



Telecom Order CRTC 2014-33

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Ottawa, 30 January 2014

Bell Aliant Regional Communications, Limited Partnership and Bell Canada – Destandardization of Exchange Radio-Telephone Service and Regional Communication Service

File numbers: Bell Aliant Tariff Notice 461
Bell Canada Tariff Notice 7408

1. The Commission received applications from Bell Aliant Regional Communications, Limited Partnership and Bell Canada (collectively, the Bell companies), dated 18 October 2013, in which the Bell companies proposed revisions to their respective General Tariff items 1430 – Exchange Radio-Telephone Service (ERTS), and 1435 – Regional Communication Service (RCS).
2. The Bell companies proposed to destandardize ERTS and RCS, both of which are radio-based telephone services that use radio equipment located at the customer's premises to communicate with the public switched telephone network through one of the Bell companies' radio base-stations. ERTS and RCS are used to provide telephone service to customers in remote locations outside the Bell companies' normal serving areas.
3. The Commission received several interventions from customers with respect to these applications. The public record of this proceeding, which closed on 12 December 2013, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file numbers provided above.

Should the Commission approve the Bell companies' applications to destandardize ERTS and RCS?

4. The Bell companies submitted that the equipment used to operate, support, and maintain ERTS and RCS has been manufacturer-discontinued for some time. They further submitted that spare parts, if available, are costly and becoming increasingly difficult to obtain in a timely manner, resulting in long service interruptions. They noted that ERTS was introduced in the 1970s and RCS in 1987, but that the number of subscribers to these services has declined significantly since 2008. The Bell companies expected that this trend would continue.
5. In addition, the Bell companies submitted they were experiencing a significant trouble rate on the base of subscriber radio units, but that they were unable to reduce the ERTS and RCS trouble rate and expected that it would increase. They also noted that they faced issues regarding the time required to repair radio base station and

subscriber radio units, failing radio test gear, and the increasing unavailability of working subscriber radio units.

6. The Bell companies expressed concern that ERTS and RCS would become increasingly unreliable, and would therefore be unsuitable for continued long-term customer use. They further noted that the Commission had previously approved the complete withdrawal of similar services in British Columbia and Saskatchewan for similar reasons.
7. The Bell companies indicated that if their applications were approved, requests from new customers for ERTS and RCS, or requests from existing customers for moves, additions, or changes to their existing service, or to add new ERTS or RCS service, would no longer be processed. They noted that, as an exception, temporary suspension of service, as provided in General Tariff item 1130 – Suspension of Service, would continue to be available to existing ERTS and RCS customers, and existing services could be suspended and restored at the customer's request.
8. Customers who submitted interventions generally expressed concern about the quality of ERTS and RCS and the unavailability of alternative services.
9. In reply, the Bell companies noted that they were not proposing to withdraw ERTS and RCS, and that they would continue to provide service to existing customers to the extent that the facilities used to provide them could be maintained in an operational state. In their view, their proposal was fair and balanced because it met the needs of existing customers, by continuing to provide service to them while they explored alternative services, and the needs of the Bell companies. In addition, in their reply comments, copied to all ERTS and RCS customers, the Bell companies suggested that customers could investigate and obtain wireless service or various other satellite telephone services.

Commission's analysis and determinations

10. The Commission considers that customer comments regarding the poor quality of these services support the Bell companies' submissions regarding the reliability of available equipment for ERTS and RCS, but notes that service will continue to be provided to existing customers.
11. Further, the Commission considers that the Bell companies have met the requirements for service destandardization set out in *Mandatory customer contract renewal notification and requirements for service destandardization/withdrawal*, Telecom Decision CRTC 2008-22, 6 March 2008.
12. Accordingly, the Commission **approves** the Bell companies' applications.

Secretary General