



Telecom Order CRTC 2011-313

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Ottawa, 12 May 2011

Bell Canada – Modifications to certain digital private line items in the National Services Tariff

File number: Tariff Notice 912 (NST)

1. The Commission received an application by Bell Canada, on behalf of Bell Aliant Regional Communications, Limited Partnership (Bell Aliant) [collectively, the Bell companies], dated 27 April 2011, proposing revisions to its National Services Tariff (NST) in order to modify item 304 – Digital Private Line Solutions Service Extension Features and item 305 – Digital Private Line Solutions Service Extension Access Service.
2. Bell Canada proposed changes to the following rate elements:
 - Item 304
 - Basic Service Extension Feature – Circuit Termination (Circuit Termination)
 - Basic Service Extension Feature – Drop-and-Insert Feature
 - Item 305
 - Multi-point Feature
 - Inter-exchange Access Extension Channel
3. Specifically, the company proposed to separate the rates charged in the Bell companies' serving areas in Ontario and Quebec from those charged in Bell Aliant's serving area in Atlantic Canada.
4. Bell Canada submitted that in 2008, on behalf of itself and Bell Aliant, it had filed proposed rate increases for these rate elements.¹ It also submitted that the proposed increases were meant to apply only in Ontario and Quebec, and that separate rates equal to those in effect prior to the 2008 increase should have been published at that time for Bell Aliant's Atlantic serving area. However, Bell Canada submitted that these separate rates were not filed with the Commission due to an oversight. Bell Canada indicated that Bell Aliant continued to charge the rates in effect prior to the 2008 increase in its Atlantic serving area, rather than charging the higher approved rates.

¹ The Commission approved these proposed increases on a final basis in Telecom Order 2008-125.

5. Bell Canada requested that the Commission ratify the rates that Bell Aliant had been charging for the above-mentioned services since 15 June 2008 in its Atlantic serving area, pursuant to subsection 25(4) of the *Telecommunications Act*.²
6. Bell Canada also proposed a 10 percent increase to the rate for Circuit Termination in Bell Aliant's Atlantic serving area.³
7. Finally, Bell Canada proposed corrections to item 10 – Other Tariffs of its NST in order to clarify in which regions the rates listed in the NST apply.

Commission's analysis and determinations

8. The Commission considers acceptable Bell Canada's proposal to separate the rates charged for the above-noted rate elements in the Bell companies' serving areas in Ontario and Quebec from those charged in Bell Aliant's serving area in Atlantic Canada.
9. The Commission notes that, pursuant to Telecom Decision 2007-27, Circuit Termination is assigned to the Other Capped Services basket and that rates for individual services in this basket are allowed to increase by a maximum of 10 percent per year. Accordingly, the Commission considers that the proposal to increase the Circuit Termination rates for Bell Aliant's customers in its Atlantic serving area is consistent with the pricing constraints established in Telecom Decision 2007-27.
10. The Commission also considers that the proposed clarification regarding the applicability of the rates listed in the NST is acceptable.
11. Accordingly, the Commission **approves on an interim basis** Bell Canada's proposals to 1) separate the rates for the Bell companies' serving areas in Ontario and Quebec from those for Bell Aliant's serving area in Atlantic Canada, for the above-noted rate elements; 2) increase the Circuit Termination rate in Bell Aliant's Atlantic serving area; and 3) clarify the applicability of the rates listed in the NST, effective the date of this order. The Commission will address the ratification request and, if necessary, any other issues related to the application in a subsequent order.

Secretary General

² Subsection 25(4) states that the Commission may ratify the charging of a rate by a Canadian carrier otherwise than in accordance with a tariff approved by the Commission if it is satisfied that the rate was charged because of an error or other circumstance that warrants the ratification.

³ The proposed increase would be calculated based on the monthly rate Bell Aliant has been charging its customers since 2008 for this feature, i.e. \$85.

Related documents

- Telecom Order CRTC 2008-125, 5 May 2008
- *Price cap framework for large incumbent local exchange carriers*, Telecom Decision CRTC 2007-27, 30 April 2007