



Ottawa, Canada  
K1A 0P8

Ottawa, Ontario  
K1A 0W6

October 15, 2004

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

Dear Ms. Rhéaume:

Public Notice 2004-1 – Review disposition of deferral accounts for the second price cap period

I am providing you with the submission of Public Safety and Emergency Preparedness Canada (PSEPC) based on a review of the 19 May 2004 submission of Bell Canada in this proceeding.

On 27 April 2004, Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness Canada Anne McLellan announced in Parliament Canada's first ever national security policy. *Securing an Open Society: Canada's National Security Policy* ([http://www.pco-bcp.gc.ca/docs/Publications/NatSecurnat/natsecurnat\\_e.pdf](http://www.pco-bcp.gc.ca/docs/Publications/NatSecurnat/natsecurnat_e.pdf)) outlines our core national security interests, identifies current threats and provides a blueprint for action to address them. The policy designates PSEPC as the lead department responsible for ensuring the safety of Canadians at home and abroad and confirms the government's action in the creation of the new department of PSEPC on 12 December 2003 as an important step in defining the role of the various arms of the Government of Canada in keeping Canadians and their infrastructure safe.

APPLICATION TRACKING

OCT 27 2004

8678-CJ2-200400313

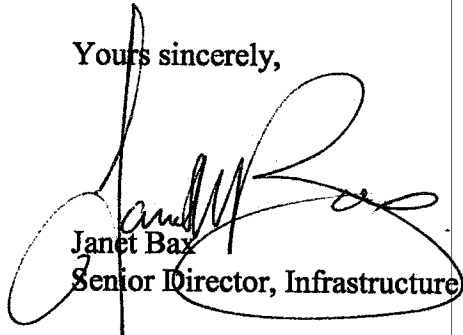
SECRETARIAT  
SUIVI DES DEMANDES

#46

.../2

While the Government of Canada is determined to take a leadership role in defining and protecting the national security of Canada, it recognizes and values the partnership that is has with provinces, territories, the private sector and front-line responders in this endeavour. In this light, PSEPC supports the initiatives of Bell Canada and the other owners and operators of telecom critical infrastructure that contribute to the health, safety, security and economic well-being of Canadians.

Yours sincerely,



Janet Bax  
Senior Director, Infrastructure Assurance Program

c.c. Industry Canada  
Bell Canada  
CTEPA  
Other telecom companies

by e-mail: Parties to Telecom Public Notice 2004-1

**Public Safety and Emergency Preparedness Canada**

**Telecom Public Notice CRTC 2004-1**

**Review and disposition of deferral accounts for the  
second price cap period**

**Submission**

**8 September 2004**

1. SARS. The discovery of BSE in one Canadian cow. The Eastern North American electrical blackout. The West Coast forest fires. Hurricane Juan. The terrorist attacks of 9/11 and 3/11. The 1998 Eastern Canada ice storm. These events have dramatically affected the lives and livelihoods of Canadians across the country. Public Safety and Emergency Preparedness Canada (PSEPC) is creating a partnership with government and industry to promote a more resilient and viable national critical infrastructure. This partnership of governments and the private sector must work to assure that Canadians, no matter the circumstance, can count on the services they need to go about their daily lives – opening for business, paying bills, drinking clean water, making telephone calls, using the Internet, filling up at the gas station, keeping food refrigerated, and so on.
2. Are we ready for what's to come? Can we improve our response based on events that have already occurred?
3. As we begin to answer these questions we realize just how connected and highly interdependent Canada's critical infrastructures are. A disruption to a service in one sector may impact on multiple sectors.
4. In response to discussions with critical infrastructure stakeholders, PSEPC expanded the list of critical infrastructure sectors on which the partners' efforts will be based: Energy and Utilities, Communications and Information Technology, Finance, Health Care, Food, Water, Transportation, Safety, Government and Manufacturing. These sectors are divided into sub-sectors to reflect more detailed analysis of the infrastructure. For example, the Communications and Information Technology sector includes the Telecommunications (phone, fax, cable, satellites) sub-sector. The Safety sector includes Emergency Services (police, fire, ambulance and others).
5. PSEPC's partners in the Telecom Industry have made progress in providing assurance of the availability of their critical services to Canadians by working together on a number of

initiatives:

