



Telecom Notice of Consultation CRTC 2022-147

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Notice of Hearing

17 April 2023

Whitehorse, Yukon

Call for comments – Telecommunications in the Far North, Phase II

Deadline for submission of comments: 6 October 2022

[\[Submit a formal intervention or view related documents\]](#)

[\[Submit your views using the online engagement platform\]](#)

6 October 2022 is the last day to submit your comments and views on how to improve service in the Far North.

Summary

A summary of the Notice of Consultation is available in the following languages: Cree (in [HTML](#) and [PDF](#)), Inuktitut (in [HTML](#) and [PDF](#)), Chipewyan (in [PDF](#) only) and Inuinnaqtun (in [HTML](#) and [PDF](#) only).

The purpose of this consultation

The Canadian Radio-television and Telecommunications Commission (CRTC) wants to hear from you on what actions it should take to improve telecommunications services in communities in the [Far North](#).

The CRTC invites comments on Internet and telephone services in Nunavut, the Northwest Territories, the Yukon, 17 communities in northern British Columbia, and in Fort Fitzgerald, Alberta. The following communities in northern British Columbia are included in this consultation: Blueberry, Bob Quinn Lake, Dease Lake, Fort Nelson, Fort Ware (Kwadacha), Good Hope Lake, Iskut, Jade City, Lower Post, Mould Creek, Muncho Lake (Fireside and Liard River), Pink Mountain, Prophet River, Telegraph Creek, Toad River, Upper Halfway, and Wonowon.

What we heard in Phase I

Phase I of the current proceeding focused on building an understanding of the issues in the Far North that impact Internet and telephone services. More than 250 groups, individuals and telecommunications service providers commented on what issues the CRTC should prioritize to address the needs of people in the Far North.

In Phase I, the CRTC heard that:

- All Canadians should have affordable access to telecommunications services, especially access to the Internet. Most plans available in the Far North offer low [value](#) for money, especially Internet access, compared to the [south](#).
- The [quality](#) and [reliability](#) of services should improve so that people in the Far North can do the same activities (such as videoconferencing) as people in the south. Improving quality and reliability will ensure that people in the Far North are not excluded from social or economic opportunities.
- People in the Far North want more competition with respect to their Internet services. The circumstances in the Far North make it challenging to support competition that will improve the [affordability](#), reliability and quality of services.
- The solutions that we examine to better meet the needs of people in the Far North should be considered in the context of reconciliation with Indigenous Peoples.

The CRTC thanks everyone who participated in Phase I. Your comments will continue to inform our work during Phase II. To learn more about what we heard, see the [What we heard in Phase I](#) section below.

How to participate in Phase II

You have until **6 October 2022** to submit your comments on how to improve telecommunications services in the Far North.

The CRTC wants to hear from you about what solutions would best meet the needs of communities in the Far North.

What actions should the CRTC take to make Internet and home phone services:

- more affordable?
- more reliable and of higher quality?
- more competitive?
- better support reconciliation with Indigenous Peoples?

You can submit your formal intervention by:

- using our [intervention form](#);
- sending us a fax at 819-994-0218; or
- writing to us at CRTC, Ottawa, Ontario K1A 0N2.

To make it easier to share your views, the CRTC is also using a new online engagement platform. You have until **6 October 2022** to share your views through the [engagement platform](#).

The CRTC is also holding a public hearing. A hearing is a meeting where people can voice their opinions on the topics announced in a notice of consultation. The CRTC will hold an in-person hearing starting on **17 April 2023 at the Kwanlin Dün Cultural Centre, 1171 Front Street, Whitehorse, Yukon**. It will also be possible for parties to participate remotely.

You have until **6 October 2022** to tell us if you wish to speak at the public hearing. Please note that only those who submit a formal intervention via the intervention form, by fax, or by traditional mail can request to appear and make a presentation at the public hearing. If you request to appear, let us know if you would prefer to participate:

- from your home or office;
- at the public hearing's main location in Whitehorse; or
- from a CRTC satellite appearing location in Yellowknife, Northwest Territories; Iqaluit, Nunavut; or Gatineau, Quebec.

In person locations may change based on public health measures.

How to request more information on how to participate in this proceeding

You can contact us by email at nord-north@crtc.gc.ca or by phone at 1-877-249-2782.

Introduction

The purpose of this proceeding

1. The Canadian Radio-television and Telecommunications Commission (CRTC) wants to hear from you on what actions it should take to improve telecommunications services in communities in the Far North.
2. All people in Canada need fast, affordable and reliable access to telecommunications services, especially [broadband](#) Internet, to participate fully in today's economy and society.

3. With this proceeding, the CRTC intends to explore solutions to:
 - improve the affordability, quality and reliability of Internet and home phone services provided to individuals and [small businesses](#) in the Far North (retail Internet access and home phone services);
 - enhance competition and telecommunications services provided to competitive service providers in the Far North ([wholesale services](#));
 - increase access to educational and economic opportunities in the Far North that rely upon affordable, high-quality Internet services; and
 - contribute to the preservation, restoration and dissemination of Indigenous languages and culture by improving access to affordable, reliable, high-quality Internet services.
4. With this proceeding, the CRTC intends to further reconciliation with Indigenous Peoples in the context of regulating telecommunications services in the Far North. Reconciliation is one of the Government of Canada's and the CRTC's commitments to renewing the relationship with Indigenous Peoples, based on the recognition of rights, respect, co-operation and partnership. Many of the people that work and live in the Far North are Indigenous. Indigenous voices are critical to conversations about telecommunications services in the Far North, especially when the policy outcomes of those conversations will affect [Indigenous communities](#). As a result, the CRTC has included measures in Phase II of this proceeding to enable broader Indigenous participation. These measures reflect comments from Indigenous parties to Phase I.

Where to find key information in this document

5. We are inviting comments on several questions. The full list of questions are provided in [Appendix 1](#). Note that you are not required to answer all questions— only those that are relevant to you.
6. This document includes technical terms. Definitions of key terms are provided in [Appendix 5](#).
7. For the schedule and procedure of Phase II, see paragraphs 99 to 130 of this notice.
8. For information on the various ways you can participate, see paragraphs 100 to 110 of this notice.

Geography of the Far North

9. This proceeding will examine telecommunications services in the Far North. For the purposes of this proceeding, the Far North refers to Nunavut, the Northwest Territories, Yukon, 17 communities in northern British Columbia,¹ and Fort Fitzgerald, Alberta.
10. The Far North:
- includes 96 communities;
 - is home to 0.3% of Canada's population; and
 - includes some of Canada's most remote places: about half of the communities in this area can only be reached by airplane.
11. The Far North includes part of Inuit Nunangat. Inuit Nunangat is the Inuit homeland in Canada, encompassing the land claims regions of Nunavut, Nunavik in Northern Quebec, Nunatsiavut in Northern Labrador and the Inuvialuit Settlement Region of the Northwest Territories. It is inclusive of land, water and ice, and describes an area encompassing 35% of Canada's landmass and 50% of its coastline. Consult Inuit Tapiriit Kanatami's [map of the Inuit Nunangat](#).
12. The Far North also includes the traditional territories of First Nations and Métis peoples. Consult Native-land.ca's [interactive map](#) of traditional First Nations, Métis, and Inuit territories in Canada.
13. With the exception of Whitehorse, Yukon, and Yellowknife, Northwest Territories, all communities in the Far North are [high-cost serving areas](#) when it comes to providing home phone services. A high-cost serving area is a clearly defined geographical area where the monthly costs to provide basic service are greater than the associated revenues generated by service rates.
14. The unique geography of the Far North has a profound impact on how telecommunications services are provided. Furthermore, as the CRTC heard from parties in Phase I:
- regulatory solutions that have worked in the south may not be relevant or appropriate in the Far North; and
 - communities in the Far North are distinct from each other and may need custom regulatory solutions to best meet their needs.

Notice to contributors to the National Contribution Fund

15. As a result of this proceeding, the CRTC may change its approach to the [subsidy](#) of local voice services and/or may introduce a new subsidy mechanism. Accordingly,

¹ Blueberry, Bob Quinn Lake, Dease Lake, Fort Nelson, Fort Ware (Kwadacha), Good Hope Lake, Iskut, Jade City, Lower Post, Mould Creek, Muncho Lake (Fireside and Liard River), Pink Mountain, Prophet River, Telegraph Creek, Toad River, Upper Halfway, and Wonowon.

telecommunications service providers that contribute to the [National Contribution Fund](#) are made parties to this proceeding.

Background

16. The CRTC is an administrative tribunal that operates at arm's length from the federal government. We regulate and supervise broadcasting and telecommunications in the public interest.
17. We work to achieve the policy objectives in the *Telecommunications Act* (the Act) in a manner that is consistent with the policy directions, which are general instructions given to the CRTC by the Government of Canada on how it should be carrying out its regulatory work. These objectives include:
 - ensuring high quality, reliable and affordable telecommunications services are available in all regions of Canada, including [rural areas](#);
 - responding to the social and economic needs of users of telecommunications services;
 - enhancing the competitiveness of Canadian telecommunications; and
 - relying on market forces where possible and ensuring that regulation, where required, is efficient and effective.
18. For more information on the Act, its policy objectives and the policy directions, see [Appendix 2](#).
19. While the CRTC has a specific role to play, it is one of several federal, provincial, and territorial entities actively involved in improving telecommunications services in the Far North at this time. You can read more about some of these other entities and initiatives at [High-speed Internet for all of Canada](#) or at [Rural Opportunity, National Prosperity: An Economic Development Strategy for Rural Canada](#).
20. We recognize that the Canadian telecommunications system plays an important role in the reconciliation of Indigenous Peoples with Canadian society. As an outcome of the [Truth and Reconciliation Commission of Canada](#), several calls to action were made. In response to Call to Action #7, the Government of Canada stated that it wants to improve access to educational and economic opportunities that rely upon affordable, high-quality Internet services. The Government of Canada also stated that it wants to contribute to the preservation, restoration and dissemination of Indigenous languages and culture in response to Call to Action #13. Both objectives can be supported by access to affordable, reliable, high-quality Internet services.

How this proceeding complements other CRTC policies and initiatives

21. The CRTC has introduced measures in the retail and wholesale markets to improve telecommunications services across Canada, as well as their affordability. These measures include:
 - facilitating wholesale competition, which can improve [consumer](#) choice and prices;

- rate regulating [retail services](#) where market forces are not sufficient to protect consumer interests, including ensuring the affordability of services;
 - subsidizing [basic telecommunications services](#) where the cost for the consumer to access the service would otherwise be prohibitive; and
 - imposing conditions on the services offered by providers, pursuant to section 24 of the Act.
22. The CRTC has also established the [Broadband Fund](#) to improve telecommunications services in [underserved](#) rural and remote regions, including the Far North. More information on the Broadband Fund projects that are underway on the CRTC's "[Broadband Fund: Projects selected for funding](#)" page.
23. In this proceeding, the CRTC will examine how it can take further action to continue to improve telecommunications services in the Far North. Further details on the specific issues that the CRTC is considering in this proceeding are set out in this notice.

Regulation of Northwestel Inc.

24. Northwestel Inc. (Northwestel) is a wholly-owned subsidiary of Bell Canada, which in turn is wholly-owned by BCE Inc.
25. In most of the Far North, Northwestel is the primary telecommunications service provider and, in several communities, it is currently the only provider offering services. Northwestel provides retail services, such as [local exchange services](#) and [Internet access services](#), and wholesale services, including [transport services](#), to competitors. Northwestel's services are available in Nunavut, the Northwest Territories, Yukon, northern British Columbia and Fort Fitzgerald, Alberta (Northwestel's [operating territory](#)).
26. The CRTC rate regulates Northwestel's:
- retail local exchange (home phone) services;
 - retail Internet access services – [terrestrial](#) only; and
 - wholesale services (many, but not all).
27. However, the CRTC does not rate regulate Northwestel's satellite-based retail and wholesale Internet services since it determined that these are subject to sufficient competition to protect the interests of users.
28. Telecom Notice of Consultation 2020-367 provides more context on how the CRTC regulates Northwestel:
- Northwestel's price cap regime (paragraphs 7-9);
 - regulation of Northwestel's local voice services (paragraphs 10-15);
 - regulation of Northwestel's retail Internet access services (paragraphs 16-18); and

- regulation of Northwestel's wholesale services used by competitors (paragraphs 19-24).

