

February 11th, 2021



To: Claude Doucet
Secretary General
Canadian Radio-television and
Telecommunications Commission
Gatineau, QC, K1A 0N2

Re: Competitive Network Operators of Canada Application for expedited and temporary resale remedy for competitive access to Incumbent fibre-to-the-premises facilities (CRTC File # 8622-C347-202100080)

Dear Mr. Doucet,

1. The Community Fibre Company wishes to be considered an intervenor in any proceedings arising from the Competitive Network Operators of Canada (CNOC) Part 1 Application for expedited and temporary resale remedy for competitive access to Incumbent fibre-to-the-premises facilities (CRTC File # 8622-C347-202100080).
2. The Community Fibre Company supports CNOC's application to apply Retail IS Resale ("RISR") access to incumbent FTTH/FTTP facilities as a temporary measure until the issues preventing the widespread implementation of Disaggregated Broadband Services at fair and reasonable rates are completely addressed.
3. The Community Fibre Company notes that wholesale access to incumbent fibre is vitally important in rural communities for the following reasons:
 - i. As a general principle and given the scope of the rural broadband gap in Canada, competitors should not be required to expend resources needlessly duplicating existing incumbent FTTP assets. Giving competitors like the Community Fibre Company access to existing FTTP facilities will reduce the need for duplication of existing fibre, while allowing us to focus limited resources towards unserved and underserved Canadians.
 - ii. It is uneconomic for a small facilities based carrier like Community Fibre to duplicate incumbent FTTP builds in rural areas where the incumbent has 95%-100% market share, especially where those fibre builds have been subsidized by developers of subdivisions or government programs. Many builders simply accept the \$600,000 payments¹ demanded by incumbents like Bell Canada as a cost of doing business. A non-dominant carrier simply cannot compete against incumbent facilities for which construction costs have already been fully paid.
 - iii. Service extensions from existing incumbent FTTP facilities are an affordable option to provide rural residents that are "near" (1-6 km) existing incumbent FTTP builds with broadband service meeting the 50/10 Basic Service Objective. An example previously documented by the Community Fibre Company consists of the 10 homes left unserved by Bell Canada in the middle of Ramsay Concession 8 in Mississippi Mills, Ontario could be served by extending service from the incumbent's FTTP facilities. Using commercial access and transport facilities from the incumbent to serve those homes would result in rates far above retail, as 10 homes simply cannot cover the cost of a single incumbent commercial 10Gbps access at \$2000-3000 per month (required to offer 1Gbps FTTH service), or even a 1Gbps access cost of \$900/month. In contrast, extending RISR service provides rates comparable to the incumbent's retail rates for small projects.

1 See Appendix A

- iv. Wholesale access to incumbent FTTP facilities can help prevent significant harm to smaller carriers when incumbents highly accelerate FTTP builds due to competition. Had the Community Fibre Company's been able to use incumbent FTTP facilities on Ramsay Concession 8, some amount of market share could have been preserved during the unreasonable and unjust permitting delays² of 436 days caused by the same incumbent.
4. Given the availability of RISR, the Community Fibre Company will make use of this tool to expand rural service to homes in areas that are close to existing incumbent FTTP deployments. Community Fibre is contacted with requests of this nature on an almost weekly basis, as rural Canadians are desperate for the improved broadband services fibre provides that are needed during COVID lockdowns.
5. The need for access to FTTP facilities is urgent, as there are no HSA/GAS-FTTN facilities available in many of the rural communities serviced by Bell Canada's FTTP facilities today that we can leverage to extend service. Incumbent FTTP deployments are accelerating while deployment of new 50/10 DSL over obsolete copper facilities is non-existent. RISR is a necessary stop-gap measure until there is a workable implementation of Disaggregated Broadband Service and/or fibre local loops that is available on fair and reasonable terms.
6. In light of the above, please act today and implement RISR as requested by CNOC.

Best regards,

Benjamin LaHaise
President, Community Fibre Company

Cc: CNOC Regulatory (via email)
Bell Canada (via email)

² See Community Fibre Company's intervention filed 22nd July 2020 in the Quebecor Part 1 proceeding (22nd June 2020).

Appendix A



June 4, 2020

Subject: Installation of Bell Canada Infrastructure – Braeburn Estates, Renfrew – GF 36809

Dear Susan:

Our goal is to provision Bell services to the majority of all new subdivisions. In doing so, the developer is given the opportunity to partner with Bell to offer wireline services to future residents. If the developer is unable to or does not wish to partner with Bell regarding network infrastructure deployment, Bell will strive to meet the residents' needs by offering an array of services that do not require landline infrastructure e.g. satellite television and voice/internet wireless services.

Bell continues to provision all new developments where there is an obligation to serve in accordance with the *Bell Canada Act*. For greater certainty, while it is Bell's intent to provide wireline network service as part of the provisioning process wherever practical, it is important to note that the telecommunications market is now very competitive and many alternative providers are available to potential customers. As a result, prohibitive construction costs and revenue forecasts for certain new developments may not justify deploying our network infrastructure.

We have reviewed the subdivision in question and determined that it does not meet the standard that would trigger Bell's obligation to serve.

Individual decisions by Bell Canada to either serve or not serve discretionary locations such as the development noted above are guided largely by the economics of extending service. As it would be very expensive for Bell to service this development on its own, Bell can only proceed if the developer agrees to contribute towards the total cost of provisioning Bell's facilities amounting to \$600,000 (plus applicable taxes). The proposed network will be fibre based capable of supporting Bell Canada's best services.

Should you decide to proceed with the construction of premises without contributing towards the provisioning costs noted above, we recommend that you advise lot owners/prospective purchasers that Bell Canada will not be providing landline service to their premises. Bell Canada will be responsible for notification to the municipality of this servicing decision.

If you would like to discuss this further, please contact me at (613) 293-0703.

Regards,

Jason St-Pierre

Jason St-Pierre
Senior Manager, Network Provisioning
Bell Canada

JS/tr

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