



Telecom Decision CRTC 2025-303

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Rogers Communications Canada Inc.’s application to review and vary Telecom Decision 2024-238 regarding mobile virtual network operator access

Summary

The Commission is upholding its decision to expand the scope of mobile virtual network operator (MVNO) access by allowing regional wireless carriers to use wholesale MVNO access to serve enterprise and Internet of Things (IoT) customers.

In 2021, the Commission issued Telecom Regulatory Policy 2021-130, where it took action to improve competition by allowing regional wireless carriers to use the networks of Bell Mobility Inc., Rogers Communications Canada Inc. (Rogers), Saskatchewan Telecommunications, and TELUS Communications Inc. This MVNO access enables regional wireless carriers to serve new customers while they build out their own infrastructure.

In Telecom Decision 2024-238, the Commission expanded this framework by permitting regional wireless carriers to use MVNO access for enterprise and IoT services.

In January 2025, Rogers requested that the Commission review and vary Telecom Decision 2024-238, arguing that the Commission made errors in fact that raised substantial doubt as to the correctness of the decision to expand MVNO access.

In light of the above, the Commission finds that there is no substantial doubt as to the correctness of the decision to expand the MVNO access framework to the enterprise and IoT markets. Accordingly, the Commission denies Rogers’ review and vary application.

Background

1. As set out in Telecom Regulatory Policy 2021-130, the Commission requires Bell Mobility Inc. (Bell Mobility), Rogers Communications Canada Inc. (Rogers), Saskatchewan Telecommunications (SaskTel), and TELUS Communications Inc. (TELUS) [collectively, the incumbents] to provide wholesale mobile virtual network operator (MVNO) access to eligible regional wireless carriers. This access allows regional wireless carriers to use an incumbent’s radio access network (RAN)¹ on a temporary basis to offer competitive services

¹ A RAN consists of mobile wireless spectrum, towers, sites, and related on-site facilities and equipment.

while they build out their own networks. The goal of the MVNO access policy is to improve competition while preserving incentives for network investment.

2. The MVNO access service was mandated for a period of seven years from the date the tariffed terms and conditions were finalized and will be phased out at the end of that time period. The terms and conditions for MVNO access were finalized in Telecom Order 2023-133. In early 2023, the Commission launched Telecom Notice of Consultation 2023-48 to assess the competitive conditions in the enterprise² and Internet of Things (IoT)/machine-to-machine³ markets and consider including them as part of the MVNO access service.⁴
3. That proceeding resulted in Telecom Decision 2024-238, where the Commission conducted a market power analysis⁵ and found that there is strong evidence of market power in both the enterprise and IoT markets for the following reasons:
 - Market share is highly concentrated among Bell Mobility, Rogers, and TELUS (the national wireless carriers) in every province except in Saskatchewan, where it is highly concentrated among the national wireless carriers and SaskTel, and in the territories, where Bell Mobility is one of the only options for most customers.
 - There are limited practical and feasible substitutes for the incumbents' mobile wireless enterprise and IoT services.
 - Switching costs are generally high, particularly if a regional wireless carrier cannot offset a customer's termination fees or offer the same incentives as an incumbent.
 - Barriers to entry are high, which limits expansion and new entry.
 - There is limited evidence of rivalrous behaviour between the incumbents and regional wireless carriers for enterprise and IoT customers.

² "Enterprise" refers to medium- to large-sized businesses, institutions, and other customers with 100 or more employees.

³ The [Report on the Collection and Use of Canadians' Personal Information by Wireless Service Providers and Third Party Entities](#), prepared for the Commission by Deloitte, describes IoT as the growing network of objects (e.g., watches and cars) that feature an Internet Protocol address for Internet connectivity, and the communication that occurs between these objects and other wireless devices and systems. For example, a wireless service provider may sell connected car services to manufacturers and telematics devices to consumers.

