



Telecom Decision CRTC 2014-223

PDF version

Ottawa, 8 May 2014

Execulink Telecom Inc. – Application seeking measures to ensure the proper routing of long distance calls

File number: 8622-E25-201307736

The Commission directs Iristel Inc. (Iristel) and TeliPhone Navigata-Westel Communication Inc. (TNW) to inform their resellers that they are to comply with the Commission's rules on the routing of long distance calls to small incumbent local exchange carriers via toll interconnection trunks, pursuant to Telecom Decisions 2010-908 and 2011-416. The Commission denies Execulink Telecom Inc.'s request to have Iristel and TNW file affidavits confirming their adherence to those decisions.

Introduction

1. In Telecom Decision 2010-908, the Commission directed competitive local exchange carriers (CLECs) to route all long distance calls to small incumbent local exchange carriers' (ILECs) customers via toll interconnection trunks within 60 days of the date of that decision (the call routing rules). In Telecom Decision 2011-416, the Commission, among other things, reminded CLECs of the call routing rules.
2. The Commission received an application, dated 24 May 2013, from Execulink Telecom Inc. (Execulink), a small ILEC operating in Ontario, in which the company alleged that two CLECs, Iristel Inc. (Iristel) and TeliPhone Navigata-Westel Communication Inc. (TNW), had been improperly routing long distance calls to its network over local interconnection trunks. Execulink requested that the Commission approve several corrective measures.
3. The Commission received interventions regarding Execulink's application from La Cie de Téléphone de Courcelles inc., Téléphone Guèvremont inc., Hay Communications Co-operative Limited, Iristel, Ontera, Sogetel inc., Le Téléphone de St-Éphrem inc., La Compagnie de Téléphone de St-Victor, and TNW. The public record of this proceeding, which closed on 15 January 2014, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.

Application

4. Execulink submitted that it had completed a detailed analysis of inbound calls from the month of April 2013 and discovered that approximately 900 minutes of long distance calls originating from Iristel's and TNW's operations had been improperly

routed over local interconnection trunks instead of toll interconnection trunks, in contravention of the call routing rules.

5. Execulink requested that the Commission issue an order directing Iristel and TNW to
 - (i.) immediately cease and desist from delivering any long distance calls to Execulink over Bell Canada's local transit interconnection service;
 - (ii.) immediately route all long distance calls to Execulink via toll interconnection trunks;
 - (iii.) submit an affidavit to the Commission confirming that they are conforming with Commission decisions regarding the routing of long distance traffic to Execulink, including traffic delivered for wholesale customers; and
 - (iv.) include and enforce a stipulation in their service contracts with both retail and wholesale customers to abide by the call routing rules.

Should the Commission approve Execulink's requests?

6. Execulink submitted that CLECs have an obligation to ensure that long distance calls are routed in accordance with the call routing rules, regardless of whether the calls originate from the network of a carrier itself or from a reseller of a carrier's service. Although Execulink indicated that it was not seeking financial compensation, it stated that the measures it requested were necessary to prevent the loss of future toll termination revenue. The company added that these measures were consistent with the Policy Direction's¹ provision for the Commission to use measures that are efficient and proportionate to their purpose and that interfere with the operation of competitive market forces to the minimum extent necessary to meet the telecommunications policy objectives.
7. Iristel submitted that it complies with Commission regulations and that it would rectify any situation in which it was found to be non-compliant. Iristel confirmed that at least some of the telephone numbers contained in Execulink's call record analysis had been assigned to it, but indicated that the calls must have been sent by another service provider (i.e. a reseller), since the calls did not originate from Iristel's switch. Iristel submitted that it was not able to identify which service provider sent the calls.²
8. TNW acknowledged that some of the calls may have originated from its retail customers and indicated that it had made changes to its call routing practices to ensure proper call routing in the future. TNW indicated that the remaining calls must have been sent by resellers of its services.

