



Broadcasting Decision CRTC 2013-196

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Route reference: 2012-616

Ottawa, 23 April 2013

Newcap Inc.

Wainwright, Alberta

Application 2012-0943-7, received 2 August 2012

Application 2012-0935-4, received 3 August 2012

Public hearing in the National Capital Region

18 January 2013

CKKY Wainwright – Conversion to the FM band; CKWY-FM Wainwright – Technical change

*The Commission **approves** the application by Newcap Inc. (Newcap) for a broadcasting licence to operate an English-language commercial FM radio station in Wainwright, Alberta to replace its AM station CKKY Wainwright.*

*The Commission also **approves** the application by Newcap to change the authorized contours of the English-language commercial FM radio station CKWY-FM Wainwright in order to reduce signal overlap between its radio stations in the Wainwright radio market and in the adjacent Lloydminster radio market.*

The applications

Conversion of CKKY Wainwright to the FM band

1. Newcap Inc. (Newcap) filed an application (2012-0943-7) for a broadcasting licence to operate an English-language commercial FM radio station in Wainwright, Alberta to replace its AM station CKKY Wainwright. The Commission did not receive any interventions in connection with this application.
2. Newcap is a corporation controlled by Mr. Harold R. Steele.
3. The new station would operate at 101.9 MHz (channel 270C1) with an effective radiated power (ERP) of 50,000 watts (non-directional antenna with an effective height of antenna above average terrain (EHAAT) of 169.5 metres).
4. Newcap indicated that the new FM station would maintain CKKY's current Country music format and that it would continue to target adults from 25 to 64 years of age, with a core audience of women between 35 and 54 years of age. It further indicated that it does not plan to make any changes to the existing news and spoken word schedule, with 170 minutes per broadcast week to be devoted to news.

5. The licensee submitted that conversion of CKKY to the FM band would improve the existing local radio service for Wainwright. It further submitted that the provision of a superior quality FM service would stop a steady decline in revenues for the station. Finally, Newcap stated that the proposed conversion would resolve issues relating to the night time coverage of its AM radio station CFCW Camrose, which were also addressed by the Commission's approval of a technical change for that station in Broadcasting Decision 2008-310.
6. In regard to contributions to Canadian content development (CCD), Newcap committed to devote, by condition of licence, over and above the basic annual CCD contribution required pursuant to section 15 of the *Radio Regulations, 1986* (the Regulations), \$35,000 to CCD, to be expended in annual amounts of \$5,000 over the first seven years of operation. The licensee noted that 20% of the over-and-above CCD contribution would be devoted to FACTOR, and that the remaining 80% would be directed to the Wainwright School for its music programs.
7. Newcap also requested authorization to simulcast the programming of the new FM station on CKKY for a period of three months following implementation of the new FM station. At the end of the simulcast period, the broadcasting licence for CKKY would be revoked, pursuant to sections 9(1)(e) and 24(1) of the *Broadcasting Act* (the Act).

Technical change for CKWY-FM Wainwright

8. In connection with the above application, Newcap filed an application (2012-0935-4) to change the authorized contours of its English-language commercial FM radio station CKWY-FM Wainwright by decreasing the ERP from 100,000 watts to 50,000 watts, and by increasing the EHAAT from 167 metres to 169.5 metres. The Commission did not receive any interventions in connection with this application.
9. The licensee stated that the proposed power reduction would reduce signal overlap between its stations in the Wainwright radio market and in the adjacent Lloydminster radio market. It further stated that the reduction in signal overlap would allow the proposed conversion of CKKY to the FM band by ensuring that the licensee is in compliance with the Commission's Common Ownership Policy for radio (the Common Ownership Policy).
10. The Commission notes that Newcap is the sole commercial radio operator in the Wainwright radio market. It further notes that with the proposed power reduction, CKWY-FM would be able to continue to fully serve that radio market.

Commission's analysis and decision

11. After examining the applications in light of applicable regulations and policies, the Commission considers that the issue to be addressed is whether Commission approval of the proposed conversion of CKKY to the FM band would be consistent with the Common Ownership Policy.

