



Telecom Decision CRTC 2011-633

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Ottawa, 29 September 2011

Bell Aliant Regional Communications, Limited Partnership – Application for forbearance from the regulation of business local exchange services

File number: 8640-B54-201109984

In this decision, the Commission approves Bell Aliant's request for forbearance from the regulation of business local exchange services in 85 exchanges in Newfoundland and Labrador, Nova Scotia, and Prince Edward Island. The Commission denies Bell Aliant's request for forbearance in four exchanges in Nova Scotia and Prince Edward Island.

Introduction

1. The Commission received an application by Bell Aliant Regional Communications, Limited Partnership (Bell Aliant), dated 28 June 2011, in which the company requested forbearance from the regulation of business local exchange services¹ in 89 exchanges in Newfoundland and Labrador, Nova Scotia, and Prince Edward Island. A list of these exchanges is set out in Appendix 1 to this decision.
2. The Commission received submissions and data regarding Bell Aliant's application from Bragg Communications Inc., operating as EastLink (EastLink). The public record of this proceeding, which closed on 9 August 2011, 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 has assessed Bell Aliant'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 Bell Aliant's proposed list of business local exchange services.

¹ In this decision, "business local exchange services" refers to local exchange services used by business customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

5. The Commission notes that Bell Aliant is seeking forbearance from the regulation of 37 tariffed business local exchange services. The Commission also notes that 24 of these services were either included in the list of services that the Commission found to be appropriate for forbearance in Telecom Decision 2005-35 or in subsequent decisions, such as Telecom Decision 2007-70. The Commission further notes that 12 of the other services are Centrex services that the Commission has found to be in the same relevant product market as business local exchange services and therefore appropriate for forbearance.² Finally, the Commission notes that Local Remote Call Forwarding Service, the remaining service, falls within the definition of local exchange services set out in Telecom Public Notice 2005-2.
6. Accordingly, the Commission finds the list of services proposed by Bell Aliant to be appropriate. A list of the 37 approved services is set out in Appendix 2 to this decision.

b) Competitor presence test

7. The Commission notes that information provided by parties confirms that there is, in addition to Bell Aliant, one independent, facilities-based, fixed-line telecommunications service provider³ that offers local exchange services in 85 of the 89 exchanges in question and that is capable of serving at least 75 percent of the number of business local exchange service lines that Bell Aliant is capable of serving. A list of these 85 exchanges is set out in Appendix 3 to this decision.
8. Accordingly, the Commission determines that the 85 exchanges listed in Appendix 3 meet the competitor presence test.
9. The Commission also notes that there is no independent, facilities-based, fixed-line telecommunications service provider capable of serving at least 75 percent of the number of business local exchange service lines that Bell Aliant is capable of serving in the exchanges of Annapolis Royal, Mulgrave, and Musquodoboit Harbour, Nova Scotia, and Covehead, Prince Edward Island.
10. Accordingly, the Commission determines that the exchanges of Annapolis Royal, Mulgrave, and Musquodoboit Harbour, Nova Scotia, and Covehead, Prince Edward Island, do not meet the competitor presence test.

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

11. The Commission notes that Bell Aliant submitted competitor Q of S results for the period of December 2010 to May 2011. The Commission has reviewed these results and finds that Bell Aliant 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

² See Telecom Decision 2008-10, as confirmed in Telecom Decision 2008-57.

³ This competitor is EastLink.

ii) did not consistently provide any of those competitors with services that were below those Q of S standards.

12. Accordingly, the Commission determines that Bell Aliant meets the competitor Q of S criterion for this period.

d) Communications plan

13. The Commission has reviewed Bell Aliant's proposed communications plan and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15. However, the Commission considers that the company should i) ensure that the plan applies to business services and not residential services by changing "residential" to "business" as required under the "Objectives" and "Key Messages" sections of the plan, and ii) change the city, province, and postal code information in the mailing address for the Canadian Radio-television and Telecommunications Commission, as set out in the plan, to "Ottawa, Ontario K1A 0N2."
14. The Commission **approves** the proposed communications plan with the revision outlined above and directs Bell Aliant to provide the resulting communications materials to its customers, in both official languages where appropriate.

Conclusion

15. The Commission determines that Bell Aliant's application regarding the 85 exchanges in Newfoundland and Labrador, Nova Scotia, and Prince Edward Island listed in Appendix 3 meets all the local forbearance criteria set out in Telecom Decision 2006-15.
16. 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 Bell Aliant of the business local exchange services listed in Appendix 2 and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2 as they pertain to business customers only, in these exchanges, would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
17. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these business local exchange services are subject to a level of competition in these exchanges sufficient to protect the interests of users of these services.
18. 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 Bell Aliant of these business local exchange services in these exchanges would be unlikely to impair unduly the continuance of a competitive market for these services.

19. In light of the above, the Commission **approves** Bell Aliant's application for forbearance from the regulation of the local exchange services listed in Appendix 2 and future services that fall within the definition of local exchange services set out in Telecom Public Notice 2005-2, as they pertain to business customers only, in the 85 exchanges listed in Appendix 3, 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 Bell Aliant to file revised tariff pages with the Commission within 30 days of the date of this decision.
20. For the exchanges of Annapolis Royal, Mulgrave, and Musquodoboit Harbour, Nova Scotia, and Covehead, Prince Edward Island, the Commission determines that Bell Aliant's application does not meet all the local forbearance criteria set out in Telecom Decision 2006-15. The Commission therefore **denies** Bell Aliant's application for forbearance from the regulation of business local exchange services in these exchanges.

