## **Broadcasting Decision CRTC 2019-388**

PDF version

Reference: 2019-107

Ottawa, 29 November 2019

## **Star Choice Television Network Incorporated**

Across Canada

Public record for this application: 2018-0753-8

## Shaw Direct – Licence renewal

The Commission **renews** the broadcasting licence for the national direct-to-home broadcasting distribution undertaking Shaw Direct from 1 December 2019 to 31 August 2026.

In addition, the Commission **approves** requests by the licensee to maintain certain conditions of licence.

## **Application**

1. Star Choice Television Network Incorporated (Star Choice) filed an application to renew the broadcasting licence for its national direct-to-home (DTH) broadcasting distribution undertaking (BDU) Shaw Direct, which expires 30 November 2019. In its application, the licensee also requested or commented on the addition of, amendments to and deletion of certain conditions of licence, as discussed throughout this decision.

#### Interventions

2. The Commission received interventions from RNC Media Inc. and Télé Inter-Rives Itée (RNC/Télé Inter-Rives); The Miracle Channel Association (Miracle Channel), the licensee of the television programming undertaking CJIL-DT Lethbridge, Alberta; and the Local Independent Television Stations Group (LITS Group). It also received numerous interventions from individuals, most of whom commented on Star Choice's local television satellite solution (LTSS). Star Choice replied collectively to the interventions.

<sup>&</sup>lt;sup>1</sup> This broadcasting licence was administratively renewed from 1 September 2019 to 30 November 2019 in Broadcasting Decision 2019-267.



#### Issues

- 3. After examining the record for this application in light of applicable regulations and policies, the Commission considers that the issues it must address relate to the following:
  - requests by interveners regarding the addition of television stations to the basic service offering of Shaw Direct;
  - the use of postal codes when dealing with requests for simultaneous substitution;
  - the distribution of local television stations in standard definition (SD) and/or high definition (HD);
  - the LTSS program;
  - the licensee's adherence to the Wholesale Code and to the Television Service Provider Code (TVSP), and participation in the Commission for Complaints for Telecom-television Services Inc. <sup>2</sup> (CCTS)
  - conditions of licence and expectations relating to accessibility;
  - the closed captioning of promotional material inserted in local availabilities;
  - previously identified non-compliance and the length of the new licence term; and
  - other matters.

#### Addition of television stations to the basic service

4. Shaw Direct is currently subject to a condition of licence set out in the appendix to Broadcasting Decision 2016-75, as amended in Broadcasting Decision 2017-321, that requires the undertaking to distribute certain television stations as part of the basic service to subscribers whose residence or other premises are located in the following provinces or regions: British Columbia, Alberta, Saskatchewan, Manitoba, Southern Ontario, Eastern Ontario, North/Central Ontario, Western Quebec, Eastern Quebec, the Atlantic Provinces, Yukon, and the Northwest Territories and Nunavut. The Commission imposed this requirement as an exception to section 46(2) and sections 46(4) through (7) of the *Broadcasting Distribution Regulations* (the Regulations), which relate to services to be distributed as part of the basic service, in light of Star Choice's argument that Shaw Direct's infrastructure was never designed to deliver the multitude of distinct basic services required of terrestrial BDUs.

<sup>&</sup>lt;sup>2</sup> Formerly the Commissioner for Complaints for Telecommunications Services Inc.

#### Interventions

- 5. RNC/Télé Inter-Rives requested that Star Choice be required to add CFGS-DT Gatineau, Quebec, to the basic service for Eastern Ontario given that the station also serves the Ottawa market. It further requested that the licensee be required to add CFTF-DT Rivière-du-Loup, CHAU-DT Carleton-sur-Mer and CIMT-DT Rivière-du-Loup, Quebec to the basic service for the Atlantic Provinces since each of these stations has HD rebroadcasting transmitters in New Brunswick and are the sole source of alternative French-language television programming for the Atlantic Provinces.
- 6. Miracle Channel requested that Star Choice be required to distribute all independent small market stations as part of its basic service packages, including CJIL-DT, as appropriate.
- 7. The LITS Group noted certain unintended anomalies in regard to Shaw Direct's basic service offering. Specifically, it submitted that strict adherence to provincial boundaries has deprived Ottawa area residents of CFGS-DT, the V affiliate in Gatineau. Further, it noted that CHCH-DT Hamilton, Ontario is part of the Southern Ontario basic service, but is not part of the Eastern or North/Central Ontario basic services despite the fact that rebroadcasting transmitters operate in those regions. Finally, the intervener submitted that since CFTF-DT, CHAU-DT and CIMT-DT have rebroadcasting transmitters in New Brunswick, they should be part of the basic service for the Atlantic Provinces.
- 8. In reply, Star Choice stated that adding the stations proposed by the interveners to Shaw Direct's basic service offering would not impose significant costs or technical challenges on the operations of the undertaking, and that it would agree to add them as requested should the Commission determine that this would be in the public interest. The licensee noted, however, that CJIL-DT is an English-language religious over-the-air (OTA) television station and argued that adding that station to the basic service would raise issues that should be considered in a policy proceeding.

