

Ministry of
Economic Development
and Trade

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Ministère du
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et du Commerce

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October 14, 2004

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

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SECRET
SUIVI DES DÉMARCHES

Dear Ms. Rhéaume:

Subject: Ministry of Economic Development and Trade, on behalf of the
Government of Ontario, Comments to Telecom Public Notice
CRTC 2004-1 Review and disposition of deferral accounts for the
second price cap period.

Although Ontario did not register as a party to this proceeding and did not file public
comments with the Commission, Ontario has been monitoring this proceeding with
interest.

Ontario has been asked for its views on the use of deferral account funds and we are
pleased to share our views with the Commission. Ontario's views are set out in the
attached letter.

Sincerely,

Tim McTiernan, Ph.D.
Assistant Deputy Minister

Ministry of
Economic Development
and Trade

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July 28, 2004

Mr. Renato Discenza
Senior Vice President, Carrier Services Group
Bell Canada
483 Bay Street, 6th floor
Toronto, ON M5G 2C9

**Re: Telecom Public Notice CRTC 2004-1
Review and disposition of deferral accounts for the second price cap period**

Dear Mr. Discenza,

I wish to thank Bell Canada for providing the Ministry with its submission to the CRTC respecting this matter. The Ministry is taking an increasing interest in the development of telecommunications policy, as we believe that broadband telecommunication is a key component to attracting and retaining investment in the province.

We are concerned that there is a continuing disparity in the availability of broadband service between urban and rural areas of the province. We believe that deferral account funds could become an important tool that could leverage the additional rollout of broadband services to business, institutional and residential subscribers in rural and northern areas of the province.

The Ministry is supportive in principle of plans that would utilize the deferral account funds to rollout broadband services into rural and northern areas of the province that would otherwise not obtain such services for many years, provided that:

- The proposed plans were cost effective and carried out in the most economical means possible;
- The broadband services that are to be provided will be affordable, reliable and of high quality; and
- No one-service provider receives an advantage over another respecting the provision and utilization of such services.

There is a growing need for the telecommunications industry to provide subscribers in rural and northern areas of the province with access to broadband services. This is becoming particularly apparent as the industry begins its migration to delivering services over Internet Protocol.

Thank you for providing me with an opportunity to highlight our perspective on this proceeding.

Sincerely,



Tim McTiernan, Ph.D.
Assistant Deputy Minister

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