



## Telecom Decision CRTC 2025-246

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Reference: Part 1 application posted on 26 August 2024

Gatineau, 19 September 2025

*Public record: 8622-J64-202404531*

### **Iristel Inc. – Request for relief following the disconnection of telecommunications services by Northwestel Inc.**

#### **Summary**

On 23 August 2024, the Commission received an application from Iristel Inc. (Iristel) alleging that Northwestel Inc. (Northwestel) violated its Commission-approved tariffs and the *Telecommunications Act* (the Act) during a dispute that took place in 2024.

The dispute between Iristel and Northwestel has been the subject of other applications, including those that resulted in Telecom Decisions 2024-141 and 2025-157. In this application, Iristel is seeking relief from violations it alleges took place after the issuance of Telecom Decision 2024-141. In particular, Iristel alleges that Northwestel acted contrary to both its General Tariff and the Act when it disconnected services and imposed late payment charges on Iristel. Iristel is therefore seeking a Commission determination confirming its position and requesting that the Commission impose an administrative monetary penalty on Northwestel.

In this decision, the Commission finds that Northwestel did not violate its General Tariff or the Act. Accordingly, the Commission denies Iristel's application.

#### **Background**

1. On 3 October 2023, the Commission received an application from Iristel Inc. (Iristel) describing the company's ongoing disputes with Bell Canada and Northwestel Inc. (Northwestel) regarding payment for telecommunications services. The dispute began when Bell Canada and Northwestel each issued, in September 2023, a 30-day disconnection notice to Iristel for failing to maintain its accounts in good standing.
2. In its application, Iristel requested that the Commission order Northwestel and Bell Canada to withdraw their notices of disconnection. In Telecom Decision 2024-141, the Commission denied Iristel's application, stating that Iristel should either pay the overdue amounts or negotiate payment plans to avoid disconnection and, ultimately, service disruption for its customers.
3. On 28 June 2024, Northwestel issued a new disconnection notice to Iristel, specifying deadlines for Iristel to either make payment in full or enter into a deferred payment

agreement. Northwestel advised Iristel that it may otherwise disconnect all services provided to Iristel.

4. On 7 August 2024, Northwestel disconnected services provided to Iristel. Services were reconnected the next day once Iristel had entered into a deferred payment agreement with Northwestel.

## Application

5. On 23 August 2024, Iristel filed an application requesting relief following the 7 August 2024 disconnection of telecommunications services by Northwestel. Specifically, Iristel requested that the Commission find that Northwestel was not permitted to:
  - disconnect Iristel’s telecommunications services because the parties were prepared to enter into a deferred payment agreement;
  - unilaterally disconnect shared-cost interconnection facilities because of billing disputes; or
  - issue late payment charges (LPCs) to Iristel.
6. Finally, Iristel requested that the Commission impose an administrative monetary penalty (AMP) on Northwestel for breaching its [General Tariff](#) and the *Telecommunications Act* (the Act). Northwestel filed an answer. The Commission also received an intervention from one individual.

## Issues

7. The Commission has identified the following issues to be addressed in this decision:
  - Did Northwestel breach its General Tariff and the Act when it disconnected services provided to Iristel?
  - Did Northwestel breach the Master Agreement for Local Interconnection (MALI)<sup>1</sup> or its General Tariff and the Act when it disconnected shared-cost interconnection facilities?
  - Did Northwestel breach its General Tariff and the Act by issuing LPCs to Iristel?

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<sup>1</sup> A MALI is a bilateral agreement between two carriers and sets out, in part, the manner in which the two carriers exchange traffic between their respective networks, along with specifying other operational matters. These bilateral agreements were made mandatory in Telecom Decision 97-8 where the Commission set expectations for interconnection agreements (i.e., MALIs) to be filed with and approved by the Commission.

- If Northwestel is found to have breached the MALI or its General Tariff and the Act, should the Commission impose an AMP on Northwestel?

### **Did Northwestel breach its General Tariff and the Act when it disconnected services provided to Iristel?**

#### **Positions of parties**

8. Iristel alleged that by disconnecting services, Northwestel had breached its General Tariff, which states that the company may not suspend or terminate service on the basis of disputed charges “where the customer is prepared to enter into and honour a reasonable deferred payment agreement.”<sup>2</sup> Iristel submitted that it had been withholding payments as a result of alleged violations, by Northwestel, of Northwestel’s General Tariff and that it was prepared to enter into and honour a reasonable deferred payment agreement at the time of the disconnection. Iristel further stated that this was substantiated by its return of a signed and amended agreement to Northwestel, which had submitted the original version of the agreement.
9. Iristel also alleged that by breaching its General Tariff, Northwestel subjected Iristel to an undue disadvantage, which violates subsection 27(2) of the Act.
10. Northwestel submitted that it had no reason to believe Iristel was prepared to enter into and honour a reasonable deferred payment agreement. According to Northwestel, it made every effort to negotiate with Iristel, including consistently proposing reasonable deferred payment agreements, repeatedly extending the deadline for payment or a deferred payment agreement, and agreeing to meet on a statutory holiday, at Iristel’s request, to facilitate the signing of a deferred payment agreement. Northwestel alleged that, despite these efforts, Iristel failed to meet any of the deadlines, rendering all deferred payment agreements null and void.

