



Telecom Decision CRTC 2010-679

PDF version

Ottawa, 10 September 2010

TELUS Communications Company – Request for an additional drawdown from its deferral account for accessibility initiatives

File number: 8678-T66-201009217

In this decision, the Commission allows TCC to draw down \$1.1 million from the unallocated portion of its deferral account set aside for future accessibility initiatives (the unallocated accessibility funds) for the implementation of Internet Protocol Relay Service and \$380,000 for the expansion of the trial associated with Video Relay Service. However, the Commission denies TCC's request to draw down from the unallocated accessibility funds the costs award paid by TCC in association with the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430.

Introduction

1. The Commission received an application by TELUS Communications Company (TCC), dated 14 April 2010, requesting that the Commission approve a drawdown of \$1.54 million from the company's deferral account.¹ Specifically, TCC requested to draw down the following amounts:
 - \$1.1 million for the implementation of Internet Protocol (IP) Relay Service;
 - \$380,000 in order to expand the trial for Video Relay Service to 400 customers from 20 customers; and
 - approximately \$54,000 for the costs award that TCC paid in association with the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430.
2. TCC filed economic studies in support of its requests for the drawdowns for IP Relay Service and Video Relay Service.
3. The Commission received no comments regarding TCC's application. The public record of this proceeding, which closed on 14 May 2010, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.

¹ The Commission approved initial funding for trials related to Internet Protocol (IP) Relay Service and Video Relay Service in Telecom Decision 2008-1.

4. The Commission has identified the following issues to be addressed in this decision:
 - I. Should TCC be permitted to draw down from its deferral account² an additional amount associated with the implementation of IP Relay Service?
 - II. Should TCC be permitted to draw down from its deferral account an additional amount associated with the expansion of its Video Relay Service trial?
 - III. Should TCC be permitted to draw down from its deferral account the costs award that it paid in association with the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430?

Background

5. In Telecom Decision 2006-9, the Commission concluded that proposals that focus on improving accessibility to telecommunications services for persons with disabilities would be an appropriate use of the funds remaining in the incumbent local exchange carriers' (ILECs) deferral accounts. The Commission directed TCC, among other ILECs, to allocate a minimum of five percent of the accumulated balance in its deferral account to fund programs to improve accessibility to telecommunications services for persons with disabilities.
6. In Telecom Decision 2008-1, the Commission, among other things, determined that TCC's proposal to introduce trials for IP Relay Service and Video Relay Service constituted appropriate initiatives to improve the accessibility to telecommunications for persons with disabilities. In its submissions to that proceeding, TCC estimated that the costs associated with the trials for IP Relay Service and Video Relay Service were \$1.5 million and \$1.65 million, respectively.
7. In Telecom Decision 2008-1, the Commission also permitted the ILECs to set aside any unallocated portion of their accessibility funds for future accessibility initiatives (the unallocated accessibility funds).
 - I. **Should TCC be permitted to draw down from its deferral account an additional amount associated with the implementation of IP Relay Service?**
8. TCC submitted that, as a result of Broadcasting and Telecom Regulatory Policy 2009-430, it was now required to undertake the full implementation of IP Relay Service, which is different than the trial for that service that was previously approved by the Commission in Telecom Decision 2008-1.

² TCC has one deferral account for its operating territories in Alberta and British Columbia, and one for its operating territory in Quebec. For convenience, these deferral accounts are referenced as one account in this decision.