Secretary General

Related documents

- *MTS Allstream Inc.'s request to review and vary two decisions related to Centrex services*, Telecom Decision CRTC 2008-57, 19 June 2008
- *The relevant product market for Centrex and Enhanced Exchange Wide Dial services for the purposes of forbearance from regulation*, Telecom Decision CRTC 2008-10, 31 January 2008
- *Bell Aliant – Applications for forbearance from the regulation of business local exchange services*, Telecom Decision CRTC 2007-70, 10 August 2007, as amended by Telecom Decision CRTC 2007-70-1, 22 August 2007, and Telecom Decision CRTC 2007-70-2, 29 November 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
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005, as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005
- *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

Bell Aliant requested forbearance from the regulation of its business local exchange services in the following 89 exchanges.

Newfoundland and Labrador

Arnold's Cove
Bay Roberts
Birchy Bay
Bonavista
Brigus
Burin
Carbonear
Chapel Arm
Clarenville
Garnish
Glovertown
Grand Bank
Harbour Main
Hare Bay
Hickman's Harbour
Hillview
Horwood
King's Point
Lewisporte
Lourdes
Marystown
Musgravetown
Port au Port
Springdale
St. George's
Stephenville
Upper Island Cove

Nova Scotia

Amherst
Annapolis Royal
Antigonish
Arichat
Aylesford
Barrington
Bear River
Berwick
Bridgetown
Brookfield

Nova Scotia (cont'd)

Brooklyn
Chester
Chezzetcook
Digby
Elmsdale
Hantsport
Heatherton
Hopewell
Kentville
Kingston
Louisdale
Maccan
Meteghan
Middleton
Mill Village
Mount Uniacke
Mulgrave
Musquodoboit Harbour
New Glasgow
North Sydney
Parrsboro
Pictou
Port Hawkesbury
Port Mouton
River Hebert
Saltsprings
Saulnierville
Shelburne
Shubenacadie
Springhill
Stewiacke
Sydney
Thorburn
Truro
Waverley
Wedgeport
Weymouth
Windsor
Wolfville
Woods Harbour
Yarmouth

Prince Edward Island

Alberton

Borden

Charlottetown

Covehead

Crapaud

Hunter River

Kensington

Morell-St. Peters

Murray River

O'Leary

Souris

Appendix 2

Local exchange services eligible for forbearance from regulation in this decision (for business customers only)

Tariff	Item	List of services
21491	125.3	Extra Listings
21491	125.4	Non-Listed, Non-Published Service
21491	125.5	Contract Period for Chargeable Extra Listings
21491	125.6	Directories and Listings – Rates and Charges
21491	205.2	Business Single-Line Access Service
21491	205.4	Business Multi-Line Access Service
21491	205.6	Hotel Service
21491	205.7	Charitable Access Service
21491	215.2	National Centrex Service
21491	215.5	Centrex Call Centre Service
21491	215.6	Regional Large Business Centrex Service
21491	304	Enhanced Local Calling (Calling Features)
21491	308	Internet Call Manager
21491	312	900 Call Denial/Blocking Service
21491	316	Universal Messaging
21491	320	Electronic Transfer Capability for Centrex
21491	326	Music on Hold
21491	328	Direct-Inward-Dialing for Access Service
21491	338	Answer Supervision
21491	358	Data Line Support Service
21491	360	Duplicate Service
21491	362	Client Calling Code Service
21491	364	Centrex IP Service
21491	365	Local Remote Call Forwarding Service
21491	502	Digital Exchange Access
21491	504	Megalink Service
21491	506	Microlink Service
10001	530	Other Service Charges (Centrex)
10001	631	Business Message Rate Service
10001	750-790	Centrex Business Service
10001	955-980	Small Business Network Service
10001	2100-2110	Conference Service – Local
11001	370	Other Service Charges (Centrex)
11001	694-699	Centrex Business Service
11001	910-915	Local Conference Service
13001	190	Provincial Centrex Service
13001	193-194	National Centrex Service

Exchanges that meet all the local forbearance criteria set out in Telecom Decision 2006-15:

Newfoundland and Labrador

Arnold's Cove
Bay Roberts
Birchy Bay
Bonavista
Brigus
Burin
Carbonear
Chapel Arm
Clarenville
Garnish
Glovertown
Grand Bank
Harbour Main
Hare Bay
Hickman's Harbour
Hillview
Horwood
King's Point
Lewisporte
Lourdes
Marystown
Musgravetown
Port au Port
Springdale
St. George's
Stephenville
Upper Island Cove

Nova Scotia

Amherst
Antigonish
Arichat
Aylesford
Barrington
Bear River
Berwick
Bridgetown
Brookfield
Brooklyn

Nova Scotia (cont'd)

Chester
Chezzetcook
Digby
Elmsdale
Hantsport
Heatherton
Hopewell
Kentville
Kingston
Louisdale
Maccan
Meteghan
Middleton
Mill Village
Mount Uniacke
New Glasgow
North Sydney
Parrsboro
Pictou
Port Hawkesbury
Port Mouton
River Hebert
Saltsprings
Saulnierville
Shelburne
Shubenacadie
Springhill
Stewiacke
Sydney
Thorburn
Truro
Waverley
Wedgeport
Weymouth
Windsor
Wolfville
Woods Harbour
Yarmouth

Prince Edward Island

Alberton

Borden

Charlottetown

Crapaud

Hunter River

Kensington

Morell-St. Peters

Murray River

O'Leary

Souris