- The telecom industry and Industry Canada have established the Canadian Telecommunications Cyber Protection working group (CTCP) to coordinate and facilitate the development and implementation of policies, plans and measures to deal with cyber incursions and their impact on the telecom industry. CTCP is a key point of contact between industry and government for dealing with Information Technology Security (ITS) issues related to telecommunications infrastructure protection. CTCP members include the following organizations and government departments: Allstream (formerly AT & T Canada), Aliant, Bell Canada, MTS, Telus, SaskTel, Sprint Canada, OCIPEP, Industry Canada, and the Communications Security Establishment (CSE).
- The Canadian Telecommunications Emergency Preparedness Association (CTEPA) is an association of facility based Canadian carriers united in commitment to, and a vision for, telecommunications emergency preparedness related to a regional or national or international disaster. Members of the association include: Association des Compagnies de Téléphone du Québec (ACTQ), Aliant, Allstream, Bell Canada, Canadian Alliance of Publicly Owned Telecommunications Systems (CAPTS), MTS, Ontario Telecommunications Association (OTA), Rogers/AT&T Wireless, SaskTel, Sprint Canada, Teleglobe Inc., Telesat and TELUS. Industry Canada - Emergency Telecommunications is an associate member. (CTEPA) has produced a report that describes the telecommunications emergency preparedness strategy. The report, though confidential, demonstrates serious commitment from a major CI sector to critical infrastructure assurance.
- In partnership with the Canadian Telecommunication Industry and with the provincial and territorial governments, Industry Canada manages a local telephone priority access system called Priority Access for Dialling (PAD). The system is used by the telecommunications carriers to identify municipal, provincial, territorial and federal emergency responders who require priority access to local (wireline) telephone systems during a crisis when network congestion/degradation might occur.

This system provides emergency essential users with a priority to place local telephone calls in times of disaster when networks are overloaded or degraded.

- In conjunction with the telecom industry, Industry Canada has completed a feasibility study for the development of a High Probability of Completion (HPC) technology that would complement the existing PAD allowing for the completion of priority calls on long distance networks. HPC is intended for stressed network situations caused by natural or man-made disasters, when normal network management tools may not be able to handle the high volume of traffic or when the demand exceeds long distance network capacity.
- Industry Canada has also completed a feasibility study on the development of a Wireless Priority Service (WPS) technology that would complement the wireline PAD priority service. WPS users will benefit from priority access to local calling as well as to long distance networks during periods of wireless and wireline network congestion.

6. Most of our critical infrastructure is owned by the private sector and other levels of government. Owners and operators are responsible for the safeguarding of their critical assets and services. PSEPC supports Bell Canada and the other telecom owners and operators in their activities to protect their critical infrastructure.

7. PSEPC considers that the implementation of network upgrades to support the introduction of a feature known as High Probability of Call Completion (HPC) is supportive of the Government of Canada's objectives in the recently announced National Security Policy (1). This feature would provide a significant improvement in the network's state of emergency preparedness and to the availability of the Public Switched Telephone Network (PSTN) to emergency personnel in the event of a local or general emergency.

---

1 Securing an Open Society: Canada's National Security Policy, April 2004. *Securing an Open Society: Canada's National Security Policy* can be read in its entirety at: [www.psepc.gc.ca/national\\_security/publications\\_e.asp](http://www.psepc.gc.ca/national_security/publications_e.asp).

8. PSEPC notes that in the current proceeding the Commission indicated that its objectives are:

- "a) to render reliable and affordable services of high quality, accessible to both urban and rural area customers;
- b) to balance the interests of the three main stakeholders in telecommunications markets, (i.e., customers, competitors and incumbent telephone companies);
- c) to foster facilities-based competition in Canadian telecommunications markets;
- d) to provide incumbents with incentives to increase efficiencies and to be more innovative; and
- e) to adopt regulatory approaches that impose the minimum regulatory burden compatible with the achievement of the previous four objectives."

9. Bell Canada stated that it would not be able to proceed with HPC without the use of the deferral account funding. PSEPC considers that Bell Canada's proposal to make use of the funds in the deferral account to recover a portion of the costs associated with implementing the network upgrades required to support the HPC feature in the Company's network has merit. It is clear that this initiative will improve the ability of emergency personnel to use the telecommunications network in the event of emergency situations, would provide benefits in that it would facilitate the resolution of emergency situations that affect the health, safety, security and economic well-being of all Canadians.

10. In this context of the submissions in this proceeding, PSEPC's intention is not specifically to promote this initiative over any of the other proposals in this proceeding. PSEPC's objective in this submission is to raise the awareness of Critical Infrastructure Protection (CIP) and the need for all stakeholders (industry, governments, regulators, provincial emergency centres, emergency first responders and citizens) to increase the resources they devote

to Critical Infrastructure Protection (CIP) and emergency preparedness.

11. In conclusion, PSEPC supports the public safety initiatives of Bell Canada and the other owners and operators of telecom critical infrastructure that contribute to the health, safety, security and economic well-being of Canadians.

\*\* End of Document \*\*