Videotron submitted that it did not have sufficient usage data to allow production of a detailed cost study.
3. In Tariff Notice 27, Videotron applied for a reduction in the monthly charge for one of its existing TPIA service offerings.<sup>2</sup>
4. In all of its applications, Videotron proposed UBB charges for its TPIA service options that matched the UBB charges on its corresponding retail Internet services, consistent with the Commission's directives set out in Telecom Decision 2006-77.<sup>3</sup>
5. The Commission granted interim approval to the company's proposed monthly rates for TPIA service speeds and UBB-related tariff charges.<sup>4</sup>
6. The public record of these proceedings 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 numbers provided above.

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<sup>1</sup> See Tariff Notices 15 and 33.

<sup>2</sup> In Tariff Notice 27, Videotron proposed to reduce the monthly charge for its Extreme High-Speed wholesale TPIA service from \$70.15 to \$52.19.

<sup>3</sup> In Telecom Decision 2006-77, the Commission set out the guidelines under which companies that provide wholesale TPIA services could introduce changes to quota charges or related excess usage charges. In that decision, the Commission concluded that TPIA service providers must provide equivalent treatment with respect to excessive usage to both their retail Internet access service end-users and their TPIA service end-users.

<sup>4</sup> See Telecom Orders 2007-95, 2009-460, 2009-709, 2009-807, 2010-233, and 2010-593 for the interim approvals of Videotron's applications.

## Parties' comments on Videotron's applications

7. The Commission received comments on Tariff Notice 15<sup>5</sup> from Cybersurf Corp. (Cybersurf). The Commission also notes that Electronic Box Inc. and TekSavvy Solutions Inc. provided comments on Tariff Notice 27, and that those comments were addressed in Telecom Order 2009-807. No comments were received with respect to any of the other above-noted applications.
8. Cybersurf requested that the Commission direct Videotron to file a cost study for the new TPIA service.

## Commission's analysis and determinations

9. With respect to Videotron's proposed monthly rates for different speed tiers, the Commission concluded in Telecom Regulatory Policy 2010-632 that cable carriers should modify their TPIA services to provide competitors with an increased level of aggregation. Accordingly, the Commission directed the cable carriers to file new rates for the revised TPIA services for all speeds, reflecting a new cost structure based on an increased level of aggregation for the service. The Commission notes that cost studies based on the new cost structure have been filed and will be used to assess the revised TPIA services going forward. Therefore, the Commission considers that it is not warranted to require TPIA cost studies for the new proposed TPIA service speed tiers based on the former cost structure.
10. With respect to the UBB charges proposed by Videotron, the Commission notes that, in Telecom Decision 2010-802, it determined that UBB charges for Bell Canada's and Bell Aliant Regional Communications, Limited Partnership's Gateway Access Service would match the UBB charges on their corresponding retail Internet services, consistent with the cable carriers' TPIA pricing approach. The Commission further notes that it initiated a proceeding to examine whether the rates for the UBB components for the wholesale aggregated asynchronous digital subscriber line (ADSL) access services and TPIA services should be lower than the comparable retail UBB rates. As a result of that decision, the Commission considers that regulatory symmetry between UBB rating approaches for TPIA services and aggregated ADSL access services has been addressed.

## Conclusion

11. In light of the above, the Commission considers that it is appropriate to finalize the existing rates for Videotron's applications. Accordingly, the Commission **approves on a final basis** Videotron's applications.

Secretary General

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<sup>5</sup> In Tariff Notice 15, Videotron proposed to introduce a TPIA service equivalent to its retail Extreme Plus High-Speed Internet service.

## Related documents

- *Bell Aliant Regional Communications, Limited Partnership and Bell Canada – Application to review and vary Telecom Decision 2010-255 concerning usage-based billing for Gateway Access Services*, Telecom Decision CRTC 2010-802, 28 October 2010
- *Wholesale high-speed access services proceeding*, Telecom Regulatory Policy CRTC 2010-632, 30 August 2010
- Telecom Order CRTC 2010-593, 18 August 2010
- Telecom Order CRTC 2010-233, 23 April 2010
- *Videotron Ltd. – Modification to monthly charge for Extreme High-Speed Third-Party Internet Access*, Telecom Order CRTC 2009-807, 23 December 2009
- Telecom Order CRTC 2009-709, 19 November 2009
- Telecom Order CRTC 2009-460, 29 July 2009
- Telecom Order CRTC 2007-95, 26 March 2007
- *Cogeco, Rogers, Shaw, and Videotron – Third-party Internet access service rates*, Telecom Decision CRTC 2006-77, 21 December 2006