

**Q. Refer to the Bell companies' comments regarding Telecom Notice of Consultation 2013-80 dated 27 March 2013. In paragraph 9 it was submitted that modem interoperability on the Companies' network is limited because Alcatel Lucent Stinger digital subscriber line access multiplexer (DSLAM) equipment in the Companies' network. Provide the following information pertaining to DSLAMs in the Bell companies' network:**

- a. the current total number of VDSL2-capable DSLAMs that are Alcatel Lucent Stingers in the Bell companies' network;**
- b. the current total number of VDSL2-capable DSLAMs that are not Alcatel Lucent Stingers in the Bell companies' network;**
- c. the average remaining life expectancy of the Alcatel Lucent Stinger DSLAMs identified in a.**

A. Certain information contained in this response is filed in confidence with the Commission pursuant to section 39 of the *Telecommunications Act* and the directions provided by the Commission in the Appendix to Broadcasting and Telecom Information Bulletin CRTC 2010-961, *Procedures for filing confidential information and requesting its disclosure in Commission proceedings*, dated 23 December 2010, as amended in Telecom Information Bulletin CRTC 2010-961-1, dated 26 October 2012. In particular, the information which the Company has provided in confidence is of a type which the Commission has indicated in those bulletins should be treated as confidential. Release of this information would provide potential competitors with invaluable competitively-sensitive information that would not otherwise be available to them, and which would enable them to develop more effective business strategies. Release of such information could prejudice the Companies' competitive position resulting in material financial loss and cause specific direct harm to the Companies. An abridged version of this response is being provided for the public record.

The total number of VDSL2-capable DSLAMs that are Alcatel Lucent Stingers installed in the Companies' network is # and the total number of VDSL2-capable DSLAMs that are not Alcatel Lucent Stingers in the Companies' network is #.

Bell Canada and Bell Aliant<sup>1</sup> in Ontario and Québec started installing VDSL2-capable Alcatel Lucent Stinger DSLAMs in 2000 but only installed the bulk of the existing base of these DSLAMs between 2006 and 2009 (80% of Alcatel Lucent Stinger DSLAMs were installed during that period). Between 2009 and the end of 2012, the Companies installed a further small number of units, since the new VDSL2 DSLAM did not initially support IPTV services and, in some cases, due to municipal consent constraints (the new VDSL2 DSLAM is larger and was not always accepted initially by the municipalities). The Companies have stopped deploying the Alcatel Lucent Stinger DSLAMs. However, a small inventory of approximately 100 Alcatel Lucent Stinger DSLAMs is kept for emergency replacements (e.g., a car crashes in the equipment).

In accordance with Telecom Decision CRTC 2008-14, *Regulatory policy - Review of certain Phase II costing issues*, the life estimate for DSLAMs is, on average, 7 years. However, it would be difficult and time consuming for the Companies to try and determine, as requested by the Commission, the average remaining life expectancy for each of the Alcatel Lucent Stinger DSLAMs that are still in service given that the Companies do not readily have access to detailed information on which DSLAMs were retired and when they were retired.

The Commission's question appears to suggest that a possible solution to the VDSL2 compatibility issues with the specific Alcatel Lucent Stinger DSLAM may be to replace the equipment with other VDSL2-capable equipment or, alternatively, to provide ISPs with prior knowledge of which DSLAM equipment end-users would be assigned to so that various VDSL2 modems could be used. The Companies noted in their Reply Comments<sup>2</sup> that the end-users are not assigned to specific technologies or equipment but are assigned by service profile and may end up on either type of DSLAM equipment. The end-users may even be transferred, over time, to different equipment. Consequently, it is not possible, operationally or financially, for the Companies to ensure end-users get assigned to a specific technology for the duration of the service.

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<sup>1</sup> Bell Aliant does not have Alcatel Lucent Stinger DSLAMs in its network in the Atlantic Region.

<sup>2</sup> The Companies' Reply Comments, 11 April 2013, paragraph 17.

The Companies also mentioned in their Reply Comments that the Alcatel Lucent Stinger DSLAMs continue to work appropriately and meet industry standards. There are no foreseeable plans to replace this equipment, which still constitutes the majority of DSLAMs in the Companies' network, as to do so would be extremely costly and inefficient.

In the Companies' view, the Commission may be exceeding its authority if it were to mandate a replacement of the Alcatel Lucent Stinger DSLAMs. The Companies currently use the Alcatel Lucent Stinger DSLAMs to effectively support high-speed services for both their retail and wholesale end-users. As these DSLAMs equally enable retail and wholesale services, there is thus no discrimination, much less any undue preference. Their mandated replacement, in order to accommodate new modems, would be an unreasonable interference with the Companies' choice of technology and could fall outside of the Commission's jurisdiction and certainly would be a violation of the Policy Direction.

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