



Telecom Decision CRTC 2020-226

PDF version

Ottawa, 15 July 2020

Public record: 8662-B2-201912618

Bell Canada – Application to review and vary and stay Telecom Decision 2019-390 regarding the routing of toll-free traffic destined for the company’s toll-free telephone number customers

*The Commission **denies** Bell Canada’s application to review and vary Telecom Decision 2019-390, in which the Commission directed the company to deploy one-way toll trunks to receive toll-free traffic originating on RCCI’s network and destined for Bell Canada’s toll-free telephone number customers. In particular, the Commission finds that there are no errors in fact or in law that raise substantial doubt as to the correctness of Telecom Decision 2019-390. The Commission also **denies** Bell Canada’s alternative request that it be permitted to negotiate a different arrangement with RCCI. Additionally, the Commission determines that, given its ruling on the review and vary request, Bell Canada’s request to stay the implementation of Telecom Decision 2019-390 is moot.*

Background

1. In April 2019, the Commission received an application from Rogers Communications Canada Inc. (RCCI), in which the company requested that the Commission direct Bell Canada, acting as an interexchange carrier (IXC or long distance provider), to deploy toll trunks to connect to RCCI’s network so that Bell Canada could receive from RCCI toll-free traffic destined for Bell Canada’s toll-free telephone number customers.
2. In that application, RCCI stated that until recently, it could not identify the carrier associated with specific toll-free telephone numbers and to whom the associated toll-free calls should be delivered. As a result, RCCI used Bell Canada’s toll transiting service, with all toll traffic delivered to Bell Canada over bill-and-keep trunks¹ between the two companies. Upon receiving this toll traffic, Bell Canada used its database to identify the terminating toll-free carrier on behalf of RCCI and then routed the toll traffic to its intended destination.

¹ Bill-and-keep trunks are facilities connecting the networks of two local exchange carriers (LECs) within the same exchange or local interconnection regions, the costs of which are shared. Bill and keep is a process by which the originating LEC bills its end-customer for the telephone call and keeps the revenue.

3. In August 2018, RCCI launched its own toll-free database, which enables it to identify the toll-free carrier to whom toll-free calls should be sent directly, such as Bell Canada. With this toll-free carrier identification capability, RCCI has been entering into direct connection arrangements with other carriers to deliver their toll-free traffic directly with them. However, RCCI and Bell Canada have not entered into such an arrangement, and Bell Canada's toll-free traffic continues to be delivered to it over the bill-and-keep trunks. The inability of RCCI to negotiate a new off-tariff arrangement² with Bell Canada resulted in RCCI filing a Part 1 application with the Commission, which led to Telecom Decision 2019-390.
4. In Telecom Decision 2019-390, dated 2 December 2019, the Commission directed Bell Canada to deploy one-way toll trunks to connect with RCCI switches located in Bell Canada's operating territories in which RCCI also provides service. These trunks are to be used to route toll-free traffic originating on RCCI's network and destined for Bell Canada's toll-free telephone number customers. The Commission directed that these trunks be in place within 150 days of the date of the decision. Bell Canada was also directed to file, at least 30 days prior to the deployment of the toll trunks, proposed tariff pages indicating that Bell Canada will receive toll-free traffic originating on RCCI's network over the toll trunks.
5. The use of the toll trunks instead of the bill-and-keep trunks, as was done prior to the issuance of Telecom Decision 2019-390, has an impact on how Bell Canada and RCCI are charged and compensated. Use of the bill-and-keep trunks – as opposed to one-way toll trunks – may result in RCCI paying Bell Canada for imbalance traffic volumes caused by Bell Canada's toll-free traffic. In addition, RCCI can neither bill Bell Canada for the Bell Canada toll-free traffic originating on RCCI's network nor the toll-free carrier identification look-ups until the toll-free trunks have been deployed.

² The Commission permitted negotiated off-tariff agreements for time-division multiplexing (TDM)² network interconnection arrangements in Telecom Regulatory Policy 2012-24. TDM is a protocol used in legacy telecommunications networks for traffic routing and transmission.

