Harmonizing the consumer protection codes – Change to procedure – Broadcasting and Telecom Notice of Consultation CRTC 2026-134-1

Public Record: 1011-NOC2026-0134

Intervention by

Canadian Communication Systems Alliance
Alliance Canadienne des Systèmes de Communication

and

Independent Telecommunications Providers Association

14 August 2026

Executive Summary

ES1. CCSA/ITPA support the Commission's objective of harmonizing the existing consumer protection codes into a single Consumer Protection Code where doing so improves clarity, consistency and efficiency. However, harmonization should not become a vehicle for expanding direct regulatory obligations to service providers that have not been shown to require them. The Commission's regulatory burden lens, the objectives of the Telecommunications Act and Broadcasting Act, and the Policy Direction all require regulatory measures to be efficient, proportionate and appropriate given the circumstances.

ES2. The record demonstrates that non-Code SPs as defined by CCSA/ITPA are not a material source of consumer protection complaints. CCSA/ITPA members and similarly situated providers account for only a very small fraction of accepted CCTS complaints, and many have no in-scope complaints at all. In contrast, the large national providers and provider groups account for the dominant share of consumer complaints.

ES3. CCSA/ITPA members operate in markedly different market circumstances than the largest service providers. They are typically smaller, regional, community-based, privately held or co-operative providers serving local markets where customer relationships, local accountability and competitive alternatives create strong incentives to maintain clear communication, fair practices and responsive customer service without the need for additional regulatory.

ES4. Imposing the Consumer Protection Code directly on non-Code SPs would create significant administrative and compliance burdens that are disproportionate to any incremental consumer benefit. Members have identified likely impacts on billing systems, contracts, reporting processes, employee training, compliance monitoring and senior management time. These burdens would divert resources from service improvement, network investment and customer support, particularly for smaller providers with limited or no dedicated regulatory staff.

ES5. The Commission's existing "expectation" approach has proven effective in the context of the Internet Code and should be maintained for non-Code SPs under any harmonized Consumer Protection Code. That approach allows the Commission to articulate clear consumer protection principles while relying on market forces, customer expectations and competitive pressure to encourage non-Code SPs to act consistently with those principles.

ES6. If concerns arise with a particular non-Code SP in the future, the Commission has targeted tools available to respond. It can monitor the market, review the application of the Code in a future proceeding, or initiate a case-specific show-cause process where evidence demonstrates that a provider is causing consumer harm. A targeted response to actual evidence of harm is more efficient and proportionate than imposing broad obligations on providers that have not shown any need for such regulation.

ES7. Accordingly, CCSA/ITPA submit that the harmonized Consumer Protection Code should apply directly only to those providers currently subject to the Internet Code, including their associated affiliates and brands. Non-Code SPs should be exempt from direct application of the Existing Codes and the Consumer Protection Code, while remaining subject to the Commission's expectation that they conduct themselves consistently with the Code's consumer protection principles.

As part of its response to the Red Tape Review, the Commission has started using **a regulatory burden lens** as it reviews and modernizes its regulatory frameworks. Through its public consultations, **the Commission is ensuring that its rules are efficient and proportionate**. (emphasis added)

(Paragraph 8 - BTNoC 2026-134)

Introduction

1. The Canadian Communications Systems Alliance and the Independent Telecommunications Providers Association ("**CCSA/ITPA**") welcome the Commission's adoption of a "regulatory burden lens" and the application of this lens to the issues under consideration in this proceeding – *Harmonizing the consumer protection codes* – Broadcasting and Telecom Notice of Consultation CRTC 2026-134, 12 June 2026 ("**BTNoC 2026-134**"). While CCSA/ITPA support the Commission's goal of harmonizing the codes and creating a single Consumer Protection Code[1], it also supports the Commission's focus on reducing regulatory burden, particularly where regulation is not necessary to protect consumers or otherwise fulfill the Commission's regulatory goals.

2. This is one of those instances. For the reasons set out in this intervention, CCSA/ITPA believes that the Commission can and should exempt CCSA/ITPA members, and all other service providers ("**SPs**") not currently directly subject to the Internet Code (collectively "**non-Code SPs**"), from the application of all four of the consumer protection codes, and the Consumer Protection Code once it replaces them. This includes the Wireless Code that currently, by default, captures all Wireless Service Providers ("**WSPs**") regardless of their size, their ability to exert market power and their essentially

[1] In our submission, we use the term "**Consumer Protection Code**" or "**CPC**" to refer in the generic sense to the code that the Commission has stated (as a preliminary view) will harmonize the provisions of the *Deposit and Disconnection Code*, the *Wireless Code*, the *Television Service Provider Code*, and the *Internet Code* (these four codes are collectively referred to as the "**Existing Codes**"). We use the term "**Draft Code**" and "**Code**" to refer to the *Consumer Protection Code Working Document* included as Appendix 1 to BTNoC 2026-134.

non-existent complaint volumes to the Commission for Complaints for Telecom-television Services (the "**CCTS**").

3. Having a single Consumer Protection Code is more efficient in a high-level sense, but imposing it on all SPs is not. Harmonization of the four codes into one will necessarily mean the application of additional obligations on SPs who were not previously subject to them. As we demonstrate in our intervention, non-Code SPs are not where the Commission should focus its consumer protection efforts because there is no evidence that they are the problem in this area.

4. The September 2025 and April 2026 Red Tape Reduction Progress Reports issued by the Commission pursuant to the Treasury Board's Red Tape Review demonstrate the Commission's achievements thus far and the seriousness of its efforts to reduce the regulatory burdens under its jurisdiction. This proceeding can further that work[2].

5. Independent of the Treasury Board's Red Tape Review, however, are the objectives of the *Telecommunications Act* (the "**Telecom Act**"), the *Broadcasting Act* (the "**Broadcasting Act**") and the directions contained in the *Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy* – SOR/2023023, 10 February 2023 (the "**Policy Direction**")

6. Beginning with the Telecom Act, section 7(f) states that Canadian telecommunications policy has as one of its objectives:

[2] For example, in its 23 April 2026 report, the Commission highlighted its decision to increase the revenue threshold for telecommunications fees and National Contribution Fund contributions, thereby lowering requirements and costs for small telecommunications service providers – a welcome action that CCSA/ITPA can confirm will reduce the regulatory burden experienced by their members:

> Starting January 1, 2027, small telecom companies will have fewer reporting rules and lower regulatory costs… As a result, about 40% fewer companies will need to contribute to the National Contribution Fund, <u>reducing paperwork and making the system more efficient.</u>

(f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective; (emphasis added)

7. For its part, the Broadcasting Act, at section 5.2 states:

> (2) **Regulatory Policy**. – The Canadian broadcasting system should be regulated and supervised in a flexible manner that:
>
> (g) is sensitive to the administrative burden that, as a consequence of such regulation and supervision, may be imposed on persons carrying on broadcasting undertakings.

8. Both of these Acts stress the importance of properly balancing regulation with administrative burden and ensuring that regulatory approaches are both flexible and efficient. The most recent statement from Government addressing this subject – the Policy Direction - contains numerous sections that are relevant to the position of the CCSA/ITPA that will be set out below:

> **2** The Commission should consider how its decisions would promote competition, affordability, consumer interests and innovation, in particular the extent to which they would
>
> **(a)** encourage all forms of competition and investment;
>
> …
>
> **(e)** reduce barriers to entry into the market and to competition for telecommunications service providers that are new, regional or smaller than the incumbent national service providers;
>
> . . .

> **3** The Commission should ensure that its proceedings and decision are transparent, predictable and coherent.
>
> . . .
>
> **4** The Commission should ensure that the measures that it imposes through its decisions are efficient and proportionate to their purpose.

9. The CCSA/ITPA are pleased to see that efficiency and proportionality have been enshrined as key components of the Commission's application of its regulatory burden lens in this proceeding. Regulation that is applied to all SPs (i.e. using a "one-size-fits-all" approach) without considering their vastly different circumstances will be neither efficient nor effective. To achieve its goal of reducing regulatory obligations, via its regulatory burden lens, which is required by both Acts and the Policy Direction, the Commission must take into account the broad context in which the harmonized code may be imposed and the SPs on which it is being imposed.

10. Using this approach, we believe the Commission must reach the conclusion that the harmonized Consumer Protection Code should not be applied to non-Code SPs and that those companies must be exempted from that code, or to the extent any of the Existing Codes are retained, from any remaining sections of the Existing Codes that presently apply to non-Code SPs[3].

11. The CCSA/ITPA believes that the collective intent of Parliament (expressed through both Acts), the Governor-in-Council (through the Policy Direction) and the Commission itself (in paragraph 9 of BTNoC 2026-134), can be boiled down to a very practical statement of intent, which must be adhered to in this proceeding: any regulatory measures ultimately imposed, or not imposed, by the Commission must **be appropriate**

[3] CCSA/ITPA defines a "non-Code SP" as any service provider other than those to which the Internet Code currently applies. That is, all providers except Bell Canada, Cogeco Connexion Inc., Eastlink, Northwestel, Rogers, SaskTel, TELUS, Videotron and Xplore and their affiliated/related companies.

in the circumstances, taking into account such matters as as the state of telecommunications and broadcasting markets, competition in those markets, and the type and nature of the competitors in those markets.

The Present Circumstances

Industry Market Share

12. The Commission's own Communications Markets Reports provide a reliable and valuable picture of the state of the communications industry in Canada. The picture the various data sets provide is of an industry dominated by a few large service providers/groups of SPs with a fraction of the market left to non-affiliated competitors:

- **Broadband Internet** – the incumbent carriers[4] and cable companies have 89% of subscriptions[5];
- **Mobile Wireless** – the market share of the top three national wireless carriers (including their flanker brand subscribers) is 85.9%[6]; and
- **Broadcast Distribution Undertakings** – BCE, Quebecor, Rogers and TELUS combine to serve 90% of BDU subscribers[7].

13. CCSA/ITPA members are different and additional regulatory obligations need not be imposed on them. While CCSA/ITPA members perform a valuable service to their customers, they represent only a small proportion of the markets mentioned above. At the same time, they are by their natures very different from the larger SPs who serve the vast

[4] It is unclear whether the incumbent carrier statistics includes ITPA member companies. However, even if this is the case the results would not change if their subscriptions were removed from this total.
[5] Data-retail-fixed-internet-sector-and-broadband-availability, N-S9, Supplementary Table 9 *Residential Internet service subscriber market share, by type of service provider (%), 2013-2024*.
[6] Data-retail-mobile-sector, MB-F9, Figure 9 *Mobile subscriber market share for Top 3, flanker brands and other providers (%), 2014-2024*.
[7] Data-broadcasting-distribution-sector, U-T1, Table 1 *BDU services of large ownership groups, 2018-2024.*

majority of customers. Typically, they provide service in smaller communities, serving a concentrated area as opposed to being national and having to offer plans and services which cater to the entire country. Often they are family or privately owned or operate as member-owned co-operative enterprises. They are very directly tied to their local communities resulting in them having much more direct public accountability, and are not publicly traded. This means that their boards of directors do not have to prioritize maximizing shareholder value over all other considerations, including customer service.

14. Since they are very different, they and other non-Code SPs should not be regulated in the same manner as the larger SPs, or in the case of the harmonized Consumer Protection Code, directly regulated at all. The Commission should maintain its current and successful "expectation" approach for non-Code SPs.

The Dominant Source of CCTS Complaints

15. The largest SPs maintain their dominant position when it comes to complaints to the CCTS. For example, in its 2024-2025 Annual Report[8], the CCTS provides the following statistics[9]:

TELUS – 4,904 accepted complaints or 20.7% of the total;

Rogers/Shaw – 6,485 accepted complaints or 27.4% of the total; and

Bell Canada – 3,966 accepted complaints or 16.8% of the total.

[8] The most recent full-year report.

[9] These totals do not include the various related companies or flanker brands associated with the three companies identified (such as Koodoo (TELUS), Bell Aliant (Bell Canada) or Chatr (Rogers)), which would only serve to increase the reported numbers for each of these three companies.

16. In stark contrast, the CCTS' Annual Report identifies 24 CCSA/ITPA member companies with the following number of complaints:

> Quadro Communications and WTC Communications each with 0 complaints;
>
> Brooke Telecom, Bruce Telecom, Lakeland Networks, NRTC and Tuckersmith Communications each with 1 complaint;
>
> CityWest, MNSi, Novus, and Northwestel[10] each with 2 complaints;
>
> CoopTel, Purple Cow, Sogetel, Westman and Wightman each with 3 complaints;
>
> Access, NFTC and Rally each with 5 complaints;
>
> Coextra and Vianet each with 6 complaints;
>
> Execulink with 7 complaints; and
>
> Beanfield and Tbaytel with 8 complaints.

17. These 24 companies account for only 78 of 23,647 complaints accepted in the reporting period. That means that CCSA/ITPA members account for only three tenths of one percent (0.3%) of total complaints accepted.

18. These individual complaint volumes do not even register in the column titled "% of all complaints" in Appendix A to the CCTS 2024/2025 Annual Report[11]. It is also important to note that the above percentage would be even lower if all CCSA/ITPA

[10] Northwestel is a member of CCSA and, due to the unique circumstances of its size and market dominance in the North, is already directly subject to the Internet Code. The CCSA/ITPA is not speaking on behalf of Northwestel in this proceeding and is not advocating that it should be exempt from the Internet Code or the CPC.
[11] https://pub.ccts-cprst.ca/2024-2025-annual-report/

member companies and non-Code SPs were included in the CCTS' figures. Seventy-one (71) CCSA/ITPA members are not members of the CCTS *because they have never received a single in-scope complaint* which would automatically make them subject to the CCTS' jurisdiction.

19. It is clear from the CCTS' own data that non-Code SPs are not the source of a significant number of complaints to the CCTS. In addition to the CCSA/ITPA members mentioned above, there are many SPs which are not members of CCSA or ITPA, and none of them receive significant numbers of complaints. However, notwithstanding a lack of complaints which would show consumer protection concerns, these SPs must nevertheless comply with the CCTS regulatory regime.

20. The CCTS 2024/2025 Annual Report indicates that there are 22 CCTS members who did not receive a single complaint in the reporting period. Those 22 providers had to ensure compliance with the Commission's and CCTS' complaint handling regimes, and the Commission and CCTS had to ensure their compliance with those regimes, notwithstanding the fact they received no complaints. Looking at the CCTS's data, there are an additional 143 non-Code SPs[12] that received 24[13] or fewer complaints each, with 58 receiving just one complaint. That is 165 companies for which the CCTS and CRTC must monitor compliance and 165 SPs that must ensure compliance with the Codes notwithstanding exceptional complaints records. If the Commission is serious about reducing regulatory burden and ensuring efficient and effective regulation, the Commission's focus should not be on non-Code SPs.

21. Clearly a one-size-fits-all approach to the application of any of the consumer codes is not appropriate in these circumstances. The Commission must instead focus on

[12] These are the non-Code SPs who are CCTS members. It is likely there are more that have not generated a CCTS complaint and therefore do not show up in the CCTS' data.
[13] 24 complaints represents 0.1% of total accepted complaints and is the point at which a SP registers in the CCTS' reporting as being responsible for more than 0% of CCTS complaints.

the most significant drivers of customer concerns as evidenced by CCTS complaints data, namely the largest SPs.

The Red Tape Reduction Act and Review

22. The Red Tape Reduction Act ("RTRA") of 2015 was recently reinvigorated by a Treasury Board initiative referred to as a Red Tape Review that was launched in September 2025. As noted previously in this intervention, the Commission has issued two separate follow-up reports regarding its progress in achieving the goals of the Red Tape Review. The review obviously continues to be top-of-mind for the Commission in this proceeding.

23. By way of background, the Red Tape Reduction Act contains a provision such that if a new regulation is introduced, a regulation of equal weight must be removed within a set period of time. This is otherwise known as the one-for-one rule:

> **How the one-for-one rule works**
>
> When a new or amended regulation increases the administrative burden on business, regulators are required to offset – from their existing regulations – an equal amount of administrative burden cost on business.
>
> - The value of the administrative burden cost savings or cost increases to business are made public in the Regulatory Impact Analysis Statement when the regulatory change is published in the *Canada Gazette*.
>
> The rule requires regulators to remove a regulation each time they introduce a new regulation that imposes new administrative burden on business.

> Regulators are required to provide offsets *within two years* of receiving final approval of regulatory changes that impose new administrative burden on business.[14]

24. The approach of one-for-one replacement of regulatory obligations is a useful principle which the Commission should apply in this proceeding. If it wants to impose new regulation on certain SPs, the Commission should try to find another area where it no longer needs to apply regulation. While this proceeding should not result in new "regulations", to the extent that harmonizing the existing codes means that obligations which applied only to certain services or SPs are applied to all services and/or SPs, that harmonization will impose additional regulation. The Commission can and should balance out that new regulation by removing non-Code SPs who do not create large or even measurable levels of customer service issues from the application of the harmonized Consumer Protection Code. By doing so, the Commission will be acting in a manner consistent with the RTRA.

The CCSA/ITPA Proposal – Appropriate Given the Circumstances

25. In light of the present circumstances described above, the CCSA/ITPA is proposing that the Commission should avoid using a one-size-fits-all approach to the application of the Consumer Protection Code and should exempt non-Code SPs from the direct application of the four Existing Codes and, ultimately, the harmonized Consumer Protection Code. As noted earlier in this intervention, CCSA/ITPA define non-Code SPs as any SP not currently subject to the Internet Code.

[14] https://www.canada.ca/en/government/system/laws/developing-improving-federal-regulations/modernizing-regulations/red-tape-reduction-act.html

26. Consistent with the current approach to the Internet Code, non-Code SPs would instead be subject to an "expectation" that they will behave in a manner consistent with all the principles set out in the CPC.

27. The "expectation" approach has proved effective in the context of the application of the Internet Code and CCSA/ITPA believe it would be equally effective in this context. The approach from the Internet Code is as follows:

> The Internet Code includes an expectation that all Internet service providers behave in a manner that is consistent with its provisions.[15]

28. As recently as 2021, in *Large facilities-based Internet service providers – Application to review and vary Telecom Regulatory Policy 2019-269 regarding the application of the Internet Code* – Telecom Decision 2021-125, 8 April 2021, the Commission denied an application to have the Internet Code applied to all Internet SPs. It did, however, reiterate its expectation that all Internet SPs behave in a manner consistent with the principles set out in the Internet Code, namely:

> … <u>using clear communication, providing bill management tools, and having consumer-friendly business practices</u>. The CCSA/ITPA stated that they emphasize these principles to their members[16]. (emphasis added)

29. The Commission concluded that an expectation was sufficient for non-Code SPs because market forces already require those SPs to provide competitive services which customers will favour. The Commission stated it well in Decision 2021-125:

---

[15] Appendix 2 to BTNoC 2026-134, page ii.
[16] Paragraph 51.

> … ISPs that are currently exempt from the Internet Code are <u>necessarily</u> required to provide compelling offers and competitive services in order to win or maintain customers[17]. (emphasis added)

30. The situation for non-Code SPs has not changed in the five years since Decision 2021-125 was issued. There is still no need to apply the Internet Code directly on non-Code SPs, and CCSA/ITPA believe the same applies to the proposed application of the Consumer Protection Code.

31. If the new amalgamated code is applied only to the largest ISPs that are currently directly subject to the Internet Code, given their combined market share, the impact will be felt across the entire country. During the ITPA's appearance at the oral hearing associated with *Making it easier for consumers to shop for Internet services* – Telecom Notice of Consultation 2024-318, 4 December 2024, an ITPA panel member stated:

> 2282 We maintain that the Internet Code applies significant indirect pressure on the entire market in two ways. It sets expectations in customers' minds as to what kind of behaviour and information they can generally expect as they shop; and, the "expectation approach" used by the Commission for non-Code companies, and which we would continue to accept, casts a long shadow that exerts pressure on decisions regarding marketing materials and websites. <u>The Code reinforces ITPA members' historical respect for the values of transparency, price certainty and clarity in their offers</u>. (emphasis added)

32. Where market forces and the Commission's expectations are already producing outcomes that are consistent with the Commission's consumer protection objectives, the

[17] Paragraph 55.

incremental consumer protection benefits that would be achieved through making non-Code SPs subject to the CPC would be minimal, while the compliance costs imposed on these SPs and the administrative resources required by the Commission would be significant. Accordingly, the benefits of regulation would not justify its costs.

33. As described in the responses to the Commission's questions in this notice of consultation, CCSA/ITPA members do not have the same resources as the large SPs to implement any new requirements and should be left with the flexibility to market their services in ways which reflect circumstances in their markets, and customers' expectations. CCSA/ITPA members and other non-Code SPs, collectively or otherwise, have no market power, and their customers have the freedom and ability, now more than ever, to move to another provider if they are not satisfied.

34. CCSA/ITPA members are small businesses with limited resources. They have a long history of positive and helpful relationships with their customers and do not drive customer complaints to either the Commission or the CCTS. The Commission should direct its focus to those companies that have demonstrated they need to be regulated in this regard, not those for which there is little or no evidence that they have customer service issues which need to be addressed by the Commission. We believe the Commission can achieve its regulatory goals in this proceeding by applying the Consumer Protection Code only to those SPs who are currently directly subject to the Internet Code (including their associated affiliates and brands). The Commission can continue to rely on non-Code SPs to offer compelling offers and competitive services, using clear communication, consumer-friendly business practices and superb, local customer service, or suffer the competitive consequences.

35. As noted above, CCSA/ITPA is proposing that the Commission not impose the Consumer Protection Code on non-Code SPs, and instead rely on its expectation that those providers will continue to provide excellent customer service because of their particular market circumstances and the extensive competition in their service areas.

36. However, CCSA/ITPA understands that the Commission might have concerns that exempting non-Code SPs from the application of the Consumer Protection Code could at some point leave it with fewer options if a particular non-Code SP's customer service were to degrade. To be clear, we do not believe this will happen - the Commission took this very approach in its application of the Internet Code and that exemption has not resulted in poor behaviour by non-Code SPs.

37. However, the Commission is not without options if that were to occur. For example, the Commission could state its intention to review the application of the CPC to non-Code SPs in its next review of that Code – that in itself would provide incentive to non-Code SPs to act in accordance with the Commission’s expectations and would be consistent with section 5 of the Policy Direction which states:

> The Commission should further develop strong and timely market monitoring, research and strategic foresight skills and use the results that it obtains from these activities to exercise its powers and the performance of its duties.

38. As previously stated, there is no evidence the CPC has to be applied to non-Code SPs. However, that does not mean the Commission cannot act if its monitoring shows that there is an issue that requires its attention.

39. The Commission should also be careful not to take too broad an approach to the application of the CPC. If there was evidence that a particular SP was flouting the Commission’s expectations in a manner that harmed a significant number of customers, the Commission could initiate a show-cause proceeding to determine whether the offending SP should be subject to the CPC. Applying a targeted approach to deal with a particular offender where there is evidence that SP is a problem is a much more efficient approach than indiscriminately imposing obligations across a broad swathe of non-offending SPs on the off-chance that they might – sometime in the future – become a

problem. It would also help the Commission and the CCTS manage their workloads more efficiently - overly broad application of regulation makes non-Code SPs less efficient and effective, but it puts additional work on the CRTC and CCTS in circumstances where their resources could be better used elsewhere.

40. On this basis, we believe the Commission can confidently take the approach advocated by CCSA/ITPA and exempt non-Code SPs from the application of the Consumer Protection Code.

Conclusion

41. For all of these reasons, CCSA/ITPA respectfully submit that the Commission can achieve the benefits of harmonization without expanding direct regulatory obligations to non-Code SPs. The evidence supplied by CCSA/ITPA in this intervention demonstrates that these providers are not a material source of consumer complaints, that they operate in competitive markets with strong incentives to serve customers well, and that imposing the Consumer Protection Code on them would create administrative burden disproportionate to any incremental consumer benefit. A targeted approach—applying the Code to those providers already directly subject to the Internet Code while maintaining an expectation that non-Code SPs act consistently with its principles, subject to future monitoring and case-specific action where warranted—best reflects the Commission's regulatory burden lens, the objectives of the Telecommunications Act and Broadcasting Act, the requirements of the Policy Direction and is appropriate given the circumstances.

CCSA/ITPA Responses to the Commission's Questions

Q1. The Commission is of the preliminary view that harmonizing the consumer protection codes (the Codes) into a single shared set of protections is advantageous because it would improve clarity and consistency of protections for consumers across all retail services, while reducing administrative burden for the industry and the Commission for Complaints for Telecom-television Services Inc. (CCTS). Please comment on this preliminary view, providing an explanation for your position and supporting rationale.

<u>Answer</u>

42. CCSA/ITPA agrees with the Commission's preliminary view that harmonizing the Codes would be advantageous from the perspective of clarity and consistency for consumers. However, whether the Commission also achieves its objective of reducing administrative burden for the industry and the CCTS will depend on whether the Commission decides to expand the coverage of the provisions of the Consumer Protection Code to all SPs. As described above, and in CCSA/ITPA's responses to other Commission questions, expanding the application of that code would significantly increase the administrative burdens on non-Code SPs and subject them to significant new regulatory oversight. It would also force the CCTS to monitor and oversee the practices of companies which have not shown that they require such monitoring and oversight.

43. As noted previously in this submission, the increased administrative burden of making more service providers subject to the CPC is simply not justified based on the CCTS' own complaint statistics. There is no justifiable reason to impose the CPC on current non-Code SPs, some of whom have never even had a CCTS complaint, and therefore are not even CCTS members. Even those SPs that receive a few complaints each year do not represent a problem that the Commission must solve with regulation. If the Commission is seeking to reduce the regulatory burden on the telecommunications and broadcasting industry, as well as for the CCTS, it should exempt non-Code SPs (i.e.

any SP not currently subject to the Internet Code) from the application of the Consumer Protection Code.

Q2. What changes to the Consumer Protection Code Working Document would be needed, if any, to effectively combine existing consumer protections across retail services?

<u>Answer</u>

44. CCSA/ITPA have provided comments on the working document in Attachment 1 to this intervention.

Q3. Please comment on whether consumer protections in the Consumer Protection Code Working Document are easy to understand and interpret. If you think that adjustments should be made to improve clarity, please provide an explanation, alternative wording, and supporting rationale.

<u>Answer</u>

45. CCSA/ITPA have provided comments on the working document in the Attachment 1 to this intervention.

Q4. Please comment on whether the protections in the Consumer Protection Code Working Document related to Internet services should apply to all Internet service providers, including small, non-facilities-based providers. Please provide an explanation and supporting rationale to support your views, taking into consideration:

- the extent to which the evolution of the industry and its service offerings may have an impact on smaller providers' ability to comply with the consumer protection rules for retail Internet services;
- the impact on consumers; and
- the administrative burden on small service providers and the CCTS.

