



Telecom Order CRTC 2017-27

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Ottawa, 27 January 2017

File numbers: Tariff Notices 3 and 3A

Freedom Mobile Inc. – Introduction of Local Service Request Rejection Charge

Application

1. The Commission received an application from Freedom Mobile Inc. (Freedom Mobile) [formerly WIND Mobile Corp.], dated 6 October 2016 and amended on 26 October 2016, in which the company proposed to effect some minor housekeeping changes to its Access Services Tariff, and to introduce item 502.1 – Local Service Request (LSR) Rejection Charge. Specifically, Freedom Mobile proposed that a monthly LSR rejection charge of \$70 apply for each rejected LSR¹ originating from a local exchange carrier (LEC), a wireless service provider, or an Internet service provider that exceeds the following thresholds:
 - a monthly LSR rejection rate threshold of 12.8% until 28 June 2017, a threshold of 10.4% until 28 June 2018, and a threshold of 8% thereafter, would apply to each telecommunications service provider (TSP) that submits in excess of 500 LSRs in a month unless at least 75% of the LSRs it submits in that month relate to business services.
 - a monthly LSR rejection rate threshold of 25.6% until 28 June 2017, a threshold of 20.8% until 28 June 2018, and a threshold of 16% thereafter would apply to each TSP that submits 500 or fewer LSRs in a month and to each TSP in cases where at least 75% of the LSRs it submits in that month relate to business services.
2. Freedom Mobile indicated that the LSR rejection charge would not apply in cases where the rejection is due to (i) errors attributable to it, (ii) its winback activities, and (iii) deactivation of the telephone number subsequent to the LSR submission.
3. Freedom Mobile submitted that its proposed tariff revisions are consistent with Broadcasting and Telecom Decision 2013-261, Telecom Regulatory Policy 2012-523, and tariffs that the Commission has approved for other LECs.

¹ When a customer moves from one local exchange carrier (LEC) to another, the “new” LEC sends a completed LSR form to the LEC that has been serving the customer to transfer that customer’s services. This form specifies all of the customer information needed to effectively process a service transfer from one LEC to another. LSR forms that contain errors are rejected and returned to the originating LEC.

4. The Commission received no interventions regarding Freedom Mobile's application. The public record of this proceeding, which closed on 25 November 2016, is available on the Commission's website at www.crtc.gc.ca or by using the file numbers provided above.

Commission's analysis and determinations

5. The Commission has reviewed Freedom Mobile's proposed minor housekeeping changes and considers them to be appropriate.
6. With regard to the proposed introduction of the LSR rejection charge, Freedom Mobile's proposed text regarding the LSR rejection rate thresholds is consistent with the Commission's determinations set out in Telecom Regulatory Policy 2012-523.² That text and the proposed rates are also consistent with those the Commission has approved for other competitive local exchange carriers. For example, Freedom Mobile's proposed monthly rate of \$70 for each LSR above the approved threshold is equal to the Commission-approved rate for the same service provided by Cogeco Cable Inc.,³ as set out in Telecom Order 2014-530.
7. However, Freedom Mobile's proposed effective dates for the LSR rejection rate thresholds are not consistent with the Commission's determinations set out in Telecom Regulatory Policy 2012-523, since these dates must be based on the date the tariff is approved by the Commission, rather than the June dates proposed by the company.
8. LSR rejection charges are not specifically addressed in Broadcasting and Telecom Decision 2013-261.
9. In light of the above, the Commission **approves** Freedom Mobile's application, effective the date of this order, subject to the revision of the effective dates for the LSR rejection rate thresholds to reflect the date of this order.
10. The Commission **directs** Freedom Mobile to issue revised tariff pages⁴ within **10 days** of the date of this order.

² In that decision, the Commission determined that LSR rejection charges can only be applied to the quantity of LSR rejections above the following thresholds: for LECs that submit more than 500 monthly volumes of LSRs, the threshold is set at 12.8% on the date that the tariff is first approved by the Commission. That rate will decrease to 10.4% one year after the tariff is approved, and 8% two years after the tariff is approved. For LECs that submit 500 or fewer monthly volumes of LSRs to a given company, or if 75% or more of the LSRs they submit relate to business service, the Commission determined that the threshold would be set at 25.6% on the date that the tariff is first approved by the Commission, decreasing to 20.8% one year after the tariff is approved, and 16% two years after the tariff is approved.

³ As of 14 January 2016, Cogeco Cable Inc. operates as Cogeco Communications Inc.

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.

Secretary General

Related documents

- *Cogeco Cable Inc. – Introduction of Local Service Request Rejection Charge*, Telecom Order CRTC 2014-530, 8 October 2014
- *CISC Business Process Working Group – Consensus report BPRE083a and non-consensus report BPRE083b regarding the customer transfer process*, Broadcasting and Telecom Decision CRTC 2013-261, 23 May 2013
- *Review of conditions for approval of a local service request rejection charge*, Telecom Regulatory Policy CRTC 2012-523, 28 September 2012