6. On 3 April 2020, in light of the global COVID-19 pandemic, the Commission extended by 90 days, by way of a Secretary General letter, the deadlines outlined in Telecom Decision 2019-390 for both the deployment of toll trunks and the requirement for Bell Canada to file revised proposed tariff pages. The new dates were set as 17 August 2020 to complete the toll trunk deployment and 20 July 2020 to file the tariff pages.³

Application

7. On 20 December 2019, Bell Canada filed an application to review and vary Telecom Decision 2019-390, submitting that the decision suffers from several flaws that raise substantial doubt as to its correctness. Bell Canada also requested a stay of the decision until the Commission rules on its review and vary application.
8. Bell Canada argued that the Commission erred in fact and in law by failing to properly apply the 2006 Policy Direction⁴ and erred in fact by providing only 150 days from the date of the decision for Bell Canada to implement the new one-way toll trunks to connect to RCCI's switches. With respect to the 2006 Policy Direction, Bell Canada submitted that the decision did not advance competitive neutrality because it departed from an industry-wide long-standing regime for Bell Canada only. Bell Canada also argued that the mandated solution is overly intrusive, and that there is no need for interconnection arrangements to be symmetrical.
9. Bell Canada requested that, given the errors in fact and in law in the decision, which raise substantial doubt as to its correctness, the decision be entirely rescinded.
10. In the alternative, Bell Canada submitted that should the Commission conclude that new toll-free routing arrangements are required, it be given a 60-day period to negotiate with RCCI an alternative resolution to their dispute. If the negotiation were to fail, Bell Canada requested that it be given a further 30-day period to negotiate with RCCI the architecture and timeline to implement the solution mandated in Telecom Decision 2019-390.

³ On 20 May 2020, RCCI filed an application to review and vary the determination in the letter to extend the deadline for Bell Canada to deploy the toll trunks. An expedited process has been established for that proceeding. The Commission will continue to consider RCCI's application under the separate process established for that application.

⁴ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006. Under the Policy Direction, the Commission is required to rely on market forces to the maximum extent feasible and to use measures that are efficient and proportionate to their purpose and interfere with the operation of market forces to the minimum extent necessary to meet the policy objectives in the *Telecommunications Act*. When relying on regulation, the Commission should specify the policy objective being advanced, neither deter economically efficient competitive entry into the market nor promote economically inefficient entry, implement measures in a symmetrical and competitively neutral manner, and ensure that network interconnections arrangements or regimes are technologically or competitively neutral to the greatest extent possible to enable competition from new technologies and not to artificially favour either Canadian carriers or resellers.

11. Bell Canada further submitted that should the final architecture be similar to the one it described in its response to a request for information (RFI) in the proceeding that led to the decision, or if no agreement can be reached on the appropriate architecture, then Bell Canada's proposed architecture would be deemed appropriate and Bell Canada would have 150 days to deploy the toll-free trunks. If, however, the agreed-upon final architecture differs from the proposed architecture, then Bell Canada requested that it and RCCI determine the time period for Bell Canada to modify its routing arrangement to match the new arrangement.
12. Bell Canada argued that this approach, in the alternative to the decision being entirely rescinded, would alleviate the errors it submitted are present in Telecom Decision 2019-390, given that it would (i) allow the parties to choose a less intrusive solution, and (ii) impose a regulatory implementation deadline that is reflective of the parties' architectural choice.
13. The Commission received an intervention from RCCI in response to Bell Canada's application.

Review and vary criteria

14. In Telecom Information Bulletin 2011-214, the Commission outlined the criteria it would use to assess review and vary applications filed pursuant to section 62 of the *Telecommunications Act* (the Act). Specifically, the Commission stated that applicants must demonstrate that there is substantial doubt as to the correctness of the original decision, for example due to (i) an error in law or in fact, (ii) a fundamental change in the circumstances or facts since the decision; (iii) a failure to consider a basic principle which had been raised in the original proceeding; or (iv) a new principle which has arisen as a result of the decision.