Answer

46. CCSA/ITPA oppose any proposal to extend the protections in the Consumer Protection Code Working Document related to Internet services to all ISPs. Such a proposal flies in the face of the RTRA and the Commission's own regulatory burden lens. It would be a significant expansion of regulatory oversight of the industry in circumstances where it is not needed. It would create unnecessary burden on current non-Code SPs, create further barriers to entry for new SPs, and would negatively impact competition in Canada's telecommunications industry, ultimately harming the consumers the CPC is intended to protect. For all of the reasons set out below and in our intervention, CCSA/ITPA believe that the Commission's regulatory focus should be directed at the companies that create the most consumer protection issues – i.e. the companies currently subject to the Internet Code – and rely on competitive market forces to ensure appropriate consumer protections in the rest of the market. Increasing regulatory burdens will reduce the competitive intensity that the non-Code SP segment of the market is able to bring to bear to counter the dominant market power of the largest SPs.

Industry Evolution

47. The relevant industry evolution that has a bearing on non-Code SPs' ability to comply with the consumer protection rules for retail Internet services is increased competitive pressure. This pressure comes from many sources, but increasingly from the four national wireless carriers whose Canada-wide unlimited calling plans and generous

data plans are a seamless substitution for wireline Primary Exchange Service. Service from at least 3 of the 4 national wireless carriers is readily available across CCSA/ITPA member companies' operating territories. SpaceX's Starlink service is also readily available to customers and Starlink's notoriety is widespread. Members report that declining subscriber numbers in the wireline voice market and the broadcasting market apply financial pressure on their operations.

48. As one might expect, this increased competitive pressure has put pressure on CCSA/ITPA member company revenues and requires increased vigilance on expenses and employee headcounts. In most cases, CCSA/ITPA member companies do not have staff dedicated to addressing regulatory work or reporting. Members report that, depending on the size of the company, this work is typically addressed by members of company senior leadership, members of the company executive, the Chief Financial Officer or the General Manager. Increased regulatory obligations will only serve to consume more time and effort of the senior staff at non-Code SPs, diverting their attention from growing the business, improving the customer experience and meeting revenue targets.

49. Non-Code SPs already operate under a disproportionately heavy regulatory burden. As noted above, most do not have any dedicated in-house regulatory resources. However, notwithstanding this lack of resources, non-Code SPs already have extensive and mounting regulatory obligations. For example, in the telecommunications market obligations include but are not limited to:

- small Incumbent Local Exchange Carriers ("SILECs") operate under an extensive tariff and price cap regime;
- more widely, all competitive local exchange carriers must maintain a tariff dealing with intercarrier, local competition and interconnection issues;

- all SPs that offer mobile wireless services must comply with the Wireless Code;
- the Commission's yearly DCS data collection survey demands a large amount of time and effort to provide detailed information to the Commission;
- CCTS membership requires on-going familiarity with that organization's processes and timelines;
- all carriers that utilize numbering resources in Canada have reporting obligations to the Canadian Numbering Administration Consortium (CNAC) and the Canadian Number Administrator;
- all carriers that utilize numbering resources in Canada must implement thousand-block number pooling in the exchanges identified by the CNAC;
- Required Contributors to the National Contribution Fund must file monthly reports and yearly compliance reports to the Canadian Telecommunications Contribution Consortium;
- SPs must implement customer self-service mechanisms[18];
- SPs must adhere to the Commission's outage notification and reporting regime; and
- SPs must participate in the traceback regime.

50. In the Broadcast market, small broadcast distribution undertakings, while exempted from some requirements imposed on larger providers, operate under obligations that include but are not limited to ensuring compliance with:

- extensive packaging and carriage rules;

[18] CCSA/ITPA notes the Part 1 application by Tbaytel, dated 23 July 2025, CRTC File No.: 8665-T8-202604040, in which Tbaytel requested an extension of time to complete the self-service enhancements per Telecom Regulatory Policy CRTC 2026-78 citing "increased developer/vendor constraints and competing IT priorities that create a disadvantage as compared to larger providers with larger operational economies of scale spread over a larger customer base." (Paragraph 9).

- loudness requirements;
- emergency alert requirements; and
- in some cases making annual filings with the Commission.

51. Small broadcast distribution undertakings are required to fulfill these obligations in the face of declining subscriptions and competitors (i.e. Over-the-Top or OTT providers) that are not hamstrung by these same requirements.

52. These many requirements, some of them just recently imposed by the Commission, generate real and significant burdens on non-Code SPs whose ability to address them becomes more and more constrained as markets become increasingly competitive. Whereas at one time a CCSA/ITPA member could perhaps afford to hire additional staff to address additional regulatory work or engage external resources to implement system and other changes arising from regulatory requirements, that approach is no longer sustainable. In the case of non-Code SPs, this in turn negatively affects their ability to comply with additional consumer protection rules for retail Internet services.

Administrative Burden

53. The CCSA/ITPA canvassed its members regarding the question of how the imposition of the CPC specifically on their operations would add to their administrative burden. They provided the following examples[19] for the record of this proceeding:

54. Access Communications reports that significant modifications would be necessary if the detailed provisions in the various codes were applied. Modifications would range from changes to its billing systems, contracts, tracking and account maintenance, as well as an expansion in ongoing training and compliance program implementations. It is also likely that it would not be possible to implement these changes in the existing business

[19] The responses have been edited for clarity.

environment, and new systems would need to be purchased and implemented to accommodate the more complex business processes necessary to comply with the Code. Many of these changes would have far-reaching impacts and would require considerable internal and external expertise to implement and maintain. Dedicating the necessary resources would take away from other consumer impacting initiatives, including Access' ability as a not-for-profit co-operative to invest in the communities it serves.

55. Westman reports that applying detailed code provisions would create a disproportionate compliance burden relative to the consumer benefit achieved. Implementation would require substantial internal expertise and, in some cases, engagement of external consultants to address changes to billing systems, contracts, reporting processes, employee training, and ongoing compliance monitoring. These costs ultimately increase the cost of doing business and divert resources away from investments that directly benefit their members through service delivery, network improvements, and customer support.

