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EXPANSION OF LOCAL DIALLING IN YORK REGION

The e-Government Sub-Committee recommends as follows:

1. The presentation from Wil Gonidis, Regional Director, Bell Canada, be received; and
2. the recommendations contained in the following report, September 16, 2004, from the Commissioner of Finance be adopted subject to the following amendments:

Recommendation 2 be amended so that it now reads:

- “2. The Regional Clerk be directed to forward this report to Bell Canada in support of our submission for expansion of the local service area in The Regional Municipality of York *and throughout the Greater Toronto Area.*”**

Recommendation 3 be amended so that it now reads:

- “3. The Regional Clerk be directed to forward this report to all municipalities in York Region *and to the Regions of Durham, Halton and Peel* to support a *joint* request for expansion of local dialling in York Region *and throughout the Greater Toronto Area.*”**

1. RECOMMENDATIONS

It is recommended that:

1. This report be received for information.
2. The Regional Clerk be directed to forward this report to Bell Canada in support of our submission for expansion of the local service area in The Regional Municipality of York.
3. The Regional Clerk be directed to forward this report to all municipalities within York Region to support the Region’s request for expansion of local dialling in York Region.
4. The Regional Clerk be directed to forward this report to all MPs and MPPs within York Region, and all leaders of both Federal and Ontario provincial parties.

2. PURPOSE

Regional Council at its meeting of March 25, 2004 carried and referred the following motion to staff:

***Whereas** the City of Toronto has seamless local calling capabilities within all six of the former municipalities within Metro Toronto;*

***And Whereas** the City of Toronto can call many jurisdictions within the 905 Area Code (Peel, Durham, York) as local calls;*

***And Whereas** in the Region of York the nine municipalities do not have seamless local calling capabilities;*

Be it resolved:

***That** the Region of York request the appropriate regulatory authorities to ensure that all residents and businesses within the Region of York have local calling capabilities with other residents or businesses within York Region;*

***And that** all municipalities within the Region of York pass similar resolutions;*

***And that** this resolution be circulated to all MPs and MPPs within York Region, and all leaders of both Federal and Ontario provincial parties;*

***And that** staff develop a strategy on how to approach Bell Canada and the CRTC to further this initiative.*

3. BACKGROUND

At Council's direction, Regional staff contacted the CRTC to determine actions necessary to implement this request. The CRTC indicated that they can only consider such requests when the telephone company makes a formal application to the Commission. Therefore, staff contacted representatives from Bell Canada and subsequently, staff met with them and inquired into the steps necessary to accomplish the objective of Regional Council to expand the local calling area within the Region of York as delineated in the above motion.

Staff received a written update on this topic from Bell Canada (See Attachment 1).

4. ANALYSIS AND OPTIONS

The status of the topic of expansion of local calling areas is as follows:

The CRTC has chosen the City of Ottawa, which has made a similar application some time ago, as the test pilot for expansion of the local calling area in Ottawa. Although no firm date has been established, it is anticipated that results of the pilot test in Ottawa will be available in approximately one year.

It should be noted that there are approximately 40 applications currently with Bell Canada awaiting similar conclusions and ruling from the CRTC on the same issue.

To join the queue, the Bell representative informed us that we could submit the Council direction as an indication of our Council's interest in expanding the local calling area at no obligation to the Region or staff, pending Council's receipt of this report.

We were further informed that, due to the long queue, consolidation of requests of the regions surrounding Toronto may give the Regions in the GTA greater priority. Bell Canada staff has estimated that due to the long queue, they will require about five years before they deal with our application.

Furthermore, the CRTC has ruled that, to compensate the telecommunication couriers for lost revenue of long distance calls, local charges could be increased. Should these charges increase by an amount exceeding one dollar per month per customer, then a referendum will be required by all the local municipalities and the Region, to enrol in the expanded local calling area. If one municipality is not interested, then the submission by the Region will not be processed. Bell representatives indicate that the likelihood of increasing the charges by \$1.00 or more per month is highly unlikely, but the Bell Canada representative could not guarantee that the net affect for the compensation for lost revenue due to long distance calls will be less than 1.00 dollar. The downward trends in the rates for long distance charges will probably support the Bell Canada representative's assessment that the rate is highly unlikely to yield a \$1.00 increase in local rates.

In York Region the current local calling area for Toronto extends north to include Aurora. Newmarket and points north are not part of the area.

Finally, the implementation of the expansion to the local calling area is directly aligned with and supportive of the accessibility objectives of Vision 2026.

5. FINANCIAL IMPLICATIONS

Unknown at present.

6. LOCAL MUNICIPAL IMPACT

The Regional Council resolution has called for all municipalities in the Region of York to pass similar resolutions.

7. CONCLUSION

To expedite the applications by The Regional Municipality of York for the expanded local service calling area, staff have already forwarded to Bell Canada our Council's

motion as an indication of Council's interest, given that we were informed that this causes no obligation on the part of the Region. It simply marks the date of the receipt by Bell Canada.

Regional Council may wish to pursue the expanded local calling application jointly with the other regions and submit a consolidated application to Bell Canada for the greater Toronto area regions to reduce the long waiting time currently anticipated as five or more years. It should be noted that the joint application is not related to GTA wide local calling area. It is simply intended to jump the long queue.

Following Council's approval of this report, staff will circulate the report to all MPs, and MPPs within York Region, and all leaders of both Federal and Ontario provincial parties.