



Broadcasting Decision CRTC 2006-57

Ottawa, 10 March 2006

Newcap Inc.
Bonnyville, Alberta

Application 2005-0545-6
Public Hearing in the National Capital Region
14 November 2005

English-language FM radio station in Bonnyville

*The Commission **approves** an application for a broadcasting licence to operate an English-language commercial FM radio station in Bonnyville, Alberta.*

The application

1. The Commission received an application by Newcap Inc. (Newcap) for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Bonnyville, Alberta. The proposed station would operate at 101.3 MHz (channel 267B) with an effective radiated power (ERP) of 27,000 watts.
2. Newcap proposed to operate the station in a contemporary pop music format targeted to listeners between the ages of 18 and 45 years. The format would cover many musical genres, including pop, hip hop and rock.
3. The station would provide a comprehensive schedule of local news with 53 newscasts weekly. News reports would also originate from the Alberta News Network based in Edmonton, Alberta. In addition, the station would air daily features profiling community events, gatherings, meetings and other community information, and assist the region's arts scene by featuring live bands, theatre productions, concerts and art shows.
4. Newcap stated that it would not participate in the Canadian talent development (CTD) plan developed by the Canadian Association of Broadcasters (CAB). Instead, Newcap made a commitment that, in each broadcast year, it would contribute \$10,000 to CTD. Newcap specified that, in each broadcast year, it would contribute \$5,000 to the Canadian Starmaker Fund and \$5,000 to the Bonnyville School District for the purchase of musical instruments, the development of a music curriculum, and music festivals. Newcap indicated its willingness to accept a condition of licence requiring that it adhere to this commitment.

5. Newcap indicated that, if this application were approved, it would not implement the transmitter in Bonnyville, which was approved in *CKSA Lloydminster – Conversion to FM band*, Broadcasting Decision CRTC 2002-461, 18 December 2002 (Decision 2002-461).

Interventions

6. The Commission received interventions in support of this application as well as an intervention in opposition by 912038 Alberta Ltd. (912038), the licensee of CKLM-FM Lloydminster and its transmitter CKLM-FM-1 Bonnyville, Alberta.
7. Noting that it is already operating a transmitter in Bonnyville, 912038 challenged the applicant's submission that the proposed station would be the first commercial radio service in the market. In addition, 912038 indicated that it had filed an application to convert its transmitter CKLM-FM-1 Bonnyville into a radio programming undertaking to serve the Bonnyville market. 912038 questioned whether the market could sustain two new radio undertakings if both its application and Newcap's application were approved. While 912038 stated that it could compete with Newcap if both services were authorized, the intervener acknowledged it might take its station longer to achieve its revenue goals in such a scenario.
8. 912038 also claimed that the local news content on Newcap's proposed station would be minimal.
9. 912038 requested that the Commission consider three options: deny Newcap's application, issue a call for applications to serve Bonnyville, or approve both Newcap's and the intervener's application for new stations to serve the market.

Applicant's response

10. In response to the opposing intervention, Newcap noted that there are presently two rebroadcast services approved for the Bonnyville market, namely its own transmitter, CKSA-FM-1, approved in Decision 2002-461, and the opposing intervener's transmitter, CKLM-FM-1, approved in *CKLM-FM Lloydminster – New transmitter in Bonnyville*, Broadcasting Decision CRTC 2003-414, 22 August 2003. Newcap submitted that approval of its application would provide the Bonnyville market with its first commercial originating radio station.
11. With respect to 912038's claim that the proposed station would have minimal local content, Newcap reiterated its commitment to provide 53 locally-produced newscasts each week and specified that 50% of the news content of those broadcasts would be local. Newcap also highlighted its plans to offer local information features.

Commission's analysis and determination

12. The Commission notes that, while a number of radio services are currently available in the region, approval of Newcap's application will provide Bonnyville with its first local commercial FM radio station designed to specifically address the particular needs and interests of the residents of that community.
13. With respect to 912038's argument that the Commission should issue a call for applications, the Commission notes that, given that Newcap's application proposes to provide the first local radio service to Bonnyville, the application qualifies under one of the exceptions to issuing a call for applications articulated in *The issuance of calls for radio applications*, Public Notice CRTC 1999-111, 8 July 1999. The Commission considers that, consistent with this policy, the interests of Bonnyville residents would not be served by unduly delaying the provision of a local commercial radio service at this time.
14. In light of the above, the Commission **approves** the application by Newcap Inc. for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Bonnyville at 101.3 MHz (channel 267B) with an ERP of 27,000 watts. Accordingly, the authority granted to Newcap in Decision 2002-461 to operate a transmitter of CKSA-FM Lloydminster in Bonnyville is null and void.
15. The new radio station will operate in a single-station market as defined in *Local programming policy for FM radio – definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993.
16. The licence will expire 31 August 2012 and will be subject to the **conditions** set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, with the exception of condition of licence no. 9, relating to the solicitation of local advertising that does not apply to stations operating in a single-station market, and of condition of licence no. 5 relating to contributions to CTD under the CAB's plan. The licence will also be subject to the following **condition**:

Upon commencement of operation, the licensee shall make direct expenditures of at least \$10,000 in each broadcast year on the development and promotion of Canadian talent. This amount shall be distributed as follows:

- \$5,000 in each broadcast year to the Canadian Starmaker Fund; and
- \$5,000 in each broadcast year to the Bonnyville School District for the purchase of musical instruments, for the development of music curriculum, and for music festivals.

17. The Commission reminds the applicant that all CTD expenditures must be made in accordance with the Commission's policy on qualifying contributions to CTD, as set out in Appendix 1 to *An FM policy for the nineties*, Public Notice CRTC 1990-111, 17 December 1990.

Issuance of the licence

18. The Department of Industry (the Department) has advised the Commission that, while this application is conditionally technically acceptable, it will only issue a broadcasting certificate when it has determined that the proposed technical parameters will not create any unacceptable interference with aeronautical NAV/COM services.
19. The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.
20. Furthermore, the licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 10 March 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Employment equity

21. Because this applicant is subject to the *Employment Equity Act* and files reports concerning employment equity with Human Resources Development Canada, 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>