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Mr. Leonard Katz
Acting Chairperson, CRTC
Canadian Radio-television and
Telecommunications Commission
1 Promenade du Portage
Ottawa, ON
K1A 0N2

Dear Mr. Katz:

**Re: Part 1 Application by Rogers Communications Partnership to
implement a National Wireless Services Consumer Protection Code**

1. Pursuant to Part 1 of the CRTC Rules of Practice and Procedure ("the Rules of Procedure") and section 24 of the Telecommunications Act ("the Act"), Rogers Communications Partnership ("Rogers") hereby request that the Commission establish a CRTC Interconnection Steering Committee to develop and implement a National Wireless Services Consumer Code which wireless carriers would file as a Group B tariff.

Introduction

2. Rogers believes that consumers appreciate and value the recent amendments several provinces have made to their consumer protection legislation. Consumer rules, if sensibly introduced, can make wireless agreements simpler for consumers and make it easier for them to enjoy the benefits of wireless technology. Rogers is committed to making a legally binding Consumer Code available to all Canadians. The ideal solution is a single comprehensive national consumer code that will protect consumers in a reasonable and consistent manner.

Background

3. In 1994¹ and 1996², the CRTC determined that, due to the level of competition in the wireless industry, it would forbear from further regulation

¹ Telecom Decision CRTC 94-15

² Telecom Decision CRTC 96-14

and would allow market forces to guide the industry's growth. The Commission however still retained its jurisdiction over wireless communications as well as its regulatory powers under sections 24, 27(2) and 27(4) of the Telecommunications Act.

4. During the past several years several provinces have either passed or introduced amendments to their consumer protection acts that directly or indirectly impact wireless services. These include the coming into force of Quebec's Bill 60, the passage of Manitoba's Bill 35, and the introduction of Ontario's Bill 5. As a result, wireless carriers now face a patchwork quilt of different rules and regulations.
5. The proliferation of provincial legislation is a clear indication that there is a demand on the part of Canadian wireless consumers for a comprehensive legally enforced code of consumer protection. Rogers is committed to satisfying this demand. For example, Quebec's legislation mandates a formula for the calculation of a ceiling on early cancellation fees. Rogers has recently amended our methodology for the calculation of early cancellation fees by implementing a model based on the Quebec formula that applies to any new fixed term contract entered by any of our customers regardless of their province. We believe that all Canadian wireless carriers should do the same.

Recent Developments

6. While the different provincial rules are consistent in some areas, each province has also introduced some provisions that were not adopted by the others, all of which must be incorporated into a single contract. Furthermore, some provinces' inexperience in telecommunications matters has resulted in regulations that create additional complexities for customers instead of reducing them. As a result, contracts are becoming longer, denser and more complex. This is, exactly the opposite of what consumers want.
7. Furthermore, the introduction of individual provincial legislation will not only complicate wireless agreements but will also drive up consumer prices. Each provincial set of regulations requires its own individual processes. As a result, national carriers may have to implement different IT systems, billing practices, advertising campaigns, storefront design, employee training, etc. in each province. Having different rules in each province will result in higher operating costs which will ultimately be passed onto the customer. Again, this is the opposite of what consumers want.

Need for CRTC Wireless Consumer Code

8. Rogers believes a national Consumer Code is critical to ensuring Canadians have consistent experiences with their wireless service agreements. The

CRTC should establish such a Code. This federal code would govern all wireless service arrangements in each and every province, eliminating the need for individual provincial rules. Consumers will be protected by a single, easy to understand set of regulations allowing them to fully understand their rights and privileges, while wireless carriers can modify their procedures to ensure compliance with a single regulatory regime. The Commission should use its continued authority under section 24 of the *Telecommunications Act* to establish a single clear, consistent Consumer Code for wireless services.

The Code

9. To assist the CRTC, please find attached Appendix A, a draft federal wireless Consumer Code (the “Code”). This proposed Code is in part based upon Quebec’s Bill 60. The language has been simplified to facilitate its use across the country.
10. The draft Code proposes national regulation for 11 categories which are intended to provide consumers with greater clarity and consistency for their wireless services from coast to coast. The key provisions of the draft Code are as follows:
 - Consumer Agreements - Contracts must be written in simple, easy to understand terms and include all the contract’s essential terms such as: a detailed description of the services provided; the length of the term agreed to and its expiry date; the monthly rates for each subscribed service; the amount of any subsidy or inducement; and to how to obtain further information about optional and pay per use services.
 - Carrier Changes - Carriers may not change the terms of any fixed service during the life of the contract. Carriers can only make changes to optional services if the contract specifies which elements can be changed and the consumer is provided 30 days notice in advance of the change.
 - Consumer Cancellations - Consumers may cancel their contracts at any time as long as they provide the carrier 30 days notice prior to the date of cancellation. If a consumer wants to cancel a contract early, the customer will only pay for services received up until the termination date as well as a portion of any subsidies or inducements received upon signing the contract based upon the number of months remaining in the contract when cancelled. Carriers may also charge consumers a fee equal to the cost associated with cancelling the agreement.
 - Expiry and Renewals - Consumers will be provided with 60 days notice prior to the expiration of a term contract. Upon expiry, a contract may not be automatically renewed except on a month-to-month basis.
 - Advertising - All advertising should reflect all-inclusive pricing including all monthly fees, with the exception of applicable taxes.

