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May 24, 2006

Ms. Diane Rhéaume Secretary General Canadian Radio-television and Telecommunications Commission Ottawa, ON K1A 0N2

Dear Ms. Rhéaume:

Subject: Review of price cap framework, Telecom Public Notice CRTC 2006-5 ("PN 2006-5") – Request to Modify the Process and Timetable for PN 2006-5

- 1. TELUS Communications Company ("TELUS" or the "Company") is in receipt of a letter from the Public Interest Advocacy Centre ("PIAC") on behalf of the Consumers' Association of Canada and the National Anti-Poverty Organization (collectively "the Consumer Groups"), dated 17 May 2006, requesting that the Commission modify the process and timetable for PN 2006-5. TELUS is also in receipt of a letter from the Public Interest Law Centre on behalf of the Consumers' Association of Canada (Manitoba Branch) and the Manitoba Society of Seniors, dated 19 May 2006, which supported the requests made by the Consumer Groups.
- 2. The Consumer Groups propose two basic changes to the process for PN 2006-5. First, that the Commission delay the date on which intervening participants would file evidence. The Consumer Groups propose that they be permitted to file their evidence *after* all of the following has occurred: the ILECs have filed their evidence and responses to the initial interrogatories from both the Commission and other parties and, presumably, the Commission has conducted a disclosure and deficiency process in respect of the filed interrogatory responses. Second, the Consumer Groups propose that the Commission convene a "technical/settlement" conference prior to the oral hearing to find issues of agreement between the parties and resolve outstanding evidentiary questions.

- 3. For the reasons outlined below, TELUS does not support the Consumer Groups' request to modify the process for the proceeding initiated by PN 2006-5. TELUS does, however, agree that a technical/settlement conference may be convened prior to the oral hearing but the addition of this step need not, in any way, disturb the current process and timetable set out in PN 2006-5.
- 4. There is no basis practical or legal for acceding to the Consumer Groups' request for a staggered filing of evidence. The 10 July 2006 deadline for the filing of evidence is meant to give *all parties* incumbents, entrants, customers, and others the opportunity to put forth a price caps proposal *of their own*. Each party can, at its election, waive this opportunity. This is an option open to the Consumer Groups. Subsequent steps in the proceeding the posing of interrogatories, cross-examination in the oral hearing, and the filing of final and reply argument are intended to permit parties to respond to and test the proposals filed by other parties on 10 July 2006. The process proposed by the Commission in PN 2006-5 provides ample opportunity for the Consumer Groups to both set forth their own case and to test the case put in by another other party. Accordingly, no changes are required as a practical or legal matter to enable the Consumer Groups to participate effectively in this proceeding.
- 5. The scope of issues at play in PN 2006-5 is also relevant to a consideration of the Consumer Groups' request. PN 2006-5 is a very narrow and focused proceeding a fact which the Consumer Groups acknowledge. The Commission has been very clear in terms of what issues are in, and out, of scope in the proceeding. This focus additionally buttresses the view that no changes to the proceeding schedule are required to respond to the issues raised by the Consumer Groups. PN 2006-5 establishes a compact and focused proceeding with a schedule that should be manageable for most parties given the narrow set of issues under consideration. This is a further reason for rejecting the request put forward by the Consumer Groups.
- 6. TELUS wishes to emphasize that in the event that the Commission accedes to the request for a staggered filing of evidence, it will have to ensure that the ILECs are given an equivalent opportunity to test the evidence filed by other parties. This would mean, as a practical matter, that processes attaching to the filing of ILEC evidence (the asking of interrogatories, a deficiency and disclosure process, etc.) would have to be duplicated relative to the evidence filed by non-ILECs. This would likely entail adjustments to all subsequent steps in the schedule.
- 7. The only aspect of the Consumer Group proposal that TELUS supports at this time is the request for a technical/settlement conference prior to the oral hearing. This step has been a customary feature of proceedings in prior years and would potentially contribute to narrowing and simplifying substantive and evidentiary issues prior to the oral hearing. However, there is no need to modify the current schedule in order to accommodate such a conference.

8. In TELUS' view, the Consumer Groups will have ample opportunity to express their views within the current schedule established by the Commission.

Yours truly,

{original signed by Willie Grieve}

Willie Grieve Vice President Telecom Policy & Regulatory Affairs

HR/cs

cc: Interested Parties to PN 2005-3 Public Interest Law Centre

John Macri, CRTC