¹ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, P.C. 2006-1534, 14 December 2006

² Iristel indicated that only Bell Canada would have the necessary information to correctly identify the service provider in question.

9. Both companies submitted that although they have clauses in their contracts with resellers regarding adherence to Commission regulations, they are not able to directly enforce the manner in which resellers of their services route calls. The companies argued that Execulink's requests should therefore be denied.

Commission's analysis and determinations

10. With respect to Execulink's requests (i) and (ii) above pertaining to call routing, the Commission reminds CLECs that, where they have not already done so, they are to route all long distance calls to small ILECs' customers via toll interconnection trunks. Although Telecom Decisions 2010-908 and 2011-416 do not specifically address the routing of long distance calls by resellers of CLECs' services, the Commission considers that CLECs should notify their reseller customers that resellers are to comply with the call routing rules.
11. With respect to Execulink's request (iii) above pertaining to affidavits, based on the evidence filed by Execulink, the amount of toll revenue is relatively small. The Commission notes that Iristel has indicated that it is not directly responsible for the misrouted calls, and that TNW has indicated that it has made changes to its routing practices to ensure that the long distance calls for which it is responsible are properly routed in the future. The Commission considers that despite the best efforts of CLECs, they have no direct control over the actions of resellers. Accordingly, the Commission considers that the use of a regulatory measure requiring Iristel and TNW to file affidavits attesting to their compliance with the call routing rules is not likely to eliminate the improper routing of calls by resellers of CLECs' services and would not be efficient and proportionate to the purpose of such a measure. The Commission therefore **denies** Execulink's request in this regard.
12. Finally, regarding Execulink's request (iv) above pertaining to the contractual stipulation, the Commission notes that it has in the past exercised its authority under section 24 of the *Telecommunications Act* (the Act) to direct CLECs to include, as a condition of service with resellers, the requirement to abide by various regulations.³
13. The Commission notes that both Iristel and TNW already include general clauses in their contracts with resellers regarding adherence to Commission decisions. Although these clauses do not specifically address the call routing rules, the Commission considers that the use of a regulatory measure requiring Iristel and TNW to amend all their reseller contracts to insert a specific clause concerning the call routing rules would not be efficient and proportionate to the purpose of such a measure.

³ For example, in various decisions related to carriers' emergency service obligations, beginning with Telecom Decision 2005-21.

14. As an alternative, the Commission **directs** Iristel and TNW to communicate in writing directly with their resellers to inform them that they are to route all long distance calls to small ILECs' customers via toll interconnection trunks in accordance with Telecom Decisions 2010-908 and 2011-416. Iristel and TNW are to issue this correspondence within **30 days** of the date of this decision, and are to notify the Commission in writing once the correspondence has been sent.
15. If there is evidence of the problem persisting, the Commission may consider the use of additional regulatory measures, such as directing CLECs to terminate their contracts with resellers that violate the call routing rules.
16. The Commission considers that its determinations in this decision will ensure that certain telecommunications service providers do not have an economic advantage over others when terminating long distance calls to small ILECs' customers, in a minimally intrusive manner. Accordingly, the Commission considers that its determinations are consistent with the Policy Direction and advance the policy objectives set out in paragraphs 7(b), (c), and (f) of the Act.⁴

Secretary General

Related documents

- *TELUS Communications Company – Application for clarification and expedited relief concerning the manner in which Bell Canada intends to implement Telecom Decision 2010-908*, Telecom Decision CRTC 2011-416, 11 July 2011
- *Quebecor Media Inc. and Rogers Communications Partnership – Use of Bell Canada's local transit service to deliver long-distance calls to small incumbent local exchange carriers' customers*, Telecom Decision CRTC 2010-908, 3 December 2010
- *Emergency service obligations for local VoIP service providers*, Telecom Decision 2005-21, 4 April 2005

⁴ The cited policy objectives are the following:

7(b) to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada;

7(c) to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications; and

7(f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective.