

*News From the BC Public Interest Advocacy Centre*

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**PovNet**

**A Community Initiative**

Community and poverty law advocates across the province will soon have a valuable new communications tool to help them assist their clients. This tool is referred to as PovNet, an electronic communications network currently being developed by a province-wide coalition of anti-poverty advocacy organizations.

The need for such a network has been recognized for some time. Community advocates, particularly those working in small rural communities, often have limited access to resources. They are isolated not only from each other but also from the most up-to-date legal and procedural information.

The goal of the PovNet project is to create an accessible, on-line community advocacy network, making use of e-mail, news groups, a website to support databases for case law, legal information updating services, and training programs. PovNet will enable advocates to communicate with greater ease, share information with one another, and keep abreast of current legal issues. The project will also provide, to a limited extent, some computer hardware and software as well as training to those advocates who are in the most need.

The coalition of organizations working on the project includes the Legal Services Society, BC Coalition of People with Disabilities, End Legislated Poverty, Community Legal Assistance Society, federated anti-poverty groups of BC, Social Planning and Research Council of BC, and of course the BC Public Interest Advocacy Centre. Representatives from these organizations initially met and carried out some brainstorming sessions in the Fall of 1996, and have continued to meet on a regular basis to plan and design the project. A one-time "seed" grant has been provided by the Law foundation of BC, and the Legal Services Society will be administering the fund on behalf of the PovNet Committee. Additional funding is required to bring the project to completion, and the group has submitted applications to two other funding bodies. Once the project is operational, existing resources will sustain it and continued funding will be unnecessary.

Penny Goldsmith has been hired as project coordinator, beginning May 26, 1997. Terri Kennedy and Katherine Hardie of BC PIAC have been involved with the PovNet project from its early stages, and would be pleased to answer any questions from our readers.

## **Human and Equality Rights Views**

### **Eldridge - Equality in Health Care**

BC PIAC represented the DisAbled Women's Network Canada (DAWN) and the Women's Legal Education and Action Fund (LEAF) in the hearing of *Eldridge v. Attorney General of BC* at the Supreme Court of Canada. Judy Parrack and Katherine Hardie were co-counsel with Jennifer Scott of LEAF.

The *Eldridge* case is about the BC Government's decision not to fund interpreter services the Deaf persons in the provision of health care services. The Court's decision will have a significant impact on the right of Deaf persons to equality in health care. The decision will also have implications for the equality rights of all groups that experience disadvantage in Canadian society.

The effect of the government's decision is that while effective communication with their health care providers is routinely available to hearing persons, it is denied to Deaf persons. Robin Eldridge and John and Linda Warren argued that the exclusion of funding for sign language interpretation violates the equality rights of Deaf persons contrary to the *Canadian Charter of Rights and Freedoms*.

DAWN and LEAF intervened in the case to argue that the exclusion of funding for sign language interpretation discriminates against Deaf persons and, in particular, Deaf women.

Without sign language interpretation, Deaf persons receive inferior health care services and must pay to receive equivalent services, even though health care in Canada is supposed to be universal and accessible. The impact is severe given the socio-economic disadvantage experienced by many Deaf persons, and especially by Deaf women.

DAWN and LEAF were also concerned that because women have particular health care concerns and often have the responsibility for the health care of their children, they come into contact with the health care system more often. As a result, the lack of sign language interpretation has a particularly discriminatory impact on Deaf women.

The Supreme Court of Canada heard the case on April 24, 1997. We expect a decision in the Fall.

## **Energy Views**

### **BC Hydro and Retail Access**

In our first newsletter we talked about the development of competition in electricity and, in

particular, a hearing into the issue of "retail access" scheduled by the BC Utilities Commission, commencing April 1, 1997. Retail access allows end users to have the choice of purchasing power from the existing utility, or elsewhere, and then using the utility's transmission and distribution systems to deliver it. Aside from potential competitors to BC Hydro and West Kootenay Power, the largest proponents of retail access are large industrial customers who believe they can achieve lower rates as a result. As BC already has the second lowest electricity rates in Canada, after Manitoba, residential customers are generally satisfied with the existing system and are not pushing for change.

The April 1, 1997 hearing did not go ahead as planned. Very late in March, the provincial government asked the Commission to postpone the hearing and established a stakeholders' task force to study and develop electricity market reforms in BC. Dick Gathercole of BC PIAC is a member of the task force.