⁴ The terms and conditions for MVNO access were established in Telecom Decision 2022-288. In that decision, the Commission permitted the incumbents to include restrictions in their MVNO access tariffs prohibiting regional wireless carriers from using the service to serve customers in the enterprise and IoT/machine-to-machine markets. The Commission approved these restrictions because the analysis in Telecom Regulatory Policy 2021-130 focused on individual customers and small businesses and did not assess market conditions in these other retail wireless market segments. However, in Telecom Decision 2022-288, the Commission took a preliminary view that it was highly likely that the market conditions in the enterprise and IoT market segments closely resemble those seen in the rest of the retail market – that is, highly concentrated with the incumbents exercising market power.

⁵ The Commission's market power test is set out in Telecom Decision 94-19.

- While the enterprise and IoT markets are characterized by a degree of rapid innovation and technological change, this does not prevent an exercise of market power for the provision of services, nor is any countervailing power exercised by customers sufficient to prevent an exercise of market power.
 - In Saskatchewan, while there is evidence that other incumbents have retail market share, those incumbents rely on SaskTel's network to offer service. Given the lack of substitutes for SaskTel's network, SaskTel can exercise upstream and downstream market power in the enterprise and IoT markets in Saskatchewan.
4. Accordingly, the Commission found that, as a question of fact, the national wireless carriers together exercise market power in the provision of mobile wireless enterprise and IoT services across Canada, except in Saskatchewan, where SaskTel exercises market power, and in the territories, where Bell Mobility exercises market power.
 5. The Commission further found that the incumbents' effective failure to provide wholesale MVNO access to regional wireless carriers for enterprise and IoT services resulted in undue or unreasonable preference and disadvantage. They were directed to issue amended tariff pages removing restrictions related to enterprise and IoT services, thereby permitting regional wireless carriers to use MVNO access to serve customers in these retail markets.

Review and vary application

6. In January 2025, Rogers filed an application to review and vary Telecom Decision 2024-238. Rogers argued that the Commission made several errors of fact in its analysis that raise substantial doubt as to the correctness of the decision. Rogers requested that the Commission reverse its findings of market power and undue preference and dissolve its expanded facilities-based MVNO access regime for the enterprise and IoT markets.
7. The Commission received interventions from: Bell Mobility; Bragg Communications Incorporated, carrying on business as Eastlink (Eastlink); the Competitive Network Operators of Canada (CNOC); Cogeco Communications inc. (Cogeco); Iristel Inc. on behalf of itself and its affiliate Ice Wireless Inc. (Iristel); Quebecor Media Inc., on behalf of its affiliates Freedom Mobile Inc. and Videotron Ltd. (Quebecor); and Vaxination Informatique (Vaxination).

Review and vary criteria

8. The Commission's framework for assessing review and vary applications is set out in Telecom Information Bulletin 2011-214. This is a well-established framework that contributes to regulatory certainty and predictability by allowing the Commission to revisit a past decision and make corrections for any errors, oversights, or changes in circumstances.
9. Based on the record before it, the Commission assesses whether there is substantial doubt as to the correctness of the decision. If there is a substantial doubt, the Commission can consider varying a decision.

10. The Commission will typically assess whether an applicant has established substantial doubt resulting from:

- an error in law or in fact;
- a fundamental change in circumstances or facts since the decision;
- a failure to consider a basic principle which had been raised in the original proceeding; or
- a new principle that has arisen as a result of the decision.

Issue

11. The issue to be addressed in this decision is whether there is substantial doubt as to the correctness of the Commission's decision to expand the MVNO access framework to the enterprise and IoT market segments.

Positions of parties

12. Rogers primarily alleged that the Commission did not properly assess several components of the market power test, which led it to erroneously conclude that the incumbents possess market power in the enterprise and IoT markets. Bell Mobility supported Rogers' application.

13. CNOC, Cogeco, Eastlink, Iristel, Quebecor, and Vaxination opposed Rogers' application. They generally argued that the Commission was correct in its market power analysis and that Rogers simply restated arguments that were already adequately considered in the proceeding leading to Telecom Decision 2024-238.

14. Parties' arguments generally focused on the following: the presence of global resellers in the market; evidence related to rivalrous behaviour, including countervailing power; evidence related to switching costs; and undue preference.