#### Commission's analysis and decisions

- 9. In Broadcasting Regulatory Policy 2015-96, in order to maximize consumer choice and ensure that Canadians who may wish to select only a small number of services have the option of purchasing a reasonably priced entry-level service package, the Commission determined that BDUs would be required to offer a basic service package for no more than \$25. This package includes services designated by the Commission under section 9(1)(h) of the *Broadcasting Act* for mandatory distribution on the basic service and educational services.
- 10. The basic service package also contains various conventional television stations. In the case of terrestrial BDUs, whether a television station forms part of the basic service generally depends on whether the signal is local or regional.

- 11. For DTH BDUs, which have certain technical limitations, different regulatory obligations apply. Section 46 of the Regulations sets out that DTH BDUs must include as part of the basic service certain conventional television stations, which differ depending on the province or territory in which the subscriber is located. Shaw Direct's condition of licence functions as an exception to these specific requirements, though in practice, it still requires the licensee to distribute distinct packages of conventional television stations to subscribers based on the areas in which they are located.
- 12. The stations that the interveners proposed be added to Shaw Direct's basic service offering operate rebroadcasting transmitters in service areas where the corresponding basic service is being offered (i.e., CFTF-DT, CHAU-DT, CHCH-DT and CIMT-DT), or can be received over the air by some consumers in locations where the basic service is being offered (i.e., CFGS-DT). Requiring that these stations be added to the basic service offering of Shaw Direct would be consistent with the practices accepted by the Commission for other BDUs.
- 13. In regard to CJIL-DT, as is the case for other local television stations, this station has a transmission tower and broadcasts a significant amount of local programming. Accordingly, the Commission is of the view that CJIL-DT should be treated in a similar manner to other local television stations.
- 14. In light of the above, and given that Star Choice has indicated that it would be capable of adding additional local television stations to Shaw Direct's basic service offering, the Commission finds that it would be appropriate to amend the current condition of licence relating to the distribution of television stations as part of Shaw Direct's basic service offering in order to add the following stations:
  - Alberta: CJIL-DT Lethbridge;
  - Atlantic provinces: CFTF-DT Rivière-du-Loup, CHAU-DT Carleton-sur-Mer and CIMT-DT Rivière-du-Loup;
  - North/Central Ontario: CHCH-DT Hamilton; and
  - Eastern Ontario: CFGS-DT Gatineau and CHCH-DT Hamilton.
- 15. The amended **condition of licence** is set out in the appendix to this decision.

## Use of postal codes when dealing with requests for simultaneous substitution

16. The LITS Group expressed concern over Star Choice's practice of using postal codes as a proxy to determine the areas to apply simultaneous substitution.<sup>3</sup> It argued that postal codes rarely match the broadcasting contours of television stations, which results in independent television stations losing substitution and deletion rights in

<sup>&</sup>lt;sup>3</sup> Simultaneous substitution occurs when, following a request from a Canadian television station, a distributor temporarily replaces the signal of one television channel with that of a local or regional channel showing the same program at the same time.

- parts of their respective markets. The LITS Group therefore proposed that DTH BDU operators should be expected to use real coverage areas when dealing with requests for simultaneous substitution when Grade B official broadcast contour population statistics deviate from DTH postal code data by more than five percent.
- 17. In reply, Star Choice stated that its virtual channel override (VCO) technology cannot perform an exact mapping of the Grade B contours of television stations, but performs substitutions for all subscribers located within a certain radius of a postal code (such as the postal code of the broadcaster's transmitter). The licensee further stated that it has not received complaints from broadcasters regarding its implementation of simultaneous substitution.
- 18. Star Choice added, however, that should a broadcaster consider that the implementation of simultaneous substitution for a specific market is incomplete, it would investigate the VCO coverage in the market in question and make any necessary adjustments. The licensee submitted that this is a matter that should be dealt with collaboratively on a case-by-case basis between itself and the broadcaster in question. Finally, Star Choice opposed any new regulatory requirements in this regard.
- 19. The Commission considers that postal codes as currently used by DTH BDUs are a reasonable compromise that has generally been accepted by the industry, as well as by the Commission, since the emergence of such undertakings. Further, the LITS Group did not provide any evidence of whether the use of postal codes has a negative impact on the potential revenues of independent television stations. In the Commission's view, this issue would more appropriately addressed through discussions between the affected television stations and DTH BDUs. Finally, the Regulations include undue preference provisions under which any programmer that considers it is being treated unfairly in a specific case may seek a Commission determination. Accordingly, the Commission does not find it appropriate to impose on Shaw Direct any measures in regard to the use of postal codes when the undertaking addresses requests for simultaneous substitution.

# Distribution of local television stations in standard definition and/or high definition

20. The quality of the image displayed on a screen depends on the number of pixels contained in the image. Generally, the greater the number of pixels, the better the quality of the image. HD resolution offers a greater number of pixels (both vertically and horizontally on a screen) than does SD resolution. A consequence of this is that an HD television signal takes up more bandwidth than an SD television signal.