The task force will be releasing an interim report on June 1, 1997, and is aiming to produce a final report by the end of the year. Its mandate is to bring forward measures that will help ensure, among other things, job creation and economic development, greater choice for electricity customers, continued public ownership of BC Hydro, high reliability standards, and continued incorporation of environmental and social considerations, with no adverse impacts on customer classes or regions.

The initial positions taken by the members of the task force suggest that there is no great demand for major change other than from potential competitors and industrial customers. The industrial customers may be satisfied with minor changes if it results in lower rates for them.

Some concern has been expressed about the need to open up the BC market in order to ensure that BC Hydro and its marketing subsidiary, Powerex, will continue to have access to American markets for the sale of surplus electricity. The requirements established by the Federal Energy Regulatory Commission in the United States are actually fairly minimal and easy to achieve without any major restructuring.

We will provide an update on the task force activities in our next newsletter.

## **Telco Views**

### **The CRTC's May Day Decisions**

On May 1, 1997, the Canadian Radio-Television and Telecommunications Commission (CRTC) issued two major decisions affecting telephone regulation. The so-called "May Day" decisions set the framework for the introduction of local competition and price cap regulation effective January 1, 1998.

Under the rules for local competition, it is unlikely that residential customers (other than those in new high rise condominiums in downtown Vancouver) will see the benefits of competition for some time. This is because the CRTC has decided not to allow potential competitors to purchase services from existing telephone companies at a discount and resell them, as is the case for long distance services. Instead, the Commission encourages the

development of "facilities-based" competition in which competitors will have to develop their own networks. This favours the cable companies, who have extensive local networks already in place, although they need to develop the technology to transform a one-way cable network into a two-way telephone network.

Other potential competitors such as long distance competitors AT&T Canada and Sprint Canada will either have to develop local networks or, more likely, enter into alliances with cable companies.

In order to encourage the roll out of competition in all areas, the CRTC has mandated a "portable subsidy" which any company providing services to uneconomic areas (primarily lower population areas) will be able to draw on. The subsidy is established through contributions from all long distance services. However, the subsidy is capped at \$0.2 per long distance minute, and it is unlikely that this will provide sufficient revenue to meet the demands for all competitive services in all high cost areas.

In order for local competition to be effective, the CRTC has mandated local number portability, which means that a subscriber can change companies while maintaining his or her existing telephone number. The technology mechanisms for achieving local number portability are being worked out by the telephone companies and potential competitors, and it is anticipated that it will be in place when local competition commences.

## Price Caps

Price cap regulation is different from traditional telephone rate regulation which established rates based on the telephone companies' costs plus a return on invested capital. As the name implies, price cap regulation establishes a cap above which rates cannot rise for a particular service or "basket" of services, e.g. residential rates. So long as the rates in the overall basket do not exceed the cap, the telephone company has flexibility with respect to individual components of the basket.

In its price cap decision the CRTC established ground rules which were closer to those advocated by consumer groups than those advocated by the telephone companies. In particular, it provided a productivity factor of 4.5% which means that more productivity gains will be shared by customers than would be the case under the telephone company proposals. However, the CRTC did not provide for a quality of service factor in the determination of the price caps, and deferred a number of decisions to the implementation process which is scheduled to take place over the summer.

The implementation process is designed to establish the telephone companies' rates that will be subject to price cap regulation after January 1, 1998. This amounts to a full scale rate case, which has always in the past taken place through an oral hearing. The CRTC is proposing to establish the "going-in" rates through a paper process some time in the early Fall. Because of the importance of the initial rate levels, as well as other related areas to be dealt with in the proceeding, consumer groups, including BC PIAC's clients, have asked the Commission to postpone the implementation of price cap regulation from January 1, 1998 to July 1, 1998 and to hold an oral hearing. A decision is expected shortly.

## More On Competition-Cable TV

Competition is coming not only to the local telephone system but to cable television as well. The CRTC in a recent decision has opened the cable TV industry to competition by allowing telephone companies to apply for cable licences, and to establish competitive services starting January 1, 1998. This is in addition to potential competition which already exists from direct home satellite services.

Competitors will not be regulated, and the cable companies will continue to have their rates regulated until such time as they lose 5% of their market.

The cable industry is rapidly developing the technology which will allow customers to choose an individual menu of television stations without the need for choosing packages including channels the subscriber does not want. Undoubtedly the competitive service operators will also allow this type of individual selection.

es in all high cost areas.

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