The presence of global resellers in the market

15. Rogers argued that the Commission repeatedly discounted the significance of hundreds of global mobile network operators (MNOs) and MVNOs in the IoT market who actively and vigorously compete in Canada. Rogers submitted that factors conducive to market dominance are absent and barriers to entry are very low. Rogers explained that IoT retail customers buy connectivity directly from a connectivity provider, such as Rogers, or indirectly from a reseller. The reseller may resell connectivity alone or bundle connectivity with an IoT application. IoT MVNOs vary in size but include large international MNOs (e.g., AT&T Inc., and Vodafone), global aggregators or IoT MVNOs (e.g., Kore Wireless), and global and regional solutions providers that focus on specific verticals (e.g., automotive and fleet management).

16. In Bell Mobility's view, the market to provide products and services for customers seeking IoT solutions is subject to extensive market entry and intense competition from participants

at a global level. Bell Mobility argued that the Commission did not give sufficient weight to the relevance of international MNOs and MVNOs, both in assessing the degree of market concentration in the IoT market and the availability of economically feasible and practical substitutes for the incumbents' IoT services. Instead, in Bell Mobility's view, the Commission's assessment of the incumbents' market share and the availability of substitutes in the Canadian IoT market should have considered all downstream service providers, regardless of whether they have their own network facilities in Canada.

17. In Quebecor's view, the only providers in Canada that can serve customers with connectivity needs on a national basis are the incumbents. Quebecor submitted that global IoT service providers can have only a limited effect on competition, as they need access to the incumbents' RANs in order to operate in Canada.
18. Regarding barriers to entry, Eastlink submitted that because of the incumbents' extensive networks, they are able to choose which resellers they want to allow into the market, and more importantly, are able to set the terms of any access. In Eastlink's view, Rogers cannot claim there are no barriers to entry when the incumbents are effectively choosing which market entrants or competitors face barriers to entry.
19. Cogeco argued that Rogers' application fails to consider the relevant geographic market. In its view, this is an important consideration since global MNO and MVNO resellers may provide some competition to Rogers for multinational companies looking to gain worldwide network access, including national coverage for Canada, but Cogeco's experience is that these resellers do not target or compete at the provincial/territorial level in Canada.
20. CNOC argued that incumbents permit large international operators with whom they have reciprocal roaming arrangements to provide IoT services but prevent regional competitors from having that same access.
21. Vaxination argued that all international MNOs require permission from the incumbent to operate and must abide by any restrictions that are placed on them.

Evidence related to rivalrous behaviour, including countervailing power

22. Bell Mobility and Rogers argued that the enterprise and IoT markets are subject to intense rivalry from domestic wireless carriers and international operators, and that the Commission did not properly consider relevant evidence including falling revenues and prices, and the countervailing power that many enterprise and IoT customers possess.
23. Rogers indicated that enterprise customers are comfortable routinely switching between providers in order to extract additional value and lower their costs. Rogers also argued that it is not possible to draw a conclusion on customers' countervailing power (when it is clear this power exists) without an assessment of prices or profits which, in Rogers' view, was not conducted.
24. Bell Mobility submitted that the competitive pressure in the IoT market is acute for the national wireless carriers, especially in the broad context of the IoT value chain where

network connectivity has increasingly become a smaller piece of the value-added solution that customers are seeking.

25. Quebecor argued that even if certain enterprise customers can easily move from one incumbent to another because of countervailing power, this does not change the fact that regional wireless carriers are excluded from the enterprise and IoT markets.
26. Eastlink submitted that, in its experience, the enterprise market is more concentrated than the retail customer market, as Eastlink typically competes with one or two national carriers for enterprise customers in most of its serving areas. In areas where there is less competition for enterprise customers, medium and large businesses tend to have limited options, and would benefit from the competition brought by regional wireless carriers.

