



## Telecom Notice of Consultation CRTC 2012-669-2

PDF version

Additional references: 2012-669, 2012-669-1

Ottawa, 30 April 2013

### Notice of hearing

**17 June 2013**

**Inuvik, Northwest Territories**

**19 June 2013**

**Whitehorse, Yukon**

### Review of Northwestel Inc.'s Regulatory Framework, Modernization Plan, and related matters

File numbers: 8663-C12-201215302, 8695-J64-201209578, and 8662-N1-201305821

#### Expansion of the scope of the proceeding

1. The Commission received an application from Northwestel Inc. (Northwestel), dated 11 April 2013, requesting that the Commission review and vary certain determinations made in Telecom Order 2013-93 with respect to the company's Wholesale Connect service tariff. Northwestel requested that the record of its review and vary application form part of the record of the proceeding initiated by Telecom Notice of Consultation 2012-669 (the regulatory framework proceeding).
2. Northwestel submitted that it would be appropriate to do so because the final Wholesale Connect service rates which could result from the review and vary application could impact the wholesale market and competitive landscape, as well as the company's future investment decisions. Northwestel stated that the Wholesale Connect service rates approved in Telecom Order 2013-93 have forced the company to cancel or suspend plans for future fibre builds proposed in its Modernization Plan and that it will invest in other types of technologies instead.<sup>1</sup>
3. By letter dated 15 April 2013, SSi Micro Ltd. opposed Northwestel's request, arguing that the subject matter of the review and vary application was outside the scope of Northwestel's regulatory framework proceeding.
4. The Commission notes that, in the regulatory framework proceeding, it is reviewing, among other things, Northwestel's proposed Modernization Plan, the services used by competitors, as well as the pricing policy, including markups, which should apply

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<sup>1</sup> The Modernization Plan was filed as part of the regulatory framework proceeding. Northwestel indicated that the impact on the Modernization Plan related to transport facilities would be a reduction of \$36.5 million in capital investments.

to new competitor services.<sup>2</sup> The Commission also notes that several interveners to the regulatory framework proceeding have raised the issue of Wholesale Connect service pricing and markups following the issuance of Telecom Order 2013-93.

5. Given the interdependencies of the issues set out in Telecom Notice of Consultation 2012-669 and in Northwestel's review and vary application, the Commission considers that it is appropriate to expand the scope of Northwestel's regulatory framework proceeding to include the consideration of the issues raised in the review and vary application. Accordingly, the record of the review and vary application will be added to that of the regulatory framework proceeding.
6. The Commission also considers that it would be appropriate to modify the time frames for comment and reply that normally apply in respect of review and vary applications. This will allow parties sufficient time to review the written record on this issue in advance of the oral hearing.

### **Procedure**

7. In light of the above, the Commission establishes the following process specific to Northwestel's application to review and vary Telecom Order 2013-93:
  - Interested persons may file interventions, serving a copy on Northwestel, by **15 May 2013**; and
  - Reply comments may be filed by Northwestel, serving a copy on all parties who filed an intervention in respect of the review and vary application, by **24 May 2013**.
8. Parties may address the review and vary application at the oral hearing, and in their final written arguments which are to be filed, in accordance with the deadlines set out in Telecom Notice of Consultation 2012-669, by **8 July 2013**.
9. All other aspects of Telecom Notice of Consultation 2012-669, including the other issues and deadlines set out therein, remain unchanged.

Secretary General

### **Related documents**

- *Northwestel Inc. – Wholesale Connect Service*, Telecom Order CRTC 2013-93, 25 February 2013
- *Review of Northwestel Inc.'s Regulatory Framework, Modernization Plan, and related matters*, Telecom Notice of Consultation CRTC 2012-669, 6 December 2012, as amended by Telecom Notice of Consultation CRTC 2012-669-1, 15 February 2013

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<sup>2</sup> In Telecom Notice of Consultation 2012-669, the Commission stated that the issues to be determined regarding Northwestel's Wholesale Connect service were not within the scope of the regulatory framework proceeding.