#### Interventions

- 21. Shaw Direct currently distributes a number of local television stations only in SD rather than in HD. In its intervention, RNC/Télé Inter-Rives requested that the Commission impose a condition of licence requiring the distribution of all of its television stations in HD on Shaw Direct.
- 22. For its part, the LITS Group requested that the Commission impose a condition of licence that would require Star Choice to distribute on Shaw Direct all independent local television stations in the format in which they are broadcast over the air, or if provided via direct feed, in the format of that feed. It added that should Star Choice provide compelling evidence that it would be impossible or burdensome for it to distribute all independent television stations in HD, the licensee should allocate available capacity to affected ownership groups on a rational basis, taking into account the level of success and amount of distinctive local programming on each station.
- 23. In reply, Star Choice stated that, owing to significant investments in its DTH delivery platform over the licence term, it expects that all local independent stations will be distributed by Shaw Direct in HD by early 2020 and, therefore, that a condition of licence is not necessary. The licensee added that there are significant competitive reasons that compel BDUs to distribute as many HD signals as possible, and that the delivery of HD signals should be governed by market demand, innovation and investment.

#### Commission's analysis and decisions

- 24. Section 46(9) of the Regulations sets out that a licensee that distributes a programming service under section 46 may also distribute the HD version of that service. Accordingly, unless specified in a condition of licence, DTH BDUs are permitted but not required to distribute local television stations in HD.
- 25. The number of services that a DTH BDU can distribute is limited by the hardware and software installed on its operating satellites. Due to such limitations, DTH BDUs have had to exercise some discretion in determining the signals to be distributed in HD. However, the Commission notes Star Choice's plans to carry all independent television stations in HD by early 2020 and encourages it to follow through in this regard.
- 26. In light of the above, the Commission does not find it necessary to impose on Shaw Direct a condition of licence that would require all local television stations to be distributed in HD. Nevertheless, given the clear benefits of HD distribution to consumers and to television stations, the Commission encourages Star Choice to increase the number of independent television stations distributed in HD by Shaw Direct as the undertaking's capacity to do so becomes available.

## Local television satellite solution program

- 27. In Broadcasting Public Notice 2007-53, the Commission noted the view of the Department of Industry<sup>4</sup> (the Department) that, from the perspective of efficient and effective management of radio spectrum, serious consideration should be given to specifying a date for the shutdown of OTA analog television transmission. The Department proposed that such a date could be closely aligned within a North American market time frame with a view to ensuring that Canadians would be able to receive Canadian OTA digital television.
- 28. In that same public notice, the Commission established 31 August 2011 as the date for the transition from analog to digital conventional television in Canada. In Broadcasting Regulatory Policy 2010-485, in which the Commission addressed issues relating to the digital television transition, it noted that by 31 August 2011, broadcasters would be expected to convert full-power transmitters to digital in mandatory markets<sup>5</sup> and that certain channels would have to be vacated both inside and outside mandatory markets. As discussed in that regulatory policy, it was expected that the digital transition would affect the ability of some households to receive OTA signals where they had done so previously.
- 29. In Broadcasting Decision 2010-782, the Commission approved an application by Shaw Communications Inc.<sup>6</sup> (Shaw), on behalf of Canwest Global Communications Corp. (Canwest Global), for authority to change the effective control of Canwest Global's licensed broadcasting subsidiaries, which would henceforth be exercised by Shaw. As part of the tangible benefits package stemming from that transaction,<sup>7</sup> Shaw committed to provide satellite-delivered local broadcasting services to households that had previously relied solely on OTA reception of such signals in markets where local broadcasters had ceased analog transmission and had not converted to digital transmission (the "local television satellite solution," or LTSS, program).
- 30. More specifically, under the LTSS program, the Commission required Shaw to spend \$15 million to provide satellite receivers and dishes, and associated installation, to certain households that had relied solely on OTA reception to access at least one local and/or regional television station. As specified in Broadcasting Decision 2010-782, there was consensus, at that time, that the LTSS would benefit approximately 31,500 households. Qualifying households would receive, free of charge, access to local and regional programming through the LTSS program until the end of Shaw Direct's subsequent licence term.

<sup>&</sup>lt;sup>4</sup> The legal title of the department now more commonly known as Innovation, Science and Economic Development Canada

<sup>&</sup>lt;sup>5</sup> The mandatory markets are set out in Broadcasting Regulatory Policy 2010-167.

<sup>&</sup>lt;sup>6</sup> Star Choice is part of the Shaw Communications Inc. ownership group.

<sup>&</sup>lt;sup>7</sup> The Commission's tangible benefits policy relating to transactions involving television programming undertakings is currently set out in Broadcasting Regulatory Policy 2014-459. At the time of the transaction, this policy was set out in Public Notice 1999-97 and Broadcasting Public Notice 2007-53.