Next Steps

11. The draft Code is meant as a starting point for discussion. CRTC Interconnection Steering Committee ("CISC") should be formed to further develop the Code and make adjustments as necessary. This will allow for different viewpoints to be expressed and incorporated into the Code under the supervision of the Commission.
12. Administratively, the simplest method to introduce and enforce the Code would be through Group B tariff filings. Each wireless carrier would be required to file the code as a tariff and would be bound by its terms. In the alternative, should the Commission not consider a tariff the correct method to introduce the draft Code, the CRTC could either pass a regulation adopting the Code or request the Commissioner for Complaints for Telecommunications Services ("CCTS") to adopt the Code and undertake its enforcement. Under any of these paths, CISC should retain its role to review and develop the Code before it is enacted.
13. Rogers appreciates the CRTC's attention to this matter. We would be pleased to answer any questions the Commission may have regarding our proposal. A copy of this Application can be found at www.rogers.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ken G. Engelhart', with a stylized flourish at the end.

Kenneth G. Engelhart
Senior Vice President – Regulatory
KE/hs

Attach.

APPENDIX A

National Wireless Services Consumer Code

Canadian consumers should be protected by a set of simple and consistent rules applied to all wireless service agreements across Canada. This proposed National Wireless Services Consumer Code is intended to govern wireless agreements in each and every province, eliminating the need for individual provincial rules. Consumers will be protected consistently with a simple set of regulations allowing them to fully understand their wireless service agreement rights and obligations across the country.

This code applies to:

- Consumer Agreements
- Carrier Changes
- Consumer and Carrier Cancellations
- Expiry and Renewals
- Hardware Repair and Warranty
- Security Deposits
- Advertising
- Unsolicited Goods or Services
- Complaints and Enforcement

1.0 Definitions

1.1 **Consumer** means an individual using services of a wireless carrier for purposes other than business purposes.

1.2 **Consumer Agreement** means an agreement between a wireless carrier and a Consumer in which the wireless carrier agrees to supply services for payment.

1.3 **Economic Inducement** means a discount, subsidy, rebate or other benefit offered by a wireless carrier to a Consumer to enter into a Consumer Agreement.

1.3 **Fixed Term Service** means any service that a Consumer expressly subscribes to for a committed term (a “**Commitment Period**”) under a Consumer Agreement.

1.4 **Indeterminate Term Service** means any service that a Consumer may subscribe to on an ongoing basis without a Commitment Period under a Consumer Agreement, which can be added or removed at any time and that is typically provided on a month-to-month basis.

1.5 **Pay-Per-Use Service** means any service that a Consumer receives on a per-usage basis (which may be a one-time usage, or usage for a set period of time) but not on an

ongoing basis. For greater certainty, Pay-Per-Use Services are not for a Commitment Period.

2.0 Consumer Agreement Form

2.1 A Consumer Agreement will provide a Consumer with the following information in simple, easy-to-understand language, in paper or electronic form:

- a) The wireless carrier's name, address, telephone number and e-mail address;
- b) The place and date of the Consumer Agreement;
- c) A description of Fixed Term Services and if applicable, Indeterminate Term Services to be provided under the Consumer Agreement;
- d) The monthly rates for Fixed Term Services and if applicable, Indeterminate Term Services to be provided under the Consumer Agreement;
- e) The total amount the Consumer must pay each month under the Consumer Agreement for the Fixed Term Services and if applicable, the Indeterminate Term Services subscribed at the time of entering into the Consumer Agreement;
- f) If applicable, a description of any Economic Inducement(s) provided by the wireless carrier to the Consumer;
- g) The total value of any Economic Inducements to be used to calculate fees payable for the early cancellation of the Consumer Agreement by the Consumer;
- h) The term and expiry date of the Consumer Agreement for any Fixed Term Service;
- i) The circumstances under which the Consumer can rescind, cancel or amend the Consumer Agreement; and
- j) The manner of easily obtaining information about the rates for Pay-Per-Use Services and other services available to the Consumer as Indeterminate Term Services.

3.0 Wireless Carrier Changes

3.1 A wireless carrier shall not change a Fixed Term Service (including the price) in a way that increases a Consumer's obligations or reduces the wireless carrier's obligations to the Consumer, unless the affected service is no longer available or is no longer available in the same form to the wireless carrier from the supplier of that service.

3.2 A wireless carrier shall not change an Indeterminate Term Service (including the price) in way that increases a Consumer's obligations or reduces the wireless carrier's obligations to the Consumer, unless the wireless carrier:

- (a) specifies in the Consumer Agreement the elements of the Indeterminate Term Services that may be amended; and
- (b) sends to the Consumer, at least 30 days before the change comes into force, a written notice describing the change, setting out the new clause, if any, and the date of the coming into force of the change.