Issues

15. The Commission has identified the following issues to be addressed in this decision:
 - Did the Commission err in fact and in law in Telecom Decision 2019-390 by failing to properly apply the 2006 Policy Direction?
 - Did the Commission err in fact in Telecom Decision 2019-390 by providing Bell Canada with 150 days from the date of the decision to implement the new one-way toll trunks to connect to RCCI's switches?

Did the Commission err in fact and in law in Telecom Decision 2019-390 by failing to properly apply the 2006 Policy Direction?

Positions of parties

Bell Canada

16. Bell Canada argued that in Telecom Decision 2019-390, the Commission did not advance competitive neutrality, because it deviated from its long-standing toll-free regime by addressing Bell Canada and RCCI alone instead of developing a new regime that would be applicable to the entire industry.⁵ Bell Canada argued that competitive neutrality is harmed because the Commission's directive created a new routing requirement that applies only to Bell Canada, and not to other incumbent local exchange carriers (ILECs) or CLECs connected with Bell Canada.
17. Bell Canada further argued that the requirement to implement one-way toll trunks disrupts the long-established and complex interconnection arrangements between ILECs, CLECs, IXCs, and wireless service providers (WSPs) that were created as a result of Telecom Decision 97-8. Bell Canada submitted that these arrangements, while not competitively neutral, reflect a careful assessment of the rights and obligations granted to each type of industry participant. For example, ILECs are obligated to accept toll-free traffic and perform identification of the terminating IXC. Additionally, Bell Canada noted that under these arrangements, IXCs and WSPs are considered to be customers of Bell Canada and not peers.
18. In its reply comments, Bell Canada argued that in Telecom Decision 2019-390, the Commission imposed a unique obligation on Bell Canada, as an IXC, to interconnect directly with RCCI. Bell Canada submitted that other IXCs continue to have a choice to connect with Bell Canada, as a LEC, rather than connecting directly with RCCI to receive RCCI-generated toll-free traffic destined to them. In those instances, RCCI routes toll-free traffic over the bill-and-keep trunks between Bell Canada and RCCI for the IXCs that are connected only to Bell Canada. Bell Canada argued that while those IXCs have a choice, Bell Canada does not, given that it is now obligated to directly connect with RCCI. Bell Canada submitted that an examination of the toll-free traffic originating on RCCI's network currently flowing over the bill-and-keep trunks revealed that the traffic is destined for over a dozen IXCs other than Bell Canada, including some sizable players. Bell Canada argued that this indicates that there are other carriers that are choosing not to connect directly with RCCI.
19. Bell Canada submitted that its toll-free routing arrangements with RCCI in place before Telecom Decision 2019-390 have been fully compliant with the Commission's regime for toll-free call routing; Bell Canada's tariffs, as approved by the Commission; and the company's regulatory obligations. Bell Canada submitted that it could not reasonably be expected to enter into an off-tariff arrangement to the benefit of RCCI that was contrary to a policy established in Telecom Decision 97-8.

⁵ Bell Canada indicated that this new regime would be established in the Commission's upcoming interconnection proceeding.