56. Hay Communications reports that significant systems modification would be required. Some examples of specific pressure points if the Internet Code were directly imposed on Hay include:

- Itemized bundle/promotional pricing disclosure would require billing system changes to break out per-service pricing within bundles;
- Providing a Critical Information Summary would require building and maintaining a new two-page-max summary document per contract type, kept in sync with the full contract; and
- Overage/data cap suspension logic would require new account-management/billing system functionality to track and auto-suspend at defined dollar thresholds; and Security deposit interest calculation and annual review requirements would require new administrative tracking not currently in place.

57. Mornington Communications Co-operative Limited (MCCL) notes that it is a member-owned rural telecommunications co-operative headquartered in Milverton, Ontario, providing customers with Internet, IPTV, home phone, and cellular services. In the entirety of its operating history, MCCL has been the subject of a single (one) complaint referred to the CCTS, demonstrating that its existing customer service and dispute-resolution practices are already delivering strong consumer outcomes, and as a co-operative that reinvests all surplus revenue directly into network and service improvements rather than distributing profits to outside shareholders, MCCL's incentives are already structurally aligned with its members' interests. This demonstrates that additional regulatory and administrative burden arising from this proceeding would add cost without a corresponding improvement in consumer protection, and any such costs would necessarily draw resources away from customer experience investment rather than enhancing it.

58. In sum, a decision to impose the Internet Code on current non-Code SPs as opposed to continued reliance on the Commission's current "expectation" approach would impose a significant incremental and unjustified burden on those SPs.

Q5. [Although comments from any interested persons are appreciated, this question is primarily targeted to resellers of Internet services, which are most likely to be impacted by its potential outcome.] Are there ongoing and/or unique challenges associated with wholesale service contracts that might have an impact on small, non-facilities-based providers' ability to meet consumer protection obligations related to Internet services? Please elaborate.

<u>Answer</u>

59. Yes, there are unique challenges associated with wholesale contracts. First, it is important to note that it is not just non-facilities-based SPs that rely on wholesale contracts in their business. Many current non-Code SPs that are also Canadian Carriers

have contracts for Third Party Internet Access from the large cable companies and High Speed Access services from the large Incumbent Local Exchange Carriers. Both types of non-Code SPs face the same unique challenges associated with wholesale contracts and meeting consumer protection obligations related to Internet services.

60. The unique challenge for SPs that have these wholesale contracts is the lack of ability to control the behaviour of their suppliers. Resale of Internet services differs from normal resale in that the suppliers (large ILECs and Cable companies) are competitors and have no desire to sell the services. When these suppliers perform in a way that causes a customer complaint, wholesale SPs can only respond on matters within their circle of influence and control. Wholesale SPs cannot modify suppliers' procedures, coach their employees or otherwise manage them in any way. As a result, wholesale SPs are the subject of complaints that are outside their ability to resolve, be it an underlying issue with last mile facilities, or necessary retraining if it is a personnel issue at the supplier.

Q6. If you are of the view that certain small Internet service providers should no longer be exempt from the Consumer Protection Code related to Internet services, what criteria should be used to determine which of these small Internet service providers should be exempt? Please provide supporting rationale.

Answer

61. CCSA/ITPA is of the view that all non-Code SPs should be exempt from the application of the Consumer Protection Code for the reasons set out in these comments. CCSA/ITPA have argued that all non-Code SPs, as defined by the CCSA/ITPA in this intervention, should be exempted from the application of any harmonized Consumer Protection Code that may be established by the Commission.

Q7. The Deposit and Disconnection Code currently applies to "residential primary exchange services," a term that is not defined in that code. For improved clarity and to ensure that customers who receive home phone services via voice over Internet Protocol (VoIP) could benefit from consumer protections, the Consumer Protection Code Working Document includes a definition of "home phone services." These services are defined as "telephony services that are meant to be used at a customer's physical location, generally the consumer's home or place of business, and include primary exchange services and VoIP services."

> Please comment on this definition. Does it effectively capture the types of residential home phone services that customers rely on across Canada?

Answer

62. CCSA/ITPA believe that the definition effectively captures the types of residential home phone services that customers rely on across the country.

Q8. Please comment on whether the existing rules on early cancellation fees, as modified by the above-noted regulatory policies [references to those policies have been purposely deleted from the text of this question], are sufficient to protect consumers from fees intended to discourage subscribers from modifying their service plan or cancelling their contract for telecommunications services, in line with the amendments to the *Telecommunications Act*, as set out above. Please provide supporting rationale.

Answer

63. Yes, the existing rules are sufficient to protect consumers from these types of fees, even if they are not applied directly on non-Code SPs. Together with extensive competition in their respective markets, the Commission's "expectation" approach exerts

the needed influence on non-Code SPs and the adherence of those companies directly subject to the code(s) sets widespread customer expectations that those customers bring to their interactions with non-Code SPs. The consequences to non-Code SPs of ignoring or even acting in a manner contrary to customer expectations would be catastrophic in the present market circumstances, where it has never been easier for customers to switch service providers.

Q9. What modifications are needed, if any, to ensure that these provisions meet their intended objective, in line with the amendments to the *Telecommunications Act*, while taking into consideration the government's commitment to reducing administrative burden? Please provide supporting rationale.

Answer

64. See CCSA/ITPA's response to Q8.

Q10. Are updates to the rules on existing early cancellation fees for wireless services needed to account for service contracts involving device rental plans to ensure they align with the amendments to the *Telecommunications Act*? Please provide an explanation, alternative wording, and supporting rationale.