31. In an application posted to the Commission's website on 10 September 2015, Shaw provided a report on the implementation of the LTSS and an accounting of the funds spent on the program. Those materials indicated that, by that point, the program had attracted more than the anticipated 31,500 households and that more than the anticipated amount of funding had been expended on the program. Consequently, Shaw requested the allocation of tangible benefit monies from other initiatives to cover this over-subscription to the LTSS. The Commission approved Shaw's request in Broadcasting Decision 2016-91.

#### Interventions

- 32. The Commission received 150 interventions from individual interveners, located in diverse areas of the country, concerning the LTSS. Generally, these interveners requested that the Commission require Star Choice to continue with the LTSS program. Their general concern related to how the re-allocation of broadcasting spectrum had resulted in the loss of access to television signals that they had received over the air and for which they had not incurred any costs (with the exception of the cost of an antenna). Certain interveners argued that Canadians should be able to receive Canadian Broadcasting Corporation (CBC) television stations without having to subscribe to BDU packages given that the CBC receives funding from taxpayers. Others noted that free television is the only source of affordable news and information programming available to low-income Canadians, and considered it unfair that Canadians located in more remote areas do not enjoy free access to news and information broadcasts as do Canadians located closer to OTA television transmitters.
- 33. Certain interveners submitted that the LTSS program should now be considered a core component of Canada's broadcasting system, which could not be removed without disadvantaging many rural Canadians and communities. Interveners also argued that consumers should not bear the burden of technological changes over which they had little control, and noted the fact that there is no alternative plan to provide Canadians with similar no-fee access to local, regional, and national television programming.
- 34. In reply, Star Choice stated that it has fulfilled its commitment to spend the required funds. Accordingly, the licensee confirmed that the program would conclude 31 August 2019, but also noted that to ensure LTSS program participants are able to maintain access to affordable television services, it launched the LTSS Plus package in April 2018, which was offered exclusively to LTSS program participants. This package, priced at \$10.00 per month for the first two years and at \$25.00 per month thereafter with free equipment rentals, includes Shaw Direct's basic service offering, U.S. 4+1 stations and complimentary access to the national video-on-demand service Shaw On Demand and to the Shaw Direct FreeRange TV application. Star Choice noted that it has endeavoured to contact all LTSS program participants to inform them of the conclusion of that program and to provide them with the opportunity to subscribe to the LTSS Plus program.

#### Commission analysis and decisions

- 35. To help ensure that changes in the ownership or control of broadcasting undertakings are in the public interest, the Commission expects applicants to propose tangible benefits, in the form of financial contributions, that are proportionate to the size and nature of the transaction and that will yield measurable improvements to the communities served by the broadcasting undertaking to be acquired, as well as to the Canadian broadcasting system as a whole. Tangible benefits are linked to a specific transaction and, generally, are to be expended in equal amounts over a fixed period of time, typically seven consecutive broadcast years.
- 36. The LTSS program represented one such tangible benefit. Shaw, the parent company of Star Choice, was required to spend a specific amount of money relating to the provision of the LTSS program as a condition of the Commission approving its application to gain control of Canwest Global's licensed broadcasting undertakings. Star Choice has now fulfilled this obligation. Specifically, it has spent the required funds to provide the LTSS to more than 31,500 households that had relied solely on OTA reception to access at least one local and/or regional television station over the timeframe specified by the Commission. As such, there is no further regulatory requirement for Star Choice to continue with the LTSS program.
- 37. Moreover, the Commission considers that Star Choice has provided appropriate accommodations to LTSS program participants, including adequate notice of the end of the program. In addition, Star Choice has provided those participants with the opportunity to subscribe to the LTSS Plus program, an offer that is consistent with the mandatory price ceiling for the basic service and that is, at least for an initial period of two years, priced substantially lower than this ceiling. This new program addresses, at least in part, the concerns of Canadian viewers from rural and remote communities and those with lower household incomes who had previously relied exclusively on OTA television stations.
- 38. Finally, the Commission notes the position taken by several interveners that viewers in rural and remote communities should continue to be offered basic service at no charge. In the Commission's view, this is a broader policy issue with potential implications for the entire broadcasting system and is, therefore, beyond the scope of the present licence renewal proceeding.

Adherence to the Wholesale Code and to the Television Service Provider Code, and participation in the Commission for Complaints for Telecom-television Services Inc.

39. In Broadcasting Decision 2016-458, the Commission imposed on BDUs conditions of licence relating to the Wholesale Code (set out in the appendix to Broadcasting Regulatory Policy 2015-438), the TVSP Code (set out in the appendix to Broadcasting Regulatory Policy 2016-1) and participation in the CCTS (see Broadcasting and Telecom Regulatory Policy 2016-102). The condition of licence

- relating to the Wholesale Code had already been imposed on Shaw Direct in Broadcasting Decision 2016-75. Those relating to the TVSP Code and participation in the CCTS were imposed on Shaw Direct in 2016-458, to take effect 1 November 2017 and expire at the end of the service's licence term.
- 40. In regard to the present application, Star Choice did not request that these conditions of licence be maintained for Shaw Direct. However, it would be consistent with Broadcasting Decision 2016-458 and with the Commission's general approach to BDUs to require the imposition of these conditions of licence on Shaw Direct for its upcoming licence term. Accordingly, **conditions of licence** relating to adherence to the Wholesale Code and to the TVSP Code, and to participation in the CCTS, are set out in the appendix to this decision.

