



## Broadcasting Decision CRTC 2006-464

Ottawa, 31 August 2006

### **Cogeco Cable Québec Inc.**

Acton Vale, Bécancour (Gentilly sector), Courcelles, Danville, Daveluyville, East Broughton, Forestville, Lac Carré, La Guadeloupe, Notre-Dame-du-Bon-Conseil, Rivière Beaudette, Saint-Anicet, Saint-Benoît-Labre, Saint-Donat-de-Montcalm, Sainte-Anne-des-Lacs, Sainte-Gertrude, Saint-Ephrem-de-Beauce, Saint-Ferdinand (Bernierville sector), Saint-Léonard D'Aston, Saint-Prosper-de-Dorchester, Saint-Théodore-D'Acton, Saint-Théophile, Saint-Vital-de-Lambton, Tring-Jonction, Valcourt, and surrounding areas, Quebec

*Application 2005-1581-9*

*Public Hearing at Edmonton, Alberta*

*19 June 2006*

### **Class 3 regional licence for broadcasting distribution undertakings in Quebec**

*The Commission **approves** the application by Cogeco Cable Québec Inc. for a Class 3 regional broadcasting licence to operate cable distribution undertakings serving the above-noted locations.*

#### **The application**

1. The Commission received an application by Cogeco Cable Québec Inc. (Cogeco) for a Class 3 regional broadcasting licence to operate the cable broadcasting distribution undertakings (BDUs) serving the above-noted locations. Cogeco currently operates these BDUs under separate Class 3 licences, with the exception of the BDUs serving Courcelles, East Broughton, Forestville, La Guadeloupe, Saint-Donat-de-Montcalm, Saint-Ephrem-de-Beauce, Saint-Ferdinand (Bernierville sector), Saint-Vital-de-Lampton and Tring-Jonction, which are currently exempted from licensing requirements. The licences for these undertakings expire 31 August 2006. The applicant requested that these BDUs be included in the Class 3 regional licence because the undertakings are now interconnected with a Class 1 undertaking.
2. Cogeco proposed to amend the condition of licence relating to the use of 25% of its local availabilities for the promotion of its discretionary programming services to allow the promotion of non-programming services, such as Internet access and local telephone service.<sup>1</sup>

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<sup>1</sup> The Commission notes that the applicant requested the same licence amendment relating to the use of local availabilities for its Quebec and Ontario BDUs. In *Licence amendment to replace condition of licence relating to the use of local availabilities in non-Canadian satellite services*, Broadcasting Decision CRTC 2006-364, 14 August 2006, the

3. The applicant also requested a condition of licence permitting it to distribute, on a digital discretionary basis, a second set of signals that provides the programming of the four U.S. commercial networks (CBS, NBC, ABC, FOX) and of the non-commercial PBS network.<sup>2</sup>

## Intervention

4. The Commission received comments from the Canadian Association of Broadcasters (CAB) expressing concerns about the use of local availabilities.

## Commission's analysis and determination

### Applicant's request to include its currently exempted BDUs

5. In *Revocation of the licences of exempted small cable distribution undertakings*, Broadcasting Decision CRTC 2002-45, 19 February 2002, pursuant to *Exemption order respecting cable systems having fewer than 2,000 subscribers*, Broadcasting Decision CRTC 2001-121, 7 December 2001 (Public Notice 2001-121), the Commission revoked the broadcasting licences issued to Cogeco for the BDUs serving Courcelles, East Broughton, Forestville, La Guadeloupe, Saint-Donat-de-Montcalm, Saint-Ephrem-de-Beauce, Saint-Vital-de-Lambton and Tring-Jonction.
6. Given that the BDUs serving Courcelles, La Guadeloupe, Saint-Ephrem-de-Beauce and Saint-Vital-de-Lambton are now interconnected with the Cogeco BDU serving Saint-Georges-de-Beauce, Quebec, they no longer satisfy the terms and conditions of the Exemption order attached to Public Notice 2001-121 and therefore must be licensed.
7. Given that the BDUs serving East Broughton and Tring-Jonction are now interconnected with the Cogeco BDU serving Thetford Mines, Quebec, they no longer satisfy the terms and conditions of the Exemption order attached to Public Notice 2001-121 and therefore must be licensed.
8. Given that the BDU serving Forestville is now interconnected with the Cogeco BDU serving Baie-Comeau, Quebec, it no longer satisfies the terms and conditions of the Exemption order attached to Public Notice 2001-121 and therefore must be licensed.

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Commission approved Cogeco's application and amended the condition of licence for its Quebec and Ontario Class 1, Class 2 and Class 3 BDUs accordingly. The Commission further notes that this decision took into account the comments made by the Canadian Association of Broadcasters. This new **condition of licence** is set out in the appendix to this decision.

<sup>2</sup> The Commission notes that in a separate application pertaining to its Quebec BDUs, the applicant also requested permission to add a second set of U.S. 4+1. In *Distribution of additional signals on a discretionary digital basis*, Broadcasting Decision CRTC 2006-386, 22 August 2006, the Commission approved Cogeco's request to distribute, on a discretionary basis, a second set of U.S. 4+1 signals. This **condition of licence** is set out in the appendix to this decision.