Regulation of mobile wireless services in the Far North

29. While Northwestel does not offer [mobile wireless services](#) in the north, Bell Mobility Inc. (Bell Mobility), another Bell Canada-owned company, does.
30. In Telecom Regulatory Policy 2021-130, the CRTC completed its policy review of mobile wireless services and found that Bell Mobility holds market power in the provision of mobile wireless services in the Northwest Territories, Nunavut and Yukon. The CRTC set an expectation that Bell Mobility would offer and promote low-cost plans and occasional-use plans by 14 July 2021. In that regulatory policy, the CRTC also mandated that Bell Mobility provide a wholesale facilities-based mobile virtual network operator access service in areas in which Bell Mobility was found to hold market power.

Regulation of other aspects of telecommunications services in the Far North

31. Telecom Notice of Consultation 2020-367 provides context on the following aspects of regulation of telecommunications services in the Far North:
- the price cap and [local service subsidy](#) regimes (paragraphs 25-30);
 - the regulation of satellite retail Internet access services (paragraphs 31-32);
 - [network improvement](#) (paragraphs 33-36);
 - competition and wholesale services used by competitors (paragraphs 37-39); and
 - affordability of telecommunications services for Canadians living in the north (paragraphs 40-42).

Overview of the proceeding phases

Phase I

32. Phase I of the Telecommunications in the Far North proceeding began on 2 November 2020 with Telecom Notice of Consultation 2020-367. The record for Phase I closed on 31 May 2021.
33. In Telecom Notice of Consultation 2020-367, the CRTC invited comments on which issues it should focus on in Phase II to improve telecommunications services in the Far North, including:
- the affordability of telecommunications services in the north;
 - whether telecommunications services in the north should be subsidized; and
 - whether additional regulatory measures are required, for example,
 - to improve the resiliency of Northwestel's network;

- to further foster competition; and
- to improve wholesale services.

34. The complete list of questions asked in Phase I can be read in Telecom Notice of Consultation 2020-367, starting at paragraph 45.
35. During Phase I of the proceeding, Environics Canada was also commissioned to conduct public opinion research on the experiences of Canadians in the north with their use of telecommunications services.² The report, “Research on telecommunications services in Northern Canada: final report”, was placed on the record of the proceeding. The [summary of the report](#) and the [full report](#) are available.
36. The CRTC thanks the 255 parties who participated in Phase I. Their submissions made during Phase I will continue to be considered during Phase II and form part of the record for this proceeding. A list of parties to Phase I can be found at [Appendix 3](#).
37. While Phase I was ongoing, SSi Micro Ltd (SSi) filed a separate application requesting that the CRTC require Northwestel to provide a wholesale [third-party Internet access](#) service. See paragraphs 82 to 86 of this notice for more information and the CRTC’s determinations on the application.

Phase II

38. Phase II is hereby initiated with the publication of this notice and will:
- build on what the CRTC heard in Phase I and include the record of Phase I;
 - call for detailed submissions on a more targeted list of issues;
 - focus on solutions to the challenges identified in Phase I; and
 - develop a public record sufficient to determine whether CRTC regulatory intervention is required to further policy objectives set out in the Act as well as the policy directions with respect to telecommunications services in the Far North and, if required, what form the intervention should take.
39. Phase II is expected to result in a new regulatory policy for telecommunications services in the Far North. The new policy may change existing obligations for telecommunications service providers or impose new ones, where appropriate.

² Environics’ research study was conducted between September and October 2020. It built on the North of 60° and Remote Community Monitor (North of 60° survey) by adding new questions about telecommunications. The North of 60 survey is conducted annually by Environics with 1,000 adult residents of Yukon, the Northwest Territories, Nunavut, Nunavik and Nunatsiavut. It also included seven focus groups with residents in the Far North. One focus group was conducted with Indigenous residents and one with non-Indigenous residents in each of Yukon, the Northwest Territories, and Nunavut. In northern British Columbia, one group was held with both Indigenous and non-Indigenous residents. The focus groups addressed satisfaction with current telecommunications services, the role of these services in everyday life and topics related to these services in the north.

What we heard in Phase I

40. The following is a non-exhaustive summary of the record of Phase I. The submissions made during Phase I are available on the CRTC's "[Closed Notices of Consultations](#)" page.

Status of telecommunications in the Far North

41. The Far North provides a unique combination of challenges for providing telecommunications services, including:
- vast geographic area;
 - low population density;
 - most communities are rural or remote;
 - many communities are fly-in only; and
 - permafrost and extreme weather conditions (including climate change).
42. Telecommunications [customers](#) in the Far North have a significantly different experience than customers in the south.
43. Access to affordable broadband services is essential to those living in the Far North due to existing socio-economic gaps, remoteness of the Far North and the need to access essential services.
44. The remoteness of the Far North further increases the importance of affordable, reliable, high-quality telecommunications services, especially Internet access, compared to the south.
45. However, services in the Far North are less affordable, less reliable, and offer lower value and quality of service than comparable services available in the south. During Phase I of this proceeding, many individuals said that the lack of competitive choice in the Far North is a key factor that drives these challenges, especially affordability. Factors that contribute to affordability issues in the Far North include high [overage charges](#), lack of affordable [unlimited services](#), service fees or surcharges, and overall lower value for quality of service provided.
46. The COVID-19 pandemic reinforced the need for broadband in communities that are underserved. As a result of the COVID-19 pandemic, individuals in the Far North relied more on telecommunications services, particularly the Internet, and identified education, communication, and entertainment as areas where they had become more reliant on telecommunications services. The pandemic also highlighted the digital divide and the socio-economic disparities between those that could afford Internet access and those that could not. Some individuals stated that they needed to increase their Internet use during the pandemic so their children could attend school, which left them to choose between buying food and paying for Internet.
47. Many rural and remote communities are chronically underserved by Internet technologies, with many receiving Internet services via [satellite](#). Communities that only have access to

satellite Internet services are referred to as “[satellite-dependent communities](#)”. These communities make up around 33% of the population in the Far North, or 38,000 people, of which, 36,000 live in Nunavut.

48. Currently, satellite Internet is generally transmitted via geostationary or geosynchronous (GEO) satellites. GEO satellite broadband speeds are significantly lower (and latency is much higher) than broadband via terrestrial technologies. New retail Internet access services that use [low earth orbit \(LEO\) satellite](#) technology are expected to be commercially available in the coming years, starting with the SpaceX Canada Corp’s Starlink services. Such services are expected to be available and compete with existing Internet services in the Far North. However, LEO satellite services are not yet available in the Far North. As a result, the record of Phase I did not provide consumer perspectives on such services.

Reconciliation with Indigenous Peoples

49. The Council of Yukon First Nations,³ the Champagne and Aishihik First Nations, the First Mile Connectivity Consortium, the Kwanlin Dun First Nation and the Tsay Keh Dene Band participated in Phase I and raised issues such as how this proceeding could advance reconciliation with Indigenous Peoples as well as protecting and promoting treaty and Indigenous rights.
50. These parties stated that the solutions that the CRTC examined to better meet the needs of people in the Far North should be considered in the context of reconciliation with Indigenous Peoples.
51. In consultation with Indigenous communities, the parties submitted that the CRTC should create a regulatory framework for telecommunications in the Far North that protects and promotes treaty and Indigenous rights and ensures the rights outlined in the [United Nations Declaration on the Rights of Indigenous Peoples](#).
52. These First Nations parties considered that the CRTC should also require ongoing involvement of First Nations in the improvement of telecommunications services to address the needs of First Nations communities.
53. To demonstrate cultural sensitivity, build trust, decrease bias, and improve research quality and relevance, the Council of Yukon First Nations stated that CRTC research and data collection involving Indigenous Peoples should be conducted in accordance with the First Nations principles of ownership, control, access and possession (more commonly known as the [OCAP](#)⁴ principles).
54. In its processes, such as this proceeding, the parties stated that the CRTC should:

³ Representing Carcross/Tagish First Nation; Champagne and Aishihik First Nations; Ehditit Gwich’in Council; First Nation of Nacho Nyak Dun; Gwichya Gwich’in Council; Kluane First Nation; Little Salmon Carmacks First Nation; Nihtat Gwich’in Council; Selkirk First Nation; Ta’an Kwach’an Council; Teslin Tlingit Council; Tetlit Gwich’in Band Council; and Tr’ondek Hwech’in.

⁴ OCAP is a registered trademark of the First Nations Information Governance Centre.

- consult Indigenous Peoples as early as possible;
- provide clear, detailed information on what is being considered;
- give Indigenous Peoples reasonable time to prepare their views and respond;
- seek to understand Indigenous Peoples' views through meetings and discussions;
- be open to changing its approach;
- explain how Indigenous Peoples' views or interests were considered when decisions are made; and
- limit impacts to Indigenous or treaty rights and discuss compensation if the impacts to rights cannot be limited.

Affordability

Affordability of Internet services

55. During Phase I of the proceeding, many issues were raised on the affordability of Internet services in the Far North.
56. Among those issues, individuals stated that the cost of Internet in the Far North is too high when compared to the cost in the south. Higher costs have negative consequences for members of these communities, such as more limited access to educational opportunities, healthcare and government services.
57. Moreover, service plans available in the Far North generally offer low value for money, especially compared to the south. Prices are too high for the service received, which is hampered by network outages and slow speeds.
58. Excessive data overage charges and lack of affordable unlimited data packages were stated as some of the biggest challenges faced by consumers in the Far North in terms of affordability. Most plans are limited use, and many consumers considered that the usage included is too low to meet their needs and far lower than would be acceptable in the south. This issue is further exacerbated by the unique circumstances of living in the Far North, such as larger households, the need to access essential services online, isolation and the ongoing impacts of the COVID-19 pandemic.
59. While many prefer to rely on cell phones, in certain regions served by Northwestel, customers must pay to maintain a landline as part of their Internet package (or pay a \$20 “no landline” fee).
60. Several parties also stated that affordability of Internet services is a particular concern in satellite-served communities and is closely related to issues with quality of service and data caps in these areas. Communities served by satellite have the lowest income brackets and are among the most expensive places to live in the Far North.

Affordability of home phone services

61. Individuals stated that affordability of local voice services is of particular importance to northern customers, including Indigenous communities, especially those who rely more heavily on voice connectivity or cannot afford broadband services.
62. Some individuals stated that rates for voice services were too high.
63. Individuals also expressed frustration that they are required to pay for a landline service (or a \$20 “no landline” fee) as part of receiving Internet access through Northwestel and expressed a preference for mobile phones relative to landline.
64. Parties raised concerns that ending the local service subsidy as planned may decrease the affordability of local voice services in the Far North. Some parties expressed concern that ending the subsidy will result in increased rates, particularly for consumers that cannot afford broadband services and tend to rely more heavily on voice connectivity. Many parties stressed the importance of ensuring any changes to the framework be assessed from the perspective of affordability for consumers.

Service providers' comments on affordability

65. Northwestel stated that the cost of many goods and services is higher in Canada's north than in the south due to the uniquely high-cost circumstances of the north, including remoteness, extreme environmental conditions, vast distances between communities, low population density, and often limited road transportation.
66. Northwestel also stated that it is not opposed to ending the local service subsidy; however, it is unclear at this time what the amount of the shortfall that Northwestel could experience might be if the local subsidy ended and tariffed rates remained unchanged.
67. TELUS Communications Inc. stated that if there are challenges in obtaining telecommunications services, this is indicative of broader structural issues in the north, rather than a sectoral issue in the telecommunications industry. In its view, federal and territorial governments are best positioned to address affordability issues related to telecommunications services by taking action through comprehensive tax and social policy initiatives to ensure access to a wide range of basic goods and services, including telecommunications services.

Reliability and quality

68. Individuals stated that outages to their phone or Internet service impact their personal, social and economic well-being. Unreliable Internet service was cited as detrimental to those in the Far North as it limited their living standards (e.g. access to education, information and government services) compared to those in the south.
69. Northerners stated that outages and slow Internet speeds make it difficult to communicate with others, access online service, telework, or otherwise participate in the digital economy.
70. Several individuals indicated they felt they had no choice but to leave their communities because they could not work or attend school due to the low upload and [download speeds](#) available in their communities.
71. Moreover, reliability of Internet services is of particular concern in satellite-dependent communities, where weather and technological challenges result in Internet services that

generally have lower speeds and higher latency. Individuals in Nunavut expressed concern with the high cost of their satellite Internet services in terms of value they receive (e.g. quality of service, data caps and speeds).