## Conditions of licence and expectations relating to accessibility

- 41. The Commission's current policy regarding accessibility, set out in Broadcasting and Telecom Regulatory Policy 2009-430, includes a framework of conditions of licence, requirements, expectations and encouragements relating to the provision of closed captioning, described video and audio description, as well as requirements, expectations and encouragements relating to customer facing information. In Broadcasting Decision 2018-263, in which the Commission announced the renewal of the broadcasting licences for various BDUs, the Commission noted that BDU licensees that were subject to an encouragement relating to the accessibility of their set-top boxes no longer need that encouragement as it was superseded by the requirement in this regard set out in section 7.3 of the Regulations. That section was added to the Regulations pursuant to the Commission's determination in this regard set out in Broadcasting Regulatory Policy 2015-104.
- 42. In that same decision, the Commission stated that all of the BDUs for which the licences were being renewed would be subject to the same conditions of licence and expectations relating to accessibility. In regard to the present case, Star Choice confirmed that it would adhere to the standard conditions of licence, requirements and expectations relating to accessibility. The licensee requested, however, that Shaw Direct not be subject to the standard conditions of licence relating to the provision of audio description for news and information programming given that the undertaking does not provide such programming.
- 43. In light of the above, the Commission has set out, in the appendix to this decision, the standard **conditions of licence** and expectations relating to accessibility for Shaw Direct, with the exception of the above-noted conditions of licence relating to audio description.

## Closed captioning of promotional material inserted in local availabilities

44. Local availabilities are periods of advertising time (normally two minutes per hour) in non-Canadian specialty services that are used for the promotion of first-run, original Canadian television programs and services offered by BDUs. Star Choice had

- indicated that it would adhere to a condition of licence requiring it to ensure that promotional material inserted in local availabilities is closed captioned, if required.
- 45. However, in Broadcasting Decision 2018-263, in which the broadcasting licences for various terrestrial BDUs were renewed, the Commission determined that it would be appropriate to expect those BDUs to close caption any advertising, sponsorship messages and promos inserted in local availabilities, rather than require them to do so by condition of licence. None of the interveners to this proceeding commented on this issue.
- 46. In the circumstances, and to allow Shaw to build towards being capable of fulfilling such a closed captioning requirement on a timeline consistent with other BDUs, the Commission expects Star Choice, for the next licence term, to ensure that for Shaw Direct, promotional material inserted in local availabilities is closed captioned.

## Non-compliance and length of new licence term

- 47. Earlier in Shaw Direct's licence term, the Commission completed an audit regarding the licensee's Canadian programming contribution requirements. In a <u>letter</u> to Shaw dated 8 April 2016, the Commission determined that the licensee had not met the requirements in this regard set out in section 52 of the Regulations and found the licensee in non-compliance for the 2012-2013 and 2013-2014 broadcast years. Specifically, the licensee omitted certain revenues from the broadcasting activities used to calculate those requirements, resulting in a shortfall of \$744,541.
- 48. Star Choice indicated that as soon as this issue was brought to its attention, it discontinued the practice at issue and implemented measures to ensure that all revenues that fall within the scope of the Commission's definition are properly captured. In addition, the licensee rectified the shortfall in a timely manner.
- 49. In light of the above, the Commission finds that no further action is necessary to address this matter. Accordingly, the Commission considers it appropriate to renew the broadcasting licence for Shaw Direct for a full term.

#### Other matters

- 50. A joint effort by Innovation, Science and Economic Development Canada and the United States Federal Communications Commission to repurpose some of the 600 MHz spectrum currently used for television broadcasting for mobile wireless telecommunications services may require some television stations and rebroadcasting transmitters to change channels or convert to digital, or that transmitters be shut down where there is no business case for a conversion to digital.
- 51. The LITS Group submitted that the costs involved in relocating transmitters is forcing independent broadcasters to evaluate whether to continue operating several of their rebroadcasting transmitters, and expressed concern over whether those broadcasters would maintain the same distribution rights through BDUs and the same simultaneous substitution and deletion rights as was the case prior to shut down.

- 52. In the Commission's view, it would be difficult to meaningfully address the issue at this time since the LITS Group did not provide specific facts that could ground a substantive analysis of the issue or evidence to demonstrate the effects of an eventual determination. Further, the context of a licensee-specific renewal proceeding does not afford other interested persons an appropriately fulsome opportunity to comment on the broader considerations related to this issue. Accordingly, the Commission finds that the LITS Group's proposal is beyond the scope of the current proceeding.
- 53. Star Choice also requested that certain historical conditions of licence relating to, among other things, the distribution of an electronic program guide and the barker channel be maintained. None of the interveners commented on these requests. The Commission finds that maintaining those conditions of licence would not raise any significant issues and, therefore, **approves** the licensee's requests. **Conditions of licence** in regard to the above are set out in the appendix to this decision.