9. TCC filed an updated cost study reflecting the start-up costs associated with the service. TCC submitted that the deferral account drawdown associated with its IP Relay Service initiative was now estimated at \$2.6 million, as compared to the initial estimate of \$1.5 million³ that was approved by the Commission.
10. As noted above, the Commission previously found that it was appropriate for TCC to use a portion of the funds in the deferral account designated for accessibility initiatives for the implementation of a trial for IP Relay Service. Given that it has now mandated the implementation of IP Relay Service by TCC, the Commission considers that it is appropriate for the remainder of the funds required for the implementation of TCC's IP Relay Service to come from the company's deferral account as well.
11. The Commission notes that, pursuant to Broadcasting and Telecom Regulatory Policy 2009-430, the ongoing costs to provide IP Relay Service will be recovered through the rates charged for Teletypewriter Relay Service.
12. The Commission has reviewed TCC's start-up cost estimates associated with the full implementation of IP Relay Service and finds them reasonable.
13. Accordingly, the Commission **approves** an additional drawdown of \$1.1 million from TCC's unallocated accessibility funds for the full implementation of IP Relay Service.

II. Should TCC be permitted to draw down from its deferral account an additional amount associated with the expansion of its Video Relay Service trial?

14. TCC noted that, in Broadcasting and Telecom Regulatory Policy 2009-430, the Commission reiterated its determination that the company was to implement its 12-month Video Relay Service trial.
15. TCC indicated that it would conduct the trial for Video Relay Service in Alberta and British Columbia, and submitted that it is committed to provide the trial to the largest number of participants possible. Accordingly, TCC proposed to increase the number of participants in its Video Relay Service trial to 400 from 20 in order to ensure that all the major demographics and types of users are sampled within those regions to provide the most representative data possible for reference. TCC indicated that it would also be in a better position after the trial to provide the Commission with more relevant information in relation to Video Relay Service trial usage and costs, as well as the number of translators and Internet bandwidth required for the service.
16. TCC indicated that the deferral account drawdown associated with its Video Relay Service trial is currently estimated at \$2.03 million, as compared to its initial estimate of \$1.65 million.

³ The initial estimate of \$1.5 million was filed in September 2006 as a follow-up to Telecom Decision 2006-9.

17. In Broadcasting and Telecom Regulatory Policy 2009-430, the Commission considered that it was necessary to acquire further information pertaining to the cost, user market size, and projected use of Video Relay Service. Such information would be vital in determining whether the Commission should initiate a follow-up proceeding to consider if Video Relay Service should be implemented. The Commission considers that TCC's proposal to increase the number of participants to be included in the trial will be beneficial to acquiring the necessary information.
18. The Commission has reviewed TCC's cost estimates associated with the Video Relay Service trial and finds them reasonable.
19. Accordingly, the Commission **approves** an additional drawdown of \$380,000 from the Alberta and British Columbia portion of the company's unallocated accessibility funds for the purposes of expanding its Video Relay Service trial.

III. Should TCC be permitted to draw down from its deferral account the costs award that it paid in association with the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430?

20. TCC requested that the Commission approve a deferral account drawdown of \$54,417.67, which was the total amount it paid to groups that participated in the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430. The company submitted that, given that the objective of Broadcasting and Telecom Regulatory Policy 2009-430 was to improve accessibility for telecommunications products and services, costs awards from that proceeding should be eligible for deferral account drawdowns. In support of its request, TCC noted that these costs awards were associated with the participation of groups commenting on telecommunications accessibility issues.
21. The Commission notes that the portion of the deferral account assigned to accessibility initiatives is to be used to fund programs to improve accessibility to telecommunications services for persons with disabilities. The Commission considers that the proposed drawdown of \$54,417.67 paid by TCC as a costs award in association with the proceeding that led to Broadcasting and Telecom Regulatory Policy 2009-430 does not qualify as a program to improve accessibility to telecommunications services for persons with disabilities. Accordingly, the Commission **denies** TCC's request to draw down the amount associated with its costs award.

Secretary General

Related documents

- *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009, as amended by Broadcasting and Telecom Regulatory Policy CRTC 2009-430-1, 17 December 2009

- *Use of deferral account funds to improve access to telecommunications services for persons with disabilities and to expand broadband services to rural and remote communities*, Telecom Decision CRTC 2008-1, 17 January 2008
- *Disposition of funds in the deferral accounts*, Telecom Decision CRTC 2006-9, 16 February 2006