



## Telecom Decision CRTC 2025-310

PDF version

Reference: Tariff Notice 7702; Part 1 application posted on 25 November 2024

Gatineau, 20 November 2025

*Public records: 8740-B2-202404987 and 8640-B2-202406066*

### **Bell Canada – Application requesting forbearance from the regulation of Digital Exchange Access Service**

#### **Summary**

Digital Exchange Access (DEA) Service is a legacy service provided by Bell Canada that allows customers to connect their private telephone networks to the public switched telephone network. The service has very few customers, relies on equipment that has been discontinued by the manufacturer, and has become difficult and costly to maintain. Since September 2024, the Commission has received two applications from Bell Canada related to its DEA Service.

The first application requested Commission approval to withdraw the service. In response, Hydro-Québec requested that Bell Canada extend the proposed withdrawal date by one year, until December 2025, to give Hydro-Québec time to complete work to migrate to a new service. Bell Canada agreed. Subsequently, Hydro-Québec requested an extension to October 2026. Bell Canada declined to extend the proposed withdrawal date again.

This decision addresses the second application, which requested that the Commission forbear from regulating DEA Service. This would allow Bell Canada to negotiate a commercial agreement with Hydro-Québec to provide the service beyond December 2025, rather than continuing to provide the service through a Commission-approved tariff.

Bell Canada has followed the required process to withdraw DEA Service and has accommodated Hydro-Québec by voluntarily extending the withdrawal date by one year.

Since customers have had sufficient opportunity to migrate to other services, there is no further need for the Commission to oversee the transition away from DEA Service. Accordingly, in this decision, the Commission approves Bell Canada's request for forbearance as of 23 December 2025.

A dissenting opinion by Commissioner Bram Abramson is attached to this decision.

## Applications

1. On 23 September 2024, the Commission received an application from Bell Canada proposing to withdraw Item 5300 – Digital Exchange Access (DEA) Service from its General Tariff, effective 23 December 2024.
2. In support of its application, Bell Canada submitted that this service is at the end of its life, has very few customers, relies on equipment that has been discontinued, has become difficult and costly to maintain, and that alternative services are available.
3. On 25 November 2024, Bell Canada filed a separate application requesting that the Commission forbear<sup>1</sup> from the regulation of DEA Service as of 23 December 2025. Bell Canada submitted that forbearance would allow it to respond to a request to extend the availability of DEA Service beyond 23 December 2025 through a commercial arrangement more quickly and efficiently than would be the case if Commission approval of a tariff were required.
4. Bell Canada noted that there is precedent for this approach. In Telecom Decision 2018-360, the Commission forbore from the regulation of unbundled local loops under subsection 34(1) of the *Telecommunications Act* (the Act), consistent with paragraphs 7(c), (f), and (g) of the Act.<sup>2</sup> Bell Canada submitted that, given that DEA Service is a manufacturer-discontinued legacy service and is currently destandardized,<sup>3</sup> and that it is the subject of a withdrawal application, the rationale in this precedent is relevant. Furthermore, Bell Canada submitted that forbearance would not have a negative impact on the market and would enable a smoother transition from legacy to more modern services than having the Commission manage potential requests for extensions to tariffed services from customers.
5. The Commission received an intervention from Hydro-Québec. No other existing DEA Service customer participated in the proceedings related to Bell Canada's applications.<sup>4</sup> All DEA Service customers were notified by Bell Canada when it

---

<sup>1</sup> Forbearance means that, among other things, the Commission would no longer regulate service terms and conditions, rates, or require tariffs to be filed for approval that set out the manner in which the service would be provided. Bell Canada could negotiate a commercial agreement to provide the service to a customer without Commission oversight.

<sup>2</sup> The cited policy objectives are: 7(c) to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications; (f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective; and (g) to stimulate research and development in Canada in the field of telecommunications and to encourage innovation in the provision of telecommunications services.

<sup>3</sup> Bell Canada applied to destandardize DEA Service on 17 November 2023, and the Commission approved that application in Telecom Order 2024-23.

<sup>4</sup> The only other participant is one individual intervener in support of Bell Canada's forbearance application.

applied to destandardize the service on 17 November 2023, and again when Bell Canada filed its withdrawal application. The Commission contacted all remaining DEA Service customers and invited them to submit any concerns regarding forbearance and/or withdrawal; however, none responded.

