



21 October 2010

**BY E-MAIL**

**Ref. No.: 8646-C12-200815400**

Christine J. Prudham  
Vice President, General Counsel  
Barrett Xplore Inc.  
625 Cochrane Drive Suite 1000  
Markham, ON L3R 9R9  
[cjprudham@barrettxplore.com](mailto:cjprudham@barrettxplore.com)

Dear Ms Prudham:

**Re: ExaTEL complaint regarding Barrett Xplore's Internet traffic management practices**

Commission staff have reviewed the complaint received from Vianet Internet Solutions, also known as ExaTEL ("ExaTEL"), alleging that the Internet Traffic Management Practices (ITMP) applied by Barrett Xplore are noticeably degrading Voice over Internet Protocol (VoIP) traffic from ExaTEL's customers, Barrett Xplore's response to that complaint, dated 17 August 2010, as well as ExaTEL's reply comments dated 30 August 2010.

Staff considers that ExaTEL's complaint raises two issues: (1) whether Barrett Xplore, by throttling all Internet traffic except its own voice traffic, is unjustly discriminating against ExaTEL's VoIP services contrary to subsection 27(2) of the *Telecommunications Act* (the Act); and (2) whether Barrett Xplore's ITMP is in violation of section 36 of the Act because it noticeably degrades VoIP traffic.

With regard to the allegation of an undue preference, staff notes that Barrett Xplore provides its own voice services over a virtual circuit that is entirely separate from Internet data traffic and hence are not subject to the ITMP that are applied to Internet data traffic. As a consequence, staff considers that this does not constitute unjust discrimination between Barrett Xplore's voice services and ExaTEL's VoIP traffic which is carried as Internet data traffic.

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With regard to the effect of Barrett Xplore's ITMP on VoIP traffic, staff notes that Barret Xplore applies ITMP to all Internet data traffic sent over its satellite network, regardless of its time sensitivity, once a customer has reached either the hourly or daily data usage limit applicable to their service package. Once a data usage limit is reached, a customer's available bandwidth is slowed to 5-10% of the maximum download and upload speeds for that customer's service package.

Staff notes that information currently available regarding Barrett Xplore's Internet services offered over its satellite network indicate the following maximum download and upload speeds:

Service	Maximum download speed	Maximum upload speed
Basic Lite	512Kbps	128 Kbps
Basic	1.0 Mbps	128 Kbps
KaZam	512 Kbps	128 Kbps
KaZoom	1.0 Mbps	256 Kbps

Staff notes that a reduction to 10% of the maximum speeds for all of the packages would result in less than 40kbps of available bandwidth for the upload stream, which ExaTEL stated was the minimum required for its VoIP service to function.

Staff notes that in Telecom Regulatory Policy 2009-657, the Commission noted that it considered VoIP traffic to be time sensitive. Furthermore, the Commission determined that the use of an ITMP that results in noticeable degradation of time-sensitive Internet traffic requires prior Commission approval under section 36 of the Act.

In light of the above, it appears that Barrett Xplore's ITMP results in the noticeable degradation of time sensitive traffic, and therefore requires prior Commission approval under section 36 of the Act.

Staff therefore considers that Barrett Xplore has the following options to come into compliance with the Act:

1. modify its ITMP so as to avoid noticeable degradation of VoIP traffic; or
2. make an application to the Commission for approval of its ITMP under section 36 of the Act.

Accordingly, Barrett Xplore is to confirm via e-mail to Patrick Owens ([patrick.owens@crtc.gc.ca](mailto:patrick.owens@crtc.gc.ca)) by 22 November 2010 that it has modified its ITMP so as to avoid noticeable degradation of VoIP traffic or, by that same date, file an application pursuant to Part VII of the CRTC Telecommunications Rules of Procedure seeking Commission approval for its ITMP under section 36 of the Act.

Yours sincerely,

***Original signed by***

Lynne Fancy  
Director General  
Competition, Costing & Tariffs

cc: [regulatory@vianet.ca](mailto:regulatory@vianet.ca)  
Kathleen Turnsek [kturnsek@vianet.ca](mailto:kturnsek@vianet.ca)  
Patrick Owens [Patrick.owens@crtc.gc.ca](mailto:Patrick.owens@crtc.gc.ca)