72. Parties stated that it is difficult to conduct business as:

- many small communities do not have banks, so payments and transfers are done online; and
- payment terminals do not work during Internet outages, which was cited frequently as a significant problem for businesses and their customers.

73. Access to the Internet through a mobile hotspot was seen by some participants as more reliable than other forms of connection.

74. Retail Internet plans in the Far North generally do not offer the same level of speeds or usage limits as those in the south. Many northerners stated they cannot access speeds defined by CRTC's [universal service objective](#) standard for fixed broadband (50/10 megabits per second).

75. Several parties submitted that the relatively high number of household members combined with competing Internet access needs within households (schoolwork, communication, work, etc.) exacerbated the challenges related to slow speeds.

76. Northwestel highlighted their investment in network improvement and submitted evidence to support their view that the level of outages was reasonable given the geographic and environmental factors.

Price cap regulation of Northwestel

77. In Phase I, Northwestel requested that changes to its price cap regime be considered in Phase II of the proceeding. Specifically, Northwestel's request included that:

- its rates for Internet services provided over terrestrial facilities be reviewed; and
- residential and business optional local services be moved from the Other capped services basket to the Uncapped services basket.

Competition

78. Individuals expressed frustration with a lack of choice of Internet service providers and generally agreed that competition from other providers would serve to bring prices closer to parity with those in southern Canada. They considered that Internet services could be improved by ending Northwestel's "monopoly provision" of those services in its operating territory.

79. Certain parties stated that the wholesale framework set out in Telecom Regulatory Policy 2015-326 should generally apply to Northwestel, but changes may be appropriate to account

for its special circumstances. Parties stated that an option for improving competition in the Far North could be to require Northwestel to provide a wholesale [high-speed access](#) (HSA) service that is similar to what is available in the south, but that takes the particular circumstances of the Far North into account.

80. Parties also stated that certain changes to the technical specifications and quality of service standards of [Wholesale Connect](#), as well as a review of the rates that Northwestel is able to charge for this service, could help improve competition in the Far North.
81. Northwestel stated that the circumstances of the Far North present significant challenges to promoting robust competition and that the unique market and operating circumstances of the Far North include low population density, harsh climate and weather conditions and vast distances between communities.

SSi's Part 1 application

Summary of record

82. While Phase I was ongoing, SSi filed a separate application on 7 December 2020 asking the CRTC to:
- order Northwestel to introduce wholesale HSA services in the form of third-party Internet access over Northwestel's [cable](#) and [fibre-to-the-premises](#) facilities;
 - require Northwestel to have tariffs in place for the third-party Internet service prior to granting final approval to Tariff Notice 1099; and
 - Establish interim rates for the third-party Internet access service, set at the retail rate minus 35% from the interim rates approved in Tariff Notice 1099.
83. In its application, SSi also stated that the CRTC should not delay consideration of its requested third-party Internet access service until the CRTC has concluded the present proceeding. SSi submitted that such a delay would prevent Northwestel's competitors from offering sufficiently attractive Internet packages that would compete with Northwestel. SSi further indicated that this would have the effect of eliminating competition altogether.
84. Most parties to the application generally agreed that Northwestel should be required to provide a wholesale HSA service in the Far North, in the same way that other incumbent providers are required to do so in the south. However, Northwestel and Rogers Communications Canada disagreed and argued that Northwestel should not be required to provide any additional wholesale services beyond what it already provides.
85. The Council of Yukon First Nations, Competitive Network Operators of Canada, Iristel Inc., the Public Interest Advocacy Centre and TekSavvy Solutions Inc. agreed with SSi that the CRTC should not delay consideration of the requested third-party Internet access service. Despite their agreement, in response to requests for information, Competitive Network Operators of Canada, Iristel Inc., and TekSavvy Solutions Inc. submitted that they could not respond to certain requests for information given the uncertainty regarding the final regulatory regime for Northwestel's wholesale services.

86. In response to SSi's application, Northwestel submitted that it would be premature, inefficient and inappropriate to assess the introduction of a third-party Internet access service outside the context of this proceeding given the complexity, interconnectedness and importance of the issues under consideration. Northwestel also noted that parties to the application filed comments that duplicated those they had filed in Phase I.

CRTC determination

87. In light of the complexity of the issues raised in SSi's application and their interconnectedness to other matters under consideration in Phase II of this proceeding, the public interest in ensuring a robust public record on these issues and the opportunity to facilitate in-depth discussions via the consultation process initiated by Phase II of this proceeding, the CRTC is of the view that the issue of potentially mandating a wholesale HSA service is best addressed in the context of the present proceeding. As such, the CRTC will consider the record of SSi's application in Phase II as part of the evaluation of whether to mandate a wholesale HSA service in the Far North. Accordingly, the record of that application is added to the record of Phase II of this proceeding.

Issues considered in Phase II

Issues considered in scope of Phase II

88. Issues that are "in scope" will be addressed during the proceeding. The following broad categories of issues were prominent during Phase I and therefore will be addressed during Phase II:

- supporting reconciliation with Indigenous Peoples through telecommunications services and outcomes in this proceeding;
- affordability;
- reliability and quality;
- [price cap regulation](#) of Northwestel; and
- competition.

89. The CRTC considers that while numerous items were raised as part of the record in Phase I, it was evident that the above-mentioned issues were the consistent, broad categories of issues that parties highlighted regarding telecommunications services in the Far North that needed to be addressed as part of this regulatory review. The CRTC is of the view that addressing these issues as part of Phase II of the proceeding will contribute directly to improving telecommunications services in communities in the Far North.

90. Furthermore, there is a general interdependency between these issues such that it is important that they are all considered together as part of this proceeding. For example, any decision related to the affordability of retail telecommunications services or the subsidy of local or Internet services may require changes to Northwestel's price cap regime.

Issues considered out of scope of Phase II

91. Issues that are “out of scope” will not be addressed during the proceeding. As a result, submissions on these issues will not be considered.
92. In Telecom Notice of Consultation 2020-367, the CRTC stated that the following issues were outside the scope of the proceeding:
- 9-1-1 networks;
 - the development of a local forbearance regime for Northwestel; and
 - matters already being considered by the CRTC in other proceedings, including the Broadband Fund, mobile wireless services and potential barriers to the deployment of broadband-capable networks.
93. While no new obligations will be imposed on mobile wireless services providers as a result of this proceeding, the CRTC will collect data about the affordability of all retail telecommunications services in the Far North, including mobile wireless services, to support a broad understanding of the issues.
94. The CRTC notes that the following issues raised during Phase I are also outside the scope of this proceeding:
- the rate regulation of satellite retail telecommunications services, including services provided by LEO satellites;
 - the portability of the local service subsidy;
 - the timing of the next review of Northwestel’s price cap regime;
 - Northwestel’s request for rate ranges for tariffed services;
 - the [exogenous factor](#) mechanism, which will continue to apply for Northwestel in the context of its price cap regime;
 - changes to the rates for Wholesale Connect, which will not be reviewed until a final determination is made with respect to any technical or other changes to Wholesale Connect that impact the costs of the service, or in relation to a mandated wholesale HSA service, if necessary;
 - a review of the wholesale services provided via the Mackenzie Valley Fibre Link, except where consideration of the Mackenzie Valley Fibre Link is required to understand the state of competition in the Far North, or to inform new or improved wholesale services;
 - issues related to the regulation of wholesale satellite services; and
 - issues related to Northwestel’s Carrier Access Tariff rate.

95. The above-mentioned issues may be more appropriately addressed by another CRTC proceeding. You can see the list of open CRTC proceedings on the CRTC's "[Consultations and hearings: have your say](#)" page. For an explanation as to why these issues are out of scope, refer to [Appendix 4](#).

Questions

96. The CRTC wants to hear from you about what solutions would best meet the needs of communities in the Far North.

97. What actions should the CRTC take to make Internet and home phone service:

- more affordable?
- more reliable and of higher quality?
- more competitive?
- better support reconciliation with Indigenous Peoples?

98. The full list of questions are provided in [Appendix 1](#). Note that you are not required to answer all questions, only those that are relevant to you.

Schedule and procedure

Information session on how to participate

99. The CRTC will hold an open information session on **22 June 2022**. This information session is for anyone who is interested in learning more about how to participate in this proceeding. The information session will be followed by a question and answer period. If you wish to participate, you can register on the [engagement platform](#).

Sharing your views on the online engagement platform

100. You have until **6 October 2022** to share your views through the [engagement platform](#).

101. The engagement platform has been adapted such that only select questions have been made available on the platform. For the full list of consultation questions, please refer to [Appendix 1](#).

102. A report of all submissions received via the online engagement platform will be placed on the public record of this proceeding for parties to consider in their further comments. The report will consist of an exact copy of views shared through the online engagement platform.

103. With respect to information provided through the online engagement platform, please note that:

- The information provided to the CRTC as part of the online engagement platform is entered into a searchable database on the engagement platform.

- Submissions will be attributed to the username given during the registration process on the platform.
- These comments and usernames are also searchable with the help of third-party search engines.
- If you provide any personal information through the platform, it will also be searchable; any such information will be used and may be disclosed for the purpose for which the information was obtained or compiled by the CRTC, or for a use consistent with that purpose.

104. Those who only provide their views via the online engagement platform are not considered parties to the proceeding. In general, a party to the proceeding has their comments attributed to them, can participate in the oral hearing, can provide final submissions at the end of the proceeding and may be named (but are not required to participate) in any appeal of the CRTC's decision.

105. If you wish to become a party, you must submit a formal intervention via the online form, fax or traditional mail. Details on how to submit a formal intervention are provided below.

Participate as a party to the proceeding by submitting a formal intervention

106. You have until **6 October 2022** to submit a formal intervention.

107. Only parties to the proceeding may participate in further stages of the proceeding such as providing further comment and appearing at the public hearing. Interested persons who wish to become parties to Phase II of this proceeding must file a formal intervention with the CRTC regarding the issues in paragraph 88. Formal interventions should also address the questions in [Appendix 1](#) to the extent they are relevant to you.

108. While the record of Phase I and the SSi application will be considered in Phase II of this proceeding and will inform the CRTC's decisions in this phase, parties to those proceedings will not automatically be considered a party to Phase II. You must file a formal intervention in Phase II in order to be considered a party to Phase II.

109. You can submit a formal intervention by:

- using our [intervention form](#);
- sending us a fax at 819-994-0218; or
- writing to us at CRTC, Ottawa, Ontario K1A 0N2.

110. When preparing your formal intervention, please note that:

- Documents longer than five pages should include a summary.
- Documents will be posted in the official language and format in which they are received.

- You are encouraged to submit documents in formats that are accessible to people with disabilities (for more information, see the [guidelines on creating accessible documents](#)).
- The deadline to submit formal interventions to the CRTC is 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due;
 - you are responsible for ensuring the timely delivery of your submissions;
 - you will not be notified if your submissions are received late; and
 - late submissions will not be considered by the CRTC and will not be made part of the public record.
- The [Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure](#) (the Rules of Procedure) apply to this proceeding. The [Guidelines on the Rules of Procedure](#) are meant to help members of the public understand the Rules of Procedure so that they can more effectively participate in CRTC proceedings.
- The CRTC will fully consider all submissions that are part of the public record, as long as the procedures for how to submit documents outlined above have been followed.
- Additional information may be placed on the public record as it becomes available.
- We encourage you to monitor the record of this proceeding at www.crtc.gc.ca for additional information that you may find useful.

111. With respect to information submitted in formal interventions, please note that:

- Documents will be posted on the CRTC's website exactly as received. This includes any personal information contained therein, such as full names, email addresses, postal/street addresses, and telephone and fax numbers.
- Please note that all personal information you provide as part of this public process, except information designated as confidential, becomes part of a publicly accessible file and will be posted on the CRTC's website.
- The information provided to the CRTC as part of a formal intervention is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the CRTC's website with the help of either its search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.
- The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the CRTC, or for a use consistent with that purpose.

Accessible formats for people with disabilities

112. The CRTC requires regulated entities and encourages all parties to file submissions in accessible formats (for example, text-based file formats that enable text to be enlarged or modified, or read by screen readers) for this proceeding. To provide assistance in this regard, the CRTC has posted on its website [guidelines](#) for preparing documents in accessible formats.
113. In the event where submitted documents have not been filed in accessible formats, interested parties may contact the [Public Hearings group](#) to request that CRTC staff obtain those documents in accessible formats from the party who originally submitted the documents in question in an inaccessible format.

