



Telecom Decision CRTC 2017-134

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TELUS Communications Company – Application for forbearance from the regulation of business local exchange services

*The Commission **approves** TCC's request for forbearance from the regulation of business local exchange services in 79 exchanges in Alberta, British Columbia, and Quebec. The Commission **denies** TCC's request for forbearance from the regulation of business local exchange services in 1 exchange in British Columbia and 16 exchanges in Quebec.*

Introduction

1. The Commission received an application from TELUS Communications Company (TCC), dated 30 November 2016, in which the company requested forbearance from the regulation of business local exchange services¹ in 96 exchanges in Alberta, British Columbia, and Quebec. A list of these exchanges is set out in Appendix 1 to this decision.
2. The Commission received submissions regarding TCC's application from Bell Canada; Bragg Communications Incorporated, operating as Eastlink (Eastlink); Câble-Axion Digital inc.; CityWest Cable & Telephone Corp. (CityWest); Cogeco Communications Inc. (Cogeco); CoopTel; DERYtelecom inc.; Distributel Communications Limited; Groupe Maskatel LP; Iristel Inc. (Iristel); Shaw Telecom G.P. (Shaw); and Quebecor Media Inc., on behalf of Videotron G.P. (Videotron). The public record of this proceeding, which closed on 6 March 2017, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.

Commission's analysis and determinations

3. Pursuant to the Commission's requirements in Telecom Decision 2006-15, TCC provided evidence to support its forbearance request, including competitor quality of service (Q of S) results for the period of April to September 2016. The Commission has assessed TCC's application based on the local forbearance test set out in Telecom Decision 2006-15 by examining the four criteria set out below.

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.

Product market

4. TCC is seeking forbearance from the regulation of 43 tariffed business local exchange services. In Telecom Decision 2015-362, the Commission found that all of these services are eligible to be considered for forbearance. The 43 services are set out in Appendix 2 to this decision.
5. The Commission received no comments with respect to TCC's proposed list of business local exchange services.

Competitor presence test

6. Information provided by parties demonstrates that there is, in addition to TCC, at least one independent, facilities-based, fixed-line telecommunications service provider operating in 79 of the exchanges in question.² Each of these service providers is capable of serving at least 75% of the number of business local exchange service lines that TCC is capable of serving.
7. With respect to the 17 remaining exchanges in question,³ TCC acknowledged in its reply comments that it failed to meet the competitor presence test.
8. Based on the evidence provided during this proceeding, the Commission finds that only the 79 exchanges listed in Appendix 3 to this decision meet the competitor presence test.

Competitor Q of S results

9. TCC submitted its competitor Q of S results for the period of April to September 2016. The Commission has reviewed these results and finds that TCC 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
 - ii. did not consistently provide any of those competitors with services that were below those Q of S standards.
10. Accordingly, TCC meets the competitor Q of S criterion for this period.

Communications plan

11. TCC submitted that its communications plan specific to the exchanges listed in Appendix 1 to this decision would conform to the Commission's determinations set

² These competitors are Bell Canada, CityWest, Cogeco, Eastlink, Iristel, Shaw, and Videotron.

³ Tofino in British Columbia; and Bonaventure, Carleton, Chute-Aux-Outardes, Esprit-Saint, Havre-St-Pierre, New Richmond, Percé, Pointe-à-La-Croix, Pont-Rouge, Saint-Augustin, Saint-Côme, Saint-Anselme, Saint-Joseph, Saint-Marc-Des-Carrières, Saint-Raymond, and Vallée-Jonction in Quebec.

out in Telecom Decision 2008-107. In the proceeding leading to that decision, TCC had submitted a communications plan that complied with the Commission's requirements set out in Telecom Decision 2006-15.

12. The Commission has reviewed the communications plan submitted by TCC in the proceeding leading to Telecom Decision 2008-107, and finds that it is appropriate for the company to use in this case. Accordingly, the Commission **approves**, for the purpose of the current application, the use of the communications plan that TCC submitted in the proceeding leading to Telecom Decision 2008-107. The Commission **directs** TCC to provide the resulting communications materials to its customers, in both official languages where appropriate.

Conclusion

13. TCC's application regarding the 79 exchanges in Alberta, British Columbia, and Quebec that are listed in Appendix 3 to this decision meets all the local forbearance criteria set out in Telecom Decision 2006-15.
14. 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 TCC in these 79 exchanges, of the business local exchange services listed in Appendix 2 of this decision and of future local exchange services (as defined in Telecom Public Notice 2005-2 and as they pertain to business customers only) would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.
15. 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.
16. 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 TCC of these business local exchange services in the 79 exchanges would be unlikely to unduly impair the continuance of a competitive market for these services.
17. In light of the above, the Commission **approves** TCC's application for forbearance from the regulation of the local exchange services listed in Appendix 2 to this decision and future local exchange services (as defined in Telecom Public Notice 2005-2), as they pertain to business customers only, in the 79 exchanges listed in Appendix 3 to this decision in Alberta, British Columbia, and Quebec, 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** TCC to issue revised tariff pages⁴ within **30 days** of the date of this decision.

Secretary General

Related documents

- *TELUS Communications Company – Application for forbearance from the regulation of business local exchange services*, Telecom Decision CRTC 2015-362, 7 August 2015
- *TELUS Communications Company - Application for forbearance from the regulation of business local exchange services*, Telecom Decision CRTC 2008-107, 19 November 2008
- *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
- *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

⁴ Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.