Evidence related to switching costs

27. Rogers submitted that in both the enterprise and IoT markets, Bell Mobility, Rogers, and TELUS each confirmed that customers' switching costs are often negotiated to zero. Rogers stated enterprise customers routinely switch between providers in order to extract additional value and lower costs.
28. Rogers submitted that eSIMs have made it easier for customers to switch carriers and are becoming increasingly commonplace in Canada. When retail IoT customers switch their connectivity provider, the new provider can remotely switch the customer's devices to operate on the new provider's network through a new eSIM profile. In Rogers' view, this reduces the time and cost associated with switching providers by eliminating the need for a technician to visit every device.
29. Bell Mobility argued that the question the Commission should have considered with respect to switching costs is whether they inhibit customers from switching to alternative IoT service providers (and not simply whether such costs might prevent them from moving to the regional wireless service providers). In Bell Mobility's view, this is an example of the decision being directed at protecting specific competitors, not competition itself.
30. Eastlink argued that switching costs are not just limited to cancellation fees and replacement of SIM cards, but also device reconfigurations, testing, as well as administrative and logistical/coordination costs related to transferring each end-user and device which can be substantial for customers with end-users in the hundreds or thousands. In its view, the use of eSIMs does not eliminate the costs and complexities associated with switching providers.

Undue preference

31. Bell Mobility and Rogers generally argued that the Commission incorrectly focused on the impact that regional wireless carriers would have on retail competition. This, they submitted, would be minimal given the large number of global resellers in the market. In their view, the Commission incorrectly concluded that the incumbents have market power in the enterprise and IoT markets and therefore also wrongly concluded that there is undue preference on the part of the incumbents.

32. Bell Mobility took the position that the well-established legal and economic test required to be applied by the Commission begins with consideration of whether the relevant market is competitive based on the market power test. If the market is competitive then regulatory intervention is not required. In that case, it is not the Commission's role to introduce regulation that would eliminate competitive differentiation among participants or potential participants in a market or to artificially support some competitors at the expense of others.
33. In Eastlink's view, the aim of the MVNO access framework is to bring new competitive choices while encouraging network expansion and sustainable competition over the longer term. Any restrictions on the types of end-users permitted on the network limit a provider's ability to offer new and innovative services and will put them at a competitive disadvantage.

Commission's analysis

The presence of global resellers in the market

34. Bell Mobility and Rogers argued that the Commission erred in fact by ignoring or discounting the presence of a significant number of global MNOs and MVNOs that operate in the Canadian IoT market. In their view, the presence of these entities demonstrates that the retail market is competitive and that barriers to entry are low.
35. The Commission notes that it considered international resellers when making its determinations and addressed this issue at paragraph 52 of Telecom Decision 2024-238:

Regarding arguments that there are hundreds of domestic and foreign IoT service providers in the Canadian market, these international MNOs rely on access to the RAN of a Canadian incumbent to offer mobile wireless services. They are, therefore, effectively resellers. Furthermore, many of these service providers are only able to operate in the Canadian market because they provide the incumbents with reciprocal roaming agreements or network access agreements in their home countries. By contrast, the national wireless carriers have no need for reciprocal agreements with regional wireless carriers and therefore lack the same incentive.

36. The Commission also considered the presence of international resellers at paragraph 103:

To the extent that there are other retail service providers operating in Canada serving the enterprise or IoT markets, the evidence on the record indicates that many of these service providers are international MNOs that rely on access to the incumbents' networks. Furthermore, while the incumbents are willing to enter into agreements with non-Canadian entities in exchange for access to international networks, the record indicates that they appear to be unwilling to enter into such agreements with regional wireless carriers. As a result, the incumbents still control access to the market because they own the largest networks and can essentially choose their competitors.

37. The Commission considers that there is no substantial doubt that this assessment remains correct. International operators that have entered the Canadian market to serve IoT customers do so as resellers that are entirely dependent on obtaining network access from a domestic

carrier. This means that international operators are effectively downstream customers of the incumbents that purchase network access and resell it to other downstream customers.