Request to participate in the public hearing

114. You have until **6 October 2022** to tell us – as part of your formal intervention – if you would like to appear at the public hearing and the reasons why you should appear.
115. A hearing is a meeting where people can voice their opinions on the topic announced in a notice of consultation. The CRTC will hold an in-person hearing starting on **17 April 2023** at the **Kwanlin Dün Cultural Centre, 1171 Front Street, Whitehorse, Yukon**. It will also be possible for parties to participate remotely. Before the hearing begins, the CRTC will issue an organization and conduct letter. This letter will set out the agenda as well as provide directions on procedure for the public hearing.
116. You can request to appear:
- from your home or office;
 - at the public hearing’s main location in Whitehorse; or
 - from a CRTC satellite appearing location in Yellowknife, Northwest Territories; Iqaluit, Nunavut; or Gatineau, Quebec.
117. Parties interested in appearing remotely, including from a possible satellite appearing location, should indicate their preference when filing their formal interventions. Please note that in-person hearing locations may change based on public health measures.
118. Please also note that the CRTC will consider all requests to appear at the hearing, but only those whose requests to appear have been granted will be contacted by the CRTC and invited to appear at the hearing. You may only appear at the hearing if you are a party to the proceeding.

Requesting accommodations to enable participation

119. If you have a disability and require assistance in filing your intervention, you can contact the CRTC’s [Public Hearings group](#), who can provide individualized assistance to file your formal intervention.

120. If you request to appear at the public hearing, you must indicate in your formal intervention if you require communications support, such as assistive listening devices and sign-language interpretation, to be able to appear so that the necessary arrangements can be made. You have until **6 October 2022** to make requests for accommodation.

Requests for information and associated responses

121. Requests for information (RFI) to telecommunications service providers will be issued by **15 June 2022**.

122. Further RFIs to telecommunications service providers will be issued by **22 November 2022**.

123. The applicable procedures and dates regarding responses will be set out in the letters.

Further comments

124. Parties may file further comments with the CRTC by **10 February 2023**. Your further comments can address any matters on the record of the proceeding.

Public opinion research

125. The CRTC intends to commission a public opinion research project for Phase II that will involve gathering the opinions of persons living in the Far North. The public opinion research will be placed on the public record for parties to comment on and will be taken into account as part of the CRTC's decision for this proceeding. We expect to place the final research report on the public record by **31 March 2023**.

Public hearing

126. We will hold a public hearing starting on **17 April 2023**. The public hearing will begin at **9 a.m. MST (11 a.m. EST) at the Kwanlin Dün Cultural Centre, 1171 Front Street, Whitehorse, Yukon**.

Final submissions

127. Parties may file final submissions with the CRTC on any matter within the scope of this proceeding by **9 June 2023**.

Changes to the schedule

128. The schedule of the present proceeding may change. For example, the CRTC may receive procedural requests that lead to changes to the deadlines. The CRTC will announce any changes to the deadlines or dates by issuing an amendment to this notice. You can see whether an amendment has been issued by:

- monitoring the CRTC's website; or
- clicking on the reference number at the top of this document.

How to access documents on the public record of this proceeding

129. Links to interventions, replies and answers filed for this proceeding, as well as other documents referred to in this notice, are available on the CRTC's "[Consultations and hearings: have your say](#)" page.

130. Documents are available upon request during normal business hours by contacting:

Documentation Centre
Examinationroom@crtc.gc.ca
 Tel: 819-997-4389
 Fax: 819-994-0218

Client Services
 Toll-free telephone: 1-877-249-2782
 Toll-free TTY: 1-877-909-2782

131. You can read electronic versions of the documents on the CRTC's "[Closed Notices of Consultations](#)" page.

132. To access the relevant documents:

- use the public record number provided at the top of this notice, or visit the "Consultations and hearings – Have your say!" section of the CRTC's website, then select "our applications and processes that are open for comment"; and
- click the links in the "Subject" and "Related Documents" columns associated with this particular notice.

How to watch or listen to the public hearing

133. You can watch or listen to the audio and video feed of the public hearing on the [CRTC's website](#). This feed will be available for the duration of the public hearing.

How to request more information on how to participate in this proceeding

134. You can contact us by email at nord-north@crtc.gc.ca or by phone at 1-877-249-2782.

Applying for Costs

135. When you participate in CRTC telecommunications proceedings, it may be possible for some of your expenses to be reimbursed. This is called **applying for costs**.

136. In telecommunications proceedings, there are two categories of costs that parties can apply for:

- interim costs; and
- final costs.

137. These costs are generally paid by some or all of the telecommunications service providers (in other words, the phone, Internet and wireless companies) that participate in the proceeding. The CRTC does not directly pay your costs; rather, it can order the service providers to do so.
138. Interim costs can be awarded in circumstances where parties do not have sufficient financial resources to participate effectively in a proceeding. Therefore, in their interim costs application, parties must demonstrate, among other things, that they do not have sufficient financial resources to participate effectively in the proceeding. Applications for interim costs should be submitted as early as possible in the proceeding to allow for processing.
139. Final costs are expenses that parties can apply for after the proceeding has ended. These expenses can include travel or accommodation costs to appear at a public hearing and fees for professional services used to create your submission such as the services of lawyers, expert witnesses, and professional consultants. If you were awarded any interim costs, you are required to file an application for final costs and you must provide an explanation of any difference between those interim costs and your final costs. Final costs are the most common type of costs awarded as part of a proceeding. Applications for final costs must be filed within **30 days after the proceeding's last date** to file documents (known as "close of record").
140. For more information on costs applications, please consult our page on [How to claim telecommunications proceeding expenses](#).

Costs applications for participation in Phase I

141. Parties may file applications for final costs in relation to their participation in Phase I of the proceeding by **8 July 2022**.

Related documents

- *Review of mobile wireless services*, Telecom Regulatory Policy CRTC 2021-130, 15 April 2021
- *Call for comments – Review of the Commission’s regulatory framework for Northwestel Inc. and the state of telecommunications services in Canada’s North*, Telecom Notice of Consultation CRTC 2020-367, 2 November 2020
- *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, as amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015
- *Filing submissions for Commission proceedings in accessible formats*, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015

Appendix 1 to Telecom Notice of Consultation CRTC 2022-147

Questions

Please note that you are not required to answer all the questions below. Only answer those that are relevant to you.

The questions address the following topics:

- reconciliation with Indigenous Peoples in the Far North;
- COVID-19 – Impact on telecommunications policy issues in the Far North;
- low earth orbit satellites – Impact on telecommunications policy issues in the Far North;
- affordability of retail telecommunications services in the Far North;
- subsidy of retail home phone services in the Far North;
- subsidy of retail Internet access services in the Far North;
- other affordability questions – Telecommunications services in the Far North;
- quality and reliability of retail telecommunications services;
- telecommunications service provider engagement with local communities, including Indigenous communities, in the Far North; and
- competition.

Reconciliation with Indigenous Peoples in the Far North

- Q1 What actions should the Canadian Radio-television and Telecommunications Commission (CRTC) take to ensure that the principles of [equity](#) and [substantive equality](#) are appropriately addressed in its evaluation of possible regulatory outcomes in this proceeding?
- Q2 What actions should the CRTC take to apply the principles established in the United Nations Declaration on the Rights of Indigenous Peoples to its evaluation of possible regulatory outcomes in this proceeding?
- Q3 What actions should the CRTC take to apply the First Nations principles of OCAP® and the principles established in the [National Inuit Strategy on Research](#) to its evaluation of possible regulatory outcomes in this proceeding?
- Q4 What actions should the CRTC take to ensure that Indigenous rights, treaties, agreements and negotiations in the Far North are appropriately addressed in its evaluation of possible regulatory outcomes in this proceeding?
- Q5 What actions should the CRTC take to apply the principles of economic reconciliation to its evaluation of possible regulatory outcomes in this proceeding? For examples of relevant concepts to consider, see [2021 Indigenous Connectivity Summit Policy Recommendations](#). Provide any other reports that you consider to be relevant.

COVID-19 – Impact on telecommunications policy issues in the Far North

- Q6 What actions should the CRTC take to ensure that the impact of the COVID-19 pandemic in the Far North is appropriately addressed in its evaluation of possible regulatory outcomes in this proceeding?

Low earth orbit satellites – Impact on telecommunications policy issues in the Far North

- Q7 New market entrants that use low earth orbit (LEO) satellite technology to provide retail or wholesale Internet services have indicated their intention to provide services across Canada, including in the Far North, in the relatively near term. Comment on the impact these new developments may have on consumers, communities and the market.

Affordability of retail telecommunications services in the Far North

Affordability can be subjective. What is affordable for one person may not be for another. Alternatively, what a person may be able to afford can change over their lifetime. Affordability is generally tied to one's means (for example, income, generational wealth and access to credit), which may change over time.

When consumers consider what they can afford, they may examine both the price and value of an item or service. Value refers to the relationship between affordability, reliability and quality along with other factors that may be relevant to a consumer. Making a service more affordable generally means reducing the price, increasing the amount or quality of the service available for that price, or both.

Affordability considerations include upfront costs, such as installation fees, as well as ongoing costs, such as minimum monthly costs and overage fees. When assessing what they can afford, consumers may also assess to what extent a product or service is a necessity for them. A good or service not being affordable does not necessarily mean that the customer has no money or credit available to pay for the service. If a good or service is viewed as essential and unaffordable, a customer may go into debt to purchase it or reallocate funds from other goods or services they also deem essential.

- Q8 Please comment on the following perspective: a good or service is affordable when a consumer is able to purchase it without suffering undue hardship.
- a) Do you agree with this view? Why or why not?
 - b) If not, explain how you would describe what makes a service affordable or not.
- Q9 Do you think the CRTC should establish an “affordability standard” or guidance on what constitutes an affordable retail telecommunication service in the Far North?
- a) Why or why not?
 - b) If yes, what factors do you think are relevant to consider when assessing the affordability of a plan or service to an individual, household or small business?

Q10 During Phase I, parties submitted that despite the range of plans available, customers in the Far North generally pay more for less in comparison to customers in the south and that this impacts all retail customers in the Far North, including low-income households.

- a) What actions should the CRTC take to address the affordability of retail telecommunications services in the Far North as it impacts all customers, regardless of income? Explain how these actions would improve the affordability of telecommunications services to customers in the Far North.
- b) What actions should the CRTC take to address the affordability of retail telecommunications services in the Far North as it impacts low-income households? Explain how these actions would improve the affordability of telecommunications services to customers in the Far North.

Northwestel Inc. (Northwestel) charges a \$20 monthly surcharge, per Item 1735 of its General Tariff, to retail customers of its stand-alone residential [Digital Subscriber Line](#) (DSL) Internet services in certain high-cost serving areas. The CRTC approved this surcharge in *Northwestel Inc. – Application to review and vary certain determinations in Telecom Decision 2015-78 or approve an exogenous adjustment for retail Internet services*, Telecom Decision CRTC 2016-36, 1 February 2016,⁵ to enable Northwestel to complete certain network upgrades as part of its modernization plan by 2017. In Phase I of the proceeding, parties expressed concern with this surcharge on the grounds that consumers are being charged for a service they do not receive and that it makes Internet services less affordable.

Q11 Do you think the CRTC should end Northwestel’s practice of charging \$20 per month to customers of its stand-alone residential DSL Internet service in certain high-cost serving areas, unless they also purchase home phone service? Why or why not?

Q12 Do you think the CRTC should take action to address the amount that consumers may pay in overage fees for their Internet services in the Far North?

- a) Why or why not?
- b) If so, what action(s) do think the CRTC should take?

Q13 Do you think the CRTC should change any aspect of Northwestel’s retail tariffed services (i.e. home phone or terrestrial Internet) to improve the affordability, reliability or quality of these services?

- a) Why or why not?
- b) If so, what action(s) do you think the CRTC should take? For example, changes to rules that address installation fees, maintenance fees, [suspension](#) and [disconnection](#) of service, [security deposits](#), refunds for outages, etc.

⁵ This decision varied a previous determination (*Northwestel Inc. – Tariffs for terrestrial retail Internet services*, Telecom Decision CRTC 2015-78, 4 March 2015) which denied Northwestel’s proposal for a stand-alone [DSL surcharge](#) – see glossary for more detail.

