



Telecom Notice of Consultation CRTC 2018-98

PDF version

Ottawa, 22 March 2018

Public record: 1011-NOC2018-0098

Call for comments

Lower-cost data-only plans for mobile wireless services

Deadline for submission of interventions: 23 May 2018

[\[Submit an intervention or view related documents\]](#)

Background

1. In Telecom Decision 2017-56, the Commission made a number of determinations with respect to the terms and conditions of the Commission-mandated wholesale mobile wireless roaming services (wholesale roaming) provided by Bell Mobility Inc. (Bell Mobility), Rogers Communications Canada Inc. (RCCI)¹ and TELUS Communications Inc. (TCI)² [collectively, the national wireless carriers].³
2. On 1 June 2017, in Order in Council P.C. 2017-0557 (the Order in Council),⁴ the Governor in Council referred Telecom Decision 2017-56 back to the Commission for reconsideration. The Order in Council required the Commission to reconsider whether other forms of connectivity, such as Wi-Fi, should be included in the definition of “home network” for the purpose of establishing what constitutes incidental (rather than permanent) use of a host network under the relevant wholesale roaming tariff. The Order in Council directed the Commission to examine, among other things, whether such a change would have a positive impact on the affordability of retail mobile wireless services.
3. The Commission recognizes that the Governor in Council has expressed concerns regarding choice of innovative and affordable mobile wireless services, particularly for Canadians with low household incomes.

¹ In that proceeding, submissions were received from Rogers Communications Partnership (RCP). However, RCP ceased to exist on 1 January 2016, and all of its business activities, including its assets and liabilities, are now held by RCCI. For ease of reference, “RCCI” is used in this notice.

² In that proceeding, submissions were received from TELUS Communications Company (TCC). However, effective 1 October 2017, TCC’s assets were legally transferred to TCI and TCC ceased to exist. For ease of reference, “TCI” is used in this notice.

³ The terms and conditions for wholesale roaming were later finalized in Telecom Order 2017-433.

⁴ The complete text of the Order in Council is reproduced in the Appendix to this notice.

4. Specifically, the Order in Council indicated that Canadians pay high rates for mobile wireless services, and that innovative business models and technological solutions can result in more meaningful choices for Canadian consumers, especially those with low incomes.
5. Following a public process that was initiated in Telecom Notice of Consultation 2017-259, the Commission completed its reconsideration, which can be found in Telecom Decision 2018-97, also published today.
6. In that decision, the Commission indicated that there appeared to be a lack of choice of innovative and affordable mobile wireless services, in particular with respect to the availability of lower-cost data-only plans for consumers. Accordingly, the Commission determined that there was a gap in the market with respect to lower-cost data-only plans.
7. In the Commission's view, if more options for lower-cost data-only plans were available in the market, consumers would be further empowered to use innovative applications, including voice and messaging applications, through a combination of Wi-Fi access and cellular networks.
8. Accordingly, the Commission indicated that it would initiate a public process with the goal of ensuring that lower-cost data-only plans are widely available to Canadians. Since the Commission's goal is to have these plans as broadly available as possible, the Commission considered that the focus of the process should be on the national wireless carriers, given their national wireless network coverage.

Process

9. Pursuant to its findings in Telecom Decision 2018-97, the Commission's objective in this proceeding is to ensure that the identified gap in the market is addressed, in order to respond to the concerns raised by the Governor in Council and the Commission.
10. To this end, the Commission intends to develop a record to determine the attributes of lower-cost data-only plans that would address this gap, having regard to the issues raised in the Order in Council, including the affordability of telecommunications services.
11. As a result of this proceeding, the Commission may apply a condition of service, in accordance with section 24 of *Telecommunications Act*, to direct the national wireless carriers to make lower-cost data-only plans broadly available to consumers. The Commission's expectation is that once additional plans are available in the market, other wireless carriers will offer similar plans of their own as a competitive response.

12. The Commission notes that Bell Mobility filed a proposed data plan as part of proceeding leading to Telecom Decision 2018-97.⁵ However, as set out in that decision, the Commission has concerns with certain aspects of Bell Mobility's proposed plan. For instance, in the Commission's view, lower-cost data-only plans should
- be available on the latest mobile wireless network technology (i.e. not limited to the third-generation [3G] network);
 - be available to all consumers (i.e. not limited to a means-tested subset of low-income households); and
 - be available on both a prepaid and postpaid basis.
13. The Commission does not, at this time, have a view as to (i) whether a price ceiling is necessary and, if so, what that ceiling ought to be; (ii) whether a minimum capacity threshold is needed and, if so, what that threshold ought to be; or (iii) whether other aspects or attributes are necessary and, if so, what those ought to be.
14. As a first step, Bell Mobility is to refile, and RCCI and TCI are to file, proposals for national lower-cost data-only plans, having regard to the Commission's views set out above, including a fulsome description of the terms and conditions associated with their proposed plans.
15. Along with their proposed plans, the national wireless carriers may also submit comments in which they
- explain how their proposed lower-cost data-only plans, including pricing and capacity, would address the concerns set out in the Order in Council, especially the concerns regarding affordability;
 - justify any limitations or deviations from the Commission's views with respect to the structure of the plan set out in paragraph 12 above;
 - discuss whether a price ceiling and/or capacity floor are appropriate and, if so, what they could be;
 - identify the target market and timing for the introduction of the proposed plans, including how the national wireless carriers intend to promote the plans' availability to consumers;

⁵ Bell Mobility proposed that if wholesale access to its wireless network is not mandated, it would voluntarily introduce a retail data-only plan that includes the following: 300 megabytes of nationwide cellular data and unlimited public Wi-Fi data, access to the third-generation (3G) network, and a bring-your-own-device structure. Bell Mobility proposed to offer the plan at a monthly rate of \$20, with one-time \$10 SIM [subscriber identity module] card charge, and indicated that the plan would be available without a credit check to low-income households.

- discuss whether a section 24 condition of service is appropriate to ensure the continued availability of lower-cost data-only plans; and
 - raise any other matters that are pertinent to the issues at hand.
16. Interested persons will have an opportunity to comment on the proposals and evidence put forward by the national wireless carriers.

Procedure

17. The *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure* (the Rules of Procedure) apply to this proceeding. The Rules of Procedure set out, among other things, the rules for the content, format, filing, and service of interventions, answers, replies, and requests for information; the procedure for filing confidential information and requesting its disclosure; and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and related documents, which can be found on the Commission's website at www.crtc.gc.ca, under "[Statutes and Regulations](#)." The guidelines set out in Broadcasting and Telecom Information Bulletin 2010-959 provide information to help interested persons and parties understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.
18. The national wireless carriers are made parties to this proceeding.
19. The national wireless carriers are to file their proposals for lower-cost data-only plans, and any associated comments, no later than **23 April 2018**.
20. Interested persons who wish to become parties to this proceeding must file an intervention with the Commission in response to the submissions filed by the national wireless carriers no later than **23 May 2018**. The intervention must be filed in accordance with section 26 of the Rules of Procedure.
21. Parties are permitted to coordinate, organize, and file, in a single submission, interventions by other interested persons who share their position. Information on how to file this type of submission, known as a joint supporting intervention, as well as a [template](#) for the accompanying cover letter to be filed by parties, can be found in Telecom Information Bulletin 2011-693.
22. The Commission may request information, in the form of interrogatories, from any party to the proceeding.
23. The national wireless carriers may file reply comments by **7 June 2018**.
24. The Commission encourages interested persons and parties to monitor the record of this proceeding, available on the Commission's website at www.crtc.gc.ca, for additional information that they may find useful when preparing their submissions.

25. Submissions longer than five pages should include a summary. Each paragraph of all submissions should be numbered, and the line *****End of document***** should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.
26. Pursuant to Broadcasting and Telecom Information Bulletin 2015-242, the Commission expects incorporated entities and associations, and encourages all Canadians, to file submissions for Commission proceedings in accessible formats (for example, text-based file formats that enable text to be enlarged or modified, or read by screen readers). To provide assistance in this regard, the Commission has posted on its website [guidelines](#) for preparing documents in accessible formats.
27. Submissions must be filed by sending them to the Secretary General of the Commission using **only one** of the following means:

by completing the
[\[Intervention form\]](#)

or

by mail to
CRTC, Ottawa, Ontario K1A 0N2

or

by fax to
819-994-0218

28. Parties who send documents electronically must ensure that they will be able to prove, upon Commission request, that filing of a particular document was completed. Accordingly, parties must keep proof of the sending and receipt of each document for 180 days after the date on which the document is filed. The Commission advises parties who file and serve documents by electronic means to exercise caution when using email for the service of documents, as it may be difficult to establish that service has occurred.
29. In accordance with the Rules of Procedure, a document must be received by the Commission and all relevant parties by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions, including those due to postal delays, will not be considered by the Commission and will not be made part of the public record.
30. The Commission will not formally acknowledge submissions. It will, however, fully consider all submissions, which will form part of the public record of the proceeding, provided that the procedure for filing set out above has been followed.

Important notice

31. All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, facsimile, email, or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This includes all personal information, such as full names, email addresses, postal/street addresses, and telephone and facsimile numbers.
32. The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
33. Documents received electronically or otherwise will be posted on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.
34. The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

Availability of documents

35. Electronic versions of the interventions and other documents referred to in this notice are available on the Commission's website at www.crtc.gc.ca by using the file number provided at the beginning of this notice or by visiting the "Participate" section of the Commission's website, selecting "Submit Ideas and Comments," then selecting "our open processes." Documents can then be accessed by clicking on the links in the "Subject" and "Related Documents" columns associated with this particular notice.
36. Documents are also available at the following address, upon request, during normal business hours.