20. Bell Canada submitted that the supposed redressing of competitive neutrality between RCCI and Bell Canada, which it disagreed was required, now establishes a new distinction – and thus less competitive neutrality – between Bell Canada and other CLECs, and between RCCI and other ILECs.
21. Bell Canada disagreed with the Commission’s determination that the interconnection arrangements, and thus the compensation arrangements for toll-free routing, should be symmetrical. Bell Canada further disagreed that these types of symmetrical arrangements advance competitive neutrality as required, pursuant to the 2006 Policy Direction.
22. Bell Canada also expressed surprise with the ad-hoc nature of Telecom Decision 2019-390, given that the Commission announced its intention to conduct a review of the interconnection regime within the next year. Bell Canada submitted that RCCI’s proposed modifications should be canvassed within that review, where changes to any particular service could be considered in the broader context of the overall interconnection regime. Bell Canada argued, therefore, that the Commission erred by unraveling a long-standing regime through this bilateral resolution for the dispute between RCCI and Bell Canada, rather than designing a new toll-free regime applicable to all, on a going-forward basis, as part of its upcoming interconnection proceeding. Bell Canada added that its deployment of new toll trunks may not be congruent with the outcome of that proceeding.
23. Bell Canada contended that, contrary to the 2006 Policy Direction, which requires the Commission to use regulatory measures that interfere to the minimum extent necessary to meet the policy objectives, the Commission erred by mandating a remedy that is overly intrusive when other remedies are available. Bell Canada submitted that RCCI had suggested that if Bell Canada did not want to deploy toll trunks to RCCI, the Commission should mandate that Bell Canada route all its toll-free traffic destined for RCCI’s toll-free telephone number customers over Bell Canada’s bill-and-keep trunks. Bell Canada indicated that this would have required Bell Canada to reallocate its toll-free traffic destined for RCCI from RCCI’s pre-existing toll trunks to pre-existing bill-and-keep trunks between Bell Canada and RCCI. Bell Canada submitted that, while the Commission noted this alternative in Telecom Decision 2019-390, the Commission never addressed its merit. Instead, the Commission directed Bell Canada to deploy brand new toll trunks, which Bell Canada contended are inefficient and not minimally intrusive.
24. Further, Bell Canada noted that the Commission concluded, based on the record of the proceeding, that Bell Canada and RCCI were unlikely to reach an agreement regarding a revised arrangement for the routing of toll-free traffic. Bell Canada argued that this was a flawed assumption about the parties’ prospective behaviour. Bell Canada stated that once it knows that pre-existing approved tariff arrangements are no longer a possible outcome, future negotiations will be informed by this unanticipated substantial regulatory change.

25. Bell Canada argued that by mandating a specific solution that requires the expenditure of new capital, rather than a simpler solution that uses pre-existing facilities or a possible third solution on which Bell Canada and RCCI mutually agree, the Commission failed to minimally interfere.

RCCI

26. RCCI strongly opposed Bell Canada's application and urged the Commission to deny it. RCCI did not agree with Bell Canada that there were errors in fact and in law in Telecom Decision 2019-390.

27. RCCI submitted that Bell Canada's application is another attempt to stall the implementation process and maintain the status quo for as long as possible at RCCI's expense. It submitted that it first approached Bell Canada in September 2018 to negotiate a symmetrical toll-free arrangement; however, Bell Canada refused to negotiate, despite several attempts by RCCI. RCCI indicated that it has entered into such arrangements with other carriers. Further, it informed Bell Canada that it had entered into a symmetrical toll-free arrangement with another ILEC, but Bell Canada still refused to negotiate.

28. With respect to Bell Canada's arguments that the Commission failed to properly apply the 2006 Policy Direction, RCCI disagreed that a breach of the principle of competitive neutrality occurred. RCCI noted that when the Commission established the regime for toll-free call routing over 20 years ago, it contemplated that technology, responsibilities of carriers, and carrier relations would change over time, requiring new interconnection rules. RCCI pointed to Telecom Decision 97-8, in which the Commission noted that the only way to initially route 800/888 calls was to route them through the Stentor member companies until other arrangements could be made.⁶ RCCI noted that under rules established by the Commission in 2001,⁷ the originating local exchange carrier (LEC) is responsible for carrier identification for toll-free services. Additionally, under the existing Commission rules, CLECs are allowed to have their own toll-free databases⁸ and route outbound toll-free traffic directly to the serving IXC over toll trunks paid for by the terminating IXC.

⁶ Stentor was an alliance of major Canadian ILECs consisting of BC Tel; Bell Canada; The Island Telephone Company; MTS NetCom Inc.; Maritime Tel & Tel Limited; The New Brunswick Telephone Company, Limited; NewTel Communications Inc.; and TCI. Stentor was formed to provide standardized telecommunications services as well as consistent regulatory positions.

⁷ See the CRTC Interconnection Steering Committee Network Working Group report [NTRE010](#).

⁸ These databases identify the terminating toll-free carrier for each 800/888 toll-free telephone number. With this information, CLECs can directly route toll-free traffic to the correct terminating toll-free carrier.