3.3 A wireless carrier will notify the Consumer of any positive or neutral change to a Fixed Term Service or an Indeterminate Term Service (including the price) no later than 30 days after making that change.

3.4 Pay-Per-Use Services (including the price) may be changed by the wireless carrier at any time without notice.

4.0 Wireless Carrier Cancellations

4.1 A wireless carrier may cancel any Fixed Term Service or Indeterminate Term Service at any time by notifying the Consumer in writing at least 30 days before the date of cancellation. Upon such cancellation, the Consumer must pay for the services provided up to the effective cancellation date, but will not be charged any early cancellation fee.

5.0 Consumer Cancellations

5.1 The Consumer may at any time cancel a Consumer Agreement, a Fixed Term Service or an Indeterminate Term Service by notifying the wireless carrier in writing or by phone at least 30 days before the date of cancellation. The cancellation takes effect 30 days from the date the wireless carrier received the notice or any future date specified in the notice more than 30 days from the date the notice was received.

5.2 Fixed Term Service. Upon cancellation by the Consumer of a Consumer Agreement for any Fixed Term Service, the wireless carrier may only charge the Consumer:

- (a) The price of the services provided up to the effective cancellation date; and
- (b) If an Economic Inducement was provided by the wireless carrier to the Consumer to enter into or extend the Consumer Agreement, an amount equal to the Economic Inducement divided by the total number of months of the Commitment Period multiplied by the number of months remaining in the Commitment Period on the effective date of cancellation. In other words, amount = Economic Inducement ÷ # of months of Commitment Period x # of months remaining in Commitment Period; and

(c) If an Economic Inducement was not provided to the Consumer when entering or extending a Consumer Agreement, an amount equal to the lesser of 10% of the monthly service fees for the Fixed Term Services that the Consumer subscribed to but were not provided as of the effective cancellation date or \$50; and

(d) A charge equal to the costs associated with the cancellation.

5.3 Indeterminate Term Service. Upon cancellation of a Consumer Agreement for any Indeterminate Term Services, the wireless carrier may only charge the Consumer:

(a) The price of the services provided up to the effective cancellation date; and

(b) If an Economic Inducement was provided by the wireless carrier to the Consumer to enter the Consumer Agreement, an amount equal to the Economic Inducement less an amount equal to the Economic Inducement divided by 48 and multiplied by the number of months elapsed in the Consumer Agreement. In other words, amount = Economic Inducement – (Economic Inducement ÷ 48 x # of months elapsed in Consumer Agreement).

5.4 A Consumer may cancel a Consumer Agreement without any notice or charges, except for any actual usage charges, if:

(a) the Consumer cancels the Consumer Agreement within 15 days of activation;

(b) the account has incurred less than 30 minutes of usage; and

(c) the hardware is returned in its original condition to the wireless carrier.

6.0 Expiry and Renewals

6.1 Any clause which automatically renews a Commitment Period upon its expiry is prohibited unless the renewal is for an indeterminate monthly term.

6.2 The wireless carrier must provide Consumers with written notice of the expiry date of a Commitment Period at least 60 days before the expiry for any Commitment Period in excess of 60 days.

6.3 If the Consumer enters into a transaction with a wireless carrier which extends the term of a Fixed Term Service, the wireless carrier will send a notice confirming the extension.

7.0 Hardware Repair and Warranty

7.1 The wireless carrier may not charge for services unavailable to the Consumer during the period of repair of goods supplied to the Consumer at the time of entering into of the Consumer Agreement or during the term of the Consumer Agreement, if:

(a) the goods were given to the wireless carrier for repair while they were still under a manufacturer's warranty and the wireless carrier did not provide a replacement free of charge; and

(b) the goods are necessary for the use of the services subscribed to.

7.2 If a wireless carrier offers to sell a Consumer an extended warranty on goods, the wireless carrier must inform the Consumer of the existence and duration of any manufacturer's warranty that comes with the goods.

8.0 Security Deposits

8.1 If the Consumer has paid a security deposit, the wireless carrier may not cancel the Consumer Agreement for failure to pay outstanding amounts as long as the amounts due do not exceed the amount of the deposit.

8.2 The wireless carrier must notify the Consumer upon using all or part of the security deposit to collect amounts not paid when they become due.

8.3 The wireless carrier must return the security deposit to the Consumer with interest calculated at the Bank of Canada bank rate plus 1% minus any amounts due under the Consumer Agreement, within 30 days after the date on which the Consumer Agreement expires if it is not renewed or the date on which the Consumer Agreement is cancelled.

9.0 Advertising

9.1 Any price advertised must include the total amount the Consumer must pay for the goods or services on a monthly recurring basis, except for value added and sales taxes.

10.0 Unsolicited Goods or Services

10.1 A wireless carrier may not charge a Consumer for any goods or services that the Consumer has not ordered.

11.0 Complaints and Enforcement

11.1 The Commissioner for Complaints for Telecommunications Services ("CCTS") shall have the authority to receive complaints, investigate and order remedies for breaches of this Code.

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