#### Conclusion

54. In light of all of the above, the Commission **renews** the broadcasting licence for the national direct-to-home broadcasting distribution undertaking Shaw Direct from 1 December 2019 to 31 August 2026. The terms and **conditions of licence** are set out in the appendix to this decision.

## **Employment equity**

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

Secretary General

### Related documents

- Direct to home distribution undertakings and satellite relay distribution undertakings Administrative renewals, Broadcasting Decision CRTC 2019-267, 30 July 2019
- Renewal of licences for various terrestrial broadcasting distribution undertakings that will expire in August 2018 – Introductory decision, Broadcasting Decision CRTC 2018-263, 2 August 2018
- Various licensed and exempt broadcasting distribution undertakings Licence amendments and exemption, Broadcasting Decision CRTC 2017-321, 31 August 2017
- Licence renewal of broadcasting distribution undertakings Review of practices relating to the small basic service and flexible packaging options and imposition of various requirements, Broadcasting Decision CRTC 2016-458, 21 November 2016

- Review of the structure and mandate of the Commissioner for Complaints for Telecommunications Services Inc., Broadcasting and Telecom Regulatory Policy CRTC 2016-102, 17 March 2016
- Reallocation of tangible benefits and extension of deadline to complete analog to digital conversion, Broadcasting Decision CRTC 2016-91, 9 March 2016
- *Shaw Direct Licence amendments*, Broadcasting Decision CRTC 2016-75, 29 February 2016
- *The Television Service Provider Code*, Broadcasting Regulatory Policy CRTC 2016-1, 7 January 2016
- *The Wholesale Code*, Broadcasting Regulatory Policy CRTC 2015-438, 24 September 2015
- Let's Talk TV Navigating the Road Ahead Making informed choices about television providers and improving accessibility to television programming, Broadcasting Regulatory Policy CRTC 2015-104, 26 March 2015
- Let's Talk TV A World of Choice A roadmap to maximize choice for TV viewers and to foster a healthy, dynamic TV market, Broadcasting Regulatory Policy CRTC 2015-96, 19 March 2015
- Simplified approach to tangible benefits and determining the value of the transaction, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- Change in the effective control of Canwest Global Communications Corp.'s licensed broadcasting subsidiaries, Broadcasting Decision CRTC 2010-782, 22 October 2010
- Issues related to the digital television transition, Broadcasting Regulatory Policy CRTC 2010-485, 16 July 2010
- A group-based approach to the licensing of private television services, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010
- Accessibility of telecommunications and broadcasting services, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009
- Determinations regarding certain aspects of the regulatory framework for over-the-air television, Broadcasting Public Notice CRTC 2007-53, 17 May 2007
- Building on success A policy framework for Canadian television, Public Notice CRTC 1999-97, 11 June 1999

*This decision is to be appended to the licence.* 

## **Appendix to Broadcasting Decision CRTC 2019-388**

# Conditions of licence, expectations and encouragement for the national direct-to-home broadcasting distribution undertaking Shaw Direct

#### **Conditions of licence**

- 1. In addition to those services identified in section 48 of the *Broadcasting Distribution Regulations*, the licensee is authorized to distribute:
  - a) the Electronic Program Guide, one English- and one French-language marketing channel for its own service and one English- and one French-language marketing channel for its pay-per-view service;
  - b) any non-Canadian audio programming service that it receives over-the-air anywhere in Canada; and
  - c) any international radio service that is operated or funded by a national government or its agent.
- 2. The licensee shall act in accordance with sections 30 and 33 of the *Broadcasting Distribution Regulations* (the Regulations) when it distributes community programming on its barker channel. "Community programming" shall have the same meaning as that set out in section 1 of the Regulations.
- 3. As an exception to sections 46(2) and (4) to (7) of the *Broadcasting Distribution Regulations*, the licensee shall distribute to a subscriber whose residence or other premises are located in the following provinces or regions, the following television stations as part of its basic service:

Location (province or region) of the residence or other premises of subscribers	Television programming undertaking
British Columbia	CBUFT-DT Vancouver, CBUT-DT Vancouver, CFJC-TV Kamloops, CFTK-TV Terrace, CHAN-DT Vancouver, CHBC-DT Kelowna, CHEK-DT Victoria, CIVI-DT Victoria, CIVT-DT Vancouver, CJDC-TV Dawson Creek, CKPG-TV Prince George and CKVU-DT Vancouver
Alberta	CBRT-DT Calgary, CBXFT-DT Edmonton, CBXT-DT Edmonton, CFCN-DT Calgary, CFCN-DT-5 Lethbridge, CFRN-DT Edmonton, CHAT-TV Medicine Hat, CICT-DT Edmonton, CISA-DT Lethbridge, CITL-DT Lloydminster, CITV-DT Edmonton, CJIL-DT Lethbridge, CKAL-DT Calgary, CKEM-DT Edmonton and CKSA-DT Lloydminster