### **Positions of parties**

6. On 5 November 2024, Hydro-Québec requested that Bell Canada extend the proposed withdrawal date by one year, until 23 December 2025, to allow Hydro-Québec to complete work to migrate to Primary Exchange (Local) Service, also known as 1FL service.<sup>5</sup> Hydro-Québec submitted that it relies on DEA Service to provide voice communications essential for the operation of the Kuujjuaq power plant, including allowing plant employees to make calls to emergency services, and allowing for communications between Hydro-Québec staff and residential and commercial customers in Kuujjuaq such as school boards, emergency services, fire departments, and residents.
7. Hydro-Québec further submitted that mobile or satellite-based voice services in Kuujjuaq are not an option given limited coverage and reliability and do not integrate into Hydro-Québec's internal telephone systems.
8. Bell Canada agreed to Hydro-Québec's request to delay the withdrawal until 23 December 2025. Then, on 18 July 2025, Hydro-Québec indicated that it would require an additional extension, until October 2026, due to challenges in completing the required work in the remote location of Kuujjuaq.
9. In response, Bell Canada submitted that it was not willing to further delay the withdrawal of the tariffed service. However, Bell Canada submitted that if the Commission forbears, it would be willing to negotiate with Hydro-Québec and come to a commercial agreement to provide DEA Service without Commission oversight.

### **Commission's analysis**

10. In compliance with the procedure set out in Telecom Information Bulletin 2010-455-1, Bell Canada provided the Commission with (i) a description of the service proposed to be withdrawn, (ii) the proposed withdrawal date, (iii) the rationale for the withdrawal, and (iv) the number of customers affected. In addition, the company provided notification to customers affected by its application.
11. As indicated by Bell Canada, DEA Service is a legacy service provided using aging equipment. Bell Canada has followed the required process to withdraw this legacy service and has shown flexibility with Hydro-Québec, offering a 12-month extension.

---

<sup>5</sup> Bell Canada General Tariff Item 70.2 – [Rate Schedules for Primary Exchange \(Local\) Service](#), also known as 1FL service.

This provided Hydro-Québec time to complete the work to migrate to alternative services.

12. While Hydro-Québec might prefer a wireline business telephone service, the Commission considers that satellite phones or satellite voice over Internet protocol services will meet Hydro-Québec's need for basic voice services even if they do not integrate into Hydro-Québec's internal telephone systems.
13. However, the Commission considers that it is necessary to provide Bell Canada and Hydro-Québec with more flexibility to negotiate a further temporary extension to DEA Service than a withdrawal would provide. If the withdrawal is granted, Bell Canada would not be able to provide DEA Service unless it filed a new tariff. While alternatives such as satellite-based services exist, the Commission considers that forbearance would provide the most practical solution, allowing Bell Canada to negotiate with Hydro-Québec to continue providing DEA Service through a commercial agreement, without the requirement to file a new tariff.
14. Subsection 34(1) of the Act broadly allows the Commission to forbear where it is consistent with the policy objectives of the Act. Forbearance in these circumstances would promote the policy objectives set out in paragraphs 7(c), (f), and (g) of the Act, related to the efficiency of Canadian telecommunications, increased reliance on market forces, and regulatory efficiency. There is no further need for the Commission to oversee the transition away from this legacy service and to require Bell Canada to continue to engage in related regulatory processes.
15. Furthermore, forbearance is consistent with the policy objectives set out in paragraphs 7(b) and (h) of the Act,<sup>6</sup> related to providing access to services and responding to the requirements of users. Forbearance provides flexibility for Hydro-Québec to negotiate access to DEA Service through a commercial agreement with Bell Canada, after the tariff is withdrawn.
16. Finally, the Commission considers that forbearance in this case would not be likely to unduly impair the establishment or continuance of a competitive market for DEA Service or voice services based on legacy infrastructure, as required under subsection 34(3) of the Act. As a manufacturer-discontinued legacy service, a competitive market is unlikely to develop, whether the service is forborne or provided under a Commission-approved tariff. Forbearance would therefore not unduly impair the establishment of a competitive market for this class of services.

---

<sup>6</sup> The cited policy objectives are: 7(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; and (h) to respond to the economic and social requirements of users of telecommunications services.

17. In light of the above, the Commission is of the view that granting Bell Canada's forbearance request is consistent with the policy objectives set out in paragraphs 7(b), (c), (f), (g), and (h) of the Act, and would not be likely to unduly impair the establishment or continuance of a competitive market for DEA Service or voice services based on legacy infrastructure.
18. Since the Commission is granting forbearance for this service, approval of the withdrawal application is not necessary.