#### **Commission’s analysis**

11. In paragraph 51 of Telecom Decision 2024-141, published on 27 June 2024, the Commission stated: “Iristel should either pay the overdue amounts or negotiate payment plans to avoid disconnection [...]” On 28 June 2024, Northwestel sent a new 30-day disconnection notice to Iristel and proposed a payment plan to defer Iristel’s obligation to pay the outstanding amounts in full.
12. The record indicates that Iristel did not initiate discussions with Northwestel to negotiate a deferred payment agreement until the final days of the notice period. Northwestel provided correspondence between it and Iristel showing that it repeatedly extended the deadline for Iristel to make payment in full or enter into a deferred payment agreement, and that Iristel either refused or failed to do so. Northwestel also

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<sup>2</sup> Northwestel General Tariff, article 22.2(c).

met with Iristel the day before disconnection was due to take place to conclude a deferred payment agreement with Iristel, but no agreement was concluded.

13. Northwestel proceeded to disconnect services provided to Iristel on 7 August 2024, after the final extended deadline had passed for Iristel to enter into a deferred payment agreement. Once services had been disconnected, Iristel returned to Northwestel a signed copy of the latest deferred payment agreement with significant amendments including to the amounts it was to pay Northwestel. The Commission considers that Iristel's extensive amendments to Northwestel's original agreement, coupled with Iristel's failure to enter into a deferred payment agreement by the deadline, indicate that Northwestel had reasonable grounds to conclude that Iristel was not prepared to enter into or honour a reasonable deferred payment agreement at the time services were disconnected.
14. The Commission notes that Northwestel is not entitled to disconnect services provided to Iristel unless the amounts in arrears are considered past due. In this regard, article 17.3 of Northwestel's General Tariff states that "no charge disputed by a customer can be considered past due unless [Northwestel] has reasonable grounds for believing that the purpose of the dispute is to evade or delay payment."
15. Iristel did not dispute the amounts owed as part of its current application. Further, in the proceeding that led to Telecom Decision 2024-141, Iristel advised that it was withholding the amounts at issue as a "self-help" remedy related to ongoing civil litigation. Therefore, the outstanding amounts are not being disputed per se and can be considered past due. The Commission finds that Iristel was not disputing, for the purposes of Northwestel's General Tariff, the specific amounts withheld by it and that accordingly, there was no breach of the General Tariff.
16. In light of the above, the Commission considers that Northwestel did not breach its General Tariff or section 25 of the Act<sup>3</sup> when it disconnected services to Iristel for failing to settle accounts that were past due.

**Did Northwestel breach the Master Agreement for Local Interconnection (MALI) or its General Tariff and the Act when it disconnected shared-cost interconnection facilities?**

**Positions of parties**

17. Iristel stated that Northwestel disconnected, in violation of its General Tariff and section 25 of the Act, services related to shared-cost interconnection facilities<sup>4</sup> (e.g., SS7 Links) for which there were no amounts owing. Iristel claimed that Northwestel

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<sup>3</sup> Breaching a tariff amounts to breaching section 25 of the Act.

<sup>4</sup> Shared-cost interconnection facilities refer to the network components and arrangements that enable carriers to interconnect their networks, with the associated costs being equitably shared between the interconnecting carriers.

breached article 22.1 of its General Tariff, which sets out the circumstances where the company may suspend or terminate a customer's service. Iristel submitted that Northwestel was not allowed to disconnect these services for failure to pay since there were no amounts owing in relation to them.

18. Northwestel submitted that Iristel's claim was false, and that article 22.1 of its General Tariff does not contain such a prohibition. It added that article 22.1(a) of its General Tariff states that it may suspend or terminate a customer's service where the customer fails to pay an account that is past due.
19. Northwestel indicated that Iristel has more than one account with Northwestel, each of which consists of several different services. It explained that when Iristel failed to settle its accounts, Northwestel appropriately disconnected all services associated with those accounts in accordance with its General Tariff.
20. In its reply, Iristel disputed how Northwestel justified the disconnection of shared-cost interconnection facilities. Iristel explained that Northwestel groups individual services it provides to Iristel into "accounts." Iristel claimed there was no basis for Northwestel to determine what constitutes an "account" or a "service."
21. Northwestel indicated that either party is entitled to terminate the existing interconnection arrangement (in this instance, a MALI) where the party in default fails to pay an amount owing to the other party.<sup>5</sup> It added that upon the effective date of termination, either party may disconnect its portion of facilities interconnecting the networks of the parties.<sup>6</sup>