Saskatchewan	CBKFT-DT Regina, CBKT-DT Regina, CFQC-DT Saskatoon, CFRE-DT Regina, CFSK-DT Saskatoon, CICC-TV Yorkton, CIPA-TV Prince Albert and CKCK-DT Regina  CITL-DT Lloydminster and CKSA-DT Lloydminster, Alberta
Manitoba	CBWFT-DT Winnipeg, CBWT-DT Winnipeg, CHMI-DT Portage La Prairie/Winnipeg, CKND-DT Winnipeg and CKY-DT Winnipeg
Southern Ontario	CBET-DT Windsor, CBLFT-DT Toronto, CBLT-DT Toronto, CBOFT-DT Ottawa, CFMT-DT Toronto, CFPL-DT London, CFTO-DT Toronto, CHCH-DT Hamilton, CHEX-TV-2 Oshawa, CHWI-DT-60 Windsor, CIII-DT-41 Toronto, CITY-DT Toronto, CKCO-DT Kitchener and CKVR-DT Barrie
Eastern Ontario	CBLT-DT Toronto, CBOFT-DT Ottawa, CBOT-DT Ottawa, CFTO-DT Toronto, CHCH-DT Hamilton, CHRO-DT-43 Ottawa, CIII-DT-41 Toronto, CITY-DT Toronto, CJOH-DT Ottawa, CKNY-TV North Bay and CKWS-DT Kingston
	CFGS-TV Gatineau and CHOT-DT Gatineau, Quebec
North/Central Ontario	CBLT-DT Toronto, CBOFT-DT Ottawa, CFTO-DT Toronto, CHBX-TV Sault Ste. Marie, CHCH-DT Hamilton, CHEX-DT Peterborough, CHFD-DT Thunder Bay, CICI-TV Sudbury, CIII-DT-41 Toronto, CITO-DT Timmins, CITY-DT Toronto, CJBN-TV Kenora, CKNY-TV North Bay and CKPR-DT Thunder Bay
Western Quebec	CBFT-DT Montréal, CFJP-DT Montréal, CBMT-DT Montréal, CFCF-DT Montréal, CFEM-DT Rouyn-Noranda, CFGS-DT Gatineau, CFKS-DT Sherbrooke, CFTM-DT Montréal, CFTU-DT Montréal, CFVS-DT Val-d'Or, CHLT-DT Sherbrooke, CHOT-DT Gatineau, CJNT-DT Montréal, CKMI-DT Montréal, CKRN-DT Rouyn-Noranda and CKSH-DT Sherbrooke
Eastern Quebec	CBFT-DT Montréal, CBMT-DT Montréal, CBVT-DT Québec, CFAP-DT Québec, CFCF-DT Montréal, CFCM-DT Québec, CFER-TV Rimouski, CFKM-DT Trois-Rivières, CFJP-DT Montréal, CFRS-DT Saguenay, CFTF-DT Rivière-du-Loup, CFTM-DT Montréal, CFTU-DT Montréal, CHAU-DT Carleton-sur-Mer, CHEM-DT Trois-Rivières, CIMT-DT Rivière-du-Loup, CJBR-DT Rimouski, CJNT-DT Montréal, CJPM-DT Saguenay, CKMI-DT Montréal, CKRT-DT Rivière-du-Loup, CKTM-DT Trois-Rivières and CKTV-DT Saguenay
Atlantic Provinces	CBAFT-DT Moncton, CBAT-DT Fredericton, CHNB-DT Saint John, CKCW-DT Moncton and CKLT-DT Saint John, New Brunswick
	CBHT-DT Halifax, CIHF-DT Halifax, CJCB-DT Sydney and CJCH-DT Halifax, Nova Scotia

	CBCT-DT Charlottetown, Prince Edward Island CBNT-DT St. John's and CJON-DT St. John's, Newfoundland and Labrador  CFTF-DT Rivière-du-Loup, CHAU-DT Carleton-sur-Mer and CIMT-DT Rivière-du-Loup, Quebec  CTV Two Atlantic (also known as /A\ Atlantic) (satellite-to-cable undertaking)
Yukon	CBUFT-DT Vancouver, CBUT-DT Vancouver, CFJC-TV Kamloops, CFTK-TV Terrace, CHAN-DT Vancouver, CHBC-DT Okanagan, CHEK-DT Victoria, CIVI-DT Vancouver, CIVT-DT Vancouver, CJDC-TV Dawson Creek, CKPG-TV Prince George and CKVU-DT Vancouver, British Columbia  CFYK-DT Yellowknife, Northwest Territories
Northwest Territories and Nunavut	CBRT-DT Calgary, CBXFT-DT Edmonton CBXT-DT Edmonton, CFCN-DT Calgary, CFCN-DT-5 Lethbridge, CFRN-DT Edmonton, CHAT-TV Medicine Hat, CICT-DT Calgary, CISA-DT Lethbridge, CITL-DT Lloydminster, CITV-DT Edmonton, CKAL-DT Calgary, CKEM-DT Edmonton and CKSA-DT Lloydminster, Alberta  CBKFT-DT Regina, CBKT-DT Regina, CFQC-DT Saskatoon, CFRE-DT Regina, CFSK-DT Saskatoon CICC-TV Yorkton, CIPA-TV Prince Albert and CKCK-DT Regina, Saskatchewan  CFYK-DT Yellowknife, Northwest Territories

