
December 21, 2022

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

ICA Canada On-Line Inc
5155 Spectrum Way Bldg. 36
Mississauga, Ontario L4W 5A1

Re: CCTS #1232433

On November 23, 2022, we issued a Recommendation regarding the above complaint. As [REDACTED] [REDACTED] rejected our Recommendation, I am required by Section 13 of our Procedural Code (“the Code”) to issue a Decision.

Our Recommendation

[REDACTED] alleged that on June 1, 2022, it submitted an email request to ICA to cancel its internet service, with the understanding that ICA’s policy requires 60 days’ notice of cancellation to be provided prior to cancellation taking effect. As a result of this request, [REDACTED] expected that its internet services would be terminated as of August 4, 2022, 60 days from its bill date of June 4, 2022.

[REDACTED] received no response, so it followed up on June 24, 2022. ICA told [REDACTED] that it had received the cancellation request email on June 1, 2022, but “forgot about it”. During this call, ICA advised [REDACTED] that all cancellation requests must be made directly to ICA at a specified email address - cancel@ica.net. As a courtesy and to ensure that the cancellation would be processed properly, on June 24, 2022, [REDACTED] forwarded its original June 1, 2022, cancellation request to cancel@ica.net, with the continuing expectation that its service would be cancelled on August 4, 2022.

However, ICA did not cancel the service until September 4, 2022, effectively billing [REDACTED] for an additional month of service beyond August 4, 2022. [REDACTED] received and paid ICA’s August 4, 2022, invoice in full by e-transfer on August 15, 2022, under duress, to avoid derogatory credit reporting and collection agency action. On August 5, 2022, [REDACTED] filed this complaint with the CCTS. On October 10, 2022, ICA issued another invoice to [REDACTED] in the amount of \$1,299.50, which ICA attributed to “3rd party complaint handling costs”.

ICA maintains that it did not receive [REDACTED] June 1, 2022, cancellation email, and only became aware of the customer's desire to cancel when contacted by phone on June 24, 2022. Our investigation, therefore, centered on determining whether the original cancellation request from June 1, 2022, was effectively delivered and whether the additional \$1,299.50 invoice from October 2022 was appropriate.

ICA refused to cooperate with our investigation or to provide any documentation to substantiate its position. On October 18, 2022, ICA told the CCTS by email: *"There is no one available to do all of this detailed work for you, sorry. This account is paid and closed."* By failing to provide a proper response to the complaint and the information and documents requested for the investigation, ICA violated both paragraph 6.6 and paragraph 15.1 of the CCTS Procedural Code, which detail the responsibilities of a Participating Service Provider in response to a customer complaint.

As required by paragraph 6.7 of the Procedural Code, we continued our investigation of the complaint, relying on the information and documents available to us. Our standard of review is to determine whether ICA reasonably fulfilled its obligations pursuant to the applicable contract and followed its usual policies and operating procedures in its dealings with the customer.

The Cancellation Request

ICA's Terms of Service provide that a cancellation request must be made in writing via email, fax, or postal services, at least 60 days prior to the renewal date, in order for the cancellation to be processed by the beginning of the next billing cycle. Neither the ICA website nor the Terms of Service specify that a cancellation request must be made to a specific email address. So there is no merit to ICA's position that it failed to action [REDACTED] cancellation request because it was sent to the wrong email address. In addition, ICA's position is contradicted by the evidence that it told [REDACTED] that it had overlooked the original cancellation request.

In any event, the cancellation policy itself violates a CRTC Regulatory Policy.¹ In 2014² the CRTC prohibited telecommunications service providers from using 30-day cancellation policies, which were common in the industry at the time. The CRTC specifically ruled that customer cancellations take effect *"on the day that the service provider receives notice of the cancellation"*.

We concluded that ICA failed to demonstrate that it reasonably performed its obligations towards [REDACTED]. On the facts, we were persuaded that the June 1 cancellation request was received and should have been acted upon by ICA. In any event, ICA's "60 day cancellation policy" contravenes the regulatory requirement, which is to cancel with immediate effect.

¹ Broadcasting and Telecom Regulatory Policy CRTC 2014-576

² Effective January 23, 2015

Nonetheless, ██████ requested cancellation as of August 4, 2022, and used the internet service between June and August, so we proceeded on the basis that the cancellation ought to have occurred no later than August 4, 2022. As a result, we recommended that any charges billed after August 4, 2022, be refunded to ██████ in full.

The October 10 Invoice

ICA issued an additional invoice to ██████ on October 10, 2022, in the amount of \$1,299.50. The invoice breaks down the charges as follows:

\$450.00 investigation fee;
\$350.00 handling fee;
\$350.00 Admin fee; and
\$149.50 HST.

██████ provided us with a copy of this invoice, as well as an email thread between ██████ and ICA dated October 20, 2022, in which the customer stated that he would not be paying the invoice. In the email thread, ICA explained that the charges on this invoice were for electing to initiate a complaint with a third-party agency³ and as such were valid, and payment would be required by October 31, 2022.

ICA's Terms of Service provide:

"If you believe COL⁴ has billed you incorrectly you must contact COL no later than 30 days after the date of the first billing statement in which the error or problem appeared. Notifications after this period will not be eligible to receive adjustments or credits. In the event a customer requests an investigation of charges or a dispute of the ICA Terms and Conditions, ICA can assess a charge up to \$450.00 for investigation fees."