Q14 Do you think the CRTC should impose any new conditions of service on satellite Internet providers in the Far North in order to improve the affordability, reliability or quality of these services?

- a) Why or why not?
- b) If so, what new regulatory requirements do you think are required?

Q15 Do you think the CRTC should take any other action to improve the affordability of telecommunication services in the Far North?

- a) Why or why not?
- b) If so, describe the actions the CRTC should take. Alternatively, describe the outcomes you think the CRTC should aim to achieve.

Subsidy of retail home phone services in the Far North

Subsidy refers to a regime that the CRTC may create under section 46.5 of the *Telecommunications Act* to support continuing access by Canadians to basic telecommunications services. The CRTC may require any telecommunications service provider to contribute to a fund. The CRTC has required that subsidy be paid out from that fund to service providers to support continuing access to basic telecommunications services.

In *Phase-out of the local service subsidy regime*, Telecom Regulatory Policy CRTC 2018-213, 26 June 2018, the CRTC ended the local service subsidy. In *Call for comments – Review of the Commission’s regulatory framework for Northwestel Inc. and the state of telecommunications services in Canada’s North*, Telecom Notice of Consultation CRTC 2020-367, 2 November 2020, the CRTC set, on an interim basis, the transition subsidy payments for Northwestel for the 14-month period beginning 2 November 2020 and ending 31 December 2021. The local service subsidy was established to subsidize the provision of home phone services in high-cost serving areas to ensure that rates for home phone services in these areas were just and reasonable. The subsidy ensured cost recovery for service providers when providing home phone services at rates that would otherwise be below cost. In the Far North, the only service provider eligible to receive the local service subsidy was Northwestel. As discussed in Phase I, the end of the local service subsidy in the Far North could result in a need to increase Northwestel’s local service rates, which would increase rates for consumers, or a shortfall for Northwestel if its tariffed rates do not cover the cost of providing service.

Q16 Do you think the CRTC should take action to address the affordability of local (home phone) service rates in some areas or all of the Far North?

- a) Why or why not?
- b) If so, address what actions you think the CRTC should take.

Q17 Do you think the CRTC should re-introduce a local service subsidy to address the price of home phone service in some or all high-cost serving areas in the Far North?

- a) Discuss the potential impacts to residents of the Far North if rates for home phone service were to increase.
- b) What considerations do you think the CRTC should take into account when assessing whether or not to re-introduce the local service subsidy?

Q18 In the event that the end of the local service subsidy in the Far North results in a material shortfall for Northwestel, the CRTC may need to consider additional factors that may have an impact on any potential shortfall, such as Northwestel's investments and network improvements.

What considerations, if any, should the CRTC take into account with respect to Northwestel's capital investment plan and the growth technology for the provision of telecommunications services in Northwestel's operating territory?

Subsidy of retail Internet access services in the Far North

Q19 Do you think the CRTC should introduce a new subsidy to reduce the rates charged for retail Internet access services in some or all communities in the Far North?

- a) Why or why not?
- b) If you think a new Internet subsidy should be explored in order to improve the affordability of this service in the Far North:
 - i. How do you think the CRTC should measure whether the subsidy is successful in improving affordability of Internet services in the Far North?
 - ii. Should the subsidy be available to some or all:
 - 96 communities in the Far North? Should the CRTC distinguish between high-cost and low-cost serving areas?
 - Households in the Far North? Should households be required to meet specific characteristics (e.g. low income) in order to be eligible to receive a subsidized service?
 - Service plans in the Far North? Should the CRTC limit the subsidy to plans with specific characteristics? Should small businesses be eligible to receive a subsidized service?
 - Retail contracts for Internet service regardless of underlying technology (e.g. terrestrial, satellite, [fixed wireless](#))?
 - Service providers?

- iii. What conditions of service do you think should be imposed in order for a service provider to be eligible to receive the subsidy? For example, would a service provider only be eligible to receive the subsidy if it met certain quality of service criteria, or other criteria, such as owning or operating telecommunications facilities?
- iv. Which service providers should be required to contribute to the subsidy fund?

Quality and reliability of retail telecommunications services

Quality of telecommunications services can mean different things depending on the context. For retail Internet access services, consumers generally discuss quality in terms of upload and download speeds. For example, across Canada, Internet service providers work to deliver faster upload and download speeds; connection speed is one of the key selling points in advertisements that differentiates various levels of Internet service.

Q20 Do you think the CRTC should take action to improve the quality of Northwestel's Internet network? For example, should the CRTC take action to improve the speed of Internet service?

- a) Why or why not?
- b) If so, explain what actions the CRTC should take.

Network improvement refers to initiatives to improve the reliability of networks to reduce the frequency of outages. Reliability relates to the frequency of service outages and intermittent service interruptions that stop retail customers from being able to consistently access the services they need. Outages of Internet services in the Far North are impacted by many factors. These include weather (severe effects of cold, snow, rain and impact of climate change), [equipment](#) (fibre transport, lack of redundancy and human error), terrain and facility accessibility, as well as infrastructure (availability and reliability of commercial power). Technological challenges tend to be especially present in satellite-served communities which experience lower speeds and higher latency.

The record in Phase I indicated a trending decline in major outages in recent years. At the same time, many parties submitted that outages are a significant problem in the Far North and that they have negative impacts on residents, including disruption to business activities and the inability to access essential services, such as healthcare and education. According to Environics' research conducted during Phase I of the proceeding, northerners believed that outages to their phone or Internet service affect their personal, social and economic well-being, including almost half of the respondents (48%) who said such outages have a major or moderate impact. Participants also noted that Internet outages affect commercial activity, as sales terminals require Internet access to function. Northwestel highlighted that network redundancy, for both hardware and software, was needed to prevent outages.

- Q21 Do you think the CRTC should take action to improve the reliability of Northwestel's Internet network? For example, should the CRTC take action to reduce the duration and frequency of network outages (sometimes, this is referred to as bringing redundancy to a network or making a network more resilient)?
- a) Why or why not?
 - b) If so, explain what actions the CRTC should take.
- Q22 Do you think the CRTC should require Northwestel to develop a network improvement plan?
- a) Why or why not?
 - b) If so, describe the network improvement plan and benefits. For instance, network improvements may include upgrades to transport facilities, network redundancy, upgrade and/or expansion of Internet services across Northwestel's operating territory, improvement of broadband Internet services in satellite-dependent communities, etc.
- Q23 In Canada, consumers who wish to file a complaint about their telecommunications services can do so with the [Commission for Complaints for Telecom-Television Services \(CCTS\)](#). However, the CCTS's mandate is limited to services that are forborne from rate-regulation, such as Northwestel's satellite Internet services. This means that complaints about Northwestel's terrestrial Internet services, which are rate-regulated, must be submitted to the CRTC directly. Do you think the CRTC should take action to improve the complaint resolution process for telecommunications services in the Far North?
- a) Why or why not?
 - b) If so, explain what actions you think the CRTC should take.

Telecommunications service provider engagement with local communities, including Indigenous communities, in the Far North

Indigenous parties raised concerns related to how Northwestel engages with local Indigenous communities. Indigenous parties made several suggestions about how telecommunications services can respond to the interests of users in a [community](#), which includes communicating with those communities and understanding their needs.

- Q24 Do you think the CRTC should take action to improve how telecommunication services are offered or provided to better meet the needs of Indigenous individuals, local communities or small business customers in the Far North? For example, customer service in Indigenous languages, culturally-sensitive payment plans, business plans that support Indigenous businesses, etc.

- a) Why or why not?
- b) If so, explain what actions you think the CRTC should take.

Q25 Should the CRTC impose any requirements or expectations on service providers relating to meaningful engagement with Indigenous communities when providing (or planning to provide) telecommunications services to Indigenous communities in the Far North?

- a) Why or why not?
- b) If so, explain what actions you think the CRTC should take.
- c) What are the elements of these requirements or expectations, including what would constitute meaningful engagement?
 - i. Which service provider(s) should be subject to these requirements or expectations?
 - ii. What are the instances or circumstances under which meaningful engagement would be expected or required? For instance, some parties suggested that the CRTC should require additional and specific Indigenous involvement in planning and designing service improvement projects to adequately address the connectivity needs of Indigenous communities on an ongoing basis, help improve service standards, encourage client services that are culturally sensitive, and help support the availability of services.⁶
 - iii. How would one measure the effectiveness or success of meaningful engagement with the local communities in the Far North?
 - iv. Should the CRTC impose reporting requirements to monitor engagement with the communities, including what information these reports should include, the filing frequency, and whether a feedback mechanism attached to these reports would be appropriate so that the communities could react and comment on them?
 - v. Are there any other mechanisms or tools that could be used to adequately measure the engagement from service provider(s)?

Competition

If competition in the Far North is supported by allowing competitors to use Northwestel's infrastructure, Internet services provided by new competitors might be very similar to Northwestel's services in terms of price, reliability and quality. However, the services of competitors could be different in ways that do not depend on the infrastructure being used or its cost, such as different approaches to customer service and engagement, marketing and bundling of services.

⁶ As noted in paragraph 92, deployment projects related to the CRTC's Broadband Fund are out of scope of this proceeding.

- Q26 How might consumers benefit from this kind of competition, even if it did not mean lower prices overall, or improvements with respect to Internet service reliability and quality?
- Q27 According to the Competition Bureau, competition in a given market generally benefits consumers through lower prices, greater choice and increased levels of quality and innovation.⁷
- a) Which of these benefits are most important to consumers with respect to their Internet services and why?
 - b) How would you rank them in order of priority?

Wholesale high-speed access service

As set out in *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, as amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015, to determine when the CRTC should require a service provider to provide a wholesale service, it has developed an analysis that it applies in most regions of Canada. The [Wholesale Analysis](#) includes applying the [Essentiality Test](#) and assessing whether certain enumerated policy considerations inform, support, or reverse a decision based on the outcome of the Essentiality Test.

No analytical tool like the Wholesale Analysis has been developed for or applied to Northwestel by the CRTC to determine whether it should be required to provide a wholesale service, given the special circumstances of the Far North.

The CRTC's preliminary view is that the Essentiality Test should apply in the Far North, given that it is based on economic principles that apply equally in Northwestel's operating territory as in the rest of Canada. However, the CRTC recognizes that the existing policy considerations that form part of the Wholesale Analysis (public good, interconnection, innovation and investment) may not reflect all of the particular circumstances in the Far North that are relevant to regulation of its wholesale market.

- Q28 How can the CRTC's Wholesale Analysis be responsive to the particular circumstances of the Far North?
- a) Comment on the CRTC's preliminary view that the Essentiality Test should apply to wholesale services in the Far North.
 - b) Should the existing policy considerations (public good, interconnection, innovation and investment) apply to wholesale services in the Far North? Why or why not? Should they be modified or qualified in some way?
 - c) What further policy considerations may be appropriate to examine given the particular circumstances of the Far North? How should these be applied to inform the Wholesale Analysis?

⁷ See "[Why competition matters](#)", Competition Bureau Canada.

While the CRTC has not yet made any determinations on these issues, the following questions are intended to guide a discussion that assumes that the CRTC will require Northwestel to introduce a wholesale high-speed access (HSA) service.

Q29 What form should a mandated HSA service take and why? Comment on any factor you consider relevant, including:

- a) the kind of infrastructure that the service should provide access to (e.g. transport, access, [fibre-to-the-node](#) [FTTN], fibre-to-the-premises [FTTP], coaxial cable, copper loop);
- b) which communities the service should be available in; and
- c) whether the service should be the same or different depending on the infrastructure or the community.

Q30 Given that Wholesale Connect already provides a wholesale service over Northwestel's transport facilities, should the wholesale HSA service complement Wholesale Connect, or should they be provided as independent and potentially overlapping services?

Q31 How does the Wholesale Analysis described in *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015, apply to the particular form of wholesale HSA solution you propose in response to question 29? That is:

Essentiality Test

- a) What are the relevant product and geographic markets for the service?
- b) Is the service required as an input by competitors to provide telecommunications services in a relevant downstream market?
- c) Is the service controlled by a firm that possesses upstream market power such that denying access to the service would likely result in a substantial lessening or prevention of competition in the relevant downstream market?
- d) Is it practical or feasible for competitors to duplicate the functionality of the service?

