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Our file: 8644-N31-01/99

27 June 2000

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Mr. Charles P. Farrugia
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**Re: Demarcation point for copper facilities in multi-dwelling units
(MDUs) 15 June 2000 *ex parte* application filed by Bell Canada**

1. On 15 June 2000 Bell Canada filed an application for an expedited, *ex parte* ruling clarifying the scope of the Commission's 5 June ruling on Norigen's 12 November 1999 Part VII application (and implicitly, Decision 99-10). Bell requested that the Commission issue immediately an interim ruling that:

For existing MDUs, when the demarcation point moves to the main terminal room this becomes the demarcation point for all copper in-building wire.

For new MDUs, the demarcation point is to be in the MTR for all copper in-building wire regardless of the services to be provided on the copper facility.

2. Bell submitted that the confusion that exists regarding demarcation point location and associated inside wire responsibilities and obligations is having an adverse impact on end-users and the competitive marketplace as a whole, contrary to the public interest. Bell submitted that it was seeking a ruling on an urgent, interim *ex parte* basis in order to eliminate as quickly as possible any confusion in the industry and avoid lengthy disputes on the matter. Bell stated that owing to the confusion regarding the demarcation point, wiring is being delayed or not done at all, with a consequent adverse impact on end-users. Bell also noted that the issue has been

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the subject of extensive discussion in the Building Access and Inside Wire Sub-Working Group of CISC (the CRTC Interconnection Steering Committee). Bell stated, however, that a consensus report on the issue has not yet been formally accepted by the group, pending further consideration by one of the members of its position on the matter.

2. Decision 99-10 set up a regime to help ensure that end-users have access to the local telephone service provider of their choice. Decision 99-10 stated in paragraph 17 that its provisions apply only to copper wire and related facilities used to provide *single-line local telephone service* to an MDU. While the fundamental intent was to exclude non-copper technologies as there was no record to deal with coaxial cable, fibre, wireless, etc. in setting where the demarcation point should be, the unfortunate effect was that when the landlord takes over responsibility for the wire and the demarcation point moves as a consequence, non-colocated CLEC (competitive local exchange carrier) copper connections to the in-building wire can only be used for provision of single-line telephone service.
3. Prior to the 5 June 2000 Norigen ruling, non-colocated CLECs (such as Norigen) were unable to provide service to end-users that wanted their services because owners have not been accepting control of the inside wiring. The Norigen ruling added to the Decision 99-10 regime by allowing non-colocated CLECs like Norigen, that do not use incumbent local exchange carrier (ILEC) unbundled local loops, to connect directly to ILEC owned and controlled in-building wire that the owner has not taken responsibility for.
4. In Local Competition, Telecom Decision 97-8, 1 May 1997 (Decision 97-8), paragraph 206 the Commission said

To ensure that these principles [customer choice of local exchange carrier or LEC] are served, the Commission requires that, as a condition of providing service, a LEC ensure that the end-users that it serves are able to have direct access, under reasonable terms and conditions, to *services* provided by any other LEC serving in that area. [emphasis added]

5. Decision 97-8 meant end-users should have access to all services offered by the LECs they chose, and not just certain services. However, as things are, Norigen-type CLECs remain disadvantaged as compared to all other LECs when connecting to an ILEC's in-building wire or to a landlord's in-building wire. To achieve the objective of paragraph 206 in Decision 97-8, and in order to ensure that the competitive market functions in the interests of consumers, those situated in MDUs must be able to get access to all possible services they want that are offered by the LECs. The Commission, therefore, considers that to protect the public interest the unfortunate anomaly introduced by Decision 99-10 must be corrected immediately. The requirements of Decision 99-10 must apply to copper facilities generally in an MDU so that they may be used to provide any copper-based services, not strictly single line services.

6. Accordingly, pursuant to sections 62 and 61(3) of the *Telecommunications Act*, the Commission finds it to be in the public interest, based on the circumstances, to review and vary on a final *ex parte* basis, Decision 99-10 and by extension, its 5 June 2000 letter related to Norigen's Part VII application of 1999.
7. As a result of this finding, when the service provider demarcation point moves to the main terminal room, it applies to all copper facilities in the building, not just those used to provide single line local telephone service. In the case of new MDUs, the demarcation point is to be in the MTR for all copper in-building wire regardless of the services to be provided on them.
8. In the 5 June 2000 Norigen ruling, the Commission directed TELUS Communications (for its territories in Alberta and British Columbia), MTS Netcom (for Manitoba, and the Aliant companies, other than MTT (for New Brunswick, PEI and Newfoundland)) to show cause within 30 days why the same regime applicable to Bell should not apply to them. The Commission also directed all registered CLECs to show cause, by the same date, why the same regime should not apply to any CLEC that owns or controls in-building wire in a MDU. The Commission hereby extends the deadlines in the show cause proceeding by ten days for comment and five days for reply so that parties can incorporate into their submissions the effects of this decision.

Yours sincerely,



Ursula Menke
Secretary General

cc: Registered CLEC list
Interested parties – PN 98-35
Interested parties – PN 96-28
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