## **Conclusion**

19. In light of all of the above, the Commission approves, by majority decision, Bell Canada's application requesting forbearance for DEA Service, effective 23 December 2025.
20. Revised tariff pages are to be issued within 10 calendar days of the date of this order. Revised tariff pages can be submitted to the Commission without a description page or a request for approval; a tariff application is not required.

Secretary General

## **Related documents**

- *Bell Canada – Tariff Notice 7716 – Destandardization of DS-1 Access services*, Telecom Order CRTC 2025-282, 30 October 2025
- *Bell Canada – Approval of a tariff application*, Telecom Order CRTC 2024-23, 1 February 2024
- *Broadband Fund – Project funding approval for Sichuun Inc., Naskapi Imuun Inc., and Redline Communications Inc.'s mobile project in northeastern Quebec and Newfoundland and Labrador*, Telecom Decision CRTC 2022-205, 4 August 2022
- *Broadband Fund – Project funding approval for the Kativik Regional Government's transport fibre project in Quebec (Kuujuuaq)*, Telecom Decision CRTC 2021-104, 19 March 2021
- *TELUS Communications Inc. – Application for forbearance from the regulation of unbundled local loops*, Telecom Decision CRTC 2018-360, 11 September 2018
- *Approval processes for tariff applications and intercarrier agreements*, Telecom Information Bulletin CRTC 2010-455-1, 19 February 2016
- *Review of wholesale wireline services and associated policies*, Telecom Regulatory Policy CRTC 2015-326, 22 July 2015

## Dissenting opinion of Commissioner Bram Abramson

1. Having successfully applied in November 2023 to destandardize Digital Exchange Access (DEA) service, so that it need not be offered to new customers or locations,<sup>1</sup> Bell Canada now seeks full forbearance so that it may withdraw DEA in December 2025. Hydro-Québec protests that in isolated Kuujjuaq, Nunavik, it will not be ready to switch its power plant over from DEA by then, and asks for more time.<sup>2</sup>
2. The Telecommunications Committee, by majority,<sup>3</sup> sides with Bell Canada. It says the plant can simply move to satellite service, giving Hydro-Québec options. It says full forbearance will provide needed flexibility, outweighing any new harms. It says the relevant policy objectives are whether full forbearance will make high-quality telecom services available and meet telecom users' economic and social needs, and responds yes on both counts.
3. The majority's premises do not, in my respectful view, withstand scrutiny. I therefore dissent, setting out the reasons below and concluding with observations on how underlying factors that brought us to this point might be addressed.

### Must critical infrastructure communications be reliable?

4. The record does not support a finding that satellite services are an acceptable substitute for Kuujjuaq's power plant. On the contrary. Hydro-Québec's responses to staff information requests say weather interruptions, variable latency, and the absence of service level guarantees make satellite connectivity unfit for the power plant's purpose.<sup>4</sup>
5. Without evidence defining the reliability standard to be met or identifying the services that satisfy it, the Telecommunications Committee was left to decide

---

<sup>1</sup> Telecom Order 2024-23.

<sup>2</sup> It is relevant that, as part of its Eastern Arctic Underwater Fibre Optic Network (EAUFON) project, the Kativik Regional Government (KRG) is expected to connect, by late 2026, Kuujjuaq via a 442-kilometre fibre run to the Naskapi community of Kawawachikamach (near Schefferville), located 375 kilometres to the south as the crow flies: Telecom Decision 2021-104. Kawawachikamach is, in turn, connected via the Sichuun and Iron Ore Company of Canada fibre link to Sept-Îles, Quebec, and on to Montréal and the global Internet: see, e.g., Telecom Decision 2022-205.

<sup>3</sup> On behalf of the Commission: *Telecommunications Committee*, By-Law No. 10 (CRTC), paragraph (e) (“[a]ny act or thing done by the Telecommunications Committee shall be deemed to be an act or thing done by the members [...]”), pursuant to paragraph 11(1)(b) and subsection 12(3) of the *Canadian Radio-television and Telecommunications Commission Act* (duties delegated to standing committees by by-law). Delegation to standing committees, whose remit is made explicit through by-law, may be distinguished from other forms of delegation, like the assignment of particular files to panels (*Shoan v. Canada [Attorney General]*, 2016 FCA 261, para 6).

