



Broadcasting Decision CRTC 2011-19

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Route reference: 2010-551

Ottawa, 11 January 2011

Astral Media Radio (Toronto) Inc. and 4382072 Canada Inc., partners in a general partnership carrying on business as Astral Media Radio G.P.
Prince Rupert, British Columbia

Barry Alan Wall, on behalf of a corporation to be incorporated
Prince Rupert, British Columbia

*Applications 2010-0879-8 and 2010-0646-1, received 26 May 2010 and 15 April 2010
Public Hearing in Saskatoon, Saskatchewan
6 October 2010*

New FM station in Prince Rupert

*The Commission **approves** the application by Astral Media Radio (Toronto) Inc. and 4382072 Canada Inc., partners in a general partnership carrying on business as Astral Media Radio G.P., for a broadcasting licence to operate a new English-language commercial FM radio station to replace the existing AM station CHTK Prince Rupert. The terms and **conditions of licence** are set out in the appendix to this decision.*

*The Commission **denies** the application by Barry Alan Wall, on behalf of a corporation to be incorporated, for a broadcasting licence to operate a new English-language commercial FM radio station in Prince Rupert.*

Introduction

1. The Commission received two applications to operate a new English-language commercial radio programming undertaking to serve Prince Rupert. One application was by Astral Media Radio (Toronto) Inc. and 4382072 Canada Inc., partners in a general partnership carrying on business as Astral Media Radio G.P. (Astral). The other application was by Barry Alan Wall, on behalf of a corporation to be incorporated (Wall). Both applications proposed use of the frequency 99.1 MHz and, as a result, were mutually exclusive on a technical basis.

Astral's application

2. Astral applied for a licence to operate a new commercial FM radio programming undertaking to replace the existing AM station CHTK Prince Rupert. CHTK currently offers an adult contemporary music format with 50 hours of local programming including 2 hours and 50 minutes of news during each broadcast week. Local programming includes regular national, regional and local newscasts, weather and

road conditions, along with extensive coverage of community events and activities that are of particular interest to its listeners. CHTK also plays an active role in the local community. According to the Astral, CHTK regularly contributes staff time and on-air resources to support important local charitable events and other community-based initiatives. Astral indicated that it does not propose to change the programming of CHTK once it is available on the FM band.

Wall's application

3. Wall applied for a licence to operate a new commercial FM radio programming undertaking that would offer a classic hits music format with 126 hours of local programming, including 3 hours and 21 minutes of news, during each broadcast week. Local programming would include local, national and international news, as well as surveillance materiel such as sports, local and marine weather and community billboards.

Interventions

4. The Commission received interventions in support of both the Astral and Wall applications. The Commission also received an intervention by Astral regarding Wall's application. The public record for this proceeding is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
5. In its intervention, Astral submitted that, given the current economic environment, the Prince Rupert market cannot absorb additional competition and that approval of the Wall application would have a negative impact on Astral's ability to implement the business plan for CHTK.
6. In its reply to Astral's intervention, Wall submitted that its proposed format and sales strategies would have little or no impact on Astral's revenues. Wall was of the view that a local radio station that serves Prince Rupert exclusively would help to stimulate the local economy.

Commission's analysis and determinations

Ability of the Prince Rupert regional radio market to sustain a new radio service

7. Prince Rupert is located in northern British Columbia, nearly 1,000 kilometres north of Vancouver. Prince Rupert's port is known as the transportation hub of British Columbia's north coast. Statistics Canada's 2006 Census indicated that the population of Prince Rupert was 12,815, a decrease of 12.5% since the 2001 Census.
8. Currently, there are two local commercial radio undertakings serving the Prince Rupert market – CHTK operated by Astral, and CIAJ-FM, a low-power specialty FM station operated by Aboriginal Christian Voice Network. Although CIAJ-FM holds a commercial licence, it is restricted, by condition of licence, from broadcasting commercial messages.

9. Based on the size of the market, the recent decline in population and the relatively weak financial performance of the Prince Rupert radio market, the Commission is of the view that the introduction of a new radio service at this time, as proposed by Wall, would have a negative impact on the Prince Rupert radio market.

Conversion of CHTK to the FM band

10. Astral stated that the conversion of CHTK to the FM band is necessary because the current AM transmitter site is no longer viable from a safety and economic standpoint. The AM tower facilities have been condemned and the tower can therefore no longer be climbed, re-lit or maintained.
11. Given the reasons provided by Astral, the Commission is of the view that the conversion of CHTK to the FM band would improve the quality of CHTK's service for listeners in the Prince Rupert market and contribute to improving the station's long-term viability.

Conclusion

12. In light of the above, the Commission **approves** the application by Astral Media Radio (Toronto) Inc. and 4382072 Canada Inc., partners in a general partnership carrying on business as Astral Media Radio G.P. for a broadcasting licence to operate a new English-language commercial FM radio programming undertaking to replace the existing AM station CHTK Prince Rupert. The terms and **conditions of licence** are set out in the appendix to this decision. The Commission also **denies** the application by Barry Alan Wall, on behalf of a corporation to be incorporated, for a broadcasting licence to operate an English-language commercial FM radio programming undertaking in Prince Rupert.

Employment equity

13. Because Astral 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.

Simulcast period and revocation of the AM licence

14. As set out in the appendix to this decision, the licensee is authorized to simulcast the programming of the new FM station on CHTK for a transition period of up to three months following the commencement of operations of the FM station. Pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act* and consistent with the licensee's request, the Commission **revokes** the broadcasting licence for CHTK effective at the end of this simulcast period.

Secretary General

Appendix to Broadcasting Decision CRTC 2011-19

Terms and conditions of licence

Terms

Issuance of the broadcasting licence to operate an English-language commercial FM radio programming undertaking serving Prince Rupert, British Columbia

The licence will expire 31 August 2017.

The new station will operate on frequency 99.1 MHz (channel 256A) with an effective radiated power of 160 watts (non-directional antenna with an effective height of antenna above average terrain of 578 metres).

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.

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.

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 11 January 2013. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

Conditions of licence

1. The licence will be subject to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.
2. The licensee is authorized to simulcast the programming of the new FM station on CHTK Prince Rupert for a transition period of three months following the commencement of operations of the FM station.