

January 10, 2007

Leonard St-Aubin
Director General
Telecommunications Policy
Industry Canada
300 Slater Street
16th Floor,
Ottawa, Ontario
K1A 0C8

Dear Mr. St-Aubin:

Re: Canada Gazette

Re: Department of Industry, Telecommunications Act

Re: Notice December 16 – The proposed Order to vary CRTC Telecom Decision 2006-15 (April 6, 2006),
Forbearance from regulation of retail local exchange services (the Local Forbearance Decision).

In principle we agree with competition in the local telecommunication industry.

However, competition should offer price, quality, delivery and service and be measured on many criteria not just lower pricing and the ability to cut prices at the expense of the service to the consumer. The proposed Order does not look through a "rural lens" when suggesting the proposed changes.

The proposed changes and implementation of those changes in the proposed Order are based upon statistics for large urban centres and while it may increase competition or a pricing war that will lead to lower prices the resulting implications will be counter productive.

By implementing some of these proposals into the smaller regions as the Order proposes could stifle competition so that it would be almost impossible to compete with the large incumbent considering the start up cost of entering the local competitive market.

Bruce Telecom CLEC urges the Minister to look at five specific areas of concern:

A. Forbearance as defined in the Order as the Facilities Test is biased toward the incumbent local exchange carrier (ILEC). As facilities based competitive local exchange carrier (CLEC) dependent upon the ILEC for interconnection and local loops, we are significantly at a disadvantage as a competitor and restricted from facilities to large areas of the ILEC serving territory provisioned by remotes. Currently there are no facilities to acquire loops or provide service economically reasonable through this technology to promote competition.