



Telecom Order CRTC 2025-370

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Gatineau, 19 December 2025

Public record: Tariff Notice 1249

Northwestel Inc. – Introduction of 1 gigabit per second unlimited business Internet packages

Summary

The Commission received an application from Northwestel Inc. (Northwestel) proposing to introduce two business Internet 1 gigabit per second unlimited service packages to its General Tariff.

The new speed options will provide customers living in the Far North with improved performance and respond to the demand for higher speeds. The Commission therefore approves Northwestel's application.

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

Application

1. On 16 May 2025, the Commission received an application from Northwestel Inc. (Northwestel) proposing to introduce two new Internet service packages to its General Tariff, Item 1735 – Terrestrial Internet Services.
2. Specifically, Northwestel proposed to:
 - introduce Cable Business Internet 1 Gbps [gigabit per second] Unlimited package, with a download speed of 1,000 megabits per second (Mbps) and an upload speed of 40 Mbps, for a monthly rate of \$499. This would be available starting in the fall of 2025; and
 - introduce FTTP [fibre-to-the-premises] Business Internet 1 Gbps Unlimited package, with a download speed of 1,000 Mbps and an upload speed of 1,000 Mbps, for a monthly rate of \$499. This would be introduced gradually, starting in the geographic region of Atlin, British Columbia, in the month of June, followed by Whitehorse, Yukon, during the summer and other areas at later dates.
3. Northwestel proposed that these new FTTP and cable packages be included in the Business Internet Services sub-basket for the purposes of their price cap indices, consistent with both Telecom Decision 2015-79 and Telecom Regulatory Policy 2025-9, since both packages are retail business Internet services.

4. In support of the proposed changes, Northwestel provided price floor test results that demonstrate that the proposed rates for the new packages pass the price floor test. Furthermore, Northwestel submitted that the cost study methodology used in support of the application is the same methodology that the Commission has approved in Telecom Order 2022-173.
5. Northwestel requested an effective date of 15 June 2025. This proposed effective date is intended to align with the planned launch of new retail Internet service packages delivered over Northwestel FTTP technology in Atlin, British Columbia.
6. The Commission did not receive any interventions regarding the application.

Commission's analysis

7. The Commission considers that Northwestel's proposed rates for the business Internet packages (FTTP and cable) pass the price floor test and allow Northwestel to maintain consistency in pricing between the two packages for Internet services.
8. Furthermore, the Commission considers that the proposed rates are consistent with rates approved in Telecom Order 2024-253 for the service, and the new packages will provide higher speed options to meet the needs of customers.
9. In Telecom Notice of Consultation 2020-367, the Commission stated that customers living in the Far North should have access to telecommunications services that are as comparable as possible to those available to customers living elsewhere in Canada. The Commission is of the view that approving Northwestel's application will contribute to improving performance for customers and directly respond to the demand for higher speeds in the Far North.
10. In light of the above, the Commission considers that the proposed changes will advance the policy objective set out in paragraph 7(b) of the *Telecommunications Act*¹ and considers that Northwestel's proposal is reasonable and complies with the regulatory policies.

Conclusion

11. The Commission approves, by majority decision, Northwestel's application.
12. 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

¹ The cited policy objective is: 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.

Related documents

- *Northwestel Inc. – Introduction of 1 Gbps Enterprise Performance Service in Type A communities*, Telecom Order CRTC 2025-223, 2 September 2025
- *Northwestel Inc. – Modifications to Large Capacity Wavelength Service*, Telecom Order CRTC 2025-192, 1 August 2025
- *Northwestel Inc. – Tariff Notice 1241 – Addition of Speed Option for Special Assembly #4 Layer 3 IP/VPN Service*, Telecom Order CRTC 2025-159, 27 June 2025
- *Call for comments – Implementing a retail Internet service subsidy in the Far North*, Notice of Consultation CRTC 2025-10, 16 January 2025
- *Telecommunications in the Far North*, Telecom Regulatory Policy CRTC 2025-9, 16 January 2025
- *Northwestel Inc. – Approval of a tariff application*, Telecom Order CRTC 2024-253, 23 October 2024
- *Northwestel Inc. – Application to modify the approval process for the company’s retail Internet service tariffs*, Telecom Decision CRTC 2022-343, 20 December 2022
- *Northwestel Inc. – Increased speeds and usage caps for Terrestrial Internet Services*, Telecom Order CRTC 2022-173, 27 June 2022
- *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 costing inputs and the application process for wholesale high-speed access services*, Telecom Decision CRTC 2016-117, 31 March 2016
- *Northwestel Inc. - Basket structure and pricing constraints for terrestrial retail Internet services*, Telecom Decision CRTC 2015-79, 4 March 2015
- *Northwestel Inc. – Regulatory Framework, Modernization Plan, and related matters*, Telecom Regulatory Policy CRTC 2013-711, 18 December 2013

