



Broadcasting Decision CRTC 2004-84

Ottawa, 18 February 2004

Canadian Satellite Communications Inc.
Across Canada

Application 2003-0244-8
Public Hearing in the National Capital Region
20 October 2003

Licence renewal for the national satellite relay distribution undertaking carried on by Canadian Satellite Communications Inc.

1. The Commission has received an application by Canadian Satellite Communications Inc. (Cancom) for the renewal of the broadcasting licence for its national satellite relay distribution undertaking (SRDU). The Commission notes that the applicant proposed no amendment to its current conditions of licence.
2. In an intervention to this application, Canadian Cable Systems Alliance Inc. (CCSA) supported Cancom's licence renewal, but expressed concern regarding Cancom's ability to meet its ongoing commitment to the provision of the Head End In The Sky (HITS) and HITS QT¹ services. The CSSA noted in particular the departure from Cancom of those it described as key managers who had been responsible for providing support for HITS and HITS QT. The CSSA also stated that there have been delays in the delivery of set-top boxes and in Cancom's billing and reporting procedures. In addition, the CCSA raised concerns with respect to Cancom's transponder locations and the responsiveness of transponder line-ups to HITS and HITS QT customers. The CSSA requested assurances of Cancom's continuing commitment to the support of the HITS and HITS QT technology.
3. In responding to the CCSA intervention, Cancom assured the Commission that it remains committed to providing viable HITS and HITS QT services in its next licence term. The licensee acknowledged that it had made staff reductions in order to remain competitive, but maintained that support for the availability of the head-end and consumer equipment used for the provision of HITS and HITS QT would continue. Cancom also recognized that billing and reporting problems had been encountered while implementing the new systems. The licensee advised the Commission that these problems have been resolved and that related procedures have become more efficient. With respect to the issues raised by the intervener concerning transponder locations and the responsiveness of transponder line-ups, Cancom stated that it remains committed to serving its customers' needs and that, when changes are necessary, it would take steps to limit, to the extent possible, the impact of those changes on its customers.

¹ QT refers to quadrature amplitude modulation technology

4. The Commission acknowledges Cancom's ongoing commitment to the HITS and HITS QT services, and is satisfied with its response to the intervention by CSSA. Accordingly, the Commission **renews** Cancom's licence for its national SRDU from 1 March 2004 to 31 August 2010. The licence will be subject to the conditions set out in the appendix to this decision.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2004-84

Conditions of licence

1. The licensee shall maintain independent sales, marketing and customer service functions and staff for its satellite relay distribution undertaking.
2. The licensee shall require all sales, marketing and customer service functions and staff to comply with written procedures established by the licensee designed to ensure that any confidential information obtained from a customer or potential customer of the licensee's satellite relay distribution undertaking or pertaining to product or service offerings of the satellite relay distribution undertaking remain confidential. The licensee will file a copy of such procedures, as the same may be amended from time to time, with the Commission for prior approval.
3. The licensee shall adhere to the provisions of section 4 of the *Broadcasting Distribution Regulations* in respect of any transfers of ownership or control.
4. Subject to the requirement that it ensure that a majority of the television signals it distributes are Canadian programming services, the licensee is authorized to distribute via satellite to its affiliates the following television services:
 - a) TVOntario (TVO and TFO) Toronto
Ontario Legislative Assembly Proceedings
CPAC (IND) Ottawa
Télé-Québec (STQ) Montréal
Quebec National Assembly Proceedings
 - b) Atlantic Satellite Network (ASN) Halifax
 - c) the signal of any licensed conventional television programming undertaking.
 - d) WDIV (NBC) Detroit
WWJ-TV (CBS) Detroit
WTVS (PBS) Detroit
WXYZ-TV (ABC) Detroit
WUHF (FOX) Rochester
WKBW-TV (ABC) Buffalo
WIVB-TV (CBS) Buffalo
WGRZ-TV (NBC) Buffalo
WUTV (FOX) Buffalo
WNED-TV (PBS) Buffalo
WHDH-TV (NBC) Boston
WGBH-TV (PBS) Boston

WBZ-TV (CBS) Boston
WCVB-TV (ABC) Boston
KARE (NBC) Minneapolis
WCCO-TV (CBS) Minneapolis
KSTP-TV (ABC) Minneapolis
WFTC (FOX) Minneapolis
KING-TV (NBC) Seattle
KCTS-TV (PBS) Seattle
KOMO-TV (ABC) Seattle
KIRO-TV (CBS) Seattle
KSTW (IND) Tacoma/Seattle
KCPQ (FOX) Tacoma/Seattle
KSPS-TV (PBS) Spokane
KXLY-TV (ABC) Spokane
KREM-TV (CBS) Spokane
KHQ-TV (NBC) Spokane
KAYU-TV (FOX) Spokane
Radio-France outre-mer (RF01) Saint-Pierre and Miquelon

The licensee may distribute native-produced television programs, on a part-time basis, on satellite channels used for the distribution of CHAN-TV Vancouver and CHCH-TV Hamilton.

For the purpose of this condition, non-Canadian services of the same network affiliation will be counted as a single service.

5. The licensee is authorized to distribute to its affiliates via satellite the following radio services:
 - a) the signal of any licensed conventional radio programming undertaking.
 - b) KMBI-FM Spokane
KXLY-FM Spokane
KISC-FM Spokane
KDRK-FM Spokane
KEZE-FM Spokane
KZZU-FM Spokane
KPBX-FM Spokane
6. The licensee must provide its service to all of the following undertakings whose operators are willing to enter into affiliation agreements with it:
 - a) terrestrial broadcasting distribution undertakings (BDUs) that are licensed by the Commission or operating in accordance with an exemption from licensing granted by the Commission; and,

- b) licensed direct-to-home (DTH) BDUs (for retransmission to DTH subscribers only).
7. The licensee shall not delete, curtail or alter the programming services which it distributes to BDUs in any manner from the form in which they are transmitted for public reception by the originating broadcasters, except such alterations as are incidental to the transmission of the services using digital video compression technology and except as may be authorized or required by the Commission in writing.
 8. The licensee is required to contribute a minimum of 5% of its annual gross revenues derived from broadcasting activities to the creation and presentation of Canadian programming.
 9. The licensee is required to file a report for the Commission's approval, within three months of the date of this decision, identifying the recipient(s) of its contributions to the creation and presentation of Canadian programming, as well as the projected annual amounts that the licensee intends to allocate to each and the timing of such contributions, if the contribution is to a recipient other than a production fund. Contributions directed to a production fund are required to be made on a monthly basis, within 45 days of each month's end. As a matter of policy applicable to any licensed SRDU, the Commission has decided that funds allocated to subsidize the provision of decoder equipment to BDUs are not eligible contributions.
 10. The licensee shall not give an undue preference to any person, including itself, or subject any person to an undue disadvantage.
 11. If there is a dispute between the licensee and a distribution undertaking, whether operating by licence or by exemption order, concerning the terms under which programming services are or may be provided, then the licensee shall submit to a dispute resolution process, if the Commission so requires.