38. Ultimately, the bottleneck facility – the RAN – is controlled by the incumbents. In the Commission’s view, the incumbents’ extensive network coverage provides them with upstream market power and a competitive advantage in serving downstream enterprise and IoT markets. Downstream markets for MVNO access include both international resellers and retail end customers that are further downstream. Due to their smaller footprint, regional wireless carriers are at a significant disadvantage when competing for all downstream customers compared to the incumbents.
39. International MNOs are resellers whose business model for operating in Canada relies on using another carrier’s network rather than building their own. The incumbents have found it advantageous to enter into commercial arrangements with certain international MNOs to provide them with network access, in some cases receiving reciprocal roaming arrangements in other countries in return for providing access to the Canadian market. The incumbents have not granted similar network access to regional wireless carriers to serve the enterprise and IoT markets and are instead seeking permission to specifically exclude them from using MVNO access to compete.
40. Any provider or new entrant that seeks to enter the market using its own competing network faces significant barriers to entry. At paragraph 59 of Telecom Decision 2024-238, the Commission referred to several barriers to entry identified on the record including high connectivity costs, high capital costs, complex technology, intellectual property, legal and regulatory hurdles, integration challenges, and competition from existing players.
41. Therefore, the Commission is of the view that it sufficiently considered the presence of global resellers and barriers to entry in its decision and therefore did not make an error in fact.

Evidence related to rivalrous behaviour, including countervailing power

42. Bell Mobility and Rogers argued that the Commission made an error in fact by failing to sufficiently assess evidence related to rivalrous behaviour in the market, such as falling prices and revenues, and the fact that many large retail customers have countervailing power.
43. However, during the proceeding, the Commission gathered and considered evidence on prices and revenues and referred to this evidence in Telecom Decision 2024-238 at paragraph 67. The Commission further acknowledged that incumbent prices for enterprise and IoT services have generally declined. Specifically, at paragraph 71 the Commission stated:

With respect to rivalrous behaviour between the national wireless carriers, the evidence on the record suggests that their ARPU [average revenue per user] for enterprise customers has generally declined and that both enterprise and IoT customers regularly switch between the national wireless carriers.

44. Based on evidence filed during the proceeding on customer switching behaviour, the Commission attributed these price decreases to competitive activity between the national wireless carriers who compete with each other for downstream enterprise and IoT customers. However, in reviewing this same evidence on customer switching behaviour, as well as evidence on regional wireless carrier enterprise and IoT revenues, the Commission found that there was no persuasive evidence of rivalry between the national wireless carriers and regional wireless carriers.
45. Regarding arguments on countervailing market power, the Commission notes that this criterion is not normally a part of its market power test. However, because the national wireless carriers raised it on the record, the Commission considered countervailing power as an additional criterion in the case of the enterprise and IoT markets. In this regard, the Commission stated at paragraphs 84-86 of Telecom Decision 2024-238:

The Commission acknowledges that certain enterprise and IoT customers, particularly those with very large accounts, have a certain degree of bargaining power or countervailing power during contract negotiations. [...] However, the Commission is not persuaded that this degree of bargaining power is sufficient to prevent an exercise of market power by the incumbents given the other findings set out above regarding evidence of market concentration, barriers to entry, switching costs, and lack of practical and feasible substitutes.

46. Therefore, the Commission factored countervailing market power in its analysis but ultimately was not persuaded that the fact that certain large customers may have leverage during contract negotiations outweighed all the other elements of the market power test, when taken together. Therefore, the Commission is of the view that it did not make an error of fact in this regard.

Evidence related to switching costs

47. Bell Mobility and Rogers argued that the Commission made an error of fact by failing to adequately consider that switching costs for both the enterprise and IoT markets are low and often non-existent, mainly due to the emergence of eSIMs.
48. However, the Commission acknowledged evidence filed by the incumbents concerning low switching costs, including the presence of eSIMs, at paragraph 55 of Telecom Decision 2024-238.
49. The Commission considers that while eSIMs may facilitate moving from one service provider to another, SIM-swapping is only one type of switching cost. Regional wireless carriers provided examples of other types of switching costs including penalties for early cancellation of contracts, device configuration and integration, administrative costs and administrative burden, and various other fees and barriers.
50. Therefore, the Commission considers that it did not make an error in fact when it took a broader view about switching costs and indicated that it was concerned that regional wireless carriers may not have the financial resources to offer the same level of incentives as the incumbents to offset switching costs for enterprise and IoT customers.

