



Attachment

Input to the proposed Order Varying Telecom Decision CRTC 2006-15.

General Comments

Wightman in general supports the notion of reform as defined by the Telecom Policy Review Panel. However the process for change and indeed some of the changes themselves are contentious. While we agree that the Public Notice process does not deliver in a timely manner, we do feel the industry and consumers have been well served by this process over the past decades. The speed and magnitude of the proposed Order are a concern for us in that the industry nor the end user have had the opportunity thru familiar channels to provide input, nor has the Minister had the opportunity to seek input from a variety of stakeholders. This from our perspective has led to a very heavy handed approach to change and raises the specter for any small business that their livelihood could be jeopardized at any time by government pandering to large business.

It is our firm conviction that the proposed Order may well promote competition in more urban centres but will stifle any degree of competition in the less populated areas of Canada. It also blatantly puts at risk investment made by a number of small companies in an industry that is used to returns on investment well outside traditional 18 month terms. These companies made this investment based on risk analysis that did not include changes to the regulatory environment of this proposed magnitude and speed of implementation. The proposed Order demonstrates to all a government that is concerned only about the urban centres of our nation, holds small business in low regard and implements change in a cavalier manner with little regard for the fall out to business and consumers.

Wightman Telecom Ltd. supports the submission made by Execulink Ltd., Westport Telecom Ltd., Nexicom Ltd. and the C.C.S.A.

Specifically we are concerned that:

1. Forbearance as defined in the Order as the Facilities Test is biased toward the ILEC. As a facilities based CLEC dependant upon the ILEC for interconnection and (among other things) local loops, we are significantly disadvantaged as a competitor and restricted from a facilities perspective to large areas of the ILEC serving territory provisioned via remotes. Currently there are no facilities to acquire loops through this technology nor are there tariffed alternatives available. The ILEC (Bell) has demonstrated a strong reluctance to address this issue.

2. *Wightman urges the Minister to consider criteria for forbearance that includes unfettered access to all end users through local loops within the ILEC exchange. Ensure that the comments of “The proposed Order provides for an approach..... of which must be fixed line providers, offering local telephone services throughout that market” as stated in the description of the proposed Order are included in the varied decision.*
3. The application for forbearance can be made as a LIR or as an individual exchange is once again biased toward the ILEC. Competitive investment in telecom is high risk. If competition is to come to the less urban areas particularly those that are currently not served with an alternative coaxial CLEC network, the rules of forbearance need to be clear and not given to “either/or” options. The LIR has been defined as a synergistic region with technical attributes over riding geographical attributes. With the inception of LIR’s the new entrant must interconnect with the ILEC at the defined POI within the LIR regardless if it desires to offer service in the LIR exchange or not.
4. *Wightman urges the Minister to define the LIR as the geographical entity for application for forbearance.*
5. Furthermore, application for forbearance without some term of protection for the new entrant such as that provided by the current win back rules is once again biased toward the ILEC. The ILEC has had in excess of 125 years of market dominance and the new entrant is challenged to educate the consumer that alternatives exist. The cost of acquisition against this market dominance is daunting. ILEC’s are firmly entrenched in the local services market. They have long standing and close relationships with customers and a good reputation in the provision of telephone service. The lack of a win back rule giving the new entrant and the customer an opportunity to develop a relationship will be sufficient to eliminate competition beyond the urban centres of Canada where a degree of competition currently exists.
6. The fact that competition does exist in these centres and was fostered by a win back restriction is testimony to the fact that win back restrictions do work and give the new entrant the needed opportunity to establish themselves in the market. Wightman would support a structure that provided a win back rule for a period of time or until a level of competition had been reached in the market or upon the incumbent being granted forbearance.
7. The ILEC is provided “notice” through the Local Number Portability process when it is about to lose a customer. Without an appropriate win back restriction the ILEC can, immediately upon implementation of the proposed Order, attempt the win back before the customer has even left. This provides no opportunity for a new entrant to establish itself with the customer and yet has incurred all the costs of acquiring this customer only to lose them before they have even migrated.
8. *Wightman urges the Minister to consider including in the proposed Order language that perpetuates the current win back rules to a time when the Incumbent is granted forbearance.*

9. Furthermore granting forbearance without continuation of the Quality of Service requirements is once again biased toward the incumbent and provides no protection to the new entrant that is dependant upon provisioning and maintenance of local loops that the level of service they received while the incumbent sought forbearance will continue after forbearance has been granted. This will put the new entrants' ability to provide service to its customers at significant risk as the incumbent will clearly deal with its own retail customers before it deals with the new entrants customers.
10. *Wightman urges the Minister to include in the proposed Order language that perpetuates the existing Quality of Service Indicators in their current form and the subsequent penalties beyond the incumbent being granted forbearance.*
11. Quality of Service Indicators currently have “trailer” indicators that reflect how quickly the ILEC deals with a “missed” main indicator. Elimination of these “trailer” indicators will effectively remove any sense of urgency the ILEC may have in clearing a missed function. The focus will be on addressing any new orders or maintenance issues so as to avoid any more misses of main indicators. Missed commitments will become a very low priority resulting in significant service implications to the new entrant and its customers.
12. *Wightman urges the Minister to leave the regime of Quality of Service Indicators currently in place in tact. That should the industry decide these indicators need to be modified or changed that the process for change be the existing CISC process.*

Regards,

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