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December 19, 2018

Mr. Claude Doucet
Secretary General
Canadian Radio-television and
Telecommunications Commission
Ottawa, ON K1A 0N2

Dear Mr. Doucet:

Re: *Proceeding to establish a mandatory code for Internet services, Telecom Notice of Consultation CRTC 2018-422 (“TNC 2018-422”) Intervention of TELUS Communications Inc. (“TELUS”)*

1. Please find attached for filing TELUS’ intervention in this proceeding in accordance with the procedures outlined in the TNC 2018-422, and section 26 of the *Canadian Radio-television and Telecommunications Rules of Practice and Procedure*.
2. TELUS is filing part of this intervention in confidence pursuant to section 39 of the *Telecommunications Act* and Rule 32 of *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*. TELUS asks that this information not be disclosed on the public record of this proceeding for the reasons set out in this letter. An abridged copy of TELUS’ intervention is being provided for the public record.
3. Section 39 of the *Telecommunications Act* states as follows:

For the purposes of this section, a person who submits any of the following information to the Commission may designate it as confidential:

- (a) information that is a trade secret;
- (b) financial, commercial, scientific or technical information that is confidential and that is treated consistently in a confidential manner by the person who submitted it; or
- (c) information the disclosure of which could reasonably be expected
 - (i) to result in material financial loss or gain to any person,
 - (ii) to prejudice the competitive position of any person, or

(iii) to affect contractual or other negotiations of any person.

4. The information being submitted in confidence falls into the following categories:

- a) Information about TELUS' internal systems related to TELUS' implementation of an Internet Code. This information is confidential pursuant to paragraphs 39(1)(b) and (c) of the *Telecommunications Act*. TELUS has invested heavily in its internal systems and continually treats information about these systems in a confidential manner. Public disclosure of this information would provide competitors with the details of the structure and complexity of TELUS' internal systems and allow them to adapt their operating frameworks accordingly, potentially negating a competitive advantage for TELUS. This could enable competitors to gain an unfair advantage in the marketplace, and cause material financial loss to TELUS.
- b) Estimated cost of implementing an Internet Code. This information is confidential pursuant to paragraphs 39(1)(b) and (c) of the *Telecommunications Act*. TELUS routinely treats the costs associated with implementation of specific internal projects as confidential information. Disclosure of this information would provide competitors with data on TELUS' internal cost structures. Competitors could use this knowledge to benchmark their costs against TELUS and gain a competitive advantage by undercutting TELUS' costs. This would result in material financial loss to TELUS and could also prejudice TELUS' competitive position in the Internet market. Treatment of this information as confidential is also consistent with the Commission's guideline that it will generally treat as confidential "[c]ompany-specific cost study inputs (e.g. operating expense unit costs/factors, labour unit costs, capital unit costs/factors, capital and expense increase factors, demand)"¹

Yours truly,

{Original signed by Stephen Schmidt}

Stephen Schmidt
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KM/io

Attachments

cc. Distribution list, Commission letter of 7 December 2018
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¹ Broadcasting and Telecom Information Bulletin CRTC 2010-961, *Procedures for filing confidential information and requesting its disclosure in Commission proceedings*, 23 December 2010, Appendix.

TELUS Communications Inc.
December 19, 2018

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