Undue preference

51. Bell Mobility and Rogers argued that the Commission made an error in fact by incorrectly focusing on the impact that regional wireless carriers would have on retail competition, which would be minimal given the large number of international MNOs in the market. In their view, by applying this lens, the Commission incorrectly concluded that (i) the incumbents have market power in the enterprise and IoT markets and (ii) there is undue preference and unjust discrimination on the part of the incumbents.
52. The MVNO access framework was previously established in Telecom Regulatory Policy 2021-130 as a targeted regulatory measure with the purpose of encouraging regional wireless carriers to enter new markets, acquire new customers, and build out their own competing networks. The Commission reiterated the purpose of its MVNO framework in Telecom Decision 2022-288.
53. The purpose of the proceeding leading to Telecom Decision 2024-238 was to consider an incremental extension of the MVNO framework to allow regional wireless carriers to use MVNO access to serve additional market segments. Given that the MVNO access framework was designed to address market power by fostering competition from regional wireless carriers, it was reasonable and appropriate for the Commission to focus its attention on regional wireless carriers when assessing market power and the potential for undue preference.
54. As the Commission stated at paragraph 108 of Telecom Decision 2024-238:

The Commission is of the view that mandating the provision of wholesale MVNO access to regional wireless carriers for enterprise and IoT services is consistent with the targeted approach taken in Telecom Regulatory Policy 2021-130. This would be an incremental change to the wholesale MVNO access framework to ensure that regional wireless carriers are able to compete in these areas and discipline market power. Expanding MVNO access to include the enterprise and IoT markets would allow regional wireless carriers to further expedite their competitive growth by increasing their potential customer base. This would, in turn, accelerate their return on investment and improve the business case for further expansion.
55. Furthermore, the Commission is not persuaded by the argument that added competition from regional wireless carriers would be insignificant. The Commission acknowledges that smaller regional wireless carriers, even when using MVNO access to complement their own network, may not have the coverage necessary to serve large enterprise and IoT customers that require an extensive or national footprint. However, with MVNO access, smaller regional wireless carriers would be in a better position to compete for enterprise and IoT customers that are regionally based. Examples of these types of customers might include provincial or municipal governments, academic institutions, and enterprise customers with local or regional operations.
56. In the Commission's view, limiting the enterprise and IoT markets to only the incumbents, and specific global operators that enter the market using the incumbents' networks limits the

competitive choice available to end-users to a degree where it is likely that incumbents can exercise market power.

57. As a result, the Commission considers that it did not make an error in fact by concluding that the incumbents' exclusion of regional wireless carriers from the enterprise and IoT markets results in an undue preference and unjust discrimination.

Conclusion

58. In light of all of the above, the Commission finds that there is no substantial doubt as to the correctness of its decision to expand the MVNO access framework to the enterprise and IoT markets. Accordingly, the Commission denies Rogers' request to vary Telecom Decision 2024-238.

Secretary General

Related documents

- *Facilities-based wholesale mobile virtual network operator (MVNO) access tariffs – Expanding the scope to include enterprise and Internet of Things customers*, Telecom Decision CRTC 2024-238, 9 October 2024
- *Wholesale mobile virtual network operator (MVNO) access tariffs – Amended terms and conditions*, Telecom Order CRTC 2023-133, 9 May 2023
- *Call for comments – Facilities-based wholesale mobile virtual network operator (MVNO) access tariffs – Considering the inclusion of additional retail market segments*, Telecom Notice of Consultation CRTC 2023-48, 1 March 2023, as amended by Telecom Notice of Consultation CRTC 2023-48-1, 17 April 2023
- *Facilities-based wholesale mobile virtual network operator (MVNO) access tariffs – Commission determinations on proposed terms and conditions*, Telecom Decision CRTC 2022-288, 19 October 2022, as amended by Telecom Decision CRTC 2022-288-1, 31 October 2022
- *Review of mobile wireless services*, Telecom Regulatory Policy CRTC 2021-130, 15 April 2021
- *Revised guidelines for review and vary applications*, Telecom Information Bulletin CRTC 2011-214, 25 March 2011
- *Review of regulatory framework*, Telecom Decision CRTC 94-19, 16 September 1994