<sup>4</sup> Hydro-Québec, 18 July 202[5], Response to Hydro-Québec (CRTC) 27-06-25-2(a)(ii).

whether, on the balance of probabilities, commodity telephony subject to those constraints is enough. But power plants are critical regional infrastructure that must meet stringent reliability and security standards. Their communications and cybersecurity systems often require studies, engineering work, and installation of protective equipment.<sup>5</sup> The majority nonetheless concludes, against Hydro-Québec's uncontradicted evidence, that commodity service is fit for purpose for a Nunavik power plant. I find that conclusion imprudent.

### Is there risk of undue preference?

6. The majority accepts Bell Canada's submission that, because it intends to withdraw DEA, it either cannot<sup>6</sup> or is unlikely to<sup>7</sup> unjustly discriminate in any post-forbearance dealings. On that reasoning, complete forbearance is cast as a flexibility-enhancing measure, free from the risk of unequal bargaining power.
7. First, past unbundled-local-loop forbearance is not persuasive precedent. Telecom Decision 2018-360 concerned a carrier service still on the market, with viable forward paths identified for a lengthy phase-out.<sup>8</sup> Here, by contrast, the enterprise service from which forbearance was sought has already been rendered unavailable to new customers and addresses, supports critical infrastructure, and is being discontinued on a much shorter timeline.
8. The claim that Bell Canada cannot discriminate in providing that enterprise service to telecom users, because it could choose not to provide it at all, is circular. The Commission's authority to mandate a stand-alone service is, to be sure, awkward<sup>9</sup>—a legislative gap this matter underlines—but either the service will be provided or not. If it is, ample grounds exist to apply the first, comparative branch of the undue-

---

<sup>5</sup> *Requesting forbearance from the regulation of Bell Canada's Digital Exchange Access service* (Bell Canada—Part 1 application), CRTC File 8640-B2-202406066, 25 November 2024 (Forbearance Application), paragraph 6. See, e.g., *Loi sur la gouvernance et la gestion des ressources informationnelles des organismes publics et des entreprises du gouvernement*, c. G-1.03, and its subsidiary Directive gouvernementale sur la sécurité de l'information; *Security for industrial automation and control systems*, ISA/IEC 62443 series; *Guide to operational technological security*, NIST SP 800-82 Rev. 3. To the extent applicable see also the various NERC CIP standards incorporated by Quebec's Régie de l'énergie's requirements.

<sup>6</sup> Forbearance Application, paragraph 10.

<sup>7</sup> Forbearance Application, paragraph 11.

<sup>8</sup> The proceeding concluding with Telecom Regulatory Policy 2015-326, paragraphs 185 and 188 to 189, was initiated in October 2013. By September 2018, relevant parties had had ample notice that changes were afoot and time to react to them.

<sup>9</sup> And for many years. See, e.g., *Residents between Queensboro and Cooper v. Bell Telephone Co.* (1928), XVIII J.O.R.R. 390, cited in Michael Ryan, *Canadian Telecommunications and Online Services* (Toronto: Thomson Reuters Canada, 2020), accessed 15 December 2020, §4:24 (Duty to serve at common law); see also *op. cit.*, §4:32 (Mandated introduction of new services and withdrawal of services).

preference test, for example between Hydro-Québec as a stand-alone customer and situations where multiple customers existed.

9. Likewise, the claim that Bell Canada is unlikely to discriminate even if DEA is provided rests on the flawed premise that functional substitutes exist, such that Hydro-Québec in Kuujuaq could readily switch away. Given the embedded nature of its communications system, absence of practical alternatives, institutional weight of a regulated utility, and short construction season at the site's location,<sup>10</sup> switching windows are challenging and associated costs significant. Upgrading a power plant's internal systems is a major project anywhere but, in Nunavik, all the more so. The immediate impracticality of functional substitutes creates precisely the imbalance regulatory oversight is meant to guard against.