Based on ICA's own Terms of Service, this invoice is problematic because:

- ██████ complaint about the August 4, 2022, invoice was made to ICA that very same day, clearly within 30 days after the error appeared, which disentitles ICA from charging these additional fees;
- The maximum charge specified in the Terms of Service is \$450, yet ICA has seen fit to charge three times that amount; and
- In any event, ICA confirmed in an August 4, 2022, email to ██████ that the August 4 invoice would be the final invoice on the account and that upon payment in full, the account would be closed. ██████ paid that invoice in full on August 15.

³ ICA claims that the third-party agency is the Better Business Bureau and not the CCTS

⁴ "COL" refers to Canada on Line, part of ICA's complete corporate name

CCTS Procedural Code and Participation Agreement

All telecom service providers that participate in CCTS are required to follow the rules set out in the [CCTS Procedural Code](#). This requirement is both regulatory and contractual. When a service provider begins participating in the CCTS process, it is required to sign the CCTS Participation Agreement, which requires, among other things, that the service provider agrees to be bound by the Procedural Code.

The Procedural Code describes the CCTS Standard of Review as follows:

4.1 The Commissioner shall investigate, assist in the resolution of, and make Recommendations and Decisions in relation to complaints with a view to determining whether the Participating Service Provider reasonably performed its obligations pursuant to the applicable contract and followed its usual policies and operating procedures in its dealings with the Customer.

4.2 In making this determination, or when the contract is silent on an issue, the Commissioner will consider any applicable codes of conduct or practice, good industry practice, general principles of law, and what is fair and reasonable in the circumstances of the Complaint. (underlining added).

The CCTS has interpreted these provisions consistently as prohibiting Participating Service Providers from taking any steps to penalize customers from pursuing complaints against them. Among the prohibited behaviours are such acts as suspending or disconnecting the customer's service, cancelling an account, charging fees related to a complaint, and other measures designed to penalize customers for complaining, and which are intended to "persuade" them to withdraw their complaints.

ICA is aware of this prohibition. The CCTS has publicized it repeatedly in multiple iterations of its Annual Report and its Compliance Monitoring Report. In addition, the CCTS has explained this directly to ICA on multiple occasions, both in connection with this complaint and others. In fact, in March 2020 the CCTS issued a formal [Decision](#) against ICA which dealt, in part, with this very issue.⁵

As described above, in issuing the October 4 invoice, ICA did not follow its own Terms of Service. In addition, it is not consistent with "*good industry practice*" to threaten a customer with additional fees if the customer has questions about, or disagrees with, an invoice. It is also not "*fair and reasonable*", no matter whether the charges are intended to address the complaint to the CCTS, or to any other complaint-handling body. Such provisions are punitive and intended to deprive customers of their right to a free and fair review of their complaints.

For the above reasons, the October 4th invoice cannot stand. Thus, we also recommended that ICA cancel the October 2022 invoice.

Objection to the Recommendation

⁵ <https://www.ccts-cprst.ca/decision-issued-to-ica-canada-on-line-inc/>

Under Section 12 of the Procedural Code a party may reject a Recommendation. That party is required to explain why he or she considers it to be unacceptable or inappropriate.

██████ accepted the Recommendation, but ICA rejected it on December 13, 2022. ICA asserted that it complied with its cancellation process, by cancelling the services 60 days following the June 24, 2022, cancellation request, to which ██████ had previously agreed. In its objection, ICA did not otherwise address the concerns raised by the CCTS related to the timing of the service cancellation, its breach of the CRTC rules regarding cancellations, or the issues raised in the Recommendation related to the October 2022 invoice (which ██████ has not paid). Nor did ICA take the opportunity to provide any evidence to support its position.

Decision

On November 23, 2022, we recommended that ICA:

1. Refund to ██████ the payment of \$305.10 made in connection with the August 4 invoice; and
2. In respect of the October 10 invoice:
 - a. Cancel the invoice in the amount of \$1,299.50,
 - b. Ensure that any collection activity that might have taken place as a result of the non-payment of this invoice cease forthwith,
 - c. Ensure that any derogatory credit reporting related to the non-payment of the October 10 invoice be corrected, and
 - d. Inform ██████ and the CCTS in writing that all of the above steps have been taken.

Section 13.2 of our Procedural Code provides that in formulating a Decision the Commissioner shall consider whether there is substantial doubt as to the correctness of the original Recommendation.

For all the reasons described above, I am left with no doubt that the Recommendation was correct, and therefore I maintain the findings of our Recommendation.

In summary, my Decision is that ICA must:

1. Refund to ██████ the payment of \$305.10 made in connection with the August 4 invoice; and
2. In respect of the October 10 invoice:
 - a. Cancel the invoice in the amount of \$1,299.50,
 - b. Ensure that any collection activity that might have taken place as a result of the non-payment of this invoice cease forthwith,
 - c. Ensure that any derogatory credit reporting related to the non-payment of the October 10 invoice be corrected, and
 - d. Inform ██████ and the CCTS in writing that all of the above steps have been taken.

Further to Section 13.4 of our Procedural Code, [REDACTED] may accept or reject this Decision within 20 days of receipt. Should [REDACTED] accept this Decision, it becomes immediately binding on ICA under Section 13.5 of our Procedural Code. Should [REDACTED] decide to reject this Decision, it may pursue this complaint through any other forum and ICA shall be fully released from the Decision.

A copy of our Procedural Code is attached for reference.

Sincerely,

Howard Maker
Commissioner