



Telecom Decision CRTC 2005-64

Ottawa, 27 October 2005

Saskatchewan Telecommunications - Application to adjust June 2005 results for quality of service indicator 2.1A - *Out-of-Service Trouble Reports Cleared within 24 Hours (Urban)*

Reference: 8660-S22-200507999

*The Commission **approves** Saskatchewan Telecommunications' exclusion application to adjust June 2005 results for quality of service indicator 2.1A - Out-of-Service Trouble Reports Cleared within 24 Hours (Urban).*

Background

1. The Commission initiated *Retail quality of service rate adjustment plan and related issues*, Telecom Public Notice CRTC 2003-3, 27 March 2003 (Public Notice 2003-3), to establish a final quality of service (Q of S) rate adjustment plan (RAP) for retail customers. The Commission issued its determination on this matter in *Retail quality of service rate adjustment plan and related issues*, Telecom Decision CRTC 2005-17, 24 March 2005 (Decision 2005-17).
2. In Decision 2005-17, the Commission considered it appropriate for the retail Q of S RAP to include a mechanism whereby Q of S performance failures might be excluded from an incumbent local exchange carrier's (ILEC) Q of S results. The Commission considered that such an exclusion mechanism should be sufficiently flexible to accommodate the effects of natural disasters and other adverse events which, by their very nature, are unpredictable and beyond the reasonable control of an ILEC. The Commission determined that each adverse event should be assessed in light of the surrounding circumstances and that the modifications, if any, which should be made to the Q of S results for the purposes of the RAP should be determined on a case-by-case basis.
3. In Decision 2005-17, the Commission determined that the final RAP would apply for each calendar year, commencing 1 January 2005. Under the final RAP, an ILEC is required to:
 - file an exclusion application within 21 days of the end of an adverse event or, in the case of an ongoing event not concluded by the end of the annual RAP reporting period, within 21 days of the end of the reporting period. Should new information arise, the ILEC may request an amended determination no later than three months after the end of the reporting period, unless otherwise determined by the Commission; and
 - post the exclusion application on the company's website, coincident with the ILEC's submission of the exclusion application to the Commission. The ILEC is also to provide copies of the exclusion application to parties who actively participated in the Public Notice 2003-3 proceeding.

4. In addition, the Commission indicated that an exclusion application must include the following: an identification of the adverse event(s) for which exclusion is sought; an identification of the effects of the adverse event(s) on specific Q of S indicators; and a proposal for adjustments to the Q of S results.

SaskTel's application

5. Saskatchewan Telecommunications (SaskTel) filed an exclusion application, dated 4 July 2005, requesting an adjustment to its June 2005 Q of S results for indicator 2.1A - *Out-of-Service Trouble Reports Cleared within 24 Hours (Urban)* (indicator 2.1A (urban)) as a result of major cable damage experienced in Saskatoon on 13 June 2005. By letter dated 31 August 2005, SaskTel provided clarification with respect to the methodology the company proposed to adjust the Q of S results for indicator 2.1A (urban).

Identification of the adverse event(s) for which exclusion is sought

6. SaskTel indicated that, on 13 June 2005, a contractor for the City of Saskatoon was directionally boring a path to place conduit for traffic light wires in Saskatoon. The contractor came in contact with a SaskTel duct structure and bored completely through the centre ducts, severing three large copper cables, which collectively contained 7,200 cable pairs, and a large fibre cable. SaskTel indicated that the company had correctly located and marked the duct structure for the contractor before the contractor began working.
7. SaskTel indicated that emergency services, data and voice lines, and cellular sites, serving approximately 10,000 SaskTel customers in the downtown area of Saskatoon, were disrupted.
8. SaskTel indicated that the company had already dispatched repair personnel for the day, and as a result of the cable damage, the company had to cancel previously scheduled repairs and redeploy staff to the site of the cable damage.
9. SaskTel indicated that the large fibre cable was repaired by midnight 13 June 2005.
10. SaskTel indicated that the three large copper cables were not colour coded, and as a result, each cable pair had to be toned prior to splicing. According to SaskTel, this was a very time-consuming process that added significantly to the time required to complete the cable repairs. SaskTel indicated that repairing the damaged copper cable required the immediate redeployment of repair and construction staff working shifts, 24 hours a day for seven days—from 13 June 2005 to 19 June 2005 inclusive—to restore service completely.

Identification of the effects of the adverse event(s) on specific Q of S indicators

11. SaskTel submitted that the cable damage had a serious impact on the company's June 2005 performance on Q of S indicator 2.1A (urban). SaskTel indicated that while the company undertook urgent repairs to the damaged cables, other repair activities were postponed, resulting in a backlog of work to be addressed following the cable repairs.

