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## CRTC settles competition battle

*Regulatory agency reduces rates Northwestel could charge competitors for service*

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### SOMBA K'E/YELLOWKNIFE

Nearly two years after SSI Micro Inc. complained to the Canadian Radio-television and Telecommunications Commission (CRTC) about unfair backbone connectivity pricing eliminating competitors in the Yellowknife Internet market, the commission has given competitors a break.

On Monday, the national telecommunications regulatory agency approved Wholesale Connect Service rates and service charges greatly reduced from the rates and charges proposed by Northwestel Inc., which is the owner of all fibre and microwave connectivity to the south.

"The commission has reduced rates by close to 80 per cent on some of those routes so we're feeling good in that sense that the commission's taken a very close look at Northwestel's numbers, looked at our numbers, they looked at our arguments, looked at Northwestel's arguments, and have come down, I'd say, on the side of the consumer and competition because they've done a massive decrease of the rates," said SSI chief development officer Dean Proctor. "It's been a long time coming but we're certainly happy that the decision the commission made goes a long way to correcting a lot of the problems that there have been in the past. So we're looking forward to moving ahead now on a much more equal footing with Northwestel."

In type A communities such as Yellowknife, the monthly rate approved by the commission for 100 megabytes is \$3,752, compared to \$15,279 proposed by Northwestel last May. One-time service charges for basic class of service bandwidth approved by the CRTC range from \$5,807 to \$6,344, compared to \$8,000 to \$8,500 proposed by Northwestel.

Monthly charges for medium, high, and the highest class of service bandwidth set by the CRTC is \$81 per megabyte, compared to Northwestel's proposed \$120 for medium class of service, \$192 for high class of service, and \$240 for the highest class of service.

In Monday's decision, the commission states that the Wholesale Connect Service "will assist competitors in providing telecommunications services in Northwestel's operating territory, ultimately leading to greater consumer choice of telecommunications services."

In addition to SSI, the commission also received submissions from companies including Ice Wireless Inc., Iristel Inc., and TELUS Communications Company.

"I think it could get really interesting for consumers going forward not only for SSI but this opens the door for a lot of other companies to come into the marketplace as well," Proctor said. "I would certainly hope that consumers are going to see new investment and new choices and new price plans and innovative new services, and that's what should come out of all of this."

Proctor was not certain on Monday about whether the rate reductions would translate into lower Internet prices for Northern consumers.

"This is a massive drop and it would certainly be incumbent on us to react accordingly. We've had consumers supporting us in this battle because this has been a long drawn out fight and we've had very, very gratifying support from consumers in the North so certainly we hope we could pass on the benefits to them," he said.

Northwestel officials were reviewing the ruling yesterday.

"Northwestel's read the decision and we're now undergoing the process of analyzing what it means for the company," said Eric Clement, manager of external communications. "It's too early to tell how this will affect us."



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