- 4. The licensee is relieved from the requirements of section 7 of the *Broadcasting Distribution Regulations* solely for the purpose of distributing, on a part-time basis, via partial and/or omnibus channels, the local and regional news, weather, sports and other unique local or regional programming exhibited by those licensed over-the-air, i.e., conventional television stations not distributed by the licensee in their entirety. Distribution of programming on a part-time basis is subject to the following requirements:
  - a) Distribution of part-time programming may only take place on a partial channel with the prior written consent of the television station originating the programming. In addition, the further prior written consent of the television station is necessary in order to distribute this part-time programming on an omnibus channel, or at a time that is not simultaneously broadcast on the television station.

- b) Prior notification must be given to the Commission before the programming of a television station to be distributed on a part-time basis is added to the licensee's channel line-up.
- c) The licensee shall provide equitable distribution of participating television stations distributed in the manner described above.
- 5. The licensee is relieved of the requirement of section 47(2)(a) of the *Broadcasting Distribution Regulations* to distribute the specialty service known as Talentvision, unless requested to do so by the licensee of the service.
- 6. The licensee shall provide one or more simple means of accessing described programming, whether in an open or embedded format, that requires little or no visual acuity.
- 7. As an exception to section 7.2(2) of the *Broadcasting Distribution Regulations*, any alert that the licensee receives from the National Alert Aggregation and Dissemination System shall not be required to be received by subscribers who possess non-National Public Alerting System (NPAS) capable receivers identified as "Legacy 97," "DSR 500" and "00.FE." This exception shall continue until the licensee replaces all non-NPAS capable receivers with NPAS-capable receivers. The licensee shall continue its efforts to replace all non-NPAS capable receivers by maintaining internal processes to migrate customers off the above-mentioned receivers.

The licensee shall, until the date on which the solution for the distribution of emergency alerts is fully implemented, report to the Commission on a monthly basis, in writing, as to the remaining number of affected customers for its national direct-to-home broadcasting distribution undertaking Shaw Direct.

- 8. The licensee shall adhere to the Wholesale Code, set out in the appendix to *The Wholesale Code*, Broadcasting Regulatory Policy CRTC 2015-438, 24 September 2015, in its dealings with any licensed or exempt broadcasting undertaking.
- 9. The licensee shall adhere to the Television Service Provider Code, set out in the appendix to *The Television Service Provider Code*, Broadcasting Regulatory Policy CRTC 2016-1, 7 January 2016.
- 10. The licensee shall be a participant in the Commission for Complaints for Telecomtelevision Services Inc.
- 11. As part of its annual reporting, the licensee is required to include in its annual returns information relating to the following:
  - a) the availability of accessible set-top boxes (STBs) and remote controls, and their accessibility features;
  - b) the penetration of accessible STBs and remote controls with the broadcasting distribution undertaking's (BDU) customer base; and
  - c) the number of accessibility-related queries received by the BDU, and the number successfully resolved.

- 12. The licensee shall promote information on all of its disability-specific services and products, in the accessible manner(s) of its choice.
- 13. The licensee shall incorporate an easy-to-find home page link to the sections of its website dealing with the needs of persons with disabilities, if its website includes such sections.
- 14. The licensee shall make the information on its website accessible to the point of providing reasonable accommodation for persons with disabilities. Examples of what the Commission considers to be reasonable accommodations are listed in paragraph 66 of *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009.
- 15. Where customer service functions on its website are not accessible, the licensee shall ensure that persons with disabilities will not incur a charge or otherwise be disadvantaged if they use an alternate avenue of customer service.
- 16. The licensee is required to make accessible any customer service functions that are available solely over its website.
- 17. The licensee is required to make its general call centers accessible to the point of providing reasonable accommodation to persons with disabilities by:
  - a) training customer service representatives in handling enquiries from persons with disabilities and familiarizing them with the service provider's products and services for persons with disabilities; and
  - b) making its Interactive Voice Response systems accessible.

## **Expectations**

The Commission expects the licensee to ensure that subscribers are able to identify programming with described video in the electronic program guide.

The Commission expects the licensee to make information available in alternative formats to subscribers regarding, among other things, the programming and services offered and the channel line-up.

The Commission expects the licensee to close caption any promotional materials inserted into local availabilities.

#### **Encouragement**

The Commission encourages the licensee to increase the number of independent television stations distributed in high definition by the undertaking as the undertaking's capacity to do so becomes available.