29. RCCI submitted that its position is supported by a number of past Commission decisions.⁹ RCCI added that its proposed interconnection arrangement is both efficient and competitively neutral, given that it provides a toll-free traffic routing alternative not only to RCCI but to every other CLEC and IXC. CLECs are therefore no longer required to use their bill-and-keep trunks to route toll-free traffic to Bell Canada. Further, under these alternative routing arrangements, originating CLECs are entitled to recover their database query costs and routing costs from IXCs. RCCI submitted that its toll-free routing proposal increases competition in the toll-free market and is fully aligned with the 2006 Policy Direction. It submitted that since it has been able to successfully negotiate this type of arrangement with other carriers, there is not a lack of competitive neutrality but simply a bilateral disagreement with Bell Canada.
30. Given that Bell Canada is the only carrier that has refused to enter into alternative interconnection arrangements, RCCI strongly disagreed with Bell Canada's suggestion that there is a need for a full interconnection proceeding to address the toll-free regime, among other things. RCCI noted that while a new interconnection proceeding is listed on the [CRTC Forecast 2020-2021](#), it has been listed in the forecast for the last three years. Further, even if there is a proceeding in 2021, RCCI submitted that Bell Canada's toll trunks would remain in place for a number of years before the Commission renders a decision on a possible new interconnection regime. RCCI submitted this would further unjustifiably delay any changes for years at the expense of companies such as RCCI.
31. In response to Bell Canada's request that it be permitted to pursue RCCI's less intrusive alternatives to the toll trunks, RCCI considers this request to be another stall tactic and a part of Bell Canada's strategy to cause unnecessary delay to protect its revenue stream. RCCI submitted that it was only after the Commission directed Bell Canada to deploy one-way toll trunks that Bell Canada expressed an interest in negotiating with RCCI.

Commission's analysis and determinations

32. As will be discussed below, the Commission considers that it did not err in fact and in law in Telecom Decision 2019-390 by failing to properly apply the 2006 Policy Direction. The Commission considers that its determinations in that decision are in accordance with the following two requirements of the 2006 Policy Direction in particular:

⁹ RCCI submitted that these rules were established in a number of decisions, including Telecom Decision 97-8, a letter decision dated 6 April 1998, Telecom Order 98-1190, Order 2001-500, and Telecom Decision 2010-787.

- Subparagraph 1(b)(iii):¹⁰ The requirement for Bell Canada to deploy toll trunks to RCCI's network is symmetrical with the interconnection arrangement that RCCI has with Bell Canada for toll-free traffic destined for RCCI's toll-free telephone number customers. Given that Bell Canada is required to deploy toll trunks in the same manner that RCCI is required to have toll trunks with Bell Canada, the exchange of toll-free traffic between the two carriers would now be symmetrical, negating any competitive advantage between the two companies and making this arrangement competitively neutral.
- Subparagraph 1(b)(iv):¹¹ With the deployment of Bell Canada's toll trunks to RCCI's network, RCCI will be able to take Bell Canada-destined toll-free traffic off its bill-and-keep trunks with Bell Canada, thereby reducing the imbalance payments RCCI makes to Bell Canada caused by the Bell Canada toll-free traffic. This unnecessary payment favours Bell Canada at RCCI's expense and can be eliminated with the deployment of Bell Canada's toll trunks.

33. Bell Canada referred to the regulatory regime set out in Telecom Decision 97-8, which requires ILECs to accept toll-free traffic from CLECs in order to identify the terminating IXC and then route that traffic to the correct terminating IXC. The Commission notes that this mandated requirement recognized that newly formed CLECs at that time would not have the capability to access the required toll-free databases when they first launched their local exchange services, and that the only way that toll-free traffic could be completed was via the ILECs. However, in that decision, and in Telecom Regulatory Policy 2012-24, the Commission noted its expectation that CLEC interconnection arrangements would evolve over time as CLECs and other carriers developed more technological capabilities and expertise, and that interconnection arrangements would reflect this evolution.

34. As RCCI indicated, under accepted industry practices and Commission-approved rules, the originating LEC is responsible for identifying the terminating IXC for toll-free calls. Further, the requirement for separate one-way toll trunks between CLECs and IXCs is a long-standing regime dating back to the 1998 to 2000 time period and does not represent a new regulatory regime, contrary to Bell Canada's submissions.