Policy considerations

- a) Are there reasons related to public good, interconnection, or innovation and investment such that the service should be mandated or not mandated?
- b) In question 28, parties are invited to comment on any further policy considerations that may be appropriate to examine given the particular circumstances of the Far North. How would that apply to the wholesale HSA service you propose?

- c) If you proposed any changes to this analysis in your responses to question 28, please also consider those changes in your application of the analysis.
- Q32 Comment on how the wholesale HSA solution you propose in response to question 29 would promote facilities-based competition, service-based competition, or both. Why should this be the CRTC's desired outcome? How will the solution you propose lead to concrete outcomes that are meaningful to consumers and communities?
- Q33 The CRTC is committed to engaging with Indigenous Peoples to ensure that their needs are considered in its policy development processes. Comment on how the solution you propose in response to question 29 addresses Indigenous rights and contributes to reconciliation in the Far North. In particular, how could your solution help promote economic development and opportunities in Indigenous communities, including skills training and education, technical and digital literacy, employment, and opportunities for local entrepreneurs? Could it help empower Indigenous communities to own and maintain their own infrastructure, and if so, how?
- Q34 Comment on how the solution you propose in response to question 29 could allow for more service providers to operate in the Far North. Consider all kinds of providers, including for-profit and local, not-for-profit providers (such as providers that are owned and operated by communities or municipalities). What benefits could different kinds of service providers, including local not-for-profit service providers, bring to consumers and communities?
- Q35 Currently, the CRTC sets the rates that Northwestel can charge for its retail terrestrial Internet services according to its price cap regulatory regime. Discuss whether and how the price cap regime would need to be adjusted to realize the benefits of the solution you propose in response to question 29. Is it possible to set retail rates that are more affordable than they are now while also promoting competition, and if so, how?
- Q36 In 2022-2023, Northwestel's retail terrestrial Internet services may be in direct competition with new market entrants that use LEO satellite technology to provide retail Internet access services. Comment on the impact these new developments may have on the solution you propose in question 29 and how they may affect your solution's impact on consumers, communities and the market.
- Q37 In *Review of the competitor quality of service regime*, Telecom Regulatory Policy CRTC 2018-123, 13 April 2018, the CRTC set out separate [competitor quality of service](#) regimes for Wholesale Connect, and for wholesale HSA services provided by incumbents in the south. Discuss what [quality of service regime](#) is appropriate for the solution you propose in question 29, including what service indicators and standards will meet the needs of competitors and consumers. How should the particular circumstances of the Far North be factored into its competitor quality of service regime?
- Q38 Justify why, with regard to all of the factors above and any other factor you consider relevant, Northwestel should or should not be required to provide a wholesale HSA service in the form that you have proposed?

Wholesale Connect

As noted at paragraph 94 of the notice and Appendix 4, the CRTC will not consider setting new rates for Wholesale Connect in Phase II of this proceeding. However, the CRTC invites comments regarding how proposed changes to Wholesale Connect will affect the appropriate rates for the service, as well as how the need for such changes can be balanced against the need to ensure that Wholesale Connect can be provided at rates that meet the needs of competitors.

Q39 Comment on what changes to Wholesale Connect could help promote competition in the Far North. As a starting point, Iristel Inc. and the Public Interest Advocacy Centre made several suggestions on which the CRTC seeks comments, including:

- a) With regard to technical changes:
 - i. Should the maximum transmission unit be increased from 1,500 bytes to at least 9,000 bytes?
 - ii. Should more than one point of presence per community per wholesale customer be available?
 - iii. Should 10 Gigabits per second Ethernet ports be available in network breakout point communities?⁸
 - iv. Should more than one network breakout point on a redundant path be provided? Does the additional network breakout point proposed by Northwestel in Tariff Notice 1126 and approved in *Northwestel Inc. – Wholesale Connect Service – Addition of a new network breakout point in Fort St. John, British Columbia*, Telecom Order CRTC 2021-414, 15 December 2021, satisfy this need?
 - v. Should Ethernet and wavelength-based transport services be provided?
 - vi. Should Wholesale Connect be offered as a Layer 2 network solution, instead of as a Layer 3 solution?
- b) With regard to quality of service:
 - i. Should the Class of Service and Service Level Agreement provisions in the Wholesale Connect tariff be changed? If so, how?
 - ii. Should the competitor quality of service regime applicable to Wholesale Connect, as set out in *Review of the competitor quality of service regime*, Telecom Regulatory Policy CRTC 2018-123, 13 April 2018, be changed? If so, how?

⁸ In Northwestel's Wholesale Connect tariff, a network breakout point is a community outside of Northwestel's operating territory where Wholesale Connect traffic accesses the broader Internet.

- iii. Should the option to purchase dedicated bandwidth be part of the Wholesale Connect service?

- c) Given the changes to Wholesale Connect that you proposed, comment on whether and how the particular wholesale HSA service that you described in response to question 29 will provide additional benefits in the Far North. Should the wholesale HSA service you proposed still be introduced, even if Wholesale Connect is improved in the manner you proposed? Why?

Appendix 2 to Telecom Notice of Consultation CRTC 2022-147

Telecommunications policy objectives and the policy directions

Telecommunications policy objectives

The Canadian Radio-television and Telecommunications Commission (CRTC) is required to exercise its powers and perform its duties under the *Telecommunications Act* (the Act)⁹ with a view to implementing the Canadian telecommunications policy objectives set out in section 7 of that Act.

Following Phase I, the CRTC considers that the following policy objectives are relevant to this proceeding:

- (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;
- (b). to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada;
- (c). to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications;
- (d). to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective;
- (e). to stimulate research and development in Canada in the field of telecommunications and to encourage innovation in the provision of telecommunications services; and
- (f). to respond to the economic and social requirements of users of telecommunications services.

Policy directions

The CRTC is also required to exercise its powers and perform its duties under the Act in accordance with the policy directions.

2006 Policy Direction

- The 2006 Policy Direction¹⁰ requires the CRTC to rely on market forces to the maximum extent feasible as the means of achieving the telecommunications policy objectives.
- When the CRTC must rely on regulatory measures to achieve the policy objectives, the Policy Direction requires the CRTC to use regulatory measures that are efficient and

⁹ S.C. 1993, c. 38.

¹⁰ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006.

proportionate to their purpose and that interfere with the operation of competitive market forces to the minimum extent necessary to meet the policy objectives.

- When the CRTC implements non-economic regulatory measures (such as industry codes or participation in the Commission for Complaints for Telecom-Television Services), the Policy Direction requires the CRTC to implement these measures in as symmetrical and competitively neutral a manner as possible.

2019 Policy Direction

- The 2019 Policy Direction¹¹ provides that when the CRTC is exercising its powers and performing its duties under the Act, it should consider how its decisions can promote competition, affordability, consumer interests, and innovation. Moreover, the CRTC 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.

¹¹ 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.

Appendix 3 to Telecom Notice of Consultation CRTC 2022-147

Parties to Phase I and the SSi Micro Ltd application

Parties to Phase I

The following were parties to Phase I:

- Aaliak Consulting Ltd
- Burnt toast Cafe and Cutoff restaurant
- Council of Yukon First Nations
- DigItalNWT
- Federation of Canadian Municipalities, Northern and Remote Forum
- First Mile Connectivity Consortium
- Fort Nelson & District Chamber of Commerce
- G & V Global Developments
- Government of Yukon
- Iristel Inc.
- Kwanlin Dun First Nation
- New North Networks
- Northern Rockies Lodge/Liard Air Ltd.
- Northern Rockies Regional Municipality
- Northwestel Inc.
- NWT Association of Communities
- NWT Legislative Assembly
- Photos by Little/Chickweed Arts
- Public Interest Advocacy Centre
- Rogers Communications Canada Inc.
- SANNY Internet Services
- Shadhäla Äshèyi yè Kwädän (Champagne and Aishihik First Nations)
- SSi Micro Ltd.
- TekSavvy Solutions Inc.
- TELUS Communications Inc.
- The Government of the Northwest Territories
- Tsay Keh Dene Band
- We Together

200+ individuals also participated in Phase I of this proceeding. You can read the submissions that parties made during Phase I on the CRTC's "[Closed Notices of Consultation](#)" page. These submissions will continue to be considered as part of Phase II.

Parties to the SSi Micro Ltd Part 1 application

The following were parties to the SSi Micro Ltd application: AST Microwave

- Competitive Network Operators of Canada
- Computerisms Corporation
- Council of Yukon First Nations
- First Nation of Na-Cho Nyak Dun
- Internet Society, Canada Chapter
- Iristel Inc.
- Kluane First Nation
- Northwestel Inc.
- OLLERHEAD NWT LOCKSMITHING LTD.
- Pottinger Ltd
- Public Interest Advocacy Centre
- SSi Micro Ltd
- TekSavvy Solutions Inc.
- Utilities Consumers' Group 50+ individuals also participated in the SSi Micro Ltd Part 1 application.

You can read the submissions that parties made on the record of the SSi Micro Ltd Part 1 application on the CRTC's "[Closed Part 1 Applications](#)" page. These submissions will continue to be considered as part of Phase II.

Appendix 4 to Telecom Notice of Consultation CRTC 2022-147

Explanations regarding the out of scope issues

The rate regulation of satellite retail telecommunications services, including services provided by low earth orbit satellite

In *Northwestel Inc. – Regulatory Framework, Modernization Plan, and related matters*, Telecom Regulatory Policy CRTC 2013-711, 18 December 2013, the Canadian Radio-television and Telecommunications Commission (CRTC) maintained its forbearance determinations with respect to retail services in the satellite market in the Far North. The CRTC made this decision on the grounds that there was a competitor acting as an alternative to Northwestel Inc. (Northwestel) and that Northwestel does not control [satellite transport](#) facilities. Based on the record of Phase I, there is little evidence to suggest that there has been a change in the findings that led to the CRTC's decision.

The CRTC is of the view that it would be premature to consider whether it is appropriate to de-forbear from regulating rates in the satellite retail market at this time due to the current state of competition, how the market has evolved and is evolving, and the expected developments in the market in the next few years. Thus, issues specific to rate regulation of satellite retail services, including services provided via low earth orbit satellites, are out of scope of Phase II.

The portability of the local service subsidy

In *Obligation to serve and other matters*, Telecom Regulatory Policy CRTC 2011-291, 3 May 2011, amended by Telecom Regulatory Policy 2011-291-1, 12 May 2011, the CRTC determined that it was no longer appropriate for competitive local exchange carriers to be eligible to receive the local service subsidy and that only [incumbent local exchange](#) carriers should receive subsidies in regulated high-cost serving areas since they are the only carriers with an obligation to serve. The CRTC is of the view that this rationale holds true today and will not explore this issue further in Phase II of the proceeding.

The timing of the next review of Northwestel's price cap regime

In Phase I of the proceeding, the CRTC called for comments on whether and when Northwestel's price cap regime should end. In their submissions, Northwestel and the Public Interest Advocacy Centre proposed a review of the price cap regime in five years, while TELUS Communications Inc. stated that the CRTC should not set any fixed duration for the next review.

The CRTC considers that the timing of the next review of Northwestel's price cap regime is largely at its discretion and will be influenced by determinations on other matters that will be addressed in Phase II of the proceeding. As such, the CRTC will determine the appropriate timing of the next review of Northwestel's price cap regime by taking into account its determinations on those matters and will not consider further submissions on the timing of the next review in Phase II of the proceeding.

Northwestel's request for rate ranges for tariffed services

In *Northwestel Inc. – Regulatory Framework, Modernization Plan, and related matters*, Telecom Regulatory Policy CRTC 2013-711, 18 December 2013, the CRTC stated that the rollout of competition in the north is likely to be different than in the south and that Northwestel has significant market power in many markets in its operating territory. The CRTC determined that providing additional pricing flexibility at that time through the use of rate ranges could be detrimental to the development of competition. Based on the record of Phase I of the proceeding, the CRTC considers that this rationale currently holds true and could have a negative impact on competition. Accordingly, the CRTC will not consider Northwestel's request for rate ranges for tariffed services in Phase II.

Changes to the rates for Wholesale Connect

In Phase I, the CRTC heard that certain changes to the technical specifications and quality of service standards for Wholesale Connect could help improve competition in the Far North. The CRTC will consider whether such changes are appropriate as part of the scope of Phase II of the proceeding.