### **Pointing policy forward**

10. Where forbearance proceeds from a finding that sufficient competition exists to protect the interests of end-users—the usual test—consistency with Canadian telecommunications policy objectives plays only a supporting role. But where forbearance is sought solely on the basis of those objectives, policy consistency becomes the leading consideration.
11. DEA is an enterprise telecommunications service. Enterprise telecom services are key ingredients in how businesses are structured and operated. It is reasonable to expect enterprises of varying sizes, institutional complexity, and regional systemic importance to have embedded such services in their operations. All the more so when the provider, Bell Canada, has direct relationships with its enterprise customers, like Hydro-Québec: it knows who they are and how they rely on its services.
12. The switching challenges noted above; the comparatively short timeframe for overcoming compared, for instance, to the long lead-up to the unbundled-local-loop forbearance Bell Canada cites; and the power plant's position as a systemically important end-user rather than a carrier, form the factual matrix to hold up to Canadian telecommunications policy objectives.
13. The majority argues that forbearance without continuing oversight meets the policy objectives because it is efficient, promotes reliance on market forces, and renders regulatory oversight unnecessary, particularly by allowing greater flexibility for users. It is true that withdrawing regulatory oversight increases reliance on market forces. But maintaining it enhances stability in the face of Bell Canada's (a) stated intent to withdraw the service as soon as possible, and (b) clear incentive to maximize unregulated revenues from a captive customer until then. Continued regulatory oversight is therefore, in my view, more consistent with an orderly telecommunications system that safeguards regional social and economic fabric,

---

<sup>10</sup> Forbearance Application, paragraph 6.

ensures regional availability of high-quality, affordable services, and promotes using Canadian transmission facilities for telecommunications within Canada—particularly as against the satellite stopgap assumed by the majority.<sup>11</sup> Retaining oversight to maintain stability and recourse to undue-preference review responds directly to users’ economic and social requirements, fosters lower prices in the presence of market power, and ensures affordable access in remote areas and Indigenous communities.<sup>12</sup>

14. For these reasons, I dissent. Moving quickly to let Bell Canada retire an obsolete enterprise service is sound policy unless outweighed by competing considerations. Here, it is. Had Hydro-Québec’s use been ported to a Special Facilities Tariff or, failing that, had we retained undue-preference oversight, both parties would have had regulatory recourse. Because the arrangement concerns critical northern infrastructure in an Indigenous region, and one party is dependent on the other, that would have been the better course.
15. There are, nonetheless, lessons here for all parties.

### **Pointing frameworks forward**

16. Hydro-Québec is a large, sophisticated, electrical utility that knows, and certainly ought to know, that copper- and Time-Division-Multiplexing-dependent communications are in rapid retreat. It should therefore have had, and must certainly now adopt, a more aggressive transition plan towards modern networks. So should all electrical utilities.
17. Bell Canada must likewise have known, long before its November 2023 destandardization application, that its DEA service was increasingly unsustainable, and that some institutional customers would need long lead times to plan and fund a switch-over. But if Bell Canada began working with those customers well in advance, the record does not show it readily. Nor has it been efficient to trombone resolution through Commission filings rather than report on bilateral engagement or, failing that, invoke dispute resolution.
18. A growing drumbeat of tariff and Part 1 applications now urgently flag long-standing services whose equipment and parts are no longer supported, and whose reliability is waning. That trend should command greater regulatory attention than it so far has:

---

<sup>11</sup> *Telecommunications Act*, paragraphs 7(a), 7(b), and 7(e).

<sup>12</sup> *Telecommunications Act*, paragraph 7(h); *Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy*, SOR/2023-23, 10 February 2023, paragraphs 2(b) and 2(c).

- Network services still widely relied on are increasingly untrustworthy, often without any assessment of the deterioration's ripple effects.<sup>13</sup> That is neither reliable nor of high quality.<sup>14</sup>
  - Canada's telecommunications system continues to turn down its legacy copper and transition its legacy public switched telephone network (PSTN) into a set of more modular critical infrastructure,<sup>15</sup> without clear oversight or guidance. That is the opposite of orderly development.<sup>16</sup>
19. This pair of withdrawal and policy-based forbearance applications wrapped in a bilateral dispute has highlighted legislative gaps. The *Telecommunications Act* still lacks a simple, straightforward means to require provision of a service where, on balance, public policy demands it as a corrective to market failure.<sup>17</sup>
20. More fundamentally, it again highlights the inefficiencies that flow from the absence of a predictable regulatory framework. This matter, and what is in my respectful view a flawed decision trying to square a series of not-quite-overlapping circles, is only another costly echo of that absence. Better to confront the issue directly and map the road ahead.

---

<sup>13</sup> Dissent to Telecom Order 2025-282, paragraphs 13 to 15.

<sup>14</sup> *Telecommunications Act*, paragraph 7(b).

<sup>15</sup> Dissent to Telecom Order 2025-282, paragraphs 6 to 12.

<sup>16</sup> *Telecommunications Act*, subsection 7(a).

<sup>17</sup> Note 9, above, and accompanying text.