



Telecom Decision CRTC 2017-254

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Huron Telecommunications Co-operative Limited – Application to modify the band assignment for the Ripley wire centre

The Commission approves, effective 1 January 2017, the reclassification of Huron Telecommunications Co-operative Limited's Ripley wire centre to Band E.

Introduction

1. During the 1990s, through a series of proceedings and decisions, the Commission opened up various telecommunications markets to competition, including the local telephone market, to enhance the Canadian telecommunications system and to give Canadians the benefits of competition. The Commission also established a subsidy regime, whereby money is collected from telecommunications companies to subsidize residential telephone service.
2. Under this subsidy regime, incumbent local exchange carriers (ILECs) receive a monthly subsidy from the National Contribution Fund for providing residential telephone service in high-cost serving areas (HCSAs). The amount of subsidy paid per month varies by ILEC and by band.¹ This subsidy regime ensures that residential local telephone service rates are just and reasonable, as required by subsection 27(1) of the *Telecommunications Act*.
3. The Commission received an application from Huron Telecommunications Co-operative Limited (HuronTel), dated 20 April 2017, in which the company requested that the band assignment approved in Telecom Decision 2014-367 for its Ripley wire centre be modified from Band F-1 to Band E, effective 1 January 2017.²
4. HuronTel acknowledged that its Ripley wire centre had been appropriately classified as Band F-1 in Telecom Decision 2014-367. However, HuronTel submitted that the wire centre's total network access service (NAS) count has declined steadily and it is now below the Band E upper threshold of 1,500 NAS.

¹ For the small ILECs, a band represents a group of exchanges or wire centres with similar characteristics, such as number of lines and remoteness. The small ILEC exchanges or wire centres in Bands E, F-1, F-2, F-3, F-4, and G, as defined in Decision 2001-756, are designated as HCSAs.

² Band E contains up to 1,500 total network access services (NAS) and Band F-1 contains 1,501 to 2,500 total NAS.

5. The Commission received no interventions with respect to this application. The public record of this proceeding, which closed on 23 May 2017, is available on the Commission's website at www.crtc.gc.ca or by using the file number provided above.

Commission's analysis and determinations

6. Based on the information provided, HuronTel's Ripley wire centre has dropped below the Band E upper threshold, and its total NAS has continued to decline since then. Therefore, it is appropriate for the wire centre to be reclassified as Band E.
7. Accordingly, the Commission **approves, effective 1 January 2017**, the reclassification of HuronTel's Ripley wire centre from Band F-1 to Band E.
8. The Commission **directs** the Central Fund Administrator to adjust the distribution of monthly subsidy for the Ripley wire centre to reflect this revised band assignment and to use the interim 2017 Band E rate approved for HuronTel in Telecom Decision 2016-473.

Secretary General

Related documents

- *Final 2016 revenue-percent charge and related matters*, Telecom Decision CRTC 2016-473, 2 December 2016
- *Huron Telecommunications Co-operative Limited – Application to modify the band assignment for the Ripley wire centre*, Telecom Decision CRTC 2014-367, 14 July 2014
- *Regulatory framework for the small incumbent telephone companies*, Decision CRTC 2001-756, 14 December 2001