The CRTC notes that any changes it makes to Wholesale Connect's technical specifications and quality of service standards could change Northwestel's costs of providing the service and new rates for the service will reflect those changes. Further, the CRTC considers that keeping the current final rates for Wholesale Connect in place would maintain a level of certainty for the industry. Therefore, the final rates for Wholesale Connect will remain in place at least until a final determination is made by the CRTC with respect to any changes to Wholesale Connect that impact the costs of the service, or in relation to a mandated wholesale HSA service, if necessary.

A review of the wholesale services provided via the Mackenzie Valley Fibre Link

In Phase I, the CRTC heard from the First Mile Connectivity Consortium (FMCC) that Northwestel has not provided open and affordable access to Mackenzie Valley Fibre Link (MVFL)¹² wholesale services. The FMCC requested that the cost and terms of the MVFL wholesale services be made public, and that the CRTC should regulate MVFL wholesale rates and access.

The CRTC notes that the MVFL is owned and subsidized by the Government of the Northwest Territories. Providing wholesale transport services at low rates to service providers is among the MVFL's key purposes. The CRTC heard in Phase I that other service providers are able to access MVFL wholesale services at affordable rates. In the CRTC's view, the concerns raised by the FMCC appear to be a discrete bilateral dispute and, in that regard, may be more appropriately

¹² The MVFL is fibre optic telecommunications infrastructure that runs from Inuvik, Northwest Territories, to High Level, Alberta. Small and large service providers can use it to provide retail services to consumers, including retail Internet access services, by purchasing MVFL wholesale transport services. MVFL wholesale services are available in seven communities in the Northwest Territories. The MVFL is owned by the Government of the Northwest Territories, which sets certain parameters regarding the wholesale MVFL transport services, including the rates. The Government of the Northwest Territories has contracted out operation and maintenance of the MVFL by Northern Lights General Partnership, a joint venture between Northwestel and Leducor Developments Ltd.

and efficiently addressed by other available processes. In light of the above, the CRTC will not review the MVFL wholesale services in Phase II except where consideration of the MVFL is required to understand the state of competition in the Far North, or to inform new or improved wholesale services.

Issues related to the regulation of wholesale satellite transport services

In Phase I, the CRTC heard that regulation of wholesale satellite transport services in the Far North could improve competition. The CRTC notes that Northwestel does not control the satellite transport facilities in its operating territory and that there is presently more than one provider of wholesale satellite transport services in the Far North. Further, the CRTC is satisfied, based on the information submitted in Phase I, that service providers other than Northwestel are able to access wholesale satellite transport services pursuant to terms and rates generally comparable to the arrangements that are available to Northwestel. Accordingly, issues related to the regulation of wholesale satellite transport services are out of scope of Phase II.

Issues related to Northwestel's Carrier Access Tariff rate

In Phase I, Iristel Inc. (Iristel), Rogers Communications Canada Inc. (Rogers), and TELUS Communications Inc. (TELUS) supported a review of the underlying costs of Northwestel's Carrier Access Tariff (CAT) rate¹³ to ensure that the rate remains just and reasonable. Further, these parties expressed support for de-averaging the rate into individual terrestrial and satellite components, respectively.

While the CRTC recognizes the concerns with Northwestel's [bundled](#) CAT rate, as raised by Iristel, Rogers, and TELUS, the CRTC considers that the matter could be addressed in a separate proceeding, where the record of the proceeding could be limited to Northwestel's bundled CAT rate and its associated costs, and does not need to be addressed as part of a broad regulatory policy review. Accordingly, issues related to the CAT rate are out of scope of Phase II.

¹³ Northwestel's bundled CAT rate is the rate paid by long-distance service providers to originate and terminate traffic in the Far North. Currently, the costs for terminating traffic in the Far North are averaged into a single rate, regardless of whether traffic is destined for a terrestrially-served community or a satellite-dependent community.

Appendix 5 to Telecom Notice of Consultation CRTC 2022-147

Glossary of key terms

Affordability

Affordability is often subjective: what is affordable for one person, may not be for another. Alternatively, what a person may be able to afford can change over their lifetime. Affordability is generally tied to one's means (e.g. income, generational wealth, access to credit). When consumers consider what they can afford, they may examine both the price and value of an item or service. Affordability is not limited to upfront cost, but also includes ongoing costs.

Basic telecommunications services

Pursuant to subsection 46.5 (1) of the Act, the Canadian Radio-television and Telecommunications Commission (CRTC) “may require any telecommunications service provider to contribute, subject to any conditions that the CRTC may set, to a fund to support continuing access by Canadians to basic telecommunications services.”

The CRTC has designated the following as basic telecommunications services: fixed and mobile wireless broadband Internet access services, fixed and mobile wireless voice services, basic local residential service, and video relay service.

Broadband

Broadband is defined as an always-on connection to the Internet that provides a download speed of 1.5 Megabits per second and above. This connection may be delivered on fixed and mobile wireless networks using a variety of technologies.

Broadband Fund

A broadband funding regime established by the CRTC in *Modern telecommunications services – The path forward for Canada’s digital economy*, Telecom Regulatory Policy CRTC 2016-496, 21 December 2016, to assist in (i) funding continuing access to the basic telecommunications services that form part of the universal service objective, and (ii) closing the gaps in connectivity.

The Broadband Fund supports three types of projects:

- Transport - broadband Internet transport network capacity to one or more interconnection points.
- Access - fixed broadband Internet access network infrastructure to connect communities to an interconnection point on the transport network.
- Mobile Wireless – mobile wireless network to communities and/or along major transportation roads.

Bundle

An offer of multiple communications services to a customer to incent that customer, financially or otherwise, to subscribe to more than one communications service. In many cases, changes to or removal of one of the underlying services may affect the prices or characteristics of the remaining services.

Cable

Cable Internet is an Internet service which provides high-speed transmission of data over coaxial cable.

Consumer

A consumer may or may not have an active contract with a specific telecommunications service provider when acting in the context of consumer telecommunications rights and responsibilities (receiving clear contracts / adhering to contract terms). Consumers include potential future customers who are switching providers or determining what plan best meets their needs.

Commission for Complaints for Telecom-Television Services

The Commission for Complaints for Telecom-Television Services (CCTS) is Canada's ombudsman that addresses consumer complaints about telecommunications and television services. Consult the [CCTS's website](#) for the scope of telecommunications complaints it can address.

Notably, when the CRTC re-established rate regulation of Northwestel Inc's (Northwestel) terrestrial Internet services, consumers could no longer seek recourse from the CCTS about those services because its mandate, pursuant to the Order in Council that led to its creation, is limited to services that are forborne from rate regulation. See the CRTC's [fact sheet](#) on this issue. As a result, Northwestel Internet customers can only seek the CCTS's help with issues related to overbilling, etc. if the underlying technology is satellite. This also means that complaints about Northwestel's terrestrial Internet service are not included in the CCTS's annual reports.

The CCTS also administers the [Internet Code](#), which applies to Northwestel, and the [Wireless Code](#), which applies to all wireless service providers, including Bell Mobility Inc., the dominant wireless service provider in the north.

Community

A community refers to an area that contains a group of households, businesses, and/or government buildings. Telecommunications service providers currently serve 96 communities in the Far North.

Competitor Quality of Service standards

In *Implementation of a new competitor quality of service regime*, Telecom Decision CRTC 2020-408, 22 December 2020, the CRTC set out its new competitor quality of service regime focused on the provision of wholesale high-speed access (HSA) service. Indicators

include Wholesale HSA Installation Appointments Met; Wholesale HSA Repair Appointments Met; Wholesale HSA Installation Intervals and Wholesale HSA Repair Intervals.

Customer

A customer has an active contract with a specific telecommunications service provider (e.g. a Northwestel customer). A customer may be an account holder or an authorized user.

An account holder is a customer who is responsible for payment under a contract.

An authorized user is a user who has been authorized by the account holder to consent to additional charges on the account or to changes to key contract terms and conditions which are the elements of the contract that the customer agreed to upon entering into the contract and will receive for the duration of the contract, and that the service provider cannot change without the customer's express consent.

Digital Subscriber Line

Digital Subscriber Line (DSL) is a high-bandwidth Internet access service that works over existing phone lines and increases their capacity.

Standalone DSL service permits customers to have DSL Internet service without subscribing to telephone service.

DSL surcharge

Northwestel charges a \$20 monthly fee to retail customers of its stand-alone residential DSL Internet service in certain high-cost communities, as set out in Item 1735 of its General Tariff. In *Northwestel Inc. – Application to review and vary certain determinations in Telecom Decision 2015-78 or approve an exogenous adjustment for retail Internet services*, Telecom Decision CRTC 2016-36, 1 February 2016, the CRTC approved the monthly stand-alone residential DSL Internet surcharge of \$20 in certain high-costs communities in order to enable Northwestel to invest in and complete upgrades to a number of communities by the end of 2017 as part of its modernization plan.

Disconnection

The termination of services by a service provider. The CRTC's rules on disconnection, including those related to failure to pay, are set out in the various consumer codes.

Download speed

The speed at which the data from a remote system is downloaded to a customer's system. Download speed is measured in megabits per second (Mbps) or kilobits per second.

Essentiality test

As set out in *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015, to determine when the CRTC should require a service provider to provide a wholesale service, it has developed an analysis that it applies in most regions of Canada (see also the glossary entry below, “Wholesale Analysis”). The Essentiality Test is part of the Wholesale Analysis.

To apply the Essentiality Test, product and geographic markets must first be defined for the wholesale service in question. These markets are typically characterized as the smallest group of services and geographic area over which a firm could profitably impose a significant and non-transitory (i.e. sustainable) price increase.

To be considered essential, a facility, function, or service must satisfy all of the following conditions of the Essentiality Test:

- the service is required as an input by competitors to provide telecommunications services in a relevant downstream market;
- the service is controlled by a firm that possesses upstream market power such that denying access to the facility would likely result in a substantial lessening or prevention of competition in the relevant downstream market; and
- it is not practical or feasible for competitors to duplicate the functionality of the service.

Equipment

A device or combination of devices necessary to receive a service provided by a service provider or to optimize the reception of a service, such as a modem or router.

Equality, substantive

Substantive equality is a principle that refers to the achievement of true equality in outcomes. It is achieved through equal access and opportunity. Most importantly, it is achieved through the provision of services and benefits in a manner and according to standards that meet any unique needs and circumstances, such as cultural, social, economic and historical disadvantage.

Equity

Equity is treating everyone fairly by acknowledging their unique situation and addressing systemic barriers. The aim of equity is to ensure that everyone has access to equal benefits and results. It has been well-established that Indigenous Peoples in Canada have suffered as a result of systemic racism. Equity is an important concept to address when discussing how telecommunications services in the Far North can be considered in a way that is more inclusive to Indigenous populations. Best principles of equity address the systemic constraints that are needed to dismantle the barriers.

Exogenous factor

A component of the price cap formula incorporating a change, specific to the telecommunications industry, having a material impact on the company, resulting from legislative, judicial or administrative actions which are beyond the control of the company. A time limited exogenous factor is one that expires after either full recovery of the costs, or realisation of the savings, allowed for.

Far North

For the purposes of this proceeding, the Far North refers to all of the Northwest Territories, Nunavut, and Yukon, parts of northern British Columbia and Fort Fitzgerald, Alberta.

Fixed satellite service

Fixed satellite service (FSS) is a category of telecommunications services delivered via satellite that reflects notions found in the field of spectrum management. They are defined as services delivered over satellite to earth stations at given positions that do not move, such as homes or businesses. Services delivered via FSS include telecommunications services delivered to remote communities and households.

Fixed wireless services

A method for provisioning a network segment between two fixed locations using wireless devices or systems, whether analogue or digital. Fixed wireless devices normally derive their electrical power from utility mains, as opposed to portable wireless devices that normally derive their power from batteries. Most fixed wireless systems rely on digital radio transmitters placed on rooftops, aerial towers, or other elevated locations, and achieve point-to-point signal transmission via a microwave platform. Unlike a satellite system, fixed wireless is a terrestrial technology.

Fibre-to-the-premises

Fibre-to-the-premises (FTTP) or Fibre-to-the-home (FTTH) is a fibre optic communication delivery form where the fibre extends from a central office to the boundary of a home living space or business office. Once it reaches the home or business office, the signal is conveyed throughout the space using coaxial cable, wireless, optical fibres or power line communication.

Fibre-to-the-node

Fibre-to-the-node (FTTN) is one of several options for providing cable telecommunications services to multiple destinations. FTTN helps to provide broadband connection and other data services through a common network box, which is often called a node.