¹⁰ Subparagraph 1(b)(iii) states that the Commission, when relying on regulation, should use measures that, if they are not of an economic nature, to the greatest extent possible, are implemented in a symmetrical and competitively neutral manner.

¹¹ Subparagraph 1(b)(iv) states that the Commission, when relying on regulation, should use measures that, if they relate to network interconnection arrangements or regimes for access to networks, buildings, in-building wiring or support structures, ensure the technological and competitive neutrality of those arrangements or regimes, to the greatest extent possible, to enable competition from new technologies and not to artificially favour either Canadian carriers or resellers.

35. While Bell Canada's current use of bill-and-keep trunks for its toll-free interconnection arrangement with RCCI may be in regulatory compliance in the sense that it is not breaching any rules, the arrangement is (i) not the only one by which toll-free traffic can be exchanged between carriers, and (ii) not the most appropriate in the current circumstances, in which RCCI has now developed its own carrier identification database.
36. The Commission considers that, subsequent to Telecom Decision 97-8, the use of bill-and-keep trunks for the toll-free interconnection arrangement between RCCI and Bell Canada was the starting point to facilitate the introduction of local competition,¹² and that it expected that this arrangement would eventually be replaced by more direct interconnection arrangements. The Commission considers that its long-term policy has been to encourage this evolution, and that Bell Canada cannot expect early interconnection arrangements used to foster the introduction of local competition to remain static, given that local service competitors have evolved over the last 20 years.
37. The Commission considers that RCCI's attempted negotiations with Bell Canada as a result of RCCI acquiring its own toll-free carrier identification capability aligned with the Act and the 2006 Policy Direction. In accordance with Commission-approved rules, such calls can be routed directly over one-way toll trunks to the terminating toll-free carrier.
38. The Commission notes that RCCI has successfully negotiated such an arrangement with other carriers including those that are also ILECs. Thus, the Commission considers that it is incorrect for Bell Canada to state that the regime sought by RCCI imposed a unique obligation on Bell Canada. On the contrary, in the Commission's view, RCCI's request was in accordance with well-established industry rules, practices, and requirements.
39. The Commission disagrees with Bell Canada's contention that interconnection arrangements and related compensation arrangements for toll-free routing do not need to be symmetrical to further competitive neutrality. Bell Canada referred to a number of different types of carriers (CLECs, IXCs, and WSPs), with each carrier type having its own rights and obligations, and submitted that the rights and obligations are not the same for the different carrier types. While that may be the case, typically within the same carrier type, the requirements and arrangements are the same for all the carriers of the same type – in this case, IXCs and LECs.

¹² The Commission recognized that new entrant CLECs would not have the ability to access databases to determine the appropriate toll-free carrier.

40. With respect to Bell Canada's argument that the decision was overly intrusive given that there are other arrangements for the exchange of toll-free traffic between the two companies, the Commission notes that the use of toll trunks is a long-standing industry-developed practice that is widely used by other IXC's and LECs. As RCCI noted, this is the arrangement that RCCI and other carriers including those that are also ILECs have agreed to in bilateral negotiations in order for RCCI to deliver toll-free traffic to the other carriers. Additionally, Bell Canada delivers RCCI's toll-free traffic to RCCI over toll trunks. Accordingly, the Commission considers that Bell Canada's arguments that the decision was overly intrusive are without merit.
41. In light of the above, the Commission finds that there is no error in fact and in law in its application of the 2006 Policy Direction in Telecom Decision 2019-390.

Did the Commission err in fact in Telecom Decision 2019-390 by providing Bell Canada with 150 days from the date of the decision to implement the new one-way toll trunks to connect to RCCI's switches?

