



## Telecom Order CRTC 2004-117

Ottawa, 13 April 2004

### EastLink

Reference: Tariff Notices 10 and 10A

#### General Tariff – Interconnection rates

1. The Commission received an application by EastLink, dated 29 October 2003 and amended on 16 December 2003, to revise its General Tariff to reflect the rates approved for the incumbent local exchange carriers (ILECs) in *Rates for co-location floor space, Direct Connection service, Wireless Access Service: Line-side Access services, and Wireless Service Providers Enhanced Provincial 9-1-1 Network Access service*, Telecom Decision CRTC 2003-12, 18 March 2003 (Decision 2003-12)<sup>1</sup> and *Rates for Competitor Services*, Telecom Decision CRTC 2003-13, 18 March 2003 (Decision 2003-13)<sup>2</sup>.
2. EastLink proposed the adoption of the rates contained in version 19 of the competitive local exchange carrier (CLEC) Model Tariff (Model Tariff) with some modifications. Specifically, EastLink departed from the Model Tariff:
  - i) where certain items in the Model Tariff did not provide rates for the provinces of Nova Scotia, New Brunswick or Prince Edward Island (PEI); and
  - ii) where the rates in EastLink's existing tariff were lower than the rates contained in the Model Tariff.
3. The Commission received no comments with respect to the application.

#### Background

4. In *Local competition*, Telecom Decision CRTC 97-8, 1 May 1997 (Decision 97-8), the Commission considered that it was in the public interest to require CLECs to provide interconnection for wireless service providers and equal access for all interexchange service providers, at terms and conditions equivalent to those contained in the ILECs' tariffs. The Commission required all CLECs to file proposed tariffs for interconnection and to justify any departure from the terms and conditions contained in the ILECs' tariffs.
5. In *Regulatory framework for second price cap period*, Telecom Decision CRTC 2002-34, 30 May 2002 (Decision 2002-34), the Commission determined that all the ILECs' tariff rates would be made interim effective 1 June 2002. Further, the Commission stated its expectation that any rate changes approved by the Commission for an ILEC to meet its 2002 price cap commitment would also be effective as of 1 June 2002. Therefore, it approved rates for the ILECs in Decisions 2003-12 and 2003-13 that were effective retroactive to 1 June 2002.

<sup>1</sup> As amended by Telecom Decision CRTC 2003-12-1, 19 November 2003.

<sup>2</sup> As amended by Telecom Decision CRTC 2003-13-1, 23 May 2003 and Telecom Decision CRTC 2003-13-2, 27 June 2003.

## Commission analysis and determination

6. The Commission notes that the majority of the rates proposed by EastLink in Tariff Notices 10 and 10A are consistent with the interconnection rates approved for the ILECs which were effective from 1 June 2002 to 31 May 2003 and were reflected in version 19 of the Model Tariff.
7. The Commission acknowledges that EastLink's existing rates for the following services depart from those contained in version 19 of the Model Tariff:
  - i) items 402.3 and 402.4, Interconnection with Wireless Service Providers, Trunk-side Access, Service Charges and Monthly Charges in Nova Scotia; and
  - ii) item 403.8, Interconnection with Wireless Service Providers, Line-side Access, 100 and 1000 Block Routing rates for Nova Scotia and PEI.
8. The Commission notes that the rates for the above-noted services were previously approved in Telecom Order CRTC 2002-165, 18 April 2002, and that EastLink did not propose to change these rates. The Commission is of the view that these rates continue to be appropriate.
9. The Commission acknowledges that version 19 of the Model Tariff did not provide rates for certain services in Nova Scotia, New Brunswick and PEI. The Commission notes that for these services, EastLink adopted rates in effect in serving territories other than in the one in which EastLink proposed to apply them. Specifically, EastLink proposed to use the following rates as proxies:
  - i) in items 403.3 and 403.4.1, Interconnection with Wireless Service Providers, Line-side Access, Service Charge and Monthly Link Charge, the proposed rates for New Brunswick and PEI reflect the rates in effect in Nova Scotia;
  - ii) in item 403.4.2, Interconnection with Wireless Service Providers, Line-side Access, Access Charge, the proposed monthly rates for PEI reflect the rates in effect in Ontario and Quebec;
  - iii) in item 403.6, Interconnection with Wireless Service Providers, Line-side Access, Charges for Activated Telephone Numbers, the proposed monthly rates for New Brunswick, Nova Scotia and PEI reflect the rates in effect in Ontario and Quebec;
  - iv) in item 403.7, Interconnection with Wireless Service Providers, Line-side Access, Charges for Reserved Telephone Numbers, the proposed monthly rates for Nova Scotia and PEI reflect the rates in effect in Ontario and Quebec; and
  - v) in item 403.9, Interconnection with Wireless Service Providers, Line-side Access, Transfer of Entire NXX, Service Charge, the proposed rates for New Brunswick, Nova Scotia and PEI reflect the rates in effect in Ontario and Quebec.