Les Terrasses de la Chaudière
Central Building
1 Promenade du Portage
Gatineau, Quebec
J8X 4B1
Tel.: 819-997-2429
Fax: 819-994-0218

Toll-free telephone: 1-877-249-2782
Toll-free TDD: 1-877-909-2782

Secretary General

Related documents

- *Reconsideration of Telecom Decision 2017-56 regarding final terms and conditions for wholesale mobile wireless roaming service*, Telecom Decision CRTC 2018-97, 22 March 2018
- *Follow-up to Telecom Decision 2017-56: Wholesale mobile wireless roaming service tariffs – Final terms and conditions*, Telecom Order CRTC 2017-433, 6 December 2017
- *Reconsideration of Telecom Decision 2017-56 regarding final terms and conditions for wholesale mobile wireless roaming service*, Telecom Notice of Consultation CRTC 2017-259, 20 July 2017; as amended by Telecom Notice of Consultation CRTC 2017-259-1, 5 October 2017
- *Wholesale mobile wireless roaming service tariffs – Final terms and conditions*, Telecom Decision CRTC 2017-56, 1 March 2017
- *Filing submissions for Commission proceedings in accessible formats*, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015
- *Regulatory framework for wholesale mobile wireless service*, Telecom Regulatory Policy CRTC 2015-177, 5 May 2015
- *Filing of joint supporting interventions*, Telecom Information Bulletin CRTC 2011-693, 8 November 2011
- *Guidelines on the CRTC Rules of Practice and Procedure*, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010

Appendix to Telecom Notice of Consultation CRTC 2018-98

Order of the Governor in Council

P.C. 2017-0557, 1 June 2017

Whereas the Canadian Radio-television and Telecommunications Commission (“the Commission”), rendered Telecom Decision CRTC 2017-56, *Wholesale mobile wireless roaming service tariffs - Final terms and conditions*, on March 1, 2017 (“the Decision”);

Whereas, in the Decision, the Commission confirmed that wholesale roaming, as defined in Telecom Regulatory Policy CRTC 2015-177 – *Regulatory framework for wholesale mobile wireless services*, provides only incidental access to a host network to the customers of a wireless carrier when these customers are outside their home network’s footprint;

Whereas, in the Decision, the Commission defined Public Wi-Fi and excluded it from the definition of “home network” for the purposes of establishing what constitutes incidental use of a host network under the relevant wholesale roaming tariff;

Whereas the Canadian telecommunications policy objectives set out in section 7 of the *Telecommunications Act* (“the Act”) include the objective set out in paragraph 7(b), namely, to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada; the objective set out in paragraph 7(g), namely, to stimulate research and development in Canada in the field of telecommunications and to encourage innovation in the provision of telecommunications services; and the objective set out in paragraph 7(h), namely, to respond to the economic and social requirements of users of telecommunications services;

Whereas Canadians continue to pay high rates for mobile wireless telecommunications services;

Whereas Canada has among the lowest adoption rates for mobile wireless telecommunications services among industrialized countries;

Whereas Canadians with low household income in particular face challenges related to the affordability of telecommunications services;

Whereas subsection 12(1) of the Act provides that, within one year after a decision by the Commission, the Governor in Council may on its own motion refer the decision back for reconsideration;

Whereas, in accordance with section 13 of the Act, the Minister of Industry has notified a minister designated by the government of each province of the Minister’s intention to make a recommendation to the Governor in Council for the purposes of an order under section 12 of the Act and has provided an opportunity for each of them to consult with the Minister and has considered their comments;

Whereas the Governor in Council recognizes that the Commission has previously determined that it would not be appropriate to mandate wireless carriers to provide Mobile Virtual Network Operators with wholesale access to their networks, as doing so could negatively impact investment in wireless network infrastructure;

Whereas the Governor in Council considers that innovative business models and technological solutions can result in more meaningful choices for Canadian consumers, especially those with low incomes who are not well served by current market offerings;

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Industry, pursuant to subsections 12(1) and (5) of the *Telecommunications Act* hereby refers Telecom Decision CRTC 2017-56 back to the Commission for reconsideration, to be completed by no later than March 31, 2018, and considers that it is material to the reconsideration that the Commission consider whether:

- (a) broadening the definition of “home network” to consider other forms of connectivity, such as Wi-Fi, would have a positive impact on the affordability of retail mobile wireless services to consumers in Canada;
- (b) the evidence demonstrates in a sufficiently clear and significant manner that the potential negative impact on investment in wireless infrastructure from the inclusion of Wi-Fi connectivity in the definition of “home network” outweighs the potential positive impact on the affordability of retail mobile wireless services to consumers from that inclusion; and
- (c) impact on investment could be mitigated by imposing conditions on mandated wholesale roaming services, such as ensuring that roaming by customers of providers who offer service primarily over Wi-Fi would be incidental rather than permanent by, for example, limiting roaming in amount, subjecting such roaming services to a different tariffed wholesale rate, or both.