Positions of parties

Bell Canada

42. Bell Canada argued that the Commission made an error in fact by providing it with only 150 days from the date of the decision to deploy the new one-way toll trunks to connect to RCCI's switches.
43. Bell Canada acknowledged that it had described a 150-day implementation period in response to an [RFI](#) during the proceeding that led to Telecom Decision 2019-390, but explained that the described time frame was for the deployment of infrastructure to a small defined number of points of interconnection (POIs) in Toronto. Bell Canada submitted that the actual architecture of the new toll trunks could vary for a more widespread geographic area and could therefore require a larger number of POIs. Bell Canada submitted that it will require discussion with RCCI to determine the number and location of POIs and the time frame for implementation, all of which are unknown at this time.
44. In its reply comments, Bell Canada submitted that in January 2020, RCCI had proposed as an alternative a different configuration to the toll trunks, which, relative to Bell Canada's response to the RFI, included an additional POI and location outside of Toronto, as well as three times the traffic contemplated in Bell Canada's RFI response. Bell Canada indicated that this proposal would take 10 months to complete due to the higher number of T1 trunks required and equipment augmentation in its toll switches. Bell Canada further stressed that compliance with the decision requires a change in the routing of toll-free traffic and not the mere augmentation of existing facilities. Bell Canada submitted that it would not be in the public interest to rush the migration because doing so could jeopardize the successful completion of toll-free calls from RCCI's end-users to business and government customers using Bell Canada's toll-free telephone number service.

45. Bell Canada argued that that the 150-day period is inadequate because it does not allow for a negotiation period with RCCI to reach a compromise that would be less costly to Bell Canada than the mandated one-way toll trunks. It added that the Commission erred in holding it to a 150-day time frame as a regulatory compliance matter when the actual network is still unknown and will require RCCI's involvement in the final deployment plan. Bell Canada submitted that any prescribed deployment time should commence from when Bell Canada and RCCI agree on the new network architecture.

RCCI

46. RCCI disagreed with Bell Canada's claim that a 150-day time frame is insufficient to install the toll trunks. RCCI submitted that Bell Canada had previously estimated, in response to the RFI mentioned above, that it would take a maximum of four months for it to deploy one-way toll trunks to a few of RCCI's switches and for RCCI to migrate all its Bell Canada-destined toll-free traffic to those trunks.

47. RCCI submitted that it is not necessary for Bell Canada and RCCI to interconnect on a local interconnection region basis for the exchange of toll-free traffic. RCCI indicated that toll-free traffic can be easily aggregated to only a few POIs, and that this is how LECs and IXC's have been designing their toll-free arrangements.

48. RCCI described its experience in deploying toll trunks with other companies. It submitted that in one case, it completed a deployment project that involved a number of Canadian carriers in less time (four months) than the time allotted in Telecom Decision 2019-390 (150 days). RCCI described this project as more complex than deploying toll trunks to just one carrier.

49. As noted above, RCCI also described the deployment, on a national basis, of toll trunks with another ILEC for toll-free traffic from RCCI's network to that ILEC's network.

Commission's analysis and determinations

50. Given that the wording in the question that was included in the RFI was clear in requesting a time estimate for toll trunk deployment for all of the toll-free traffic from RCCI's network destined for Bell Canada's toll-free telephone number customers, and considering that Bell Canada is a technically sophisticated carrier, it was reasonable for the Commission to expect that the toll trunk configuration provided in Bell Canada's RFI response is a viable workable solution that could be completed within an 150-day time frame.

51. Toll traffic can be aggregated so that toll traffic between networks can be accommodated over a few POIs, given that this is how LECs and IXC's have been designing their toll trunk arrangements for some time (i.e. traffic is aggregated and moved through access or toll tandem switches under switching and aggregation charges). With the aggregation of toll traffic, only a few POIs are required between carriers for the exchange of traffic, thereby reducing the time, expense, and effort required to accomplish network-to-network interconnection arrangements.

52. In addition, with respect to RCCI's deployment of toll trunks with other carriers including those that are also ILECs, the Commission considers that this arrangement is similar to the one required for Bell Canada, and that there is no reason why this work could not be completed within a 150-day period, considering what RCCI accomplished in other large scale trunk deployment situations.
53. RCCI's example of toll trunk deployment with a number of Canadian carriers is further evidence that the Commission's deployment time frame in the decision was realistic and based on factual information that verified the correctness of the 150-day time frame.
54. Therefore, the Commission finds that it did not make an error in fact by requiring Bell Canada to implement the toll trunks within 150 days from the date of the decision.