12. In Broadcasting Decision 2008-343, the Commission denied an application by Newcap to convert CKKY to the FM band. In that decision, the Commission stated that approval of the application would give the licensee three FM stations in the Lloydminster market and, as such, would not be consistent with the Common Ownership Policy.
13. In Broadcasting Information Bulletin 2010-341, the Commission set out guidelines for the application of the Common Ownership Policy, including guidelines for determining the number of commonly owned stations in a market. Based on concerns relating to diversity of voices, the Commission established that “[w]here the population in the overlapping area includes less than 5% of the population of the market, the station will generally be excluded when assessing the number of stations operated by that person in a particular language in that market.”
14. For the present case, the proposed technical changes to CKWY-FM and the proposed technical parameters for the new FM radio station would result in a population overlap of 1.22% within the 3mV/m contours of those stations and of CKSA-FM Lloydminster, Newcap’s station in the Lloydminster radio market. Given that this overlap is less than the 5% specified above, the Commission considers that approval of the present application would be consistent with the Common Ownership Policy.

Other matters

15. In regard to the new FM radio station to replace CKKY, the Commission reminds the licensee that it must adhere to the requirements relating to contributions to CCD set out in section 15 of the Regulations, as amended from time to time.
16. As set out in the appendix to this decision, Newcap shall also contribute, by **condition of licence**, an additional \$5,000 per broadcast year to CCD, for a total of \$35,000 over seven consecutive broadcast years. Of this amount, not less than 20% must be devoted to FACTOR. The remainder must be directed to eligible initiatives.
17. The Commission reminds the licensee that any development initiatives that have not been allocated to specific parties by condition of licence must be allocated to the support, promotion, training and development of Canadian musical and spoken word talent, including journalists. Parties and initiatives eligible for CCD funding are identified in paragraph 108 of Broadcasting Public Notice 2006-158.

Conclusion

18. 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 Wainwright, Alberta to replace its AM station CKKY Wainwright. The terms and **conditions of licence** are set out in the appendix to this decision.
19. Further, the Commission **approves** the application by Newcap Inc. to change the authorized contours of CKWY-FM Wainwright by decreasing the ERP from

100,000 watts to 50,000 watts, and by increasing the EHAAT from 167 metres to 169.5 metres.

Simulcast period and revocation of AM licence

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

Employment equity

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

Secretary General

Related Documents

- *Revised guidelines for the application of the Common Ownership Policy for Radio*, Broadcasting Information Bulletin CRTC 2010-341, 4 June 2010
- *CKKY Wainwright – Conversion to FM band*, Broadcasting Decision CRTC 2008-343, 5 December 2008
- *CFCW Camrose – Technical change*, Broadcasting Decision CRTC 2008-310, 14 November 2008
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

**This decision is to be appended to each broadcasting licence. The appendix to this decision is to be appended to the broadcasting licences for CKKY Wainwright and the new FM radio station.*

Appendix to Broadcasting Decision CRTC 2013-196

Terms, conditions of licence and expectation for the English-language commercial FM radio programming undertaking in Wainwright, Alberta

Terms

The licence will expire 31 August 2019.

The station will operate at 101.9 MHz (channel 270C1) with an effective radiated power of 50,000 watts (non-directional antenna with an effective height of antenna above average terrain of 169.5 metres).

The Commission reminds the applicant that, pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry 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 **23 April 2015**. 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 licensee shall adhere 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. In addition to the basic annual contribution to Canadian content development (CCD) set out in section 15 of the *Radio Regulations, 1986*, the licensee shall make a contribution of \$35,000 to CCD, to be allocated as follows over seven consecutive broadcast years upon commencement of operations: \$5,000 per broadcast year. Of this amount, the licensee shall allocate at least 20% to FACTOR on an annual basis. The remainder of this additional CCD contribution shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.
3. The licensee shall adhere to its self-regulatory guidelines on sex-role portrayal as amended from time to time and approved by the Commission, and, as a minimum, to the Canadian Association of Broadcasters' *Equitable Portrayal Code*, as amended from time to time and approved by the Commission.

4. The licensee is authorized to simulcast the programming of the new FM station on CKKY Wainwright for a transition period of three months following the commencement of operations of the FM station.

Expectation

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment.