



## Telecom Order CRTC 2012-647

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Ottawa, 27 November 2012

### **Bell Aliant Regional Communications, Limited Partnership – Introduction of an expanded local calling area in Guysborough, Nova Scotia**

File number: Tariff Notice 439

1. The Commission received an application by Bell Aliant Regional Communications, Limited Partnership (Bell Aliant), dated 16 October 2012, in which the company proposed revisions to its General Tariff item 200.2 – Local Service Areas and Exchange Bands. Specifically, Bell Aliant proposed to introduce an expanded local calling area (ELCA) for telephone exchanges located entirely or partly within the geographic boundaries of the Municipality of the District of Guysborough, Nova Scotia (the Municipality). The company indicated that the application was in response to a letter dated 28 March 2012 from the Municipality requesting the implementation of an ELCA.
2. The Commission received no comments regarding Bell Aliant's application. The public record of this proceeding, which closed on 13 November 2012, is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings" or by using the file number provided above.
3. The Commission's regulatory framework for ELCAs, set out in Telecom Decision 2002-56 and amended in Telecom Regulatory Policy 2010-199, includes provisions in markets that contain only regulated exchanges for incumbent local exchange carriers (ILECs) and competitors to recover foregone toll revenues resulting from ELCAs via temporary surcharges on local rates. The framework also allows ILECs to propose exogenous adjustments to local rates in cases where there would be a material increase in net incremental operating expenses resulting from the implementation of an ELCA.
4. In its application, Bell Aliant stated that no toll competitors responded to its request to identify any resulting foregone toll revenues in the affected exchanges and, as such, the company calculated that a temporary monthly surcharge of \$0.16 for residential service and \$0.29 for business service for a three-year period would be required for Bell Aliant to recover its own foregone toll revenues. However, the company also calculated that the cost to modify its billing system would exceed the additional revenue that would be collected. The company therefore proposed, in this case, to implement the ELCA without applying any temporary surcharges related to foregone toll revenues.

5. In addition, in response to a Commission staff interrogatory in relation to the incremental impact on net operating costs of implementing the ELCA, Bell Aliant confirmed that any such costs were not expected to be material and, therefore, stated that it would not seek any exogenous adjustment in relation to those costs associated with this ELCA.
6. The Commission notes that Bell Aliant has adhered to the process laid out in the Commission's regulatory framework and all criteria for expanding an ELCA have been met. The Commission further notes that Bell Aliant's proposal would not result in any temporary surcharges related to foregone toll revenues or any exogenous adjustment to local service rates.
7. Accordingly, the Commission **approves** Bell Aliant's application, effective 7 January 2013.

Secretary General

### **Related documents**

- *Revision of the expanded local calling area regulatory framework*, Telecom Regulatory Policy CRTC 2010-199, 31 March 2010
- *Framework for expansion of local calling areas*, Telecom Decision CRTC 2002-56, 12 September 2002