12. SaskTel noted that the company's unadjusted Q of S result for indicator 2.1A (urban) for June 2005 was 78.7 percent. SaskTel noted that, for the first 10 days of June 2005, the company's Q of S result for indicator 2.1A (urban) was over 90 percent. However, as a result of the cable damage, the indicator dropped until all trouble reports were finalized on 28 June 2005. SaskTel indicated that operations returned to normal after 28 June 2005 and that the indicator reached 81 percent by the end of the month.

Proposal for adjustments to the Q of S results

13. In proposing a methodology to normalize the Q of S results affected by the cable damage, SaskTel indicated that it was seeking to exclude only the portion of its Q of S results reasonably attributable to the cable damage from its June 2005 Q of S results, not to altogether exclude indicator 2.1A (urban) for that period. SaskTel submitted that its proposed methodology normalized the Q of S results affected by the adverse event by removing the impact of the adverse event and by restoring the Q of S results to where they would likely have been, excluding the occurrence of the adverse event.
14. SaskTel described the methodology it used to make adjustments to indicator 2.1A (urban) as follows:
- the company examined all out-of-service trouble reports for each day following 13 June 2005;
 - the company removed each out-of-service trouble report identified as arising from the Saskatoon cable damage from that day's tally of total out-of-service trouble reports. This excluded from the total out-of-service trouble reports for June 2005 both the reports cleared within 24 hours as well as those arising from the Saskatoon cable damage not cleared within 24 hours; and
 - the company recalculated indicator 2.1A (urban) as the ratio of out-of-service trouble reports cleared within 24 hours divided by the adjusted total out-of-service trouble reports for the affected period.
15. SaskTel indicated that, using the methodology described above, its adjusted Q of S result for indicator 2.1A (urban) for June 2005 was 85.5 percent.

Commission's analysis and determinations

16. The Commission notes that no comments were submitted with respect to the application.
17. In Decision 2005-17, the Commission determined that it was appropriate for the retail RAP to include an exclusion mechanism sufficiently flexible to accommodate the effects of natural disasters and other adverse events which, by their very nature, are unpredictable and beyond the reasonable control of an ILEC. The Commission also determined that each adverse event should be assessed in light of the surrounding circumstances.

18. The Commission notes that the event in question, whereby major cable damage disrupted service to approximately 10,000 SaskTel customers, was the result of cable damage caused by a contractor for the City of Saskatoon. The Commission also notes that SaskTel took reasonable precautions to correctly locate and mark its duct structure for the contractor prior to the contractor commencing work. Given the precautions taken by SaskTel and the fact that the cables were damaged by an independent party, the Commission is of the view that this event was unpredictable and beyond the company's reasonable control.
19. The Commission notes that SaskTel had to postpone previously scheduled repairs and redeploy repair and construction staff to repair the damaged cables. The Commission also notes that the fact that each cable pair was paper insulated and not colour-coded meant that each cable pair had to be toned by the repair crews prior to splicing and had a significant impact on the time required to repair the damaged cables. Given the extent of damage, the fact that the damage occurred in a confined work location, and the overall time required to repair the damage, the Commission is of the view SaskTel's use of crews working shifts, 24 hours a day for seven days, was reasonable. The Commission further notes that SaskTel's Q of S result for indicator 2.1A (urban) was over 90 percent for the first 10 days of June 2005 and that it dropped after the cable damage occurred, to a low of 55 percent, until all trouble reports were finalized on 28 June 2005, after which it began to normalize and reached 81 percent by the end of the month. In light of the above, the Commission considers that the cable damage did impact SaskTel's Q of S June 2005 results for indicator 2.1A (urban).
20. The Commission is of the view that, once the cable damage occurred, SaskTel's quick response ensured that emergency services, data and voice lines, and cellular sites, serving approximately 10,000 SaskTel customers in the downtown area of Saskatoon, were restored promptly.
21. In light of the above, the Commission finds that the cable damage in the circumstances of this case was unpredictable and beyond SaskTel's reasonable control, that SaskTel's ability to meet the Q of S standard for indicator 2.1A (urban) was impacted by the cable damage, and that SaskTel took reasonable and appropriate steps to repair the damage in a timely manner. Accordingly, the Commission determines that in the circumstances of this case the cable damage is an adverse event that qualifies as an exclusion under the retail RAP exclusion mechanism.
22. In Decision 2005-17, the Commission indicated that any determination with respect to adverse events should be made on a case-by-case basis as to the modifications, if any, that should be made to the Q of S results for the purposes of the RAP.
23. The Commission notes that SaskTel did not request the exclusion of the June 2005 Q of S results in their entirety for indicator 2.1A (urban). Instead, SaskTel proposed a methodology to adjust the results with a view to removing only the impact of the adverse event. The Commission considers that SaskTel's proposed methodology to remove the out-of-service trouble reports identified as directly resulting from the cable damage from the daily tally of out-of-service trouble reports for the affected period is appropriate in the circumstances of this case.

24. For the reasons indicated above, the Commission **approves** SaskTel's exclusion application.

Secretary General

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