



Telecom Order CRTC 2014-514

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Saskatchewan Telecommunications – Introduction of Wireless Service Provider Enhanced Provincial 9-1-1 Network Access Service In-Call Location Update feature

1. The Commission received an application from Saskatchewan Telecommunications (SaskTel), dated 13 December 2013, in which the company proposed revisions to its Competitor Access Tariff item 610.05 – Wireless Service Provider (WSP) Enhanced Provincial 9-1-1 Network Access Service.
2. Specifically, SaskTel proposed to introduce the In-Call Location Update (ICLU) feature, pursuant to the Commission's direction in Telecom Decision 2013-124. The ICLU feature enables public safety answering points (PSAPs) to request an update to a wireless 9-1-1 caller's location information, such as when the caller is in motion or has changed locations. SaskTel submitted a cost study in support of its application.
3. In Telecom Order 2014-1, the Commission approved SaskTel's application on an interim basis, effective 15 January 2014.
4. The Commission received interventions regarding SaskTel's application from Rogers Communications Partnership (RCP) and Quebecor Media Inc., on behalf of its affiliate Videotron G.P. (Videotron). The public record of this proceeding, which closed on 30 January 2014, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.
5. RCP submitted that it was concerned that 67 percent of SaskTel's proposed costs for the new ICLU feature were for third-party costs from Bell Canada. It enquired as to whether Bell Canada had submitted a cost study, and questioned why SaskTel had applied a 15-percent markup on these costs. It also indicated that it was concerned that 22 percent of the overall costs fell under the "Other" cost category, including costs for sales and customer service operations.
6. RCP further submitted that it was concerned that some costs were for future enhancements, such as text-to-9-1-1, and to meet next-generation 9-1-1 requirements. It requested that the Commission ensure that WSPs not be required to pay for potential services that are not currently available.

7. In addition, RCP questioned why SaskTel's current WSP Enhanced Provincial 9-1-1 Network Access Service rate was not being reduced since the Datapac network component was becoming obsolete.
8. Videotron submitted that the Commission should ensure that SaskTel's rates and those of its third-party supplier, Bell Canada, are fair and reasonable before approving them.
9. In reply, SaskTel submitted that it does not self-provision the 9-1-1 database or other components required for this database's functionality. It noted that it had entered into a commercial arrangement with Bell Canada as a commercial vendor and submitted that, therefore, the costs from Bell Canada were correctly treated as third-party costs. It further submitted that, similar to other companies, including RCP, it had applied a 15-percent markup on third-party costs, pursuant to the Commission's approved costing methodology for SaskTel. The company stated that the "Other" cost category includes any service development costs incurred and that, according to its cost study, costs such as those for sales and customer service operations make up only 1.8 percent of the "Other" cost category. It argued that inclusion of these costs is consistent with the approved costing methodology.
10. SaskTel further submitted that provision of the ICLU feature required a redesign of its system and infrastructure to enable two-way communications between 9-1-1 service providers and PSAPs. SaskTel stated that although this architecture would support other future 9-1-1-related features, the ICLU feature could not have been provided without implementation of the new architecture and incurring of the associated costs.
11. SaskTel also submitted that recovery of Datapac costs is not included in its WSP Enhanced Provincial 9-1-1 Network Access Service rate and that, therefore, this rate would not be reduced as a result of the Datapac network component becoming obsolete. The company further submitted that, as the WSP with the largest market share in the province of Saskatchewan, it would be subject to the same costs as other WSPs operating in the province and would bear a higher burden of costs related to its own wireless numbers.
12. The Commission considers that SaskTel's reply addresses RCP's concerns. The Commission has reviewed SaskTel's cost study and determines that it is consistent with the costing methodology approved for the incumbent local exchange carriers. The Commission also considers SaskTel's costs and rates to be reasonable.
13. In light of the above, the Commission **approves on a final basis** SaskTel's application.

Secretary General

Related documents

- Telecom Order CRTC 2014-1, 7 January 2014
- *CISC Emergency Services Working Group – Consensus report regarding the In-Call Location Update feature trial and implementation*, Telecom Decision CRTC 2013-124, 14 March 2013