10. The Commission is of the view that a CLEC may, at its own discretion, adopt rates from one serving territory to apply in another serving territory where no rate for that service exists. In such circumstances, the Commission considers that the CLEC should apply the ILEC's rates that are or were in effect in that serving territory during the same time period.
11. The Commission notes that the proposed rates for the services listed in paragraph 9 do not reflect the ILECs' rates that were in effect between 1 June 2002 and 31 May 2003. Instead, they reflect the ILECs' rates that were in effect prior to 1 June 2002. Accordingly, the Commission finds that EastLink should revise the rates for the above noted services to reflect the appropriate ILEC's rates in effect between 1 June 2002 and 31 May 2003.
12. The Commission notes that some of EastLink's proposed rates in item 302.2, Interconnection with Interexchange Service Providers, Trunk-side Access, Switching and Aggregation, for Access Tandem service are inconsistent with the rates for those services contained in the ILECs' tariffs that were in effect between 1 June 2002 and 31 May 2003. The Commission further notes that EastLink did not provide any justification for its departure from the terms and conditions in the ILECs' tariffs. Accordingly, the Commission finds that EastLink should revise its Access Tandem rates to reflect the rates contained in version 19 of the Model Tariff.
13. In light of the above, the Commission **approves on an interim basis** EastLink's application, subject to the following amendments:
  - i) in item 302.2, Interconnection with Interexchange Service Providers, Trunk-side Access, Switching and Aggregation, for Access Tandem service, amend the rates as follows:
    - a) in New Brunswick, replace the rate based on connect time of \$0.000967 with \$0.00099 and replace the charge based on conversation minutes of \$0.001053 with \$0.00108;
    - b) in Nova Scotia, replace the rate based on connect time of \$0.001299 with \$0.00133; and
    - c) in PEI, replace the rate based on connect time of \$0.000762 with \$0.00078.
  - ii) in item 403.3, Interconnection with Wireless Service Providers, Line-side Access, Service Charge, for the provinces of New Brunswick and PEI, replace the rate of \$264.00 with \$237.40;
  - iii) in item 403.4.1, Interconnection with Wireless Service Providers, Line-side Access, Monthly Charges, Link Charge, for the provinces of New Brunswick and PEI, replace the rate of \$13.35 with \$12.00;
  - iv) in item 403.4.2, Interconnection with Wireless Service Providers, Line-side Access, Monthly Charges, Access Charge, for the province of PEI, replace the rate of \$3.10 with \$2.79, the rate of \$5.60 with \$5.04, the rate of \$6.55 with \$5.89, the rate of \$7.10 with \$6.38, the rate of \$7.45 with \$6.70, the rate of \$7.70 with \$6.92, the rate of \$7.90 with \$7.10, and the rate of \$8.05 with \$7.24;

- v) in item 403.6, Interconnection with Wireless Service Providers, Line-side Access, Charges for Activated Telephone Numbers, for the provinces of New Brunswick, Nova Scotia and PEI, replace the monthly charge, per telephone number, of \$0.058 with \$0.0566;
  - vi) in item 403.7, Interconnection with Wireless Service Providers, Line-side Access, Charges for Reserved Telephone Numbers, for the provinces of Nova Scotia and PEI, replace the monthly charge, per telephone number, of \$0.015 with \$0.0146; and
  - vii) in item 403.9, Interconnection with Wireless Service Providers, Line-side Access, Transfer of Entire NXX, for the provinces of New Brunswick, Nova Scotia and PEI, replace the service charge, per transfer, of \$2,280.00 with \$2,050.26.
14. The proposed rates take effect as of 1 June 2002. The Commission directs EastLink to issue forthwith revised tariff pages reflecting the changes specified above.

Secretary General

*This document is available in alternative format upon request and may also be examined at the following Internet site: <http://www.crtc.gc.ca>*