Conclusion

55. In light of all the above, the Commission finds that there is no substantial doubt as to the correctness of the decision stemming from errors in fact or in law. The Commission therefore **denies** Bell Canada's application to review and vary Telecom Decision 2019-390 – specifically, its request to rescind the decision and its alternative request that it be permitted to negotiate a different arrangement with RCCI.
56. Given these determinations, the Commission considers that Bell Canada's request to stay Telecom Decision 2019-390 is moot.
57. Accordingly, the deadlines set out in the 3 April 2020 letter for filing revised tariff pages and implementing the toll trunks in question, by 20 July 2020 and 17 August 2020, respectively, remain in effect.

Policy Directions

58. The 2019 Policy Direction¹³ provides that when the Commission exercises its powers and performs its duties under the Act, it should consider how its decision can promote competition, affordability, consumer interests, and innovation. Moreover, the Commission should, in its decisions, demonstrate its compliance with the 2019 Policy Direction and specify how those decisions can, as applicable, promote competition, affordability, consumer interests, and innovation.

¹³ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation*, SOR/2019-227, 17 June 2019

59. The Commission finds that its denial of Bell Canada's application is consistent with subparagraphs 1(a)(i), (ii), and (vi) of the 2019 Policy Direction, which state that the Commission should consider the extent to which its decisions

- (i) encourage all forms of competition and investment;
- (ii) foster affordability and lower prices, particularly when telecommunications service providers exercise market power; and
- (vi) enable innovation in telecommunications services, including new technologies and differentiated service offerings.

60. The Commission considers that its recommendations also address the policy objectives set out in paragraphs 7(a) and (c) of the Act.¹⁴

61. Bell Canada's application constituted a request for the Commission to vary its determinations on an interconnection arrangement between Bell Canada and RCCI. RCCI has invested in a new innovative network database that provides additional functionality. This functionality enables RCCI to change the manner in which it delivers toll-free traffic to Bell Canada, and to do so at a lower cost to RCCI, which can result in lower prices to its customers for local voice services. By lowering its costs of providing local voice services, RCCI can be more competitive in the marketplace, especially against ILECs. This factor may result in a more competitive overall Canadian telecommunications system that is consistent with the objectives of the 2019 Policy Direction.

62. Additionally, the 2006 Policy Direction requires that the Commission, in implementing the policy objectives set out in section 7 of the Act, rely on market forces to the maximum extent possible as the means to achieving the telecommunications policy objectives. Further, when relying on regulation, the Commission should use measures that are efficient and proportionate to their purpose and interfere with the operation of competitive market forces to the minimum extent necessary to meet the policy objectives.

63. The Commission considers that the denial of Bell Canada's application is consistent with the 2006 Policy Direction in that it (i) maintains the requirement for Bell Canada to deploy toll trunks to RCCI in a manner that is consistent with current industry practices for the delivery of toll traffic between LECs and IXCs, and (ii) does not introduce any new regulatory measures.

Secretary General

¹⁴ The cited policy objectives of the Act are 7(a) to facilitate the orderly development throughout Canada of a telecommunications system that serves to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions; and (c) to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications

Related documents

- *Rogers Communications Canada Inc. – Application regarding routing of the company’s toll-free traffic destined for Bell Canada’s toll-free telephone number customers*, Telecom Decision CRTC 2019-390, 2 December 2019
- *Network interconnection for voice services*, Telecom Regulatory Policy CRTC 2012-24, 19 January 2012
- *Bell Aliant Regional Communications, Limited Partnership and Bell Canada – Proposed revision to the treatment of imbalance traffic compensation*, Telecom Decision CRTC 2010-787, 25 October 2010; as amended by Telecom Decision CRTC 2010-787-1, 16 August 2011
- Order CRTC 2001-500, 29 June 2001
- Telecom Order CRTC 98-1190, 30 November 1998
- *Local competition*, Telecom Decision CRTC 97-8, 1 May 1997