9. Given that the BDU serving Saint-Donat-de-Montcalm is now interconnected with the Cogeco BDU serving Sainte-Adèle, Quebec, it no longer satisfies the terms and conditions of the Exemption order attached to Public Notice 2001-121 and therefore must be licensed.
10. In *Revocation of licences – Exempted cable broadcasting distribution undertakings that serve up to 6,000 subscribers*, Broadcasting Decision CRTC 2005-13, 18 January 2005, pursuant to *Exemption order respecting cable broadcasting distribution undertakings that serve between 2,000 and 6,000 subscribers; and Amendment to the Broadcasting Distribution Regulations*, Broadcasting Public Notice CRTC 2004-39, 14 June 2004 (Public Notice 2004-39), the Commission revoked the broadcasting licence issued to Cogeco for its BDU serving Bernierville (now Saint-Ferdinand (Bernierville sector)).
11. Given that the BDU serving Saint-Ferdinand (Bernierville sector) is now interconnected with the Cogeco BDU serving Thetford Mines, Quebec, it no longer satisfies the terms and conditions of the Exemption order attached to Public Notice 2004-39 and therefore must be licensed. The Commission notes that before being exempted, the BDU serving Saint-Ferdinand was operated under a Class 2 licence but must now be included under Cogeco's Class 3 regional licence because it had 302 subscribers as at 31 August 2005.
12. Given the circumstances leading to Cogeco's inclusion of these BDUs in its application, the Commission **approves** the application to include in the Class 3 regional broadcasting licence the currently exempted BDUs serving Courcelles, East Broughton, Forestville, La Guadeloupe, Saint-Donat-de-Montcalm, Saint-Ephrem-de-Beauce, Saint-Ferdinand (Bernierville sector), Saint-Vital-de-Lambton and Tring-Jonction.

#### **Other conditions of licence**

13. The Commission notes that the applicant also proposed to add other conditions of licence for its Class 3 BDUs. The Commission did not receive any interventions concerning these proposals. A complete list of the **conditions of licence** imposed by the Commission is appended to this decision.

#### **New regional licence**

14. The Commission **approves** the application by Cogeco Cable Québec Inc. for a Class 3 regional broadcasting licence to operate the BDUs serving the locations noted below. Subject to the requirements of this decision, the Commission will issue a regional broadcasting licence to operate the Class 3 cable BDUs to serve the following licensed areas: Acton Vale, Bécancour (zone Gentilly), Courcelles, Danville, Daveluyville, East Broughton, Forestville, Lac Carré, La Guadeloupe, Notre-Dame-du-Bon-Conseil, Rivière Beaudette, Saint-Anicet, Saint-Benoît-Labre, Saint-Donat-de-Montcalm, Sainte-Anne-des-Lacs, Sainte-Gertrude, Saint-Ephrem-de-Beauce, Saint-Ferdinand (Bernierville sector), Saint-Léonard D'Aston, Saint-Prosper-de-Dorchester,

Saint-Théodore-D'Acton, Saint-Théophile, Saint-Vital-de-Lambton, Tring-Jonction and Valcourt. These undertakings will be regulated pursuant to the *Broadcasting Distribution Regulations*. The licence will come into effect on 1 September 2006 and will expire on 31 August 2013. The licence will be subject to the **conditions** specified therein, as well as to the **conditions** set out in the appendix to this decision.

### **Employment equity**

15. Because this applicant is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Human Resources and Skills Development, its employment equity practices are not examined by the Commission.

Secretary General

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

## **Appendix to Broadcasting Decision CRTC 2006-464**

### **Conditions of licence applicable to all licensed areas**

1. The licensee may, at its option, insert certain promotional material as a substitute for the “local availabilities” (i.e., non-Canadian advertising material) of non-Canadian satellite services. At least 75% of these local availabilities must be made available for use by licensed Canadian programming services for the promotion of their respective services, for the promotion of the community channel and for unpaid Canadian public service announcements. A maximum of 25% of the local availabilities may be used to provide subscribers with information regarding customer service and channel realignments, and for the promotion of discretionary programming services and packages, cable FM service, additional cable outlets and non-programming services, including Internet and telephone services.
2. The licensee is authorized to distribute the following signals on a digital discretionary basis:
  - a second set of signals that provides the programming of the four U.S. commercial networks (CBS, NBC, ABC, FOX) and the non-commercial PBS network (hereafter referred to as the U.S. 4+1 signals).

The distribution on a discretionary basis on the licensee’s digital service of a second set of U.S. 4+1 signals is subject to the provision that, with respect to such signals, the licensee adhere to the requirements regarding non-simultaneous program deletion set out in section 43 of the *Broadcasting Distribution Regulations*. The Commission may suspend the application of this provision, with respect to the signals to be distributed, upon its approval of an executed agreement between the licensee and broadcasters. Such an agreement must deal with issues related to the protection of program rights arising in connection with the discretionary carriage of a second set of U.S. 4+1 signals solely on the licensee’s digital service.

### **Conditions of licence applicable to specific licensed areas**

#### **Acton Vale**

3. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the regional signal of CBFT (CBC) Montréal on the basic band. The licensee will distribute this signal on channel 15.

**Danville**

4. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the extra-regional signal of CBFT (CBC) Montréal on the basic band. The licensee will distribute this signal on channel 16.

**Notre-Dame-du-Bon-Conseil**

5. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the local signal of CKTM-TV (CBC) Trois-Rivières on the basic band. The licensee will instead distribute the signal of CKSH-TV (CBC) Sherbrooke on channel 13.
6. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the regional signal of CBFT (CBC) Montréal on the basic band. The licensee will distribute this signal on channel 15.
7. The licensee is relieved from the requirement set out in section 32(1)a) of the *Broadcasting Distribution Regulations* to distribute the local signal of CIVC-TV (SRTQ) Trois-Rivières. The licensee will instead distribute the regional signal of CIVS-TV (SRTQ) Sherbrooke.

**Saint-Théodore-d'Acton**

8. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the regional signal of CBFT (CBC) Montréal on the basic band. The licensee will distribute this signal on channel 15.

**Valcourt**

9. The licensee is relieved from the requirement set out in section 32(2) of the *Broadcasting Distribution Regulations* to distribute the regional signal of CBFT (CBC) Montréal on the basic band. The licensee will distribute this signal on channel 15.