High-cost serving area

A high-cost serving area is a clearly defined geographical area where the monthly costs to provide basic service are greater than the associated revenues generated by service rates. All

communities in the Far North, except Whitehorse and Yellowknife, are high-cost serving areas for the purposes of providing home phone services.

HSA service

Wholesale HSA services provide competitors a high-speed path between end-customer premises (e.g. a house) and an interface on the incumbent carrier's network. Competitors can use wholesale HSA service to provide various services, including retail Internet access services, voice over Internet Protocol services, television services and other services.

Incumbent local exchange carriers

The term incumbent local exchange carriers (ILECs) includes the large and small incumbent local exchange carriers and refers to the existing telephone companies, prior to the introduction of local competition.

Internet access services

Includes all retail fixed Internet access services, including cable, fibre, DSL, fixed wireless, and satellite services. Fixed Internet access services do not include mobile wireless data services.

Indigenous communities

Territories of First Nations, Métis and Inuit people in the Far North. See Native-land.ca for more.

Low earth orbit satellite

A low earth orbit (LEO) satellite transport network will use a series of satellites orbiting close to Earth in a constellation, as opposed to current geostationary satellites, which follow a geostationary orbit at further distances from the Earth.

LEOs have an orbit that is relatively close to the Earth's surface (e.g. between 500 kilometers and 2,000 kilometers). The trip around the Earth is shorter because their orbit is closer, so the latency is lower than LEO satellites than for those further out. They may have the potential to rival the fastest ground-based networks (fibre). They also travel faster, completing a full circuit of the planet in 90 to 120 minutes. That means each individual satellite is only in direct contact with a ground transmitter for a brief period. That is why LEO projects involve so many satellites and require so many in operation to ensure connection does not drop (e.g. redundancy).

Local service subsidy

Telecommunications service providers or groups of related telecommunications service providers that have \$10 million or more in Canadian telecommunications service revenue pay contribution into a national fund called the National Contribution Fund. Subsidy is then paid out from that fund to the ILECs, who are also telecommunications service providers, for providing residential local telephone service in regulated high-cost serving areas.

In *Phase-out of the local service subsidy regime*, Telecom Regulatory Policy CRTC 2018-213, 26 June 2018, the CRTC determined that the phase-out of the local service subsidy would occur over a three-year transition period, from 1 January 2019 to 31 December 2021, through semi-annual reductions. Each ILEC's transition subsidy amount was calculated based on its total 2018 subsidy amount. In *Call for comments – Review of the Commission's regulatory framework for Northwestel Inc. and the state of telecommunications services in Canada's North*, Telecom Notice of Consultation CRTC 2020-367, 2 November 2020, the CRTC set, on an interim basis, the transition subsidy payments for Northwestel for the 14-month period beginning 2 November 2020 and ending 31 December 2021.

Local exchange service

Local exchange service is a wireline-based telephone service that provides customers with unlimited local calling within a defined area at a flat monthly rate, as well as access to a long-distance network of the customer's choice.

Mobile wireless services

Mobile wireless voice and data (including text) services. Mobile wireless data services include, but are not limited to, data plans for smartphones and tablets as well as mobile Internet plans used with Internet hubs, sticks, keys, and MiFi or similar devices. The Wireless Code applies to contracts for mobile wireless services.

National Contribution Fund

The [National Contribution Fund](#) is a mechanism established by the CRTC in *Changes to the contribution regime*, Decision CRTC 2000-745, 30 November 2000.

In that decision, the CRTC introduced a national revenue-based contribution collection mechanism to subsidize residential telephone service in rural and remote parts of Canada.

The CRTC consolidated and summarized information with respect to the CRTC's revenue-based contribution regime in *The Canadian revenue-based contribution regime, effective 1 January 2020*, Telecom Information Bulletin CRTC 2019-396, 4 December 2019. The CRTC has directed these funds to the Broadband Fund.

Network improvement

Network improvement refers to initiatives to improve the reliability of networks to reduce the frequency of outages.

National Inuit Strategy on Research

The National Inuit Strategy on Research outlines the coordinated actions required to improve the way Inuit Nunangat research is governed, resourced, conducted and shared. It envisions research being utilized as a building block for strong public policies, programs and initiatives that support optimal outcomes for Inuit that in turn benefit all Canadians.

OCAP

The First Nations principles of ownership, control, access, and possession – more commonly known as OCAP® – assert that First Nations have control over data collection processes, and that they own and control how this information can be used.

Overage charge

A charge for exceeding an established limit on the use of a service.

Price cap regulation

Price cap regulation sets an upper limit on the price that companies can charge their customers. The services that are subject to price cap regulation are grouped into service baskets, each of which is subject to pricing limits. The price cap regime protects consumers in the absence of sufficient competition to ensure that rates remain just and reasonable. Northwestel's price cap regime is structured in eight baskets of services.

Quality

Quality refers to retail-level service quality. In particular, for Internet services, quality can be measured in terms of upload and download speeds.

Quality of Service Regime (wholesale)

In *Implementation of a new competitor quality of service regime*, Telecom Decision CRTC 2020-408, 22 December 2020, the CRTC set out its new competitor quality of service regime focused on the provision of wholesale HSA services. The proposed consensus business rules by indicator is set out in Appendix 1 to that decision.

Reliability

Reliability relates to the frequency of service outages and intermittent service interruptions that stop retail customers from being able to consistently access the services they need to support education, banking, telehealth, etc.

Retail services

Services provided by telecommunications service providers to residential or business customers.

Rural

Defined by the CRTC as areas with a population of less than 1,000 or density of 400 or fewer people per square kilometre.

Satellite

A platform that is placed in orbit above the Earth and is used as a relay station to provide communications services. Satellites are stationed far from Earth (e.g. 36,000 kilometers), and

travel in so-called geostationary orbits, moving at the speed of Earth's rotation and appear to float motionless above a fixed point. The signal travels from Earth, providing a delayed connection when compared to terrestrial transport technologies. The speed depends on a customer's line of sight to the orbiting satellite and the weather.

Satellite-dependent community

A community that has no connection to terrestrially-based telecommunications facilities for connection to the public switched telephone network and/or the Internet, and that relies on satellite transport to receive one or more telecommunications services (such as voice, wireless [both fixed and mobile] and Internet services).

In contrast, a partially satellite-dependent community is a community that may have some form of terrestrially-based telecommunications facilities (e.g. micro-wave) for some telecommunications services (e.g. voice services) but no suitable terrestrial facilities for other telecommunications services (e.g. broadband Internet service), which must be provided via satellite.

Satellite transport

The one-way or two-way communications link between an earth station and a satellite over which communications is passed for the provision of communications services.

Security deposit

Telecommunications service providers may charge customers a security deposit in advance of providing services. As the CRTC has noted in *The Internet Code*, Telecom Regulatory Policy CRTC 2019-269, 31 July 2019, amended by Telecom Regulatory Policy CRTC 2019-269-1, 9 August 2019, it "is aware that issues related to security deposits disproportionately affect low-income customers." The CRTC's rules on security deposits are set out in the various CRTC consumer codes.

Small business

As set out in various CRTC consumer policies (e.g. *Wireless Code*, Telecom Regulatory Policy CRTC 2013-271, 3 June 2013, paragraph 27), the CRTC considers that small businesses, given their size and purchasing power, face the same issues as individual consumers with respect to wireless services. The CRTC notes that the CCTS resolves complaints about wireless services from small businesses and defines a "small business" as a business whose average monthly telecommunications bill is under \$2,500. The CCTS's definition effectively excludes corporate and commercial accounts, since these account holders are already able, through size and purchasing power, to better negotiate agreements.

South

All regions of Canada that are not part of the Far North.

Subsidy

Subsidy refers to a regime that the CRTC may create under section 46.5 of the *Telecommunications Act* in order to support continuing access by Canadians to basic telecommunications services.

Suspension

A temporary halt in Internet service that can result from a lack of payment or reaching a set spending or usage limit. The customer's account and contract remain in effect during service suspension.

Terrestrial

Used to describe Internet service that is provided through ground-based infrastructure (such as microwave radio or fibre), as opposed to satellite.

Third-party Internet access

Third-party Internet access services are a specific type of wholesale HSA service provided over coaxial cable access facilities by incumbent carriers. See HSA service above.

Transport services

Transport services, also known as backhaul services, are high-capacity telecommunications links that provide various telecommunications services to a community network and its subscribers. Transport services are used in the delivery of fixed and mobile voice services, and Internet services to communities.

Terrestrial backhaul facilities are ground-based transmission facilities that consist of any wire, cable, radio, optical or other electromagnetic system, or any similar technical system used for the transmission of communications between network termination points.

United Nations Declaration on the Rights of Indigenous Peoples

The [United Nations Declaration on the Rights of Indigenous Peoples](#) is an international instrument adopted by the United Nations on 13 September 2007 to enshrine the rights that “constitute the minimum standards for the survival, dignity and well-being of the [I]ndigenous [P]eoples of the world.”

The Declaration is a comprehensive international instrument on the rights of Indigenous Peoples. It establishes a universal framework of minimum standards for the survival, dignity and well-being of Indigenous Peoples of the world and it elaborates on existing human rights standards and fundamental freedoms as they apply to the specific situation of Indigenous Peoples.

On 21 June 2021, the [United Nations Declaration of the Rights of Indigenous Peoples Act](#) received Royal Assent and came into force.

Underserved communities

Refers to communities that do not have service, or do not have service that meets the CRTC's basic service objective of 50 Mbps download and 10 Mbps upload speeds (the speed at which the data from a customer's system is uploaded to a remote system). They are also referred to as areas of need.

Universal service objective

Canadians, in urban areas as well as in rural and remote areas, have access to voice services and broadband Internet access services, on both fixed and mobile wireless networks.

To measure the successful achievement of this objective, the CRTC has established several criteria, including, (a) Canadian residential and business fixed broadband Internet access service subscribers should be able to access speeds of at least 50 Mbps download and 10 Mbps upload, and to subscribe to a service offering with an unlimited data allowance; and (b) the latest generally deployed mobile wireless technology should be available not only in Canadian homes and businesses, but on as many major transportation roads as possible in Canada.

Unlimited services

Services (e.g. unlimited data) that can be used on an unlimited basis for a fixed price. Overage charges cannot apply to unlimited services.

Value

Value refers to the relationship between affordability, reliability and quality (along with other factors that may be relevant to a consumer).

Wholesale Analysis

To determine when the CRTC should require a service provider to provide a wholesale service, it has developed an analysis that it applies in most regions of Canada (the Wholesale Analysis). In *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015, the CRTC decided that the Wholesale Analysis should not apply to Northwestel given the special circumstances in its operating territory. The Wholesale Analysis includes: (1) applying the Essentiality Test; and (2) assessing whether certain enumerated policy considerations inform, support, or reverse a decision based on the outcome of the Essentiality Test.

- Regarding (1), the Essentiality Test, see the separate glossary entry above.
- Regarding (2), the policy considerations enumerated in *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015, amended by Telecom Regulatory Policy CRTC 2015-326-1, 9 October 2015, are:

- Public good - there is a need to mandate the service for reasons of social or consumer welfare, public safety, or public convenience.
- Interconnection - the service would promote the efficient deployment of networks and facilitate network interconnection arrangements.
- Innovation and investment - mandating or not mandating the service could affect the level of innovation/investment in advanced or emerging networks or services for incumbents, competitors, or both, or impact the associated level of adoption of advanced or emerging services by users of telecommunications services.

Wholesale services

Provision of a telecommunications service or facility to a service provider, regardless of whether that service provider rebills the service or facility to another entity, or uses that service or facility internally to support the services it bills.

Wholesale Connect Service

Northwestel's Wholesale Connect Service provides for the transport of telecommunication traffic to competitors across communities served by the company's fibre or high-capacity microwave radio transport links. The service, available at different bandwidth levels, is categorized into four distinct types of bands. It was introduced to 30 communities in the Far North following the CRTC's approval of interim rates in *Northwestel Inc. – Introduction of wholesale connect service*, Telecom Order CRTC 2012-203, 3 April 2012. It is now available in 57 communities.

Competitors can use the Wholesale Connect Service to connect their points of presence in those communities for the purpose of providing telecommunications services to their own end-users. An end-user is defined as a retail customer who purchase communications services (including Internet access) at retail rates and who do not, in turn, sell these services to other customers.