



## Telecom Decision CRTC 2018-411

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Ottawa, 2 November 2018

*Public record: 8640-S4-201805483*

### **Sogetel inc. – Application for forbearance from the regulation of residential local exchange services**

*The Commission **approves** Sogetel inc.'s request for forbearance from the regulation of residential local exchange services in the exchange of Warwick, Quebec.*

#### **Background**

1. The Commission set out the details of the framework for forbearance from the regulation of local exchange services (local forbearance), including the local forbearance criteria, in Telecom Decision 2006-15. In Telecom Regulatory Policy 2009-379, the Commission applied that framework, with modifications, to the small incumbent local exchange carriers (ILECs).
2. In Telecom Regulatory Policy 2018-213, the Commission determined that several regulated residential high-cost serving area exchanges meet the competitor presence test, which is one of the local forbearance criteria. These exchanges are therefore eligible for local forbearance, subject to the other criteria being met.
3. Having determined that the competitor presence test was met, the Commission directed certain ILECs to file a streamlined forbearance application with respect to the local exchange services they offer in the exchanges listed in the Appendix to Telecom Regulatory Policy 2018-213.

#### **Application**

4. In response to its direction, the Commission received an application from Sogetel inc. (Sogetel), dated 26 July 2018, in which the company requested forbearance from the regulation of residential local exchange services<sup>1</sup> in the exchange of Warwick, Quebec.
5. The Commission received no interventions with respect to Sogetel's application.

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<sup>1</sup> In this decision, “residential local exchange services” refers to local exchange services used by residential customers to access the public switched telephone network and any associated service charges, features, and ancillary services.

## Commission's analysis and determinations

6. Pursuant to the Commission's requirements in Telecom Regulatory Policy 2018-213, Sogetel provided evidence to support its forbearance request, including competitor quality of service (Q of S) results for the six months preceding its application and a draft communications plan for the Commission's approval. The Commission has assessed Sogetel's application based on the local forbearance test originally set out in Telecom Decision 2006-15 and applied to the small ILECs, with modifications, in Telecom Regulatory Policy 2009-379.

### Product market

7. Sogetel is seeking forbearance from the regulation of 14 tariffed residential local exchange services. A list of these services is set out in the Appendix to this decision. In Telecom Decision 2005-35, the Commission found that services similar to these 14 services are eligible to be considered for forbearance.

### Competitor Q of S results

8. Sogetel attested that it received no Q of S complaints from competitors in the six months prior to the date of its application for forbearance.<sup>2</sup> As well, the Commission has received no comments with respect to Sogetel's competitor Q of S results for that period.
9. Accordingly, Sogetel's competitor Q of S results warrant forbearance from the regulation of residential local exchange services in the exchange of Warwick.

### Communications plan

10. The Commission has reviewed Sogetel's proposed communications plan and is satisfied that it meets the information requirements set out in Telecom Decision 2006-15. The Commission **approves** the proposed communications plan and **directs** Sogetel to provide the resulting communications materials to its customers, in both official languages where appropriate.

### Conclusion

11. Sogetel's application regarding the exchange of Warwick, Quebec meets all the local forbearance criteria set out in Telecom Decision 2006-15, and modified by Telecom Regulatory Policy 2009-379 for small ILECs.
12. 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

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<sup>2</sup> In Telecom Regulatory Policy 2009-379, the Commission stated that, if applicable, a small ILEC could submit an attestation that it had received no complaints from competitors in the six months prior to the date of the forbearance application, or since the implementation of local competition if less than six months had passed.

to the provision, by Sogetel in this exchange, of the residential local exchange services listed in the Appendix to this decision and of future local exchange services (as defined in Telecom Public Notice 2005-2 and as they pertain to residential customers only) would be consistent with the Canadian telecommunications policy objectives set out in section 7 of the Act.

13. Pursuant to subsection 34(2) of the Act, the Commission finds as a question of fact that these residential local exchange services are subject to a level of competition in this exchange sufficient to protect the interests of users of these services.
14. 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 Sogetel of these residential local exchange services in this exchange would be unlikely to unduly impair the continuance of a competitive market for these services.
15. In light of the above, the Commission **approves** Sogetel's application for forbearance from the regulation of the local exchange services listed in the Appendix to this decision and future local exchange services as defined in Telecom Public Notice 2005-2, as they pertain to residential customers only, in the exchange of Warwick, 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** Sogetel to issue revised tariff pages<sup>3</sup> within **30 days** of the date of this decision.

Secretary General

### **Related documents**

- *Phase-out of the local service subsidy regime*, Telecom Regulatory Policy CRTC 2018-213, 26 June 2018
- *Framework for forbearance from regulation of retail local exchange services in the serving territories of the small incumbent local exchange carriers*, Telecom Regulatory Policy CRTC 2009-379, 23 June 2009
- *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
- *List of services within the scope of the proceeding on forbearance from the regulation of local exchange services*, Telecom Decision CRTC 2005-35, 15 June 2005; as amended by Telecom Decision CRTC 2005-35-1, 14 July 2005

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<sup>3</sup> Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.

- *Forbearance from regulation of local exchange services*, Telecom Public Notice CRTC 2005-2, 28 April 2005

## Appendix to Telecom Decision CRTC 2018-411

### Local exchange services eligible for forbearance from regulation (for residential customers only)

<b>Tariff</b>	<b>Item</b>	<b>List of services</b>
25130	2.1.8	Basic Service and Regional Service – Table of Monthly Rates, with the Exception of the Bell Relay Service Rate and the 9-1-1 Public Emergency Reporting Service Access Line
25130	2.2.2	Residential Service
25130	2.4	Directory Listings
25130	2.6	Intra-Exchange Distance Charges
25130	2.9	Local Conference Service
25130	2.10	Suspension of Service
25130	2.12	Telephone Number Reservation Service
25130	2.13.1	Touch-Tone
25130	2.13.2	Custom Calling Features
25130	2.13.3	Call Management Services
25130	2.13.4	Call Display Blocking of Caller's Name and/or Number
25130	2.13.5	Voice Messaging Service
25130	2.13.6	Sogetel inc.'s Multi Services Packages
25130	4.2.10.5	900 Call Blocking Service