



Telecom Decision CRTC 2021-166

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Public record: 8622-J64-202004662

Iristel Inc. – Application for the Commission to order Rogers Communications Canada Inc. to refrain from manipulating caller location identification information

The Commission finds that RCCI did not contravene section 36 of the *Telecommunications Act*, and that it did not grant itself an undue preference with respect to the circumvention of call routing restrictions between 14 May 2020 and 7 June 2020. The Commission therefore **denies** Iristel’s application for relief.

Application

1. The Commission received an application from Iristel Inc. (Iristel), dated 29 July 2020, in which Iristel alleged that Rogers Communications Canada Inc. (RCCI) may have engaged in, or at least willfully ignored, a scheme to circumvent routing arrangements between local exchange carriers (LECs) in order to avoid paying Canadian telecommunications service providers (TSPs), thereby giving itself an undue preference.
2. Iristel requested that the Commission issue an order prohibiting RCCI or any other carrier from manipulating caller location identification (CLID) information in order to circumvent call routing restrictions. Iristel requested the Commission issue an additional order directing RCCI and any other carrier to include clauses in their contracts with downstream carriers, which route calls from the originating carrier, that prohibit manipulation of CLID information for the purpose of circumventing those same restrictions.
3. Iristel submitted that these orders would further the policy objectives set out in paragraphs 7(a), (e), (h), and (i) of the *Telecommunications Act* (the Act),¹ and that the orders would be consistent with both the 2016 and 2019 Policy Directions.²

¹ 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; (e) to promote the use of Canadian transmission facilities for telecommunications within Canada and between Canada and points outside Canada; (h) to respond to the economic and social requirements of users of telecommunications services; and (i) to contribute to the protection of the privacy of persons.

² *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006; and *Order Issuing a Direction to the CRTC on*

4. The Commission did not receive any interventions regarding Iristel's application.

Issues

5. The Commission has identified the following issues to be addressed in this decision:

- Did RCCI manipulate CLID information and contravene section 36 of the Act in order to circumvent call routing restrictions and thereby grant itself an undue preference?
- Should the Commission issue an order directing RCCI and any other carrier to ensure that their contracts with downstream providers contain clauses prohibiting the manipulation of CLID information for the purpose of circumventing routing restrictions?

Did RCCI manipulate CLID information and contravene section 36 of the Act in order to circumvent call routing restrictions and thereby grant itself an undue preference?

Positions of parties

6. Iristel submitted that on 25 May 2020, an RCCI subscriber used an RCCI mobile phone with a telephone number originating in British Columbia to dial an Iristel conference bridge telephone number in the 867 area code. The Iristel conference bridge registered the call as originating from a telephone number registered to Verizon New York Inc. with area code 212, which is assigned to subscribers in New York City (hereafter, the New York number). However, Iristel confirmed that the RCCI subscriber was physically located in the Vancouver area during the call, was not roaming, and was not aware that their CLID information was not displaying their own telephone number.
7. Iristel reviewed its call records and noted that beginning on 14 May 2020, there had been hundreds of calls, and tens of thousands of call attempts, originating from the New York number.
8. Iristel conducted its own tests with several RCCI subscribers in Toronto, using Toronto-based telephone numbers dialing the same Iristel conference bridge, and noted that it was able to reproduce what it referred to as CLID spoofing:³ for some of

Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation, SOR/2019-227, 17 June 2019

³ Spoofing occurs when a caller deliberately falsifies their CLID information in order to disguise their true identity. Spoofing is often used to deceive called parties into divulging valuable personal information that can then be used for fraudulent or illegal purposes. However, there are instances where telephone number substitution is used for legal and legitimate purposes, such as by doctors when calling patients, and telephone calls placed from women's shelters.

the calls the CLID showed the correct dialing telephone number, while for other calls the CLID showed the New York number.

