



Telecom Order CRTC 2011-510

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Ottawa, 18 August 2011

People's Tel Limited Partnership – Call Trace feature

File number: Tariff Notice 69

1. The Commission received an application by People's Tel Limited Partnership (People's Tel), dated 8 July 2011, in which the company proposed revisions to its General Tariff item 490 – Miscellaneous Equipment, in order to change the rate for its Call Trace feature from \$5 to \$0. The Call Trace feature allows customers to have the last incoming call traced and the caller's telephone number recorded by their service provider for use by law enforcement agencies.
2. People's Tel submitted that it had made changes to its billing and provisioning systems on 1 June 2010 and that, due to these changes, it has been unable to bill its customers for the Call Trace feature since that date. It also submitted that it did not become aware of this billing issue until after these changes were implemented. The company further submitted that the costs to upgrade its systems to allow it to charge for the Call Trace feature are far in excess of the revenues that could be generated by charging for this feature.
3. To address this situation, and to continue to meet its regulatory obligations with regard to this feature, People's Tel proposed to continue to offer the Call Trace feature on a per-use basis, but at no charge.
4. In addition, People's Tel requested that the Commission ratify rate of \$0 for the Call Trace feature from 1 June 2010 to the date its application is approved.
5. The Commission received no comments regarding People's Tel's application. The public record of this proceeding, which closed on 2 August 2011, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings" or by using the file number provided above.

Commission's analysis and determinations

6. The Commission notes that it generally requires incumbent local exchange carriers to charge rates for their services that are compensatory with respect to the cost of providing the service. The Commission also notes, however, that all local exchange carriers are required to satisfy regulatory requirements designed to protect customer privacy, including the provision of universal Call Trace, pursuant to *Local competition*, Telecom Decision CRTC 97-8, 1 May 1997.

7. The Commission considers that the costs associated with upgrading People's Tel's billing and provisioning systems to allow the company to charge for its Call Trace feature are significant, and that requiring People's Tel to incur such costs without sufficient revenue to recover them would not represent efficient and proportionate regulation. Under the circumstances, the Commission considers that People's Tel's proposal to provide its Call Trace feature at no charge is acceptable.
8. Accordingly, the Commission **approves on an interim basis** People's Tel's proposal to revise the Call Trace feature rate to \$0 in its General Tariff, effective 1 September 2011. The Commission will address the ratification request and, if necessary, any other issues related to the application in a subsequent order.

Secretary General