#### **Commission's analysis**

22. The Commission notes that the wording of Northwestel's General Tariff speaks to the disconnection of services that are associated with an account rather than simply services. Specifically, article 22.1(a) of Northwestel's General Tariff states: "The Company may suspend or terminate service only where the customer fails to pay an account of the customer that is past due [...]."<sup>7</sup>
23. Further, the Commission considers that article 22.2(b) of Northwestel's General Tariff clearly contemplates that, in appropriate circumstances, services for which there are no arrears can be terminated. For example, a service may be terminated where arrears exist for a different class of service provided at the same location.
24. There is evidence on the record that Iristel owed amounts for some classes of service but not for the SS7 Links service, which formed part of the same account. In this case, the Commission considers it was reasonable for Northwestel to disconnect the

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<sup>5</sup> MALI, clause 12(b)(i).

<sup>6</sup> MALI, clause 12(f).

<sup>7</sup> Northwestel General Tariff, article 22.1(a).

SS7 Links service even though there was no amount owing because Iristel owed amounts for a different class of service under the same customer account.

25. In addition, clause 12(f) of the MALI supports Northwestel's position that upon the effective date of service termination, it may disconnect its portion of facilities interconnecting its network with that of Iristel.
26. By disconnecting only those services associated with accounts for which payment was past due, Northwestel acted reasonably and in accordance with the MALI, its General Tariff, and consequently section 25 of the Act.
27. In light of the above, the Commission finds that Northwestel did not breach the MALI or its General Tariff and the Act by disconnecting the shared-cost interconnection facilities.

### **Did Northwestel breach its General Tariff and the Act by issuing LPCs to Iristel?**

#### **Positions of parties**

28. Iristel submitted that Northwestel issued LPCs in violation of its General Tariff, citing article 17.3: "No charge disputed by a customer can be considered past due unless the Company has reasonable grounds for believing that the purpose of the dispute is to evade or delay payment."
29. Northwestel submitted that given Iristel's pattern of conduct, it had reasonable grounds for believing that Iristel was attempting to evade or delay payment. Northwestel added it was therefore entitled to consider Iristel's accounts past due and issue LPCs accordingly.

#### **Commission's analysis**

30. In the proceeding that led to Telecom Decision 2024-141, Iristel stated that it was withholding the amounts at issue as a "self-help" remedy related to ongoing civil litigation.
31. Accordingly, the amounts at issue are not "disputed charges" because, to be considered as such, the customer would have to believe it did not receive the associated service or that provision of the service was subject to omissions, interruptions, delays, errors, or defects in transmission or failures of Northwestel's facilities. Therefore, article 17.3 of Northwestel's General Tariff does not prevent the company from charging LPCs for the amounts in arrears.
32. Accordingly, Northwestel did not breach its General Tariff and section 25 of the Act by issuing LPCs to Iristel.

#### **Other allegations**

33. As set out above, the Commission considers that Northwestel's actions are consistent with its General Tariff, which provides for situations where it can charge LPCs and

terminate service (including shared-cost interconnection facilities), such as failure to pay accounts that are past due. Therefore, the Commission considers Northwestel did not violate subsection 27(2) of the Act.

**If Northwestel is found to have breached the MALI or its General Tariff and the Act, should the Commission impose an AMP on Northwestel?**

34. In light of the determinations reached in this decision, the Commission considers that there is no basis upon which to impose an AMP on Northwestel.

**Conclusion**

35. In light of all of the above, the Commission finds that Northwestel did not breach the MALI or its General Tariff and the Act. Therefore, (i) imposing an AMP on Northwestel is not warranted; (ii) Northwestel was entitled to disconnect services to Iristel, including shared-cost interconnection facilities, because Iristel did not enter into a deferred payment agreement within the prescribed deadline; and (iii) Northwestel was entitled to issue LPCs to Iristel for the amounts owing.

36. Accordingly, the Commission denies Iristel's application for relief following the disconnection of telecommunications services by Northwestel.

Secretary General

**Related documents**

- *Iristel Inc. – Application to review and vary Telecom Decision 2024-141 regarding notices of disconnection of telecommunications services issued by Bell Canada and Northwestel Inc., Telecom Decision CRTC 2025-157, 23 June 2025*
- *Iristel Inc. – Request for relief against Bell Canada and Northwestel Inc. with respect to notices of disconnection of telecommunications services, Telecom Decision CRTC 2024-141, 27 June 2024*