Dissenting opinion of Commissioner Bram Abramson

1. The Commission is charged with ensuring that each rate charged by a facilities-based telecommunications carrier in Canada for a telecommunications service is “just and reasonable.”
2. In the Far North, heightened expectations have been piled onto that responsibility. The Commission has found that users in the Far North “should have access to telecommunications services that are as comparable as possible to those available to customers living elsewhere in Canada.”¹ My colleagues determined that “there is an affordability issue throughout the Far North, especially with respect to retail Internet service,” which although due to “costs of providing service in the Far North [that] are high,” results in rates that are not affordable, just, or reasonable.²
3. When called on to review these same retail Internet services’ rates against their costs, however, our approach has not been to question eye-watering margins. It has been limited to ensuring rates are not so low as to undercut potential competitors, and are no higher than they used to be.
4. That, as both Commissioner Claire Anderson and I have argued, is the wrong approach.³ To approve Internet rates that incorporate markups no competitive market would permit, then design subsidies to reduce those very rates,⁴ is internally inconsistent. Yet the Telecommunications Committee’s majority decision on this tariff application,⁵ from which I respectfully dissent, participates in just such a process.
5. Why mechanically carry forward an approach I have argued is flawed, especially after the Commission’s comprehensive review of Far North telecommunications declined to adopt a systemic fix for this long-standing issue? The majority does not say, relying instead on the fact that the rate proposed clears the price floor and aligns with

¹ Telecom Notice of Consultation 2020-367, paragraph 2.

² Telecom Regulatory Policy 2025-9, paragraphs 12, 15, and 16.

³ See, in particular, dissents attached to Telecom Orders 2025-159, at paragraphs 21-25; 2025-192; and 2025-223.

⁴ Telecom Notice of Consultation 2025-10; *Application by Matawa First Nations Management for the implementation of a retail Internet subsidy for remote Indigenous communities*, Part 1 Application (CRTC [8663-M148-202504943](#)), 7 October 2025.

⁵ 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. As distinguished from assigning a particular file to a panel: *Shoan v. Canada (Attorney General)*, 2016 FCA 261, para 6).

a rate table carried forward by Telecom Order 2024-253, issued before the Far North review concluded. To the potential reasons identified, and found wanting, by previous dissents,⁶ it is worth adding another.

6. Northwestel's residential and business Internet services have, since 2013, been regulated under a price cap system. Each is now treated as a separate basket in which:
 - the weighted average rate cannot increase (the "basket constraint");
 - individual residential rate elements cannot increase; and
 - individual business rate elements may increase by up to 5% annually, provided the overall weighted average remains flat.⁷

7. In theory, the price cap disciplines Northwestel's pricing power. In practice, supranormal markups like those approved in this decision, and the "unaffordable" pricing they stand for, have perched comfortably beneath the cap, which has not acted a meaningful upper constraint. For retail Internet services in the Far North, the cap applied to baseline prices frozen in 2013 (*i*) was neither re-benchmarked against underlying costs, nor reviewed from first principles, and (*ii*) was carried forward without any productivity offset to reflect the steady increase in bandwidth achievable per dollar.⁸ Rather, any meaningful downward price pressure has more likely come from the emergence of Starlink, one of the only firms with the scale to vault the extraordinary barriers to serving a broad complement of Far Northern markets.

8. The Commission's current framework for the Far North treats rates that clear a price floor and fall below an unanchored price cap ceiling as "just and reasonable," even where evidence, confidential to all but the Commission, shows markups so far above cost that the gap between floor and ceiling is untenably wide. The public looks to us to review and scrutinize such evidence carefully, so as to ensure rates bear some resemblance to those a competitive market would yield. To mechanically accept markups that would not survive effective competition, while simultaneously decrying affordability and designing subsidies to address it, is regulatory abdication, not regulatory consistency.

⁶ See footnote 4, above.

⁷ Telecom Regulatory Policy 2013-711 (finding Northwestel has market power in the provision of retail Internet services); Telecom Decision 2015-79 (creating an initial basket structure); Telecom Decision 2022-343 (revising retail residential Internet rate elements); Telecom Regulatory Policy 2025-9, paragraphs 110-116 (separating out retail residential and retail business Internet sub-baskets into distinct baskets).

⁸ See Telecom Decision 2015-79, paragraphs 14-16, *contra* the -26.4% capital unit cost reduction assumption applied routinely in respect of traffic-driven Internet equipment since Telecom Decision 2016-117 (applying findings from a 2014 article by Dr. J. Scott Marcus and referred to, using the author's given name, as the "Scott Report").