Appendix 1 to Telecom Decision CRTC 2017-134

Exchanges for which TCC requested forbearance from the regulation of its business local exchange services

Alberta

Ardrossan

Banff

Blackfalds

Bonnyville

Cardston

Clairmont

Claresholm

Cold Lake

Cowley

Crossfield

Edson

Edmonton Intl Airport

Fort Macleod

Fox Creek

Granum

Hinton

Innisfail

Langdon

Morinville

Namao

Nisku

Pincher Creek

Sexsmith

Stettler

Sylvan Lake

Taber

Trochu

Vegreville

Wembley

Whitecourt

British Columbia

Armstrong
Aspen Park
Cranbrook
Creston
Dallas
Fernie
Gibsons
Grand Forks
Hope
Kimberley
Kitimat
Lumby
Merritt
Pemberton
Pender Harbour
Pineview
Port Hardy
Powell River
Revelstoke
Rosedale
Sparwood
Tofino
Westbank
Westsyde
Whonnock
Williams Lake
Willow Point
Winfield

Quebec

Amqui
Bonaventure
Cap Saint-Ignace
Cap-Des-Rosiers
Carleton
Causapscal

Chandler
Chute-Aux-Outardes
Donnacona
Esprit-Saint
Forestville
Gaspé
Havre-St-Pierre
L'islet
New Carlisle
New Richmond
Percé
Pointe-à-La-Croix
Pont-Rouge
Saint-Agapit
Sainte-Anne-de-la-Pérade
Saint-Anselme
Saint-Apollinaire
Saint-Augustin
Saint-Charles
Sainte-Claire
Saint-Côme
Saint-Édouard-De-Lotbinière
Saint-Flavien
Saint-Henri-De-Lévis
Saint-Joseph
Saint-Marc-Des-Carrières
Saint-Michel
Saint-Paul-de-Montminy
Saint-Raymond
Saint-Tite
Sayabec
Vallée-Jonction

Appendix 2 to Telecom Decision CRTC 2017-134

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

Tariff	Item	List of services
1005	25	Exchange Classification and Rates
1005	26	Business and Residence Service
1005	27	Base Rate Areas
1005	32	Exchange Rates
1005	122	Foreign Central Office Service – Voice
1005	122A	Foreign Central Office Service – Data
1005	132	Service to Ships and Trains
1005	150	Reserve Telephone Number Service
1005	153	Optional Hunting Arrangement
1005	157	Suspension of Service
1005	161	Call Guardian
1005	164	Dual Tone Multi-Frequency (DTMF) / Multi-Frequency (MF) Services
1005	200	Terminal Attachment Program
1005	465	Integrated Services Digital Network – Basic Rate Interface (ISDN-BRI) Service (formerly Microlink)
1005	470	Integrated Services Digital Network – Primary Rate Interface (ISDN-PRI) Service (formerly Megalink)
1005	470A	Integrated Services Digital Network – Primary Rate Interface (ISDN-PRI) Monthly Non-Contracted Services
1005	490	DataDial Service
1005	495	Digital Exchange Access
18001	165	Digital Exchange Access (DEA)
18001	215	Dataline Service
18001	235	Calling Features
18001	240	Extended Area Service (Centrex)
18001	295	Inbound Data Access (IDA) Service
18001	305	Denial Services

18001	310	Toll Restriction Services
18001	380	Temporary Disconnect
18001	425	Exchange Service
18001	430	Deductions – Churches, Community Centres and Senior Citizen Drop-In Centres
18001	485	Integrated Services Digital Network – Basic Rate Interface (ISDN-BRI) Service (formerly Microlink)
18001	495	Integrated Services Digital Network – Primary Rate Interface (ISDN-PRI) Service (formerly Megalink)
18001	505	Switched 56 Digital Service
21461	129	Directory Listings
21461	202	Individual Line Service (ILS)
21461	209	Local Calling Area (LCA) Expansion
21461	213	Centrex Service
21461	215	Direct In Dial Service
21461	216	IntelliRoute Service
21461	217	Reserved Telephone Number Service
21461	300	Call Management Services
21461	307	Special Number Search
21461	314	Remote Call Forwarding
21461	316	900 Blocking
21461	1000	Call Intercept Service

Appendix 3 to Telecom Decision CRTC 2017-134

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

Alberta

Ardrossan

Banff

Blackfalds

Bonnyville

Cardston

Clairmont

Claresholm

Cold Lake

Cowley

Crossfield

Edson

Edmonton Intl Airport

Fort Macleod

Fox Creek

Granum

Hinton

Innisfail

Langdon

Morinville

Namao

Nisku

Pincher Creek

Sexsmith

Stettler

Sylvan Lake

Taber

Trochu

Vegreville

Wembley

Whitecourt

British Columbia

Armstrong
Aspen Park
Cranbrook
Creston
Dallas
Ferne
Gibsons
Grand Forks
Hope
Kimberley
Kitimat
Lumby
Merritt
Pemberton
Pender Harbour
Pineview
Port Hardy
Powell River
Revelstoke
Rosedale
Sparwood
Westbank
Westsyde
Whonnock
Williams Lake
Willow Point
Winfield

Quebec

Amqui
Cap Saint-Ignace
Cap-Des-Rosiers
Causapscal
Chandler
Donnacona
Forestville

Gaspé
L'islet
New Carlisle
Saint-Agapit
Sainte-Anne-de-la-Pérade
Saint-Apollinaire
Saint-Charles
Sainte-Claire
Saint-Édouard-De-Lotbinière
Saint-Flavien
Saint-Henri-De-Lévis
Saint-Michel
Saint-Paul-de-Montminy
Saint-Tite
Sayabec