Answer

65. CCSA/ITPA take no position on this question in these comments.

Q11. Should the Consumer Protection Code Working Document include a definition for device rental plans? If so, how should device rental plans be defined?

Answer

66. CCSA/ITPA take no position on this question in these comments.

Q12. Are any other updates to the rules for early cancellation fees for wireless services needed to account for other evolving industry trends? Please provide supporting rationale.

Answer

67. CCSA/ITPA take no position on this question in these comments.

Q13. Should the consumer protections for Internet services be extended to apply to small business contracts? Please provide supporting rationale.

Answer

68. No, the consumer protections for Internet services should not be extended to apply to small business contracts. Generally speaking, small businesses are more sophisticated and are highly aware of the services they need and the commitments they make with their SP. Some may even employ positions such as financial Controllers or finance personnel responsible for oversight of expenses such as telecommunications. CCSA/ITPA agree with the Commission's view expressed in *The Internet Code* - Telecom Regulatory Policy 2019-269, 31 July 2019, that small businesses "do not face the same issues as individual customers or Internet services and vary significantly in size, needs, and purchasing power."[20]

[20] TRP 2019-269, paragraph 87.

69. The “$2,500 per month telecommunications bill” threshold used by the CCTS is not appropriate to apply in the context of the Internet Code and other services (such as television). It is not appropriate in the circumstances and fails to recognize that business customers often have fundamentally different needs from residential customers, including managed Wi-Fi solutions, purpose-built and dedicated infrastructure, symmetric speeds well in excess of that required for even the highest capacity residential customers, and oftentimes custom builds and custom solutions.

70. In order to feasibly provide services to businesses, which require significant investment in plant and infrastructure as part of the initial set-up, there is a level of assurance necessary on the part of the SP before that money can be spent. Typically, that comes in the form of longer contract terms, or up-front amounts. Because businesses are unique, there is more latitude to arrange contracts which suit their individual use cases - extending consumer protections to these business customers would eliminate this flexibility, harming these businesses. Further, extending the protections to existing contracts could cause significant harm to SPs who are currently acting in accordance with the terms of the contracts to which both parties have previously agreed.

Q14. The Commission’s preliminary view is that the Commission and the CCTS should retain their existing roles in the context of the Consumer Protection Code, and that the CCTS should continue to be the administrator of the Consumer Protection Code.

Please comment on this preliminary view and provide supporting rationale.

Answer

71. CCSA/ITPA supports the Commission’s preliminary view.

Q15. Please comment on whether and how service providers should be required to report to the Commission that they have implemented the Consumer Protection Code effectively and on time.

<u>Answer</u>

72. SPs that are subject to the CPC should be required to attest that they have implemented the Consumer Protection Code.

Q16. If such reporting should be required, what types of data should service providers be required to submit to demonstrate that they have effectively implemented the Consumer Protection Code?

<u>Answer</u>

73. CCSA/ITPA takes no position on this question at this point in time but reserves the right to do so in its reply comments. As a general principle, we believe that any reporting should be as streamlined as much as possible using modern systems which do not duplicate reporting efforts.

Q17. What type of information should service providers be required to submit to demonstrate ongoing compliance with the Consumer Protection Code?

<u>Answer</u>

74. CCSA/ITPA takes no position on this question at this point in time but reserves the right to do so in its reply comments.

Q18. How frequently should service providers be required to submit compliance reports to ensure that reporting meets its objectives?

Answer

75. CCSA/ITPA takes no position on this question at this point in time but reserves the right to do so in its reply comments.

Q19. Should the compliance reporting process be automated in some way? Please provide as much detail as much as possible, including concrete examples of reporting automation, that would improve the process for compliance reporting.

Answer

76. CCSA/ITPA takes no position on this question at this point in time but reserves the right to do so in its reply comments. However, as a general principle, CCSA/ITPA believe that any reporting should be as streamlined as possible using modern systems which do not require the filing of duplicate or unnecessary information. Greater automation would assist to achieve these goals.

Q20. Please provide your view on how many months following issuance of the Consumer Protection Code policy would be appropriate for the Consumer Protection Code to come into effect. Please provide supporting rationale.

Answer

77. If the Consumer Protection Code were to be imposed directly on non-Code SPs, including the provisions of what is now the Internet Code, these companies would need at least 24 months before the Code comes into effect to modify systems and processes to ensure compliance.

Q21. Please comment on whether the Commission should set a timeframe to review the Consumer Protection Code and, if so, how long after the publication of the policy to harmonize the Codes should the review take place?

Answer

78. The various codes have been in existence for different lengths of time and appear to be working as intended. However, CCSA/ITPA believe a review would be appropriate but takes no position on the timeframe for the review at this time but reserve the right to comment on this issue in later stages of the proceeding.

Q22. Should subsequent reviews of the Consumer Protection Code occur at periodic intervals or on an ad hoc basis? Please provide supporting rationale.

Answer

79. CCSA/ITPA takes no position on this question at this point in time but reserves the right to do so in its reply comments.

Q23. Do you think any changes are needed to the requirements that currently apply regarding promotion of the Wireless Code and the Internet Code that should be reflected in the Consumer Protection Code? Please provide supporting rationale.

Answer

80. No changes are needed to the requirements.

Q24. If so, what would be the most effective and appropriate way to ensure that consumers, including consumers with disabilities, are made aware of their rights and responsibilities under the Consumer Protection Code? Please provide supporting rationale.

<u>Answer</u>

81. SPs subject to any of the codes are required to ensure customers are aware of the Codes. The Codes have been in operation for quite some time and appear to be functioning as intended. There is no need for additional obligations.

*** End of Document ***