9. Iristel indicated that it has bilateral agreements with certain U.S. providers whereby a specified volume of Canada-to-U.S. traffic is exchanged for U.S.-to-Canada traffic. The rate charged per minute of traffic between the partners may be significantly lower than the rate a Canadian provider would pay to Iristel or another Canadian party to carry traffic from southern Canada to high-cost areas. Iristel indicated that these agreements contain a “no local traffic” clause that prohibits the U.S. carrier from sending Canada-originating traffic to the Canadian carrier.
10. Iristel submitted that as a result of manipulating CLID information to make the call appear to originate from the U.S., the call is then passed further downstream to a U.S. carrier that has a bilateral agreement with a Canadian carrier, who unknowingly treats the call as U.S.-to-Canada traffic. It argued that this conduct confers an undue preference upon RCCI, in violation of subsection 27(2) of the Act.
11. Iristel submitted that it contacted RCCI’s technical resources to request an explanation and was told that the issue was being escalated but that RCCI did not provide any explanation.
12. In its response to Iristel’s application, RCCI denied that it had engaged in any scheme designed to circumvent routing arrangements, either by changing CLID information on any calls destined for Iristel’s network or by asking any other carrier to do so. RCCI also denied benefitting from termination rates that are more advantageous than those it would have otherwise paid to Canadian LECs by routing Canada-to-Canada traffic domestically.
13. RCCI submitted that on receipt of Iristel’s application, RCCI contacted its third-party long distance service providers (LDSPs) to inquire into the issue. One LDSP replied that it experienced network issues when terminating traffic to other carriers. That LDSP (hereafter, the downstream LDSP) confirmed to RCCI that it had carried out network testing in late May 2020, which involved changing the originating telephone number to a telephone number with a 212 area code, including on the call referenced by Iristel in its application. This was rectified by the downstream LDSP as of 7 June 2020.
14. RCCI submitted that it was not aware of what had happened until after Iristel filed its application, by which time the issue had long since been resolved by the downstream LDSP. It further submitted that as soon as it identified the root of the problem, it took action to prevent spoofing.
15. RCCI argued that it did not benefit in any way from the downstream LDSP altering the CLID information. RCCI submitted that it paid the downstream LDSP the same amount to terminate these calls as it has always paid, and denied receiving any benefit or conferring any preference or advantage onto itself.

16. With respect to Iristel's attempt to obtain an explanation for the CLID information modification, RCCI indicated that instead of following the standard operating procedure of alerting RCCI's Network Operations Centre (NOC) to any issues, Iristel instead contacted a salesperson at RCCI's Business Technical Support (BTS) team, which manages small business customers. The BTS team investigated and found no evidence that RCCI was manipulating CLID information.
17. Iristel maintained that RCCI staff should have escalated the issue internally, or at the very least should have provided the proper point of contact.
18. Iristel submitted that modifying CLID information in order to mask the origin of the traffic is a violation of section 36 of the Act, which explicitly prohibits a Canadian carrier from altering the content of communications traffic without the approval of the Commission. Iristel submitted that in addition to the financial harm to itself and other LECs that operate in Canada's northern territories, manipulating CLID information further erodes Canadians' trust in the telecommunications system. In its response to a Commission request for information (RFI) Iristel stated that its principal preoccupation in its application was not with its potential financial losses from the CLID information manipulation, but rather with the risk that CLID information manipulation poses to the integrity of telecommunications, and the erosion of consumer confidence in the ability of the industry to provide accurate CLID.
19. RCCI argued that there can be no breach of section 36 of the Act if it did not control the content or influence the meaning or purpose of the telecommunications it carried for the public. RCCI stated that it did not tamper with the CLID information of the calls it sent its downstream LDSP for termination, and it had no arrangement with them to alter that information. RCCI also submitted that it did not influence the meaning or purpose of the telecommunications it carried for the public since it had neither awareness nor control of the steps the downstream LDSP took to correct its network issues at the time they were taken.

Commission's analysis and determinations

20. The Commission's analysis of an allegation of undue preference under subsection 27(2) of the Act must first determine whether the conduct in question constitutes a preference. If it so determines, it must then decide whether the preference is undue or unreasonable. Pursuant to subsection 27(4) of the Act, the burden is on the respondent to demonstrate that the preference is not undue or unreasonable.
21. The Commission issued an RFI asking whether Iristel observed similar calls originating from the telephone number in question for the period from 8 June 2020 – the day after the date that RCCI said its downstream provider stopped changing the originating telephone numbers to the New York number – and 29 July 2020, which is the date on which Iristel filed its application. Iristel responded that it did not have data for this time period, and that it only observed the calls originating from the New York number between 14 May 2020 and 7 June 2020.

22. Iristel's RFI response also stated that although it had tried to identify other potential spoofing issues, it had no data in its call data records to indicate that any other CLID information modification occurred involving any telephone numbers other than the one in question during the time period of 14 May 2020 to 29 July 2020. Iristel also noted that it had not received any additional spoofing complaints from RCCI clients.
23. Based on the data Iristel provided in response to the Commission's RFI, the modified CLID information may have resulted in a modest financial disadvantage for Iristel, which could have conferred a corresponding modest financial advantage to RCCI.
24. The Commission is of the view that these responses are consistent with RCCI's explanation that the cause of the CLID information modification was the result of its downstream LDSP changing that information while conducting network testing in May 2020, and that the downstream LDSP ceased modifying the information as of 7 June 2020.
25. The Commission is also of the view that RCCI's explanation that it did not know at the time that its downstream LDSP had modified the CLID information is reasonable, and does not consider that the purpose of the CLID information modification was to enable RCCI to circumvent established call routing arrangements in order to confer an advantage or preference upon itself and a corresponding disadvantage upon Iristel. The Commission therefore considers that RCCI has met the burden of proof, as set out in subsection 27(4) of the Act, of demonstrating that the CLID information modification by its downstream LDSP constituted neither the granting of an undue preference or advantage by RCCI upon itself, nor the imposition of an undue disadvantage upon Iristel. Furthermore, given the modest amount of revenues that Iristel potentially lost, the Commission considers that the advantage which may have been conferred upon RCCI, and the corresponding disadvantage which may have been imposed on Iristel, is not undue.
26. The Commission also considers that RCCI did not control the content of the telecommunications comprising the calls bearing the modified CLID information, and thus did not influence the meaning or purpose of telecommunications it carried for the public during the period in question. The Commission therefore considers that RCCI did not violate section 36 of the Act.

Should the Commission issue an order directing RCCI and any other carrier to ensure that their contracts with downstream providers contain clauses prohibiting the manipulation of CLID information for the purpose of circumventing routing restrictions?

Positions of parties

27. Iristel did not provide any distinct arguments in either its application or in its reply comments in support of this request.
28. In response to the Commission's RFI, RCCI submitted in confidence a description of the steps it took when it received Iristel's application to prevent CLID spoofing.

Commission's analysis and determinations

29. As mentioned above, the Commission considers that the CLID information modification was a result of the actions by RCCI's downstream LDSP. The Commission considers that RCCI followed prompt and reasonable steps to address the issue after the matter was brought to the attention of the correct department.
30. The Commission notes that it has not received complaints from any other TSP regarding CLID information modification attributed to the actions of any carrier's downstream LDSP.
31. The Commission is therefore of the view that ordering RCCI and any other carrier to include a clause in their service agreements with their LDSPs specifically prohibiting CLID information modification as a consequence of this proceeding and in response to this seemingly isolated incident is unnecessary.

Conclusion

32. In light of all of the above, the Commission **denies** Iristel's request for an order prohibiting RCCI or any other carrier from modifying CLID information for the purpose of circumventing routing restrictions.
33. The Commission also **denies** Iristel's request for an order directing RCCI and any other carrier to ensure that their service agreements with downstream providers contain the necessary clauses to ensure that downstream providers do not engage in CLID information manipulation for the purpose of circumventing routing restrictions.

Policy Directions

34. In exercising its powers and performing its duties under the Act, the Commission is required to implement policy objectives set out in section 7 of that Act, in accordance with the 2019 Policy Direction.
35. The Commission considers that its decision advances the policy objective set out in paragraph 7(f) of the Act. Specifically, by denying Iristel's request to issue an order to RCCI or to any other carrier explicitly prohibiting CLID information modification for the purpose of circumventing routing restrictions, the Commission is fostering increased reliance on market forces for the provision of telecommunications services.
36. The Commission also considers that its decision is consistent with subparagraph 1(a)(iii) of the 2019 Policy Direction and subparagraph 1(a)(ii) of the 2006 Policy Direction. Specifically, the Commission's decision (i) ensures that affordable access to high-quality telecommunications services is available in all regions of Canada, including rural areas; and (ii) uses measures that are efficient and proportionate to their purpose and which will interfere with the operation of competitive market forces to